



For Immediate Release
Thursday, July 1, 2021

LDF Media
212-965-2200 / media@naacpldf.org

U.S. Supreme Court Rules that California's Donor Disclosure Law is Unconstitutional

Today, the United States Supreme Court held that a California law that requires nonprofit organizations to disclose major donor information in order to collect donations in the state is unconstitutional. The NAACP Legal Defense and Education Fund, Inc. (LDF), along with the American Civil Liberties Union, the Human Rights Campaign, PEN America Center, Inc. and the Knight First Amendment Institute at Columbia University, filed an amicus brief in support of the nonprofit organizations who brought this case, Americans for Prosperity Foundation and the Thomas More Law Center, in March 2021, but on narrow grounds. In that brief, LDF urged the Court to invalidate the law only with respect to the petitioners and only based on the specific facts they had presented, which included a pattern of public disclosure of donor information. In today's ruling, however, a divided Court held that the law is unconstitutional across-the-board.

California law requires all nonprofit organizations to register with the state's Registry of Charitable Trusts. To register, organizations must file various forms, including federal tax forms that contain the names and addresses of their major donors. California maintains that disclosure of major donor information is necessary to investigate potential financial wrongdoing by the organizations. State law requires that all federal tax documents containing non-profit donor information remain confidential. But on multiple occasions state officials disclosed organizations' registration documents—including tax forms containing donors' names and addresses—online.

In its decision, the Court held that notwithstanding the important interest undergirding California's donor disclosure requirement, its collection of sensitive nonprofit donor information is not necessary to achieve that interest. As a result, the Court held that California's law could not satisfy the exacting scrutiny necessary to ensure such disclosure requirements do not impermissibly chill the First Amendment right to free association.

The Court's holding is broader than, and inconsistent with, the arguments in the amicus brief LDF joined. That brief stressed that, given the State's prior repeated failure to protect confidential donor information, California's disclosure requirement should be treated as a *de facto* public disclosure law and therefore unconstitutional only as applied under the specific facts of the case. Today's ruling, however, will prevent California from enforcing its donor disclosure requirement in the future, even if it strictly adheres to confidentiality protocols. The decision will thereby make it more difficult for the State to achieve its legitimate interest in investigating self-dealing or fraud by charitable organizations.

###

Founded in 1940, the NAACP Legal Defense and Educational Fund, Inc. (LDF) is the nation's first civil and human rights law organization. LDF has been completely separate from the National Association for the Advancement of Colored People (NAACP) since 1957—although LDF was originally founded by the NAACP and shares its commitment to

equal rights. LDF's Thurgood Marshall Institute is a multi-disciplinary and collaborative hub within LDF that launches targeted campaigns and undertakes innovative research to shape the civil rights narrative. In media attributions, please refer to us as the NAACP Legal Defense Fund or LDF. Follow LDF on [Twitter](#), [Instagram](#) and [Facebook](#).