

★ ARGUMENT IN FAVOR OF PROPOSITION 32 ★

Yes on 32: Cut the Money Tie between Special Interests and Politicians

Politicians take millions in campaign contributions from corporations and government unions and then vote the way those special interests tell them. Politicians end up working for special interests, not voters.

The result: massive budget deficits and abuses like lavish pensions and bad teachers we can't fire.

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Prop. 32 prohibits both corporate and union special interest contributions to politicians. NO EXEMPTIONS. NO LOOPHOLES. Individual Californians can contribute, not special interests!

Voters Beware:

Special interests have spent tens of millions of dollars to prevent Prop. 32 from cutting the money tie between them and politicians. They'll say anything to protect the status quo. They've invented a false, bogus, red-herring argument:

They claim Prop. 32 has a loophole to benefit the wealthy and corporations to fund independent PACs. The fact is both unions and corporations fund independent political committees protected by the Constitution that cannot be banned.

"Prop. 32 ends corporate and union contributions to California politicians. Period. No exceptions. It goes as far as the U.S. Constitution allows to end special interest influence in state government. I urge you to vote Yes on Prop. 32."

—Retired California Supreme Court Justice John Arguelles

YES ON 32: THREE SIMPLE, STRAIGHTFORWARD REFORMS

- Bans corporate and union contributions to politicians
- Stops contractors from giving to politicians who approve their contracts
- Makes political contributions voluntary and prohibits money for political purposes from being deducted from employees' paychecks

CUTS THE MONEY TIE BETWEEN SPECIAL INTERESTS AND POLITICIANS

Politicians hold big-ticket, lavish fundraisers at country clubs, wine tastings and cigar smokers. Fat-cat lobbyists attend these fundraisers and hand over tens of millions of dollars in campaign

contributions. Most happen when hundreds of bills are up for votes, allowing politicians and special interests to trade favors:

- Giving multi-million dollar tax loopholes to big developers, wealthy movie producers and out-of-state corporations
- Exempting contributors from the state's environmental rules
- Handing out sweetheart pension deals for government workers
- Protecting funding for wasteful programs like the high-speed train to nowhere, even as they are cutting funds for schools and law enforcement while proposing higher taxes

STOPS SPECIAL INTERESTS FROM TAKING POLITICAL DEDUCTIONS FROM EMPLOYEE PAYCHECKS TO GUARANTEE EVERY DOLLAR GIVEN FOR POLITICS IS STRICTLY VOLUNTARY

The Supreme Court recently said the political fundraising practices of a large California union were "indefensible". (*Knox vs. SEIU*)

Prop. 32 will ensure that California workers have the right to decide how to spend the money they earn. They shouldn't be coerced to contribute to politicians or causes they disagree with. STOPS CONTRACTORS FROM CONTRIBUTING TO POLITICIANS WHO APPROVE THEIR CONTRACTS

Today, it is legal for politicians to give contracts to political donors, shutting out small businesses in the process. Prop. 32 will end this special treatment and the waste it causes, like a \$95 million state computer system that didn't work. (*CNET, June 12, 2002*)

All of this Special Interest corruption will continue without your vote. Yes on 32!

www.stopspecialinterestmoney.org

GLORIA ROMERO, State Director
Democrats for Education Reform

GABRIELLA HOLT, President
Citizens for California Reform

JOHN KABATECK, Executive Director
National Federation of Independent Business—California

★ REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 32 ★

Before you vote on Prop. 32, answer two questions: Would billionaires pay to place this on the ballot unless they were getting exemptions? When's the last time a proposition backed by special interests in California didn't contain loopholes or exemptions?

There's always a catch, and Prop. 32 is no different.

Real estate developers, insurance companies and billionaire venture capitalists are just three groups EXEMPT from provisions of Prop. 32, while a union will no longer be able to contribute to candidates. In addition, huge corporate special interests can continue to spend unlimited money on politics.

Prop. 32 supporters claim workers are forced to contribute to politics or causes they disagree with. They aren't. Current law protects workers from being forced to join a union or paying fees to unions for politics.

What's really going on?

- Major contributors to Prop. 32 are former Wall Street investors, insurance company executives and hedge fund managers—they're EXEMPT from provisions of Prop. 32. Ask yourself why.

- Other Prop. 32 funders own development companies that have sought exemptions from laws that protect our environment and neighborhoods. Prop. 32 EXEMPTS those companies too. Ask yourself why.
- Business Super PACs and independent expenditure committees are EXEMPT from Prop. 32's provisions.
- Prop. 32 adds to the massive state bureaucracy, and costs Californians over a MILLION DOLLARS for phony reform.

The League of Women Voters opposes Prop. 32. It's a thinly disguised attempt to fool voters into thinking it'll improve Sacramento's mess. In fact, it'll make things worse.

