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SA2006RF0020

January 31, 2006

VIA FEDERAL EXPRESS

Patricia Galvan, Initiative Coordinator
Office of the Attorney General
1300 I Street
Sacramento, CA 95814

RECEIVED
FEB 02 2006

INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

**RE: Request for Title and Summary for "The Truth in Initiatives Act of 2006"
(Version 4)**

Dear Ms. Galvan:

I hereby request preparation of a title and summary for the attached proposed initiative, "The Truth in Initiatives Act of 2006" (Version 4). Enclosed please find a check in the amount of \$200.00. Please return a stamped copy of the initiative and this letter in the enclosed self-addressed envelope.

All inquiries or correspondence relative to this initiative should be directed to:

Richard Jacobs
9663 Santa Monica Boulevard, #166
Beverly Hills, CA 90210
(310) 860-1307

Mv voter registration address, which should be redacted from all publicly released documents, is

I, Rick Jacobs, acknowledge that it is a misdemeanor under state law (Section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purpose other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

(Signature of Proponent)

Dated this 31st day of January 2006

Truth In Initiatives Act of 2006 (Version 4)**SECTION 1. Title.**

This measure shall be known and may be cited as *The Truth in Initiatives Act of 2006*.

SECTION 2. Findings and Declarations.

The People of the State of California find and declare the following:

- (a) California's initiative process is an integral part of the state's electoral process. All California voters should have an equal right to participate in all phases of the initiative process.
- (b) California's statewide initiative process reflects little of what it was originally intended to address when initially proposed by Governor Hiram Johnson and later adopted by California voters in 1911. Almost one hundred years after it was adopted as a response to the perceived influence of corporate interests on legislators, the average citizen in California still has little chance of successfully utilizing the initiative process. Over the past 20 years, more than \$2.1 billion (in adjusted 2005 dollars) has been spent on initiative measure campaigns, not including direct costs to taxpayers and local governments to hold elections.
- (c) The increase in the number of ballot measures together with the skyrocketing amount of money spent on initiative measure campaigns has subjected Californians to increased numbers of radio, television, and mail advertisements that fail to make it clear who really is funding a ballot measure campaign.
- (d) California voters must have access to informational materials regarding ballot measures that are accurate, clear, and not misleading. Current disclosure requirements on advertisements for ballot measures are insufficient to provide voters with useful information regarding who is supporting or opposing a ballot measure.
- (e) Accurate and clear disclosures must be provided directly to the voters on the ballot pamphlet, sample ballot, ballot, and advertisements in a manner that will help voters understand which types of individuals, industries, organizations, or entities are providing the principal financial support for or opposition to a ballot measure.

SECTION 3. Purpose and Intent.

In enacting this measure, it is the intent and purpose of the People of the State of California to ensure that the problems associated with increased numbers of ballot measures and increased spending on ballot initiative campaigns is balanced by disclosure

requirements that provide Californians with clear, timely, accessible, and accurate information about those supporting or opposing a ballot measure.

SECTION 4. Section 9083.5 is added to Article 7, Chapter 1 of Division 9 of the Elections Code to read:

9083.5. (a) The Legislative Analyst shall prepare statements for inclusion in the ballot pamphlet that describe the nature and interests of principal financial support or opposition to each ballot measure, including cumulative contributions to all primarily formed committees supporting or opposing each ballot measure, contributions to all committees making independent expenditures supporting or opposing each ballot measure, and all independent expenditures supporting or opposing each ballot measure, based on campaign reports filed with the Secretary of State pursuant to Article 2, Chapter 4 of Title 9 of the Government Code and Section 85309 of Article 3, Chapter 5 of Title 9 of the Government Code. The statements shall be prepared in accordance with Section 9083.75. The Secretary of State shall provide the relevant information to the Legislative Analyst that is accurate as of 110 days before the election. The Legislative Analyst shall prepare the descriptions between 110 and 105 days before the election or with sufficient time for inclusion in the ballot pamphlet copy made available for public examination as provided by Section 9092.

