

September 21, 2017

Dear Colleague,

As described below, Facebook now seems to realize that there is a major gap in transparency and accountability for digital ads.

On September 6, Facebook disclosed that between June 2015 and May 2017, Russian entities purchased approximately \$100,000 in political advertisements, publishing roughly 3,000 ads linked to fake accounts associated with the pro-Kremlin Internet Research Agency. These revelations correspond to a single Russian entity that Facebook looked for. It is possible that additional political advertisements and communications by Russian operatives were made on Facebook, and other social media platforms, to influence the electorate.

The Federal Election Commission, the independent federal agency charged with regulating political advertisements, has failed to take sufficient action to address online political advertisements and our current laws do not adequately address online political advertisements published on platforms like Google, Facebook, and Twitter. According to a study from Borrell Associates, in 2016 \$1.415 billion was spent on online political advertising, more than quadruple the amount in 2012. Media analysts predicted that Facebook and Google received the vast majority of the ad purchases.

A combination of FEC and FCC rules currently create a robust disclaimer and public access regime for political advertisements disseminated by broadcast, cable, and satellite providers. However, a provider like Facebook, the nation's largest digital platform — whose 210 million American users are at nearly ten times as large as the subscriber base of the largest cable or satellite provider, and whose daily active user base is nearly as large as the most-watched television broadcast in U.S. history — faces significantly fewer obligations.

Senators Klobuchar and Warner invite you to be an original cosponsor of legislation that would enhance transparency for online political advertisements. This legislation would formalize, and expand, the transparency commitments Facebook has made.

It would require digital platforms with 1,000,000 or more users to maintain a public file of all electioneering communications purchased by a person or group who spends more than \$10,000 aggregate dollars for online political advertisements. This is similar to the public file requirements placed on broadcasters. The file would contain a digital copy of the advertisement (since, unlike broadcast content, many digital ads are intentionally meant to evade public attention), a description of the audience the advertisement targets, the number of views generated, the dates and times of publication, the rates charged, and the contract information of the purchaser.

Additionally, this legislation would require digital platforms, in addition to broadcast, cable and satellite providers, to make reasonable efforts to ensure that electioneering communications are not purchased by a foreign national, directly or indirectly.

To be an original cosponsor, please contact Lindsey Kerr with Senator Klobuchar's office at Lindsey_Kerr@Rules.Senate.gov, or Rafi Martina with Senator Warner's office at Rafi Martina@Warner.Senate.gov.

Sincerely,

AMY KLOBUCHAR

United States Senator

MARK R. WARNER United States Senator

Enclosure

Variety: Facebook Wants to Self-Regulate Political Advertising, Provide Russian Ads to Congress

Janko Roettgers September 21, 2017

<u>Facebook</u> CEO <u>Mark Zuckerberg</u> announced significant changes to the way the social network is handling political advertising in a live stream on his Facebook page Thursday afternoon. Most notably, the company is starting to roll out self-regulation measures that are designed to provide more transparency in an age of hyper-targeting.

In the future, Facebook will require political advertisers to disclose which page paid for an ad — something Zuckerberg likened to the disclaimers required in political advertising on traditional TV.

Moreover, buyers of political ads will have to to make all of their ads available to review. In essence, this will make it possible for a user to click through on an ad that targeted her or him, and then see what other kinds of messages the advertiser is using to target other demographic audiences.

Zuckerberg also announced that the company is providing Congress with ads used by Russian advertisers in an attempt to sway the 2016 presidential election. The company had announced two weeks ago that it had found over 3000 ads paid for by a state-linked Russian entity, and said it would share these ads with special prosecutor Robert Mueller and his team.

This caused for some backlash, and questions why the company wouldn't share these ads more widely. Zuckerberg said that he instructed the team Thursday morning to make them available to Congress as well, but Facebook VP of policy and communications Elliot Schrage explained that the company wouldn't make these ads available to the public, writing in a blog post:

"Federal law places strict limitations on the disclosure of account information. Given the sensitive national security and privacy issues involved in this extraordinary investigation, we think Congress is best placed to use the information we and others provide to inform the public comprehensively and completely."

http://variety.com/2017/digital/news/facebook-political-ads-1202565678/