



***Sponsored by Senators Klobuchar, Warner and McCain***

*Endorsements: Campaign Legal Center, the Sunlight Foundation, Issue One, Brennan Center for Justice, Common Cause, Public Citizen*

## **Section by Section**

### **SECTION 1 - SHORT TITLE**

The “Honest Ads Act”.

### **SECTION 2 – PURPOSE**

The Act improves disclosure requirements in order to enhance the integrity of American democracy and improve national security.

### **SECTION 3 – FINDINGS**

Includes 13 specific findings that provide the context and arguments in support of the legislation by discussing the increasing reliance on digital platforms for news and information, recent reports that online platforms sold political ads to Russian nationals during the 2016 election, and the dramatic increase of online political ad sales.

### **SECTION 4 – SENSE OF CONGRESS**

Sense of Congress that –

(1) the dramatic increase in digital political advertisements, and the growing centrality of online platforms in the lives of Americans, requires the Congress and the Federal Election Commission to take meaningful action to ensure that laws and regulations provide the accountability and transparency that is fundamental to our democracy;

(2) free and fair elections require both transparency and accountability which give the public a right to know the true sources of funding for political advertisements in order to make informed political choices and hold elected officials accountable; and

(3) transparency of funding for political advertisements is essential—to enforce other campaign finance laws, including the prohibition on campaign spending by foreign nationals.

## **SECTION 5 –EXPANSION OF DEFINITION OF PUBLIC COMMUNICATION**

The *Federal Election Campaign Act* (FECA), a decades-old piece of legislation that regulates political spending and disclosure requirements, currently limits the definition of public communication to “a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising.”

Section 5 includes language to update Sec. 301 & Sec. 318 of FECA to make sure it includes paid Internet, or paid digital communications in the definitions of public communication.

## **SECTION 6 –EXPANSION OF DEFINITION OF ELECTIONEERING COMMUNICATION**

FECA currently limits the definition of an electioneering communication to “any broadcast, cable, or satellite communication” that 1) refers to a clearly identified federal candidate 2) is made within 60 days of a general election or 30 days before a primary election and 3) in the case of a congressional races is targeted to the relevant electorate.

Section 6 updates FECA to include paid or promoted Internet, or paid digital communications, in the definition of electioneering communication. It also removes the relevant electorate targeting provision for online congressional ads and expands the news exemption to cover digital news, blogs, etc.

## **SECTION 7 –APPLICATION OF DISCLAIMER STATEMENTS TO ONLINE COMMUNICATIONS**

Updates the requirements that currently apply to electioneering communications and public communications to ensure that they provide disclaimers in a “clear and conspicuous manner” and provides a safe harbor for online communications that meet specific disclaimer requirements for online text, audio, and video communications.

## **SECTION 8 –POLITICAL RECORD REQUIREMENTS FOR ONLINE PLATFORMS**

Extends the current requirements for public access to broadcasting, cable, and satellite records of political ad sales to digital platforms. It enhances transparency and accountability for paid political advertisements by requiring digital platforms with 50,000,000 or more unique monthly visitors for a majority of months during the preceding 12 months to maintain a complete record of requests from advertisers whose aggregate requests to purchase qualified political advertisements on that platform within the preceding 12 months exceed \$500. This record must be available for online public inspection, in a machine-readable format.

This record would include:

- a digital copy of the advertisement
- a description of the audience the ad targets
- the average rate charged for the ad
- the name of the candidate/office or legislative issue to which the ad refers (if applicable)
- the contact information of the true purchaser

Online platforms are also required to maintain the records for at least four years. The Federal Election Commission (FEC) must complete a rulemaking within 90 days of enactment to ensure the Act is carried out according to the law and to report to Congress every 2 years regarding compliance with the law.

**SECTION 9 – PREVENTING CONTRIBUTIONS, EXPENDITURES, INDEPENDENT EXPENDITURES, AND DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS BY FOREIGN NATIONALS IN THE FORM OF ONLINE ADVERTISING**

Requires that all advertising platforms – whether broadcast, radio, or digital – make reasonable efforts to ensure that the foreign participation ban (which broadly prohibits foreign nationals from attempting to influence elections through donations, expenditures, or other things of value) is not violated by paid advertising on their platforms.