(b) The Legislative Analyst's statement describing principal financial support for and opposition to each ballot measure shall not be more than twenty-five words in length. For each ballot measure, the Legislative Analyst shall state: "As of 110 days before Election Day, principal financial support for this ballot measure has been received from [describe nature and interests of donors]." Below that sentence shall state: "As of 110 days before Election Day, principal financial opposition to this ballot measure has been received from [describe nature and interests of donors]."

(c) "Primarily formed committee(s)" shall have the meaning defined in Section 82047.5, Chapter 2 of Title 9 of the Government Code.

(d) "Cumulative contributions" means the cumulative amount of contributions made by a donor to all primarily formed committees supporting or opposing a single ballot measure from the date each committee was formed through the date specified.

(e) The Secretary of State shall develop additional rules and regulations as necessary to implement this section. These rules and regulations shall be adopted in consultation with the Legislative Analyst, and in accordance with the Government Code, Title 2, Division 3, Part 1, Chapter 3.5, Sections 11340 et seq., and shall be consistent with this division and other applicable law.

SECTION 5. Section 9083.75 is added to Article 7, Chapter 1 of Division 9 of the Elections Code to read:

9083.75. (a) The Legislative Analyst shall use the terminology and classification system of the North American Industry Classification System (NAICS) to describe the nature and interests of principal financial support for and opposition to ballot measures. Where the NAICS does not contain categories that sufficiently describe the nature and interests of donors, the Legislative Analyst shall develop additional categories consistent with the NAICS to the extent practicable. Where principal financial support or opposition comes from a large number of small donations from individuals, the Legislative Analyst shall classify them as “small donations from individuals.”

(b) In no circumstance shall the actual names of donors be used in the descriptions, except when the actual name of a donor is the same as the category or categories used by NAICS to describe that donor.

(c) For each statement of principal financial support or opposition that the Legislative Analyst is required to prepare for the ballot pamphlet, sample ballot, or ballot, as provided in the Elections Code, and for inclusion in advertisements, as provided in the Government Code, the following shall apply:

(1) For primarily formed committees, the description prepared by the Legislative Analyst shall be based upon all contributions received since their formation.

(2) For committees making independent expenditures to support or oppose a ballot measure, the description prepared by the Legislative Analyst shall be based upon contributions received and expenditures made by the committee within six months of the time the description is prepared.

(d) The Secretary of State shall develop additional rules and regulations as necessary to implement this section. These rules and regulations shall be adopted in consultation with the Legislative Analyst, and in accordance with the Government Code, Title 2, Division 3, Part 1, Chapter 3.5, Sections 11340 et seq., and shall be consistent with this title and other applicable law.

SECTION 6. Section 9085.5 is added to Article 7, Chapter 1 of Division 9 of the Elections Code to read:

9085.5. (a) The ballot pamphlet shall also include a section, located near the front of the pamphlet and together with the summary of meaning of “yes” and “no” votes for each measure as provided in Section 9085, that contains the statements describing the principal financial support and opposition for each ballot measure as developed by the Legislative Analyst pursuant to Sections 9083.5 and 9083.75.

(b) The ballot pamphlet section described in subdivision (a) shall also include a url address to the Secretary of State’s website. This portion shall state: “For accurate, up-to-date information on the principal financial support and opposition for each ballot measure, please visit the Secretary of State’s website at: http://_____.” The universal resource locator (url) address shall reference the specific Secretary of State

webpage containing the campaign finance information described in subdivision (a), and shall not merely link to the root url web address for the Secretary of State's website. The Secretary of State shall provide visitors to the website with the ability to determine the aggregate amount and sources of financial support or opposition for each ballot measure. The website shall contain information that is updated daily from the date information is provided as outlined in subdivision (a) through the date of the election. The last update before the election shall occur no later than 12:00 p.m. on Election Day.

(c) The information required by subdivision (a) shall be subject to public examination and court challenge as provided in Section 9092, except that the Legislative Analyst's Office shall also be named as a respondent.

