



California Fair Political Practices Commission

Digital Transparency Task Force
Future of Digital
Advertising: Gaps and
Opportunities

DECEMBER 8, 2020



UNEARTH

IN-HOUSE
EXPERTS

25

FOCUSED
ON

Data &
Digital Media

OFFICES IN

Sacramento, CA
Washington, DC

WINNING
SINCE

2003



“California voters should be able to know who paid for, and who is responsible for, each paid political ad they receive.”

— Digital Transparency Task Force Mission Statement



Most existing requirements are clear and straightforward



No on 15 display ad



No on 21 Facebook page header



Yes on 14 YouTube ad



Gaps in Current Disclosures



Digital videos, like vertical and .GIF

Inactive
Oct 23, 2020 - Nov 4, 2020
ID: 414269846250800

This ad has multiple versions. ⓘ

Yes on Prop 22
Sponsored · Paid for by Yes on 22 – Save App-Based Jobs & Services: a coalition of on-demand drivers and...

By 4-to-1, rideshare and delivery drivers want to remain independent contractors. YES on 22 protects this flexibility and provides new benefits like an earnings guarantee and accident insurance. Vote YES on 22.

and accident insurance.

Ad paid for by Yes on 22 - Save App-Based Jobs & Services: a coalition of on-demand drivers and platforms, small businesses, public safety and community organizations. Committee major funding from Uber Technologies, Lyft, DoorDash

YESON22.COM
Prop 22 will improve the quality of app-based services and protect worker flexibility, give new... [Learn More](#)

6 ads use this creative and text

[See Summary Details](#)

Yes on 22 Facebook/Instagram video ad

Inactive
Oct 28, 2020 - Nov 4, 2020
ID: 3352867741502785

No On Prop 15
Sponsored · Paid for by No on Prop 15 - Stop Higher Property Taxes and Save Prop 13 - a coalition of...

The truth: Big corporations don't pay the \$11 billion property tax increase. Small businesses pay it. Then they pass on the higher costs to all Californians or go out of business. Vote NO on Prop 15.

Ad paid for by No on Prop 15 - Stop Higher Property Taxes and Save Prop 13 - a coalition of California homeowners, taxpayers, and businesses. Committee major funding from: California Business Roundtable, California Business Properties Association, Boston Properties

9 ads use this creative and text

[See Summary Details](#)

No on 15 Facebook/Instagram video ad



Digital videos, like vertical and .GIF

Inactive
Sep 24, 2020 - Sep 27, 2020
ID: 2658360267811838

This ad has multiple versions. ⓘ

Yes on Prop 16
Sponsored · Paid for by Yes on 16, Opportunity for All Coalition, sponsored by civil rights organizations...

Like all good teamwork — when we work together, we can make magic happen.

That's why the San Francisco 49ers, Golden State Warriors, San Francisco Giants, Oakland A's, San Jose Sharks, San Jose Quakes, and Oakland Roots have come together in support of Yes On Prop 16. ...

ENDORSEMENT ALERT

VOTEYESONPROP16.ORG
Bay Area Sports Teams Agree—Vote yes Prop 16

Learn More

3 ads use this creative and text

See Summary Details

Yes on 16 animated .GIF

Inactive
Oct 10, 2020 - Oct 19, 2020
ID: 348347013144759

No On Prop 15
Sponsored · Paid for by No on Prop 15 - Stop Higher Property Taxes and Save Prop 13 - a coalition of California...

Joe Coto, ex miembro demócrata de la Asamblea estatal, votará NO a la Proposición 15 - un aumento de impuestos propietarios de \$11.5 mil millones al año.

“ Todos perdemos con la Prop. 15. Las escuelas son las que reciben menos. Los pequeños negocios obtienen rentas más altas. Y ahora, los defensores de la Proposición 15 incluso admiten que los

NO ON PROP 15
Stop Higher Property Taxes

Joe Coto
Ex miembro demócrata de la Asamblea estatal

NOONPROP15.ORG
Vea por qué Joe Coto vota NO

Learn More

Amount spent (USD): \$800 - \$899
Potential Reach: 500K - 1M people

See Ad Details

No on 15 animated .GIF



Inconsistent platform enforcement

About 762,000,000 results (0.51 seconds)

Ad · www.yes15.org/ ▾
Paid for by **SCHOOLS AND COMMUNITIES - yes15.org**

Vote Yes on 15 Why this ad?

