

An Overview of Facebook's Election-Related Disclosure Program for Advertisers

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Last fall, Facebook <u>announced a disclosure program</u> for users of its platform specifically aimed at requiring disclosures for election-related advertising. At the time, Facebook said that the program would be fully active by summer 2018, and Facebook has <u>begun to roll out</u> aspects of the program this month, including a <u>training module</u> and <u>FAQ</u> for users. *Entities that actively sponsor election-related advertising should make themselves aware of these new changes*. Though questions remain about some specifics of the changes, here is what we know so far:

1. Facebook Defines Political Ads Broadly

Facebook's <u>definition of political ad</u> is significantly broader than the Federal Election Commission's disclosure requirements. An ad that expressly advocates the election or defeat of a candidate would be a political ad under Facebook's definition, but also any ad "made by or on behalf of a candidate for public office, a political party, or a political action committee," any ad that "relates to any national legislative issue of public importance where the ad is being run," or any ad that "is otherwise regulated as political or election-related advertising." On Facebook's training module, the language is slightly different, covering ads that "advocate for or against" a "widely debated political issue," the outcome of an election, or "takes a position on a policy issue of national importance in the place where the advertisement is being run." Facebook intends to work with third parties to develop a list of what is considered a widely debated political issue, to be refined over time. Regardless of the exact definition, issue ads, not just candidate ads, will be subject to the new, more stringent verification and disclosure requirements.

2. Some of Facebook's Changes Affect All Types of Advertising

- The company's new transparency efforts are aimed at all advertising on the site, not just at political ads.
- Facebook is rolling out a feature on each Facebook page that consolidates all ads, political or otherwise, run by that page. The new "View Ads" tab will show all ads running on Facebook, Instagram, and Messenger, regardless of whether or not the viewer is in the ad's targeted audience. This feature is already being tested in Canada.

3. Facebook Will Build an Archive for Political Ads

• In addition to live ads shown under the "View Ads" tab, all federal election-related ads will be hosted on a searchable archive. The archive will contain seven years of political ads as well as providing details on the total amounts spent on the ad, impressions delivered, and demographic information about the audience that the ads reached like age, location, and gender. Facebook expects to roll out this feature in June, beginning with an archive of ads



that reference either a U.S. federal election candidate, political party, or debated political issue. The archive may expand to cover state and local candidates in the future.

4. Sponsors of Political Ads Must Verify Themselves

- Ad sponsors who want to post political ads must provide Facebook with documentation proving their identity and U.S. residency. After providing a government issued ID, last four digits of a Social Security Number, and a residential mailing address, Facebook will mail a letter to the address with a unique access code. Address verification may take up to two weeks.
- Once verified, these advertisers will include a disclosure on their election-related ads, saying
 "Paid for by" and linking to details about the advertiser. Each ad will be clearly labeled in
 the top left corner as a "political ad," and the viewer will also be able to see an explanation
 of why that individual saw that particular ad.
- The verification process can be initiated from the "Authorizations" tab in the left navigation
 of Facebook's page settings. Both the page administrator and the ad account advertisers, if
 they are different people, must have their identification verified before running political ads.
- This verification process will apply only to U.S. federal election-related advertising at first, but Facebook plans to expand this requirement "to additional contests and elections in other countries and jurisdictions" in the future.
- Facebook plans to build machine learning tools to identify political advertisers that do not
 proactively disclose themselves. Users will also be able to report ads as undisclosed political
 advertising. Any ad that does not match Facebook's determination of whether or not that
 ad is political will not be approved.
- Facebook is expanding this verification requirement to any person who manages a page "with large numbers of followers." Facebook has not yet provided any guidance as to what they will consider to be a large number of followers for verification purposes.

<u>Caplin & Drysdale's Political Law Group</u> is available to assist with any questions that may arise as a result of this important development. If you have questions concerning this alert or for more information, please contact:

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