

★ ARGUMENT IN FAVOR OF PROPOSITION 40 ★

YES ON PROP. 40 TO TAX BILLIONAIRES

Trump's "Big, Ugly Bill" slashed funding for healthcare in California to pay for more billionaire tax breaks, eliminating coverage for over a million Californians and doubling health insurance premiums for millions more. Vote YES on Prop. 40 to make billionaires finally pay their fair share in taxes and stop sticking the middle class with the bill.

FUND HEALTHCARE, NOT BILLIONAIRE TAX BREAKS

Prop. 40 makes approximately 200 California billionaires pay a modest, one-time tax on their global wealth to keep local hospitals and ERs open and healthcare affordable for millions of Californians. It will raise about \$100 billion to replace the funding Trump and his billionaire donors took from working people to line their pockets. The funds will go to life-saving medical care for seniors, veterans, and families. It will allow millions of Californians to keep their health insurance and not see their premiums skyrocket. It will prevent mass teacher layoffs in our public schools and keep children fed through food assistance programs.

BILLIONAIRES SHOULD PAY THEIR FAIR SHARE

You pay your taxes out of every paycheck, but billionaires pay much lower rates than working families. They insist on paying less, even as they get bigger and bigger tax breaks.

Prop. 40 enacts a one-time tax paid ONLY by Californians worth more than \$1 billion, a small group of people who together hold \$2 trillion in wealth—most of which will never be taxed due to loopholes that favor the ultra-wealthy.

Billionaires amassed their extreme wealth on the backs of the middle class, and we have a chance to make them pay their fair share so WE aren't stuck paying more for healthcare.

BERNIE SANDERS SUPPORTS PROP. 40

U.S. Senator Bernie Sanders strongly supports voting YES on Prop. 40, even if some politicians in Sacramento are protecting billionaires over working people.

"The idea that [billionaires] are saying it's ok for children to die, for people not to get the healthcare they need, that they're going to punish the people of California—it's outrageous."

—U.S. Senator Bernie Sanders.

DON'T BELIEVE THE BILLIONAIRES' LIES

A small group of morally bankrupt billionaires is spreading lies about Prop. 40, because they want working people to foot the bill for their tax breaks.

Google founder and Trump donor Sergey Brin's wealth has DOUBLED to nearly \$300 billion since Trump's election. Now he's spent over \$57 million to oppose Prop. 40. He'd rather millions of Californians lose healthcare than pay his fair share in taxes.

Billionaires like Brin have bought and paid for some corrupt politicians and organizational leaders to also oppose Prop. 40—but actual teachers, Planned Parenthood workers, nurses, and union members support it. Those opposing Prop. 40 have not put forth any viable solution to replacing the funding Trump took from us.

Of course these billionaires and their puppets don't want a billionaire tax, but you should—because someone has to pay, and working people are already paying enough for healthcare.

SAVE LIVES. TAX BILLIONAIRES.

Suzanne Jimenez, Chief of Staff
SEIU-United Healthcare Workers West

Victoria Barron, Patient Access Specialist
Planned Parenthood of Pacific Southwest

Denise Robb, Ph.D., Member of American Federation of Teachers Local 1521
Los Angeles College Faculty Guild

★ REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 40 ★

CALIFORNIA'S EDUCATION, HEALTHCARE, PUBLIC SAFETY, LABOR AND BUSINESS LEADERS ALL OPPOSE PROP. 40'S FLAWED TAX SCHEME

Prop. 40 is a flawed tax scheme that will damage our state while taxpayers pay the price.

Here's why a broad coalition of California teachers, doctors, clinics, hospitals, firefighters, taxpayers, blue-collar labor unions, businesses, Democrats and Republicans oppose 40:

- Prop. 40 won't fill any funding gap—IT WILL COST CALIFORNIA \$25 BILLION in lost revenue for schools, healthcare and public safety.
- Prop. 40 won't fix healthcare or lower costs for consumers—it's a blank check that ALLOWS THE LEGISLATURE TO GIVE BILLIONS TO HEALTH INSURANCE COMPANIES, with no guarantees struggling families see a single cent to help them with high healthcare costs.
- Prop. 40 won't help schools: it exempts itself from California's voter-approved protections for school funding. That SHORTCHANGES PUBLIC SCHOOLS \$3 BILLION ANNUALLY.
- Prop. 40 doesn't solve inequality in California. It just pushes out the

companies and successful residents who drive California's economy, jobs and tax base—FORCING OTHER TAXPAYERS TO MAKE UP THE DIFFERENCE.

There's more: the French economists and the lone group behind Prop. 40 knew the money from their flawed one-time tax would run out, so they included a loophole that lets the Legislature expand the tax without a vote of the people.

Prop. 40 has no accountability or oversight, and no safeguards to ensure the money is spent as intended.

California needs stable, accountable revenue to fund our schools, healthcare and public safety—NOT PROP. 40.

Get the facts and vote no on Prop. 40.

April O'Connor, Teacher
California Teachers Association

Rob Gutierrez, President
California Taxpayers Association (CalTax)

Chris Hannan, President
State Building and Construction Trades Council of California

★ ARGUMENT AGAINST PROPOSITION 40 ★

No on 40—FLAWED WEALTH TAX “EXPERIMENT” HURTS ALL CALIFORNIANS

Prop. 40 is a poorly designed tax scheme that will damage our economy and cost our state budget billions of dollars—without doing anything to lower healthcare costs for Californians.