Prop 15 is a balanced reform that closes property tax loopholes for wealthy corporations. It will reclaim billions every year to invest in our schools and local communities. Find An Event.

Who Supports Prop 15?
Select an Issue Area To See Who Supports Prop 15.

What Prop 15 Does
Refer To Our Informative Articles And Get Valuable Insights.

Ad · www.noonprop15.org/ ▾
Paid for by **NO ON PROP 15 - STANFORD UNIVERSITY**

Vote NO on Prop 15 Why this ad?

It's the Wrong Time to Raise Property Tax Hike

Read Prop 15 for Yourself · Coalition Against Prop 15 · Hurts Small Business



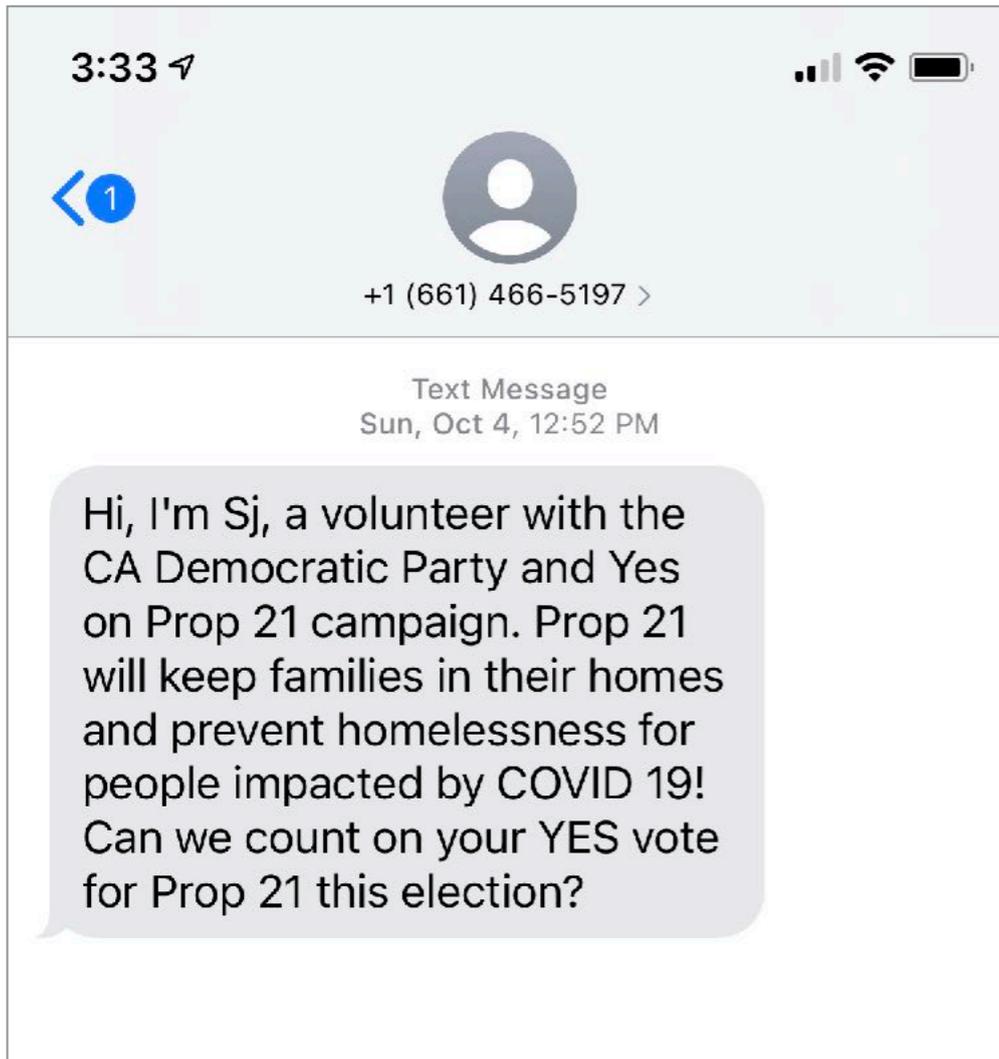
Inconsistent platform enforcement

Google "Report an ad" form

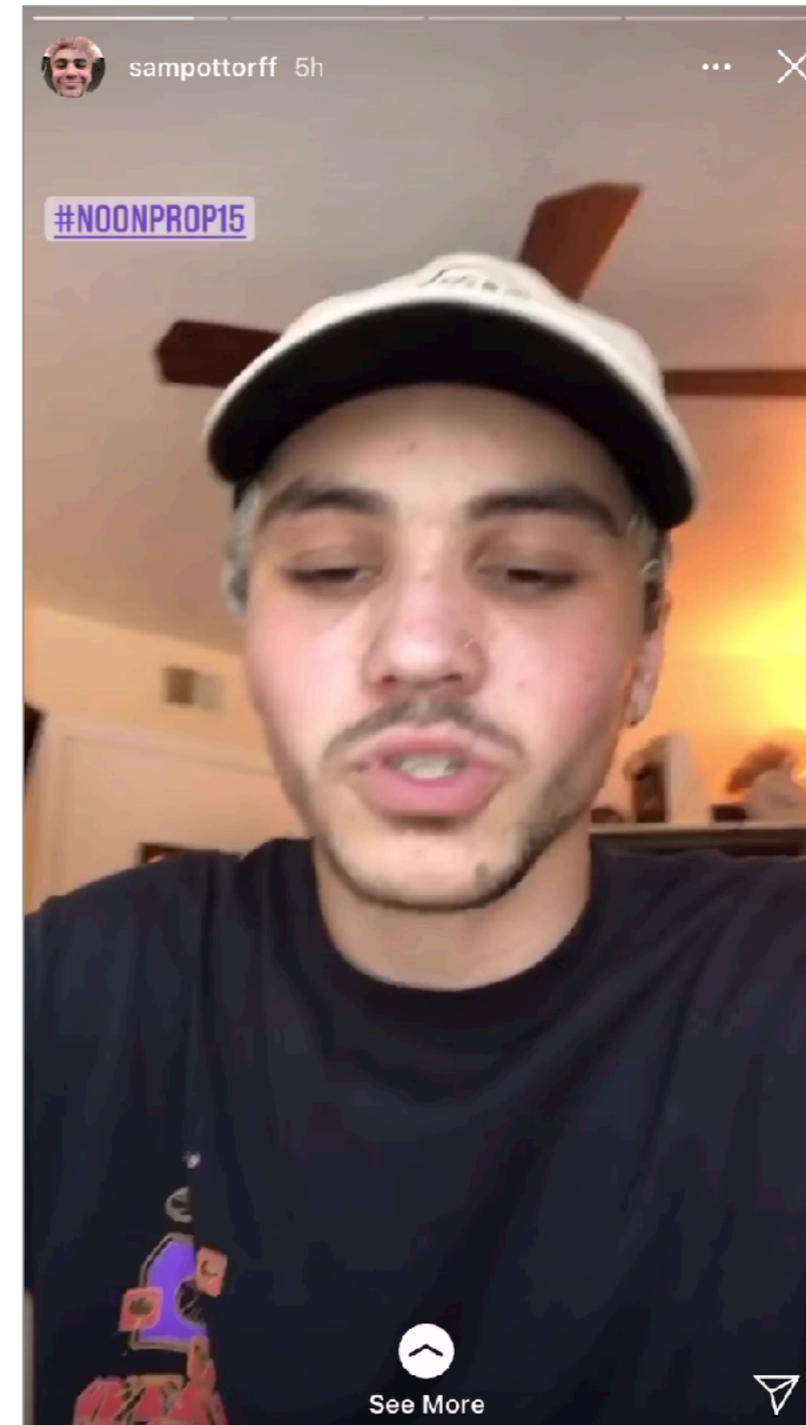
Facebook "Report ad" confirmation



P2P texting & Influencer stories



As sent to registered Sacramento County voter, October 4, 2020



Instagram Story posted by @sampottorff on November 1, 2020



Opportunities



California's centralized transparency center must:

- **Move at campaign speed.** 24-hour rule works well

497 24-hour/10-day Contribution Report Instructions

Who Uses Form 497

- Candidates and certain committees that make or receive contributions that total in the aggregate \$1,000 or more in the 90 days before or on the date of an election.
- State candidates and state primarily formed ballot measure committees that file electronically and receive a contribution of \$5,000 or more at any time other than a 90-day election cycle.
- State recipient committees that file electronically and make contributions totaling \$5,000 or more to a state ballot measure committee.
- Certain recipient committees that make contributions totaling \$5,000 or more to support or oppose the *qualification* of a local ballot measure.¹

State Committees - When a Form 497 is Required

State committees must file a Form 497 when:

- Contributions that total in the aggregate \$1,000 or more are either:
 - made to a candidate or a primarily formed committee to support or oppose a candidate or ballot measure in the 90 days before or on the date of an election; or
 - received by a candidate or a primarily formed committee to support or oppose a candidate or ballot measure in the 90 days before or on the date of an election.

