California Heads for Real Campaign Finance Reform

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Trend-setting California is about to show us real campaign finance reform. On June 2, Californians will vote on the Campaign Reform Initiative (CRI), also called the Paycheck Protection Plan, which, if passed, will prohibit monies from being automatically taken out of workers' paychecks for political purposes without their written consent.

You mean such shenanigans are actually going on? Yes. Unions currently use the dues and other funds withheld from the paychecks of their members for political campaigns decided by the union officials, not by the employees from whom the money is involuntarily (some say surreptitiously) taken.

Millions of dollars earned by union members are thus spent on partisan politics. These funds are spent about 95 percent on Democratic Party candidates and initiatives, even though surveys show that at least a third of union members vote Republican.

Union officials are completely free to pursue their own politics and thumb their noses at their members. California unions spent $12 to $15 million on political candidates and causes in 1996, and they are planning to spend $20 to $30 million to defeat the CRI.

In one of the more egregious examples, the Teamsters gave $195,000 to the 1996 campaign to legalize medical marijuana in California. In 1993, the California Teachers Association spent $12 million of members' dues to defeat Proposition 174, the school-choice initiative.

Most Americans haven't protested this outrage because they don't know about it. Most union members don't protest because it isn't career-smart to bite their boss's hand.

Unions collect billions (not just millions) of dollars every year in mandatory dues and fees from their members. Employers facilitate this whopping windfall by doing all the clerical work necessary to deduct

these "contributions" from individual employees before they ever get their hands on their own earnings.

CRI would prohibit employers from making automatic deductions (called a checkoff) from any employee's pay for political contributions or expenditures without annual, written authorization. As one of the Orange County authors described it, CRI is based on the simple premise that, "If you want to take someone else's money to fund your political campaign, you're going to have to get their permission first."

In addition to the checkoff for transfers to political funds, CRI prohibits unions from using any portion of a member's dues for political purposes without each member's annual, written authorization. The designated form for the "Authorization for Political Use of Fees" must contain the disclaimer that the employee is "not obligated to sign" and that it is "completely voluntary" and cannot "affect your employment."

CRI is modeled after a similar initiative that was passed by Washington state in 1992 with a 72 percent majority. The teachers unions are so powerful at the 50 state capitols that only one state legislature, Michigan's, has been able to pass a state law to accomplish this goal.

Public opinion surveys show overwhelming support for giving union members the choice of whether or not to fund their union's political activities. The Washington Post/ABC News poll reported 82 percent support, CNN/USA Today/Gallup poll reported 72 percent support, and the California Field poll reported 66 percent of Democrats and 70 percent of union members in favor.

In the 1996 election, the national union spent $35 million of their members' money on TV advertising to smear Republican candidates. However, that was only the tip of the iceberg.

Rutgers University Economics Professor Leo Troy told the House Oversight Committee that he estimates that the total of unregulated in-kind political expenditures by the unions in 1996 was actually $300 to $500 million. This vast sum came out of the pot of $8 billion that the unions collect in dues each year (an average of $500 from each of 16 million members).

In 1988 in Communications Workers v. Beck, the Supreme Court held that union members have the right to object to union officials collecting and spending union dues for political purposes or for reasons unrelated to collective bargaining. It wasn't until 1992 that President George Bush issued an executive order requiring government contractors to post notices informing their employees of this right, and one of Bill Clinton's first acts as President was to repeal Bush's order.

The Beck right is effectively unenforceable. Surveys show that 78 percent of union members do not know that they have the right to get a refund for the portion of their mandatory dues spent on political activity.

The chairman of the CRI campaign is Indiana businessman J. Patrick Rooney, who is widely known as the father of Medical Savings Accounts and one of the leaders of the school choice movement. He may also become known as the Father of Paycheck Protection.

Thomas Jefferson warned us, "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical." Right on, Mr. Jefferson!