This measure is a one-time tax that only provides temporary funds. When the money runs out, the politicians will be back with yet another tax.

PROP. 40 WILL COST CALIFORNIA \$25 BILLION IN LOST REVENUE FOR HEALTHCARE, EDUCATION

A study by Stanford University economists found the tax will cost California \$25 billion as the tax drives companies and wealthy residents out-of-state.

These residents create new businesses, drive our economic growth and already pay nearly half the income taxes that fund state programs. If they leave, it will create a huge hole in our budget, threatening core services like education, healthcare and public safety or forcing other taxpayers to make up the difference.

California’s DOCTORS, HOSPITALS AND CLINICS OPPOSE PROP. 40 because the lost funding will endanger patients’ access to healthcare.

“Prop. 40 doesn’t help the need for stable healthcare funding. Prop. 40 makes it worse.”—Jodi Hicks, President and CEO, Planned Parenthood Affiliates of California

PROP. 40 IS WRITTEN TO GIVE POLITICIANS NEW POWER TO EXPAND THE TAX

Prop. 40 isn’t just a “billionaire tax.” The special interests behind the measure wrote it to give the State Legislature power to amend the measure—without voter approval.

Independent legal analysis found Prop. 40 opens the door to expanding the tax to the assets of ALL Californians—to your savings, home equity and even retirement funds. www.ReadItForYourself.org

PROP. 40 TAXES RETIREMENT ACCOUNTS FOR THE FIRST TIME

Prop. 40 would be the first in California history to tax retirement accounts—a dangerous precedent. If it passes, it will inevitably be expanded to tax more Californians’ retirement savings.

PROP. 40 IS A RECIPE FOR MORE WASTEFUL SPENDING

State government spending is up 79% since 2019, without delivering

better results on key issues like crime, housing and homelessness. But Prop. 40 includes no accountability, transparency or oversight provisions to ensure funds are spent as intended.

Instead, Prop. 40: • Exempts itself from voter-approved constitutional protections for schools, shortchanging classrooms over \$3 billion annually. www.ProtectCaliforniaSchools.org • Exempts itself from the voter-approved state spending limit, including its requirement that excess revenues get returned to taxpayers.

• Includes no safeguards to prevent billions from going directly to health insurance companies and CEOs.

AUTHORS ADMIT THE ONE-TIME TAX IS AN EXPERIMENT

The French economists who co-authored Prop. 40 have unsuccessfully proposed wealth taxes in France and the European Union that were rejected due to economic concerns. They call Prop. 40 “an experiment” that may backfire but say “California is the ideal place to test their idea.”

We shouldn’t risk California’s future on a costly economic experiment. www.WhoWroteProp40.org

PROP. 40 IS OPPOSED BY LABOR AND BUSINESS, DEMOCRATS AND REPUBLICANS, TEACHERS AND FIREFIGHTERS

Prop. 40 is opposed by Governor Gavin Newsom, the Democratic and Republican candidates for governor, and the following organizations:

California Teachers Association, Planned Parenthood Affiliates of California, California Children’s Hospital Association, State Building and Construction Trades Council of California, California Conference of Carpenters, California Professional Firefighters, California Asian Pacific Chamber of Commerce, California Council for Affordable Housing, California Taxpayers Association, California Chamber of Commerce, California Hispanic Chambers of Commerce

Join us and vote no on this flawed tax scheme.

Visit www.VoteNoOn40.org for more information.

René Bravo, M.D., President
California Medical Association

Francisco Silva, CEO
California Primary Care Association

Dr. Debra Schade, President
California School Boards Association

★ REBUTTAL TO ARGUMENT AGAINST PROPOSITION 40 ★

LET’S CHECK THE FACTS

1. Prop. 40 is a BILLIONAIRE tax. It cannot be applied to anyone else—working people already pay more than their fair share.
2. Prop. 40 will GENERATE \$100 billion to replace the healthcare funding Trump cut to fund billionaire tax breaks.
3. Billionaires pay MUCH LOWER TAX RATES compared to what working families pay out of every paycheck.

DON’T LISTEN TO BILLIONAIRE LIES

The billionaires who helped Trump pass the “Big, Beautiful Bill” have spent millions to trick you into voting against a billionaire tax.

Don’t be fooled. The endorsements and studies from the billionaires are hiding the truth—they’re pushing a Trump agenda that protects billionaires and hurts everyday taxpayers.

ACTUAL DOCTORS, NURSES, TEACHERS, AND WORKERS SUPPORT PROP. 40

While some organizational leaders and lobbyists have sided with billionaires, the working people they’re supposed to represent are standing behind Prop. 40 and urging you to vote YES. Supporters include:

California Nurses Association, Representative Ro Khanna, Doctors with the Committee of Interns and Residents, SEIU, California League of United Latin American Citizens (LULAC), Clergy and Laity United for Economic Justice (CLUE)

OPPONENTS OF PROP. 40 HAVE NO PLAN TO SAVE YOUR HEALTHCARE

The billionaires and their puppets have not put forth ANY viable solution to replacing the healthcare funding Trump took from us. They’d rather the middle class get stuck with shuttered hospitals and skyrocketing healthcare costs than pay their fair share.

Vote YES on Prop. 40.

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