CALIFORNIA FORM 497

- Contributions that total in the aggregate \$1,000 or more are made to or received by a state or county political party committee in the 90 days before or on the date of *any* state election.
- Contributions that total in the aggregate \$1,000 or more are made to or received by a candidate in a CalPERS or CalSTRS election in the 90 days before or on the date of the election. The date of a CalPERS or CalSTRS election is the deadline to return ballots.
- A single contribution of \$5,000 or more is received by a state candidate's committee or a state primarily formed ballot measure committee at any time outside the 90-day election cycle.
 - Required of state e-filers only
- Contributions are made by a recipient committee totaling \$5,000 or more to a state ballot measure committee.
 - Required of state e-filers only
 - Complete Parts 1 and 2 of this form
 - Not required when a primarily formed ballot measure committee makes a contribution to another primarily formed committee formed for the same measure or another measure on the same ballot. This exception does not apply to the \$1,000 90-day report noted in the first bullet above. (Refer to FPPC Regulation 18466 for additional information.)

State Committees - Where to File

Except as noted below, state committees file Form 497 *electronically* with the Secretary of State. This applies even to committees that have not reached the \$25,000 threshold for filing other reports electronically. No paper copies of this report are required, and no copies are required to be filed with other filing officers.

*For contributions related to the qualification of local measures, the Form 497 must be filed in the place(s) a primarily formed committee for the local measure is required to file. This Form 497 must be filed by fax, guaranteed overnight delivery, personal delivery or email. Some jurisdictions require electronic submissions. Check with the local elections office.

¹ A measure includes certain LAFCO proceedings.

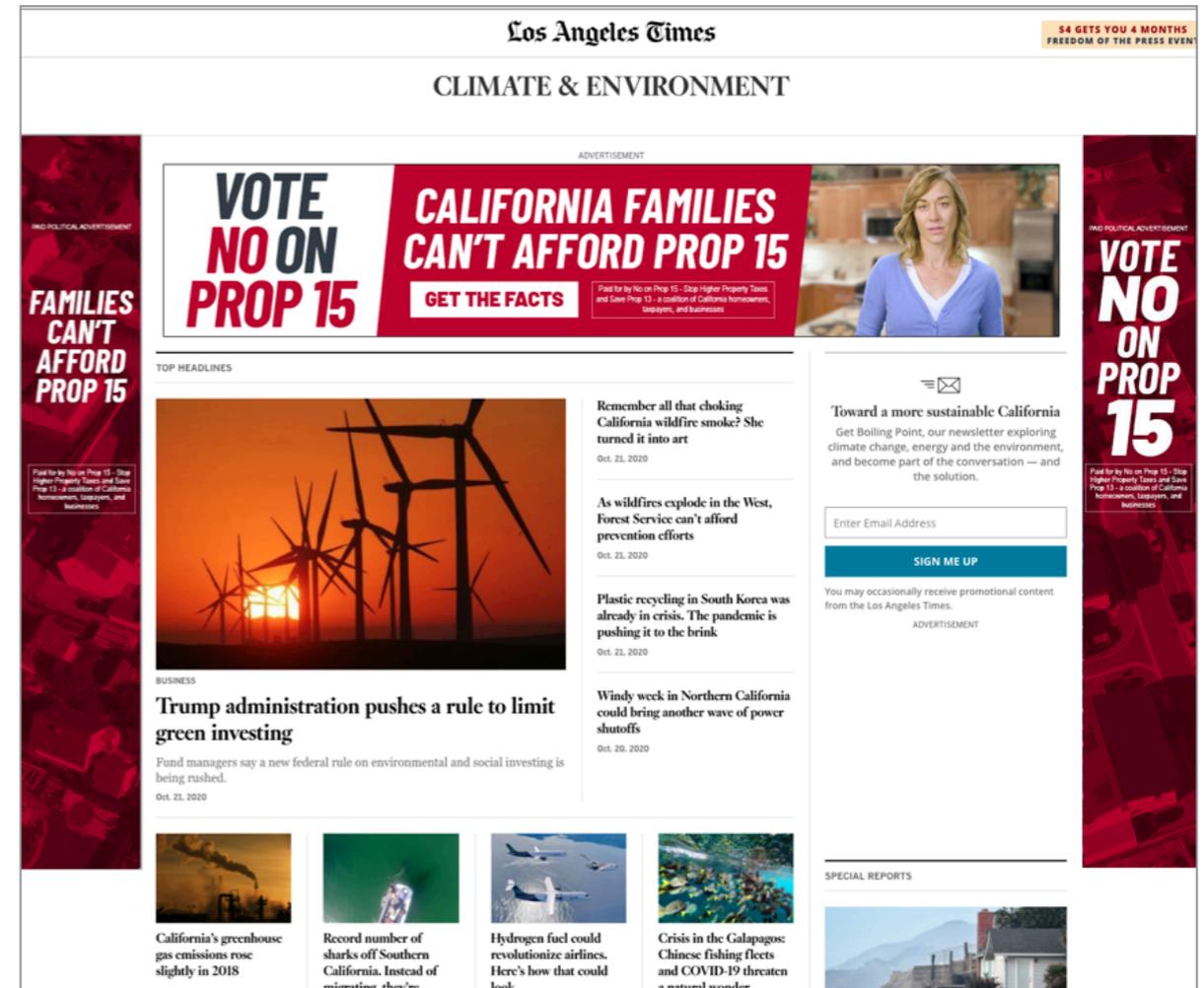
FPPC Form 497 (Feb/2019)
FPPC Advice: advice@fppc.ca.gov (866/275-3772)
www.fppc.ca.gov

