

# Prop. 32 FACTS:

**NO ON 32**  
STOP THE SPECIAL EXEMPTIONS ACT

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 and 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 so they can come after our wages, benefits, and even our right to collective bargaining.

**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."*

– OC Register, 8/11/11

**FACT: Prop. 32 is funded by corporate executives and millionaires .**

Prop. 32's funders are wealthy individuals 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 special exemptions into Prop. 32 to benefit 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." – 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." – Sacramento Bee, 12/22/11*

**FACT: Prop. 32 exempts secretive Super PACs and corporate front groups.**

Super PACs and corporate front groups 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 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.

***"...would just expand unaccountable independent expenditure committees, the super-PACs."***

– LA Times, 4/26/12

**FACT: Prop. 32 deliberately limits unions while creating exemptions for corporations.**

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."*** – Long Beach Press Telegram, 8/21/11

**FACT: Corporations already outspend unions 15-1 in politics.**

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."***

– 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."***

– Public Citizen, 2/10/12

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

**Vote NO on Prop. 32. It's not what it seems.**

