

Martin, Brenda J.

ES142929

From: CHAIRMANOFFICE
Sent: Thursday, October 25, 2012 6:06 PM
To: Martin, Brenda J.
Cc: McElveen, Josephine
Subject: FW: (Please share with Chair Schapiro) New Polling Data Supporting an SEC Political Spending Rulemaking

Brenda – Please log into CTS.

Thanks,
Josephine

From: Nagesh, Ammani
Sent: Thursday, October 25, 2012 4:32 PM
To: CHAIRMANOFFICE
Cc: Schapiro, Mary L.
Subject: FW: (Please share with Chair Schapiro) New Polling Data Supporting an SEC Political Spending Rulemaking

From: Lisa Gilbert [<mailto:lgilbert@citizen.org>]
Sent: Thursday, October 25, 2012 4:21 PM
To: Nagesh, Ammani
Subject: (Please share with Chair Schapiro) New Polling Data Supporting an SEC Political Spending Rulemaking

Chair Schapiro
Cc; Ammani,

I wanted to flag a very interesting poll that we released today as part of a coalition effort. (See our release on the poll below) In particular I wanted to flag the statistic from the survey that 76% of the people polled would sign a petition to the SEC supporting corporate disclosure.

In addition to this important polling, I wanted to share that new scholarship, "**Shining Light on Corporate Political Spending**" from Lucian Bebchuk (of Harvard Law School, the National Bureau of Economic Research (NBER), and the European Corporate Governance Institute (ECGI)), and Robert Jackson (of Columbia Law School), also came out today.

Their article puts forward the case for SEC rules requiring public companies to disclose their political spending, presenting empirical evidence indicating that a substantial amount of corporate spending on politics occurs under investors' radar screens and that shareholders have significant interest in receiving information about such spending. The paper argues that disclosure of corporate political spending is necessary to ensure that such spending is consistent with shareholder interests. It also discusses the emergence of voluntary disclosure practices in this area, and shows why voluntary disclosure is not a substitute for SEC rules. The paper provides a framework for the SEC's design of these rules, and considers and responds to the wide range of objections that have been raised to disclosure rules of this kind. The paper concludes that the case for such rules is strong, and that the SEC should promptly develop disclosure rules in this area.

I hope both the information in this poll and the new paper are helpful to you as you continue to consider taking up this rule.

All the best,

New Poll: Americans condemn high levels of corporate political spending, overwhelmingly support strong transparency and accountability reforms

Nearly 9 in 10 Americans agree that there is way too much corporate money in politics, and 51 percent strongly agree, according to a new poll released today by the Corporate Reform Coalition. The survey, conducted by Bannon Communications, found overwhelming support for strong, common sense reforms to ensure transparency and accountability for corporate political spending.

- 81 percent of Americans agree that companies should only spend money on political campaigns if they disclose their spending immediately; 80 percent agree that companies should only spend money on political campaigns if they get prior shareholder approval.
- Huge majorities of Americans across the political spectrum condemn corporate political spending and support strong reforms. For example, requiring corporations to get shareholder approval before spending money on politics is supported by 73 percent of both Republicans and Democrats, and 71 percent of Independents.
- 84 percent of Americans agree that corporate political spending drowns out the voices of average Americans, and 83 percent believe that corporations and corporate CEOs have too much political power and influence.

More than 8 in 10 Americans (81%) believe that the secret flow of campaign spending is bad for democracy, and 87 percent agree that prompt disclosure of political spending would help voters, customers and shareholders hold companies accountable for political behavior. Unfortunately, the sources of corporate funds directed through third party intermediaries like the U.S. Chamber of Commerce remain largely hidden.

Americans are strongly in favor of common sense, achievable reforms that would increase transparency and accountability for corporate political spending, fight corruption, and lead to a more responsive and representative government.

- 77% of Americans support a requirement that companies publicly disclose their contributions to groups - like the U.S. Chamber - that funnel money into politics.
- 74% of Americans support a plan allowing candidates to run for Congress without raising large contributions by collecting small contributions and receiving limited public funds.
- 74% of Americans favor requiring that the name of the company and its CEO appear in ads paid for by corporate political spending.

Finally, Americans are ready to act to prevent their voices from being drowned out by corporate political spending. To protest a company's political spending, 79% would refuse to buy a company's product or services and 76% would sign a petition to the SEC supporting corporate disclosure.

Bannon Communications Research interviewed a randomly and scientifically selected group of 804 Americans who are 18 and over. The sample is based on demographic data from the U.S. Census Bureau to reflect age, area and gender distributions in the 2010 count. The margin of error for the entire national sample is plus or minus 3.8%. BCR conducted the interviewing on October 8- October 10, 2012. Brad Bannon of Bannon Communications can be reached at 202-320-4182 or brad@bannoncr.com.

Resources:

Read the Executive Summary from Bannon: <http://pubc.it/CRPoll>

Read the Topline results: <http://pubc.it/CRDaTA>

Read Demos' Analysis of the Poll Results: <http://demos.io/citizensactuallyunited>

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