JO SEIDITA, Chair
California Clean Money Campaign

JOHN BURTON, Chair
California Democratic Party

ROBBIE HUNTER, Executive Secretary
Los Angeles/Orange Counties Building and Construction
Trades Council

★ ARGUMENT AGAINST PROPOSITION 32 ★

The League of Women Voters of California, California Common Cause and the California Clean Money Campaign all oppose Proposition 32.

That's because Proposition 32 is not what it seems. Prop. 32 promises "political reform" but is really designed by special interests to help themselves and harm their opponents. That's why we urge a No vote.

WILL NOT TAKE MONEY OUT OF POLITICS

- Business Super PACs and independent expenditure committees are EXEMPT from Prop. 32's controls. These organizations work to elect or defeat candidates and ballot measures but aren't subject to the same contribution restrictions and transparency requirements for campaigns themselves.
- A recent Supreme Court decision allows these groups to spend unlimited amounts of money. Prop. 32 does nothing to deal with that.
- If Prop. 32 passes, Super PACs, including committees backed by corporate special interests, will become the major way campaigns are funded. These groups have already spent more than \$95,000,000 in California elections since 2004. Our televisions will be flooded with even more negative advertisements.

NOT REAL CAMPAIGN FINANCE REFORM

Real campaign reform treats everyone equally, with no special exemptions for anyone. Proposition 32 was intentionally written to exempt thousands of big businesses like Wall Street investment firms, hedge funds, developers, and insurance companies. Over 1000 of the companies exempted by this measure are listed as Major Donors by the California Secretary of State. They have contributed more than \$10,000,000 to political campaigns, just since 2009.

UNBALANCED AND UNFAIR

This measure says it prohibits unions from using payroll-deducted funds for political purposes. It says it also applies to corporations, so it sounds balanced. But 99% of California

corporations don't use payroll deductions for political giving; they would still be allowed to use their profits to influence elections. That's not fair or balanced.

Just take a look at the official summary. You can see the imbalance from this line: "Other political expenditures remain unrestricted, including corporate expenditures from available resources not limited by payroll deduction prohibition."

LOOK WHO'S BEHIND IT

Many top contributors to Proposition 32 are former insurance company executives, Wall Street executives, developers, and big money donors to causes which benefit from Prop. 32's special exemptions.

Sacramento has too much partisan bickering and gridlock. The money spent on political campaigns has caused all of us to mistrust the political campaign system. The sponsors of Proposition 32 are trying to use our anger and mistrust to change the rules for their own benefit.

PROPOSITION 32 WILL MAKE THINGS WORSE

Some say "this is unbalanced but it's a step forward." Here's the problem with that. Restricting unions and their workers while not stopping corporate special interests will result in a political system that favors corporate special interests over everyone else. If you don't want special interests in control of air and water safety and consumer protections, vote NO on Prop. 32.

Go to <http://www.VoteNoOn32.com> and see for yourself why Proposition 32 is not what it seems and will hurt average Californians. Vote NO on Proposition 32.

JENNIFER A. WAGGONER, President
League of Women Voters of California

DEREK CRESSMAN, Regional Director
California Common Cause

DAN STANFORD, Former Chairperson
California Fair Political Practices Commission

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SPECIAL INTERESTS ARE NOT TELLING YOU THE TRUTH.

They say they oppose Prop. 32 for WHAT IT DOESN'T DO. But they're trying to stop it for WHAT IT DOES.

The fact is, Prop. 32 goes as far as the Supreme Court allows: It stops both corporations and unions from giving money to politicians. *No exemptions. No loopholes.*

YES ON 32: THREE SIMPLE REFORMS:

- For the 2010 elections, corporations and unions gave state politicians \$48 million. If Prop. 32 had been in place, *that \$48 million never could have been given to candidates.*
- Never again will contractors give money to politicians who approve their contracts.
- No more will corporations or unions take money from workers' paychecks to spend on politics. Under Prop. 32, every employer and union will have to ask permission, and every worker can say no.

Big-money special interests are spending *millions* to stop Prop. 32. They refuse to lose their power over Sacramento.

Just one example:

When the LA school district couldn't move quickly to fire a teacher for sexually abusing his students, it asked lawmakers to pass a law making it easier. But the state's largest teachers union—which gave \$1 million to politicians over two years—called in its army of lobbyists. They killed the reform.

LA Mayor Antonio Villaraigosa called it "cynical political manipulation." To the *San Francisco Chronicle* it was "sickening."

Business as usual hurts real Californians.

Take the big money out of politicians' hands. YES ON 32.

MARIAN BERGESON
Former California Secretary of Education

JON COUPAL, President
Howard Jarvis Taxpayers Association

HON. JOHN ARGUELLES
California Supreme Court Justice (Retired)