



## FACT SHEET

Proposition 32, set to appear on the November 2012 ballot, threatens our jobs, wages and retirement by prohibiting unions from standing up to corporate special interests. While the measure's wealthy backers falsely claim it's about "stopping special interests," it's actually designed to weaken unions to give corporate CEOs even more power to boost their profits by cutting jobs, eliminating retirement security and reducing wages. It's the first of a one-two punch to give even more control of government to powerful corporate special interests.

**FACT: Prop 32 eliminates union members in both the public and private sectors from having a voice.** As a result, teachers, nurses, firefighters and all union workers would be unable to fight back against corporate special interests on issues that matter to everyone – like jobs, better wages, school and college funding, police and fire response times, patient safety and workplace protections.

*"...would harm their union opponents more than it would harm business interests."*<sup>1</sup> – OC Register, 8/11/11

**FACT: Prop 32 is funded by corporate executives and millionaires** associated with the anti-union Lincoln Club of Orange County, which played a key role in backing the *Citizens United* Supreme Court decision that gutted federal campaign finance reform. The Lincoln Club and the other wealthy funders like billionaire Jerry Perenchio wrote in special exemptions to the measure for themselves, allowing them – and the companies and organizations they control – to continue spending with NO limits on political campaigns.

*"The Lincoln Club of Orange County had a big hand in the landmark Supreme Court decision in Citizens United v. Federal Election Commission, which opened the floodgate of special-interest money in presidential politics."*<sup>2</sup> – California Watch, 3/13/12

**FACT: Prop 32 is NOT campaign finance reform.** The wealthy backers of this initiative created special exemptions for Wall St. hedge funds, real estate investors, insurance companies and other well-heeled special interests, allowing them to continue contributing directly to political candidates. Limited liability companies (LLC), limited liability partnerships (LLP), limited partnerships (LP), business trusts, real estate investment trusts (REIT) and sole proprietorships – which are among some of the largest companies in the state – are all exempted under the initiative.

*"It's dripping with cynicism... It certainly won't prevent one-percenters from getting their two cents in, or their \$2 million."*<sup>3</sup> – Sacramento Bee, 12/22/11

**FACT: Prop 32 exempts secretive Super PACs and corporate front groups,** which can raise unlimited amounts of money from corporate special interests like Wal-Mart and billionaires like the Koch Brothers to support their candidates or defeat their enemies. The measure does nothing to prevent anonymous donors from spending unlimited amounts to influence elections. Since these secretive Super PACs and anonymous donors don't contribute directly to candidates, they are exempted by the measure and can continue to receive and spend unlimited amounts of money

<sup>1</sup> The Orange County Register, "Editorial: A wrong way to 'get money out of politics,'" *The Orange County Register*, August 11, 2011

<sup>2</sup> Lance Williams, "GOP backers of Citizens United now seek ban on special-interest money," *California Watch*, March 13, 2012.

<sup>3</sup> Dan Morain, "Dan Morain: 'Reform' initiative wears a soiled white hat" *The Sacramento Bee*, December 22, 2011.

on politics. According to the *Wall Street Journal*, as of May 2012, Super PACs, like Karl Rove's Crossroads GPS, had already spent more than \$109 million in the 2012 elections.<sup>4</sup>

*"...would just expand unaccountable independent expenditure committees, the super-PACs."*<sup>5</sup> – LA Times, 4/26/12

**FACT: Prop 32 was deceptively written to limit the voice of union workers and create exemptions for corporate special interests.** The Special Exemptions Act claims it will stop corporations and unions from collecting political funds through payroll deductions – but corporations almost never use payroll deductions to collect funds to support or oppose candidates or ballot measures; they use their corporate profits. The measure is unbalanced, designed to severely restrict unions while doing NOTHING to curb corporate influence over our elections.

