

# HOW DARK MONEY IS POLLUTING OHIO'S ENERGY POLICY DEBATE

## A Primer Produced by Common Cause Ohio & League of Women Voters of Ohio

### THE HB6 DEBATE OVER NUCLEAR & COAL BAILOUTS

In the past decade, proposals to bail out non-competitive coal and nuclear plants have been defeated multiple times at the Ohio General Assembly and the Public Utilities Commission of Ohio. But this July, House Bill 6 (HB 6) passed and was signed into law, subsidizing coal and nuclear power plants, while gutting Ohio's clean energy policies. But only after millions of dollars were spent this year by the mysterious Generation Now calling for Ohioans to support the bill through mailers, TV ads and social media.<sup>1</sup>



These Generation Now ads focused on big oil as the enemy since the clean energy standards were dropped. Employees of FirstEnergy Solutions, the beneficiaries of the nuclear bailout, were featured in Generation Now ads on Facebook.<sup>2</sup>

#### Transcript of "LINDSAY" by Generation Now

<https://www.youtube.com/watch?v=Cc5WociSZiU>

00:00 [Music]  
 00:00 I served in the army not a lot scares me  
 00:02 but I am worried about my family if our  
 00:05 plant was forced to close we generate  
 00:07 nearly all of Ohio's clean energy the  
 00:09 big oil was working to make sure we're  
 00:12 shut down that'll kill our community  
 00:14 thousands will lose their jobs in less  
 00:17 than two years it's wrong will you stand  
 00:20 up for Ohio or Big Oil ask your  
 00:23 legislators to support House bill six  
 00:26 more jobs lower bills for Ohio

#### Transcript of "MATT" by Generation Now

<https://www.youtube.com/watch?v=9q9Kz1Zq2pw>

00:00 [Music]  
 00:00 if our plant closes down it'll close  
 00:02 down an entire community Big Oil wants  
 00:05 us gone killing over 4,000 Ohio clean  
 00:08 energy jobs and I'd be one of them all  
 00:12 the jobs will be gone in two years if  
 00:14 something isn't done to stop them Big  
 00:16 Oil wants a monopoly on electricity in  
 00:18 Ohio and we're just collateral damage  
 00:21 will you help us ask your legislators to  
 00:24 support House bill six more jobs lower  
 00:28 bills for Ohio

### HB 6 REFERENDUM & DECLINE-TO-SIGN

Signature collection to put a referendum of HB 6 on the ballot began almost immediately after passage, as did an aggressive decline-to-sign campaign by Ohioans for Energy Security. A for-profit Limited Liability Corporation<sup>3</sup> formed in July, 2019, Ohioans for Energy Security is blanketing Ohio with television ads and

Business Details			
Entity #:	4363255	Business Name:	OHIOANS FOR ENERGY SECURITY, LLC
Filing Type:	DOMESTIC LIMITED LIABILITY COMF	Status:	Active
Original Filing Date:	07/30/2019	Exp. Date:	-
AGENT/REGISTRANT INFORMATION			
IW AGENT, LLC TWO MIRANOVA PLACE, SUITE 700 COLUMBUS OH 43215 07/30/2019 Active			
INCORPORATOR INFORMATION			
DONALD C. BREY, AUTHORIZED REPRESENTATIVE			

<sup>1</sup> ["Nuclear bailout bill shows how big money can be put to work in the Ohio Statehouse,"](#) by Andrew Tobias. Cleveland.com, 5/23/2019.

<sup>2</sup> ["Ads link FirstEnergy Solutions to dark money group Generation Now, Inc.,"](#) by Dave Anderson, Energy and Policy Institute, 6/11/2019.

<sup>3</sup> [Business Details and Filings,](#) Office of the Ohio Secretary of State.

mailers. This \$1 million ad campaign<sup>4</sup> is designed to scare voters away from signing the referendum on HB 6 petitions.



### ANY TRUTH TO THE DECLINE-TO-SIGN ADS?

The emphasis on heightening fears about China has been shown to be baseless: “The closest connection to China *The Dispatch* could find is that one of the companies suspected of backing the petition effort secured financing for a proposed natural gas-fired power plant from a Chinese financial institution — as has FirstEnergy, the parent company of the plant operator getting the bailout. There’s a big difference between financing a project and investing in one — or taking it over...petition signatures are public records, which means they are open to anyone — not just the Chinese.”<sup>5</sup>

### NEED TO CLOSE THE DARK MONEY LOOPHOLES

Ohioans should always be able to “follow the money” and consider the source of information. We deserve to know who is behind advertising efforts when legislation is being considered. Generation Now ads highlight the need to shine the light “dark money” in lobbying campaigns. Disclosure requirements should be beefed up to include spending on TV, radio and social media by those registered to lobby and their affiliated organizations. While Vermont provides the best model for legislation, eleven states provide some advertising disclosure including nearby Kentucky and Minnesota.<sup>6</sup>

The egregious Ohioans for Energy Security ads highlight the need for improving disclosure of the sources of funding of those ads intended to influence ballot campaigns. Ohioans should also be able to “follow the money” surrounding candidate elections. “Dark money” has played a significant role since *Citizens United v. FEC* opened the floodgates to corporate spending on political advertisements in 2010. The majority of the court determined that disclosure of the funding sources for these independent expenditures is constitutional. It is time for state legislators to take action and update state law to require disclosure of the source of funding for these electioneering advertisements.



<sup>4</sup> [“Pro-House Bill 6 group launches \\$1 million ad campaign to fend off statewide referendum,”](#) By Jeremy Pelzer, Cleveland.com, 8/26/2019

<sup>5</sup> [“Alan Miller: Fellow Ohioans dish up lies to scare you away from petitions, voting,”](#) Dispatch, 9/15/2019.

<sup>6</sup> [“50 State Chart: Lobbyist Activity Report Requirements,”](#) National Conference of State Legislatures, 5/15/2018.