SECTION 7. Section 9086 of Article 7, Chapter 1 of Division 9 of the Elections Code is amended to read:

9086. The ballot pamphlet shall contain as to each state measure to be voted upon, the following, in the order set forth in this section:

(a) Upon the top portion of the first page, and not exceeding one-half~~third~~ of the page, shall appear:

(1) Identification of the measure by number and title.

(2) The official summary prepared by the Attorney General.

(3) The statement of principal financial support or opposition prepared by the Legislative Analyst pursuant to Sections 9083.5 and 9083.75 of the Elections Code.

~~(4)~~ (3) The total number of votes cast for and against the measure in both the State Senate and Assembly, if the measure was passed by the Legislature.

(b) Beginning at the top of the right page shall appear the analysis prepared by the Legislative Analyst, provided that the analysis fits on a single page. If it does not fit on a single page, the analysis shall begin on the lower portion of the first left page and shall continue on subsequent pages until it is completed.

(c) Arguments for and against the measure shall be placed on the next left and right pages, respectively, following the final page of the analysis of the Legislative Analyst ends. The rebuttals shall be placed immediately below the arguments.

(d) If no argument against the measure has been submitted, the argument for the measure shall appear on the right page facing the analysis.

(e) The complete text of each measure shall appear at the back of the pamphlet. The text of the measure shall contain the provisions of the proposed measure and the existing

provisions of law repealed or revised by the measure. The provisions of the proposed measure differing from the existing provisions of law affected shall be distinguished in print, so as to facilitate comparison.

(f) The following statement shall be printed at the bottom of each page where arguments appear: "Arguments printed on this page are the opinions of the authors, and have not been checked for accuracy by any official agency."

SECTION 8. Section 13207 of Article 1, Chapter 3 of Division 13 of the Elections Code is amended to read:

13207. (a) There shall be printed on the ballot in parallel columns all of the following:

(1) The respective offices.

(2) The names of candidates with sufficient blank spaces to allow the voters to write in names not printed on the ballot.

(3) Whatever measures have been submitted to the voters.

(b) In the case of a ballot which is intended for use in a party primary and which carries both partisan offices and nonpartisan offices, a vertical solid black line shall divide the columns containing partisan offices, on the left, from the columns containing nonpartisan offices, on the right.

(c) The standard width of columns containing partisan and nonpartisan offices shall be three inches, but an elections official may vary the width of these columns up to 10 percent more or less than the three-inch standard. However, the column containing presidential and vice presidential candidates may be as wide as four inches.

(d) Any measures that are to be submitted to the voters shall be printed in one or more parallel columns to the right of the columns containing the names of candidates and shall be of sufficient width to contain the title and summary of each measure. To the right of each title and summary shall be printed, on separate lines, the words "Yes" and "No." Under the title and summary for each statewide measure that is to be submitted to the voters, beginning on separate lines shall be printed two sentences. "As of 76 days before Election Day, principal financial support for this ballot measure has been received from [describe nature and interests of donors]." Below that sentence shall state: "As of 76 days before Election Day, principal financial opposition to this ballot measure has been received from [describe nature and interests of donors]."

(e) The Secretary of State shall provide the information necessary to prepare the statements required by subdivision (d) to the Legislative Analyst not less than 74 days prior to Election Day. The information shall be accurate up to the 76th day before Election Day.

(f) The Legislative Analyst shall develop the statements required by subdivision (d) using the methods outlined in Section 9083.75 no later than the 70th day before the election. The Legislative Analyst shall post the statements on its website for public examination not more than one (1) day, excluding Saturdays, Sundays, and holidays, after it prepares the statements required by subdivision (d).

SECTION 9. Section 13207.75 of Article 1, Chapter 3 of Division 13 is added to the Elections Code to read:

13207.75. (a) Any elector may seek a writ of mandate requiring the ballot information described in Section 13207(d) to be amended, no later than five (5) days, excluding Saturdays, Sundays, and holidays, after the Legislative Analyst makes the information available for public examination. A peremptory writ of mandate shall issue only upon clear and convincing proof that the copy in question is false, misleading, or inconsistent with the requirements of this Code, and that issuance of the writ will not substantially interfere with the printing and distribution of the ballot as required by law. Venue for a proceeding under this section shall be exclusively in Sacramento County and shall proceed on an expedited basis. The Secretary of State and Legislative Analyst's Office shall be named as respondents.

