

KEY VOTE <u>NO</u> ON <u>S. 3628</u>

July 27, 2010

Dear Senator:

I am writing to advise you that the American Apparel & Footwear Association (AAFA) - the national trade association of the apparel and footwear industries, and their suppliers -has key voted the motion to proceed to the so-called Democracy is Strengthened by Casting Light on Spending in Elections (DISCLOSE) Act (S. 3628) as a NO vote.

We urge you to vote **<u>NO</u>** on this legislation.

Although intended to overturn a recent Supreme Court case involving corporate political speech, this legislation goes much further and actually outlaws a number of practices that were legal before the Supreme Court case. For example, if this bill becomes law, government contractors will be unable to publicly inform their employees about matters affecting them, including the positions of elected representatives and candidates that, if enacted, could create or destroy jobs.

This bill is very imbalanced in the way it treats stakeholders - a dangerous flaw for campaign finance legislation. It imposes significant burdens and restrictions on the political speech of corporations and their employees, as well as the associations that represent them. Yet it is crafted in such a way that it exempts out a number of other groups - such as unions and non-governmental organizations - from those same disclosure requirements and restrictions.

Finally, and most egregiously, the legislation cherry picks several large politically influential organizations to receive explicit carve outs from disclosure requirements while leaving tens of thousands of smaller organizations subject to the full force of the law. There is no public interest supporting such a two tiered disclosure system, especially when the very organizations who will be exempt from disclosure are some of the largest and most politically active in the country.

We also protest the manner in which this legislation has been produced. It is deeply ironic that legislation intended to prompt better disclosure - and thereby build better public confidence in our political process - was developed behind closed doors in a manner that carves out and appears to reward certain special interests in a rushed attempt to influence the coming elections.

The First Amendment to the Constitution declares, among other things, that: "Congress shall make no law... abridging the freedom of speech." Our Democracy is indeed strengthened when there is full public participation and reasonable and balanced disclosure so individuals and stakeholders can be informed and politicians can be held accountable. Sadly, this legislation, and the process through which it has been advanced, fails that test and will only further weaken public trust in our electoral system.

We urge you to vote **NO** on the motion to proceed to S. 3628.

Sincerely,

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Kevin M. Burke President and CEO