*"...a phony veneer of fairness...one-sided and biased."*<sup>6</sup> – Long Beach Press Telegram, 8/21/11

**FACT: Corporations already outspend unions 15-1 in politics.**<sup>7</sup> This measure would make the system even more imbalanced. The backers' goal is to clear the playing field of any opposition to big corporations' agenda, which includes outsourcing jobs, gutting homeowner protections, slashing wages and health benefits and attacking retirement security.

*"If working people like teachers, nurses, plumbers and grocery clerks are silenced, large corporations and business interests will have free rein to do whatever they want to grow their profits, even if that comes at the expense of what's left of our middle class."*<sup>8</sup> – San Jose Mercury News op-ed, 3/2/12

**FACT: Non-partisan groups that advocate for policies curbing special interest influence in politics are urging voters to REJECT the measure.** The League of Women Voters, California Common Cause, Public Citizen and Public Campaign have all spoken out against the deceptive measure.

*"It is little more than an attack on labor masquerading as campaign finance reform."*<sup>9</sup> – Public Citizen, 2/10/12

*"...will do more harm to California's democracy than good."*<sup>10</sup> – California Common Cause, 5/11/12

Despite the proponents' claims that this initiative is geared toward "getting special interest money out of politics," the truth is that it's designed to silence working people while giving corporate CEOs and the very wealthy free rein to exert limitless influence on government and our lives. This initiative is misleading, deceptive and full of consequences that hurt all of us. Prop 32 does absolutely nothing to limit special interest influence on politics while severely curtailing working people's ability to stand up to powerful corporate interests. The result would be a devastating tilt in power to big banks, corporate CEOs and billionaires that would further undermine California's middle class.

**Join the Fight to Stop Prop 32!**

[www.CaliforniaLabor.org/NoOn32](http://www.CaliforniaLabor.org/NoOn32)

<sup>4</sup> "How Much Are Super PACs Spending," *The Wall Street Journal* website, accessed May 18, 2012.

<sup>5</sup> George Skelton, "Special-interest money and politics: the American way," *Los Angeles Times*, April 26, 2012.

<sup>6</sup> Thomas D. Elias, "'Paycheck protection' push returns," *Long Beach Press Telegram*, August 21, 2011.

<sup>7</sup> Center for Responsive Politics, "Business-Labor-Ideology Split in PAC & Individual Donations to Candidates and Parties," *OpenSecrets.org*, April 30, 2012.

<sup>8</sup> Ron Lind, "Special Interest ballot measure really is just anti-union," *San Jose Mercury News*, March 2, 2012.

<sup>9</sup> Robert Weissman, "California's 'Stop Special Interest Money Now Act' Is a Deception Wearing Reform Rhetoric," *Public Citizen*, Feb 10, 2012

<sup>10</sup> Jon Ortiz, "Common Cause says California ballot measure puts unions at disadvantage," *Sacramento Bee*, May 11, 2012.

# NO on Proposition 32

Please pass this along to your co-workers, family, friends and neighbors. I have attached a PowerPoint presentation, two video links as well as a very informative Question & Answer Fact Sheet. We can not afford for this measure to pass. It will weaken public employee unions and will lead the way for future "reform of public employees' benefits and rights" through negative impacting ballot initiatives and legislation.

[http://www.youtube.com/watch?v=IVwLeCMB\\_EM&feature=youtu.be](http://www.youtube.com/watch?v=IVwLeCMB_EM&feature=youtu.be)

<http://www.youtube.com/watch?v=rnisN4nelFc>

*Proposition 32 is a ballot initiative that claims its intent is to eliminate special interest money from Sacramento. Dubbed "Stop Special Interest Money Now," it is actually an assault on union power dressed up as campaign finance reform.*

*"It's not at all what it seems," said Trudy Schafer, of the state League of Women Voters. "It promises political reform but it's really designed by its special interest backers to help themselves and harm their opponents."*

*The measure was written by a core group of Orange County Republicans who have failed in three statewide campaigns to restrict labor unions' ability to collect members' dues for political purposes. This time, they've attempted to broaden their appeal by seeking to ban union donations to candidates and campaigns -- in addition to forbidding unions from collecting dues for campaigns.*