(b) If changes to the statements required by Section 13207(d) are ordered by the court as a result of an action brought pursuant to subdivision (a), or if no changes to the statements are required, the Legislative Analyst shall immediately post the final statements on its website and shall also forward them to the Secretary of State, who shall immediately forward them to each county election official for inclusion in the ballot.

SECTION 10. Section 13303 of Chapter 4 of Division 13 of the Elections Code is amended to read:

13303. (a) For each election, each appropriate elections official shall cause to be printed, on plain white paper or tinted paper, without watermark, at least as many copies of the form of ballot provided for use in each voting precinct as there are voters in the precinct. These copies shall be designated "sample ballot" upon their face and shall be identical to the official ballots used in the election, except as provided in subdivision (d) and as otherwise provided by law. A sample ballot shall be mailed, postage prepaid, not more than 40 nor less than 21 days before the election to each voter who is registered at least 29 days prior to the election.

(b) The elections official shall send notice of the polling place to each voter with the sample ballot. Only official matter shall be sent out with the sample ballot as provided by law.

(c) The elections official shall send notice of the polling place to each voter who registered after the 29th day prior to the election and is eligible to participate in the election. The notice shall also include information as to where the voter can obtain a sample ballot and a ballot pamphlet prior to the election, a statement indicating that those

documents will be available at the polling place at the time of the election, and the address of the Secretary of State's website and, if applicable, of the county website where a sample ballot may be viewed.

(d) Under the title and summary for each statewide measure that is to be submitted to the voters, beginning on separate lines shall be printed two sentences. The first shall state: "As of 88 days before Election Day, principal financial support for this ballot measure has been received from [describe nature and interests of donors]." Below that sentence shall state: "As of 88 days before Election Day, principal financial opposition to this ballot measure has been received from [describe nature and interests of donors]." The sample ballot must contain information developed pursuant to Section 9083.75. The Legislative Analyst's statement describing the principal financial support or opposition for each ballot measure shall not be more than twenty-five words in length.

SECTION 11. Section 13303.1 of Chapter 4 of Division 13 is added to the Elections Code to read:

13303.1. (a) The Legislative Analyst shall be responsible for developing the information required by Section 13303(d).

(b) The Secretary of State shall provide the Legislative Analyst with the information needed to comply with Section 13303(d) not later than the 86th day prior to the election, or if the 86th day falls on a weekend or holiday, the next business day.

(c) The Legislative Analyst shall develop the statements required by Section 13303(d) not later than three (3) days, excluding Saturdays, Sundays, and holidays after the Secretary of State provides the required information.

SECTION 12. Section 13303.25 of Chapter 4 of Division 13 is added to the Elections Code to read:

13303.25. (a) The Legislative Analyst shall make a copy of the statements developed pursuant to Section 13303(d) available on its website for public examination no more than one (1) day after it prepares the information required by Section 13303(d). The statements must be available for public examination no more than five days, excluding Saturdays, Sundays, and holidays, after the statements are posted on the Legislative Analyst's website.

(b) During the five day period outlined in subdivision (a), any elector may seek a writ of mandate requiring the statements required by Section 13303(d) to be amended. A peremptory writ of mandate shall issue only upon clear and convincing proof that the copy in question is false, misleading, or inconsistent with the requirements of this Code, and that issuance of the writ will not substantially interfere with the printing and distribution of the sample ballot as required by law. Venue for a proceeding under this section shall be exclusively in Sacramento County. The Secretary of State and Legislative Analyst's Office shall be named as respondents.

(c) If changes to the statements required by Section 13303(d) are ordered by the court as a result of an action brought pursuant to subdivision (b), or if no changes to the statements are required, the Legislative Analyst shall immediately post the final statements on its website and shall also forward them to the Secretary of State, who shall immediately forward them to each county election official for inclusion in the sample ballot.