FPPC Form 497: 24-hour Contribution Report



California's centralized transparency center must:

- **Move at campaign speed.** 24-hour rule works well
- **Be publisher agnostic.** Not be dependent on news publishers or programmatic display and video platforms to opt-in

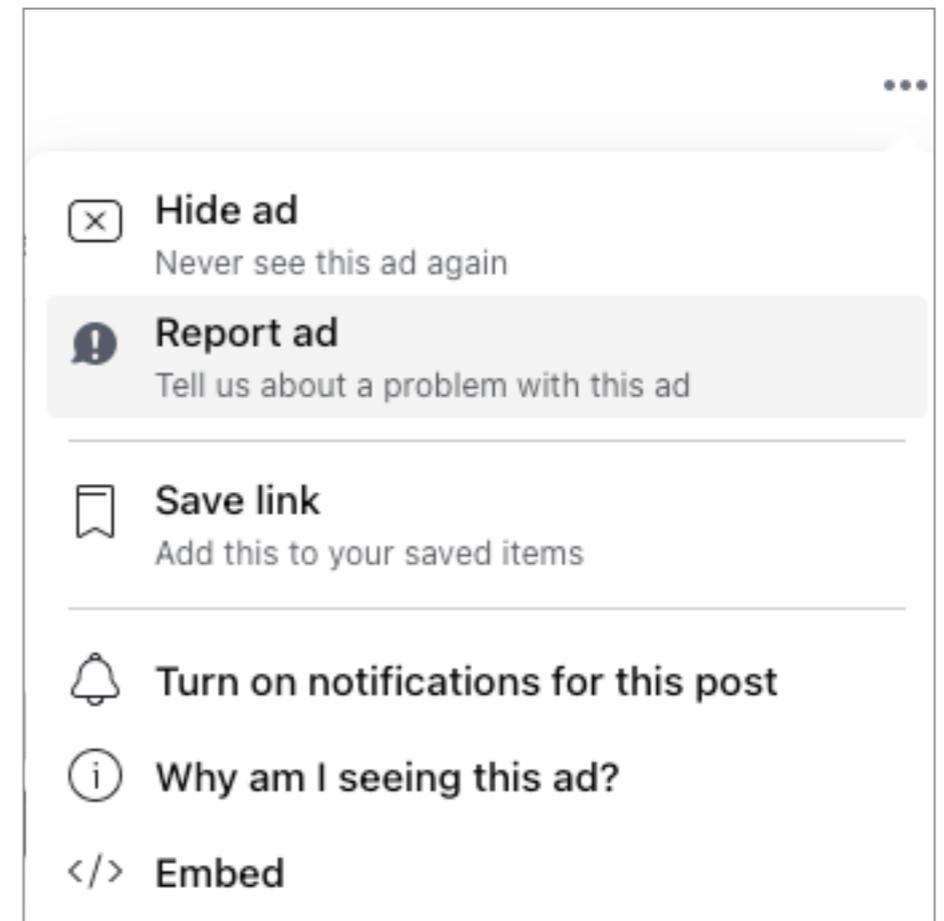


No on 15 direct placements on Los Angeles Times



California's centralized transparency center must:

