

Proposition 59
Campaign Finance: Voter Instruction.
(SB 254, Chapter 20, Statutes of 2016)

Yes/No Statement

A **YES** vote on this measure means: Voters would be asking their elected officials to use their constitutional authority to seek increased regulation of campaign spending and contributions. As an advisory measure, Proposition 59 does not require any particular action by the Congress or California Legislature.

A **NO** vote on this measure means: Voters would not be asking their elected officials to seek certain changes in the regulation of campaign spending and contributions.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact

No direct fiscal effect on state or local governments.

Ballot Label

Fiscal Impact: No direct fiscal effect on state or local governments.

BACKGROUND

Political Campaign Spending. Many people, corporations, labor unions, and other groups spend money to influence voters' decisions in political campaigns. This spending includes:

- **Direct Contributions.** People can give money directly to candidates, political parties, and committees. These direct contributions are subject to federal, state, and local limits. In some cases, federal law does not allow direct contributions. For example, corporations and labor unions may not give money directly to a candidate for a federal office.

- ***Independent Expenditures.*** A person makes an “independent expenditure” if he or she spends money to influence voters with no coordination with a candidate or campaign. For example, a person producing a radio commercial urging people to vote for a candidate is making an independent expenditure if the commercial is made without the involvement of the candidate’s campaign.

Independent Expenditures Protected by U.S. Constitution. Before 2010, federal law limited corporations and labor unions’ abilities to make independent expenditures in federal elections. Some California local governments had similar laws for local elections. In 2010, the U.S. Supreme Court determined in the *Citizens United* case that independent expenditures made by corporations and labor unions are a form of speech protected under the Constitution. Based on this determination and related court decisions, government may not limit the right of corporations and labor unions to make independent expenditures. This ruling applies to federal, state, and local governments.

Two-Step Process to Change the Constitution. The Constitution may be changed through a two-step “amendment” process. Under this process, described below, only the Congress, state legislatures, and—if called by the Congress—constitutional conventions have a role in changing the Constitution. Since the Constitution became law in 1789, 33 amendments have been proposed and 27 amendments have been approved through this process.

- ***Step One: The Congress Acts.*** The process to change the Constitution begins with the Congress either (1) proposing changes or amendments to the Constitution or (2) calling a constitutional convention to propose amendments after the state

legislatures of at least 34 states have asked for such a convention. No amendment has been proposed by a constitutional convention.

- ***Step Two: The States Act.*** At least 38 states must approve a proposed amendment before it becomes law. Depending on instructions from the Congress, states approve proposed amendments through either the state legislatures or state-level conventions. Historically, only one amendment—the 21st Amendment repealing the prohibition of the sale of alcoholic beverages—has been approved through state-level conventions rather than by state legislatures.

PROPOSAL

Proposition 59 asks if California's elected officials should use all of their constitutional authority—including, but not limited to, amending the Constitution—to:

- Reverse the effects of *Citizens United* and related court decisions.
- Allow the regulation and limitation of political campaign spending.
- Ensure individuals are able to express political views.
- Make clear that corporations should not have the same constitutional rights as people.

Proposition 59 is an advisory measure only. It does not require any particular action by the Congress or the California Legislature.

FISCAL EFFECTS

This measure would have no direct fiscal effect on state and local governments.