SECTION 13. Section 84512 of Article 5, Chapter 4 of Title 9 of the Government Code is added to read:

84512. (a) Any advertisement for or against any statewide ballot measure shall include the sources of principal financial support for or opposition to each ballot measure supported or opposed in the advertisement, as provided by the Legislative Analyst, as well as a reference to the universal resource locator (url) of the Secretary of State's website containing campaign finance information for each ballot measure supported or opposed in the advertisement.

(b) The disclosures required by subdivision (a) shall be presented in a manner which gives adequate notice to the reader, observer, or listener of the sources of principal financial support for or opposition to an initiative measure, as specified below. These requirements apply to the disclosures required by this section only and do not apply to disclosures otherwise required by Section 84507.

(1) Television Advertising: The following information shall be displayed in writing at both the beginning and at the end of the communication, for no less than 4 seconds without any accompanying information, sound or graphics: "Principal financial [support for/opposition to] Proposition(s) [] comes from [information provided by Legislative Analyst]." The next line shall state: "For detailed financial information: http:// [url of Secretary of State's website identified in subdivision (a)]". The first statement must appear in letters no smaller than 6.5 percent of the vertical picture height. The second statement must appear in letters no smaller than 4.5 percent of the vertical picture height. The text for these statements shall be in black type against a solid white background.

(2) Radio Advertising: All of the information required by subdivision (b)(1) shall be spoken in a clearly audible manner at the beginning or end of the communication. The disclosure statement shall be in a pitch and tone substantially the same as the non-disclosure portion of the communication.

(3) Print Advertising: Printed materials designed to be distributed personally or through the mail shall contain all of the information required by subdivision (b)(1), printed in type no less than 18 points in size, and printed in a contrasting color to the background on which it appears.

(4) Over Size Print Advertising: Disclosure statements, required by subdivision (b)(1), on printed materials that are larger than those designed to be individually distributed or that are greater in size than twenty-four (24) inches by thirty-six inches shall constitute at least twenty-five percent (25%) of the height of the advertisement and printed in a contrasting color to the background on which it appears.

(5) If a single print media advertisement consists of multiple pages, folds, or faces, the disclosure requirement of this section may appear only once on the advertisement, but must appear on the front page, fold or face.

(6) Each communication that would require a disclosure statement, if distributed separately, and that is included in a package of materials, must contain the information required by subdivision (b)(1).

(c) All advertisements described in this section and disseminated more than 30 days before an election, inclusive, must include the principal financial support or opposition information prepared by the Legislative Analyst pursuant to the Elections Code in the manner provided by this section.

(d) All advertisements described in this section and disseminated between 30 days and 6 days, inclusive, before an election must include the principal financial support or opposition information, accurate up to 45 days before the election, that is prepared by the Legislative Analyst pursuant to Section 84512.5, in the manner provided by this section.

(e) All advertisements described in this section and disseminated less than 6 days before an election, must include the principal financial support or opposition information, accurate up to 17 days before the election, that is prepared by the Legislative Analyst pursuant to Section 84512.5, in the manner provided by this section.

SECTION 14. Section 84512.5 of Article 5, Chapter 4 of Title 9 is added to the Government Code to read:

84512.5. (a) The Legislative Analyst, using the methods outlined in Section 9083.75 of the Elections Code, shall prepare statements describing the sources of principal financial support for and opposition to each ballot measure through the period ending 45 days before the election in which the ballot measure will appear and again through the period ending 17 days before the election in which the ballot measure will appear. The Secretary of State shall provide the Legislative Analyst with the information needed to comply with this section based on information available as of the 39th day and the 11th day before the election, respectively. The statements prepared by the Legislative Analyst shall be used in advertisements as provided by Section 84512 and shall be no longer than twenty-five words.

(b) The Legislative Analyst must post the statements required by subdivision (a) on its website for public examination not later than 36 days before the election and not later than 9 days before the election, respectively.