- **Move at campaign speed.** 24-hour rule works well
- **Be publisher agnostic.** Not be dependent on news publishers or programmatic display and video platforms to opt-in
- **Enable peer reporting.** Create direct lines to FPPC to flag non-compliant ads



Facebook "Report ad" pop-up



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- **Be publisher agnostic.** Not be dependent on news publishers or programmatic display and video platforms to opt-in
- **Enable peer reporting.** Create direct lines to FPPC to flag non-compliant ads
- **Ensure credibility through verification.** Facebook provides a best-in-class example

Ad authorization checklist

Before you begin the ad authorization process, you'll need:

- Be the Page admin or advertiser on the Page from which you're running ads about social issues, elections or politics. If you're not a Page admin or advertiser, you should ask an admin on the Page to add you as an admin or share this content with the Page admin and have them complete the ad authorization. A Page must have at least one Page admin with confirmed identity. This person doesn't have to be the one that created a specific disclaimer in order to use it. Only the Page admin can create or edit disclaimers for the country the ads will run in. Advertisers can create ads with disclaimers without Page admin permissions, as long as they aren't creating or editing disclaimers.
- Have [two-factor authentication](#) enabled.
- Have the following unexpired materials and information available:
 - A US passport, driver's license or ID card
 - A US-based residential mailing address

We'll use your official ID to help confirm your identity. To do this, we partner with trusted service providers. We may also use it to help detect and prevent harm like impersonation or ID theft. This helps to keep you and everyone else on Facebook safe. As soon as you upload your ID, it'll be encrypted and stored securely. To help improve our systems that detect impersonation and fake IDs, we normally store IDs for up to one year. You can reduce this to 30 days at any point in your identity settings. We may store your name and date of birth for longer to comply with local laws. We'll also keep your ID expiry date for longer in case we need to ask for an updated document. Your ID won't be visible on your profile, in ads or to other admins of your Pages or ad accounts.

[Facebook Ad Authorization process](#)



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- **Move at campaign speed.** 24-hour rule works well
- **Be publisher agnostic.** Not be dependent on news publishers or programmatic display and video platforms to opt-in
- **Enable peer reporting.** Create direct lines to FPPC to flag non-compliant ads
- **Ensure credibility through verification.** Facebook provides a best-in-class example
- **Expand beyond digital.** Text messaging, robocalls, addressable TV and OTT, and direct mail are common tools of the trade without visibility or transparency

DIGITAL TRANSPARENCY TASK FORCE MISSION STATEMENT

- I. California voters should be able to know who paid for, and who is responsible for, each paid political ad they receive.
 - A. Paid political ads should be archived in a publicly accessible database, which should be updated upon dissemination of an ad
 - a. For adequate and accurate disclosure, data should be submitted by the committee or person paying for the ad and should include:
 - i. The ad itself
 - ii. The cost
 - iii. The date(s) the ad ran or were sent
 - iv. If the ad is sent, the number of persons to whom the ad was sent
 - v. If the ad is hosted by a platform (e.g., Facebook), the name of the platform, and the number of independent web pages on which the ad appears
 - vi. The general identity of the intended recipients
 - vii. The identity of the committee or person responsible for the ad
 - viii. If different from the responsible person, the person who paid for the ad
 - b. The database should be housed by the state, in addition to or in lieu of, the platforms, in order to ensure consistency, accessibility, and enforcement
 - c. Data should be in a format that is searchable, sortable and downloadable
 - B. Voters should know why they are receiving a particular ad
 - a. All iterations of ads should be submitted
 - b. If programmatic purchase, committee or person (or the digital platform) must disclose the criteria used to direct the programmatic purchase
 - C. As the publisher, and the director of an ad's recipients, advertising platforms must maintain auditable records that accurately identify paid political advertisements, which records shall include:
 - a. Records that substantiate or confirm the data submitted to the database, including:
 - i. The ad itself
 - ii. The cost
 - iii. The number and general identity of the intended recipients
 - iv. The date(s) the ad ran
 - v. The identity of the committee or person responsible for the ad
 - vi. If different from the responsible person, the person who paid for the ad
 - b. Records that accurately ensure that all paid political advertisements are identified as such, including:
 - i. Complete purchase documents for each ad
 - ii. The criteria used by the platform in directing the ad



Thank you.

UNEARTH

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