(c) Any elector may seek a writ of mandate requiring the information described in subdivision (a) and (b) to be amended, not later than two (2) days, excluding Saturdays, Sundays, and holidays, after it is available for public examination. A peremptory writ of mandate shall issue only upon clear and convincing proof that the Legislative Analyst's statements are false or misleading, or inconsistent with the requirements of this Title and Section 9083.75 of the Elections Code, and that issuance of the writ will not substantially interfere with the disclosure requirements in Section 84512. Venue for a proceeding under this section shall be exclusively in Sacramento County and shall proceed on an expedited basis. The Secretary of State and the Legislative Analyst's Office shall be named as the respondents.

(d) If changes to the statements required by this section are ordered by the court as a result of an action brought pursuant to subdivision (c), or if no changes to the statements are required, the Legislative Analyst shall immediately post the final statements on its website for use pursuant to the disclosure requirements of Section 84512.

SECTION 15. Section 88002 of Chapter 8 of Title 9 of the Government Code is amended to read:

88002. The ballot pamphlet shall contain as to each state measure to be voted upon, the following, in the order set forth in this section:

(a) Upon the top portion of the first page, and not exceeding one-half ~~third of the~~ page, shall appear:

(1) Identification of the measure by number and title.

(2) The official summary prepared by the Attorney General.

(3) The statement of principal financial support or opposition prepared by the Legislative Analyst pursuant to Sections 9083.5 and 9083.75 of the Elections Code.

(4) The total number of votes cast for and against the measure in both the State Senate and Assembly, if the measure was passed by the Legislature.

(b) Beginning at the top of the right page shall appear the analysis prepared by the Legislative Analyst, provided that the analysis fits on a single page. If it does not fit on a single page, the analysis shall begin on the lower portion of the first left page and shall continue on subsequent pages until it is completed.

(c) Arguments for and against the measure shall be placed on the next left and right

pages, respectively, following the final page of the analysis of the Legislative Analyst ends. The rebuttals shall be placed immediately below the arguments.

(d) If no argument against the measure has been submitted, the argument for the measure shall appear on the right page facing the analysis.

(e) The complete text of each measure shall appear at the back of the pamphlet. The text of the measure shall contain the provisions of the proposed measure and the existing provisions of law repealed or revised by the measure. The provisions of the proposed measure differing from the existing provisions of law affected shall be distinguished in print, so as to facilitate comparison.

(f) The following statement shall be printed at the bottom of each page where arguments appear: "Arguments printed on this page are the opinions of the authors, and have not been checked for accuracy by any official agency."

SECTION 16. Severability.

If any provision of this Act or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 17. Conflicting measures.

In the event that this measure and another measure or measures relating to reform of the initiative process appear on the same statewide ballot, the provisions of the other measure(s) shall be deemed to be in conflict with this measure. In the event that this measure shall receive a greater number of affirmative voters, the provisions of this measure shall prevail in their entirety, and the provisions of the other measure(s) shall be null and void.

If this measure is approved by the voters of the State of California, but superseded by any other conflicting ballot measure approved by more voters at the same election, and the conflicting ballot measure is later held invalid, it is the intent of the voters of the State of California that this Act shall be self-executing and given the full force of the law.

SECTION 18. Liberal construction.

This Act is an exercise of the public power of the People of the State of California for the protection of their health, safety, and welfare and shall be liberally construed to effectuate those purposes. The provisions in this Act are consistent with the goals and purposes of the Political Reform Act of 1974.

SECTION 19. Enactment date.

This measure shall take effect on January 1 of the year following its approval by the voters.

SECTION 20. Attorney General Directed to Immediately Seek Expedited Preclearance.

The Attorney General is directed to seek expedited preclearance under Section 5 of the Voting Rights Act, 42 U.S.C. Sec. 1973c, from the United States Attorney General or declaratory relief from the United States District Court for the District of Columbia upon approval of this Act by the voters.

SECTION 21. Power to amend.

This measure may be amended to further its intent and purpose by a bill passed by two-thirds vote of the membership of both houses of the Legislature and signed by the Governor.