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Trojan Horse: Understanding How Shays-Meehan Exempts Most Labor Union Political Action from New Restrictions

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EXECUTIVE SUMMARY

Congress will soon revisit the issue of campaign finance reform, specifically in the form of HR 2356, the Bipartisan Campaign Reform Act of 2001. While the proponents of this legislation claim it is fair and even-handed in its approach, its impact would be nothing of the sort.

In fact, life will not change much in the political offices of the AFL-CIO, the National Education Association (NEA), the American Federation of State, County and Municipal Employees (AFSCME), the American Federation of Teachers, or other powerful labor unions.

Most importantly, labor unions will continue to be free to use member dues for political purposes without an individual member's consent. The sponsors could have restored some level of fair treatment for union members by including a "paycheck protection" provision, but they have refused to do so.

No corporation or PAC in America today can legally go into a worker's paycheck and take out money for political purposes without the worker's consent. That ability belongs solely to organized labor, and will continue to produce millions of dollars for labor's political action, with or without Shays-Meehan.

While Shays-Meehan does not significantly impact how labor unions *collect* their political dollars, it does not impact most of the ways unions *spend* their political dollars,

either. Despite much of the media attention given to “soft money” contributions to political parties and “issue advocacy,” these forms of political spending have never formed the bulk of labor’s political muscle, and unions moved even further away from these tactics several years ago.

According to Gerald McEntee, leader of AFSCME, unions recognized that the millions spent in soft money contributions to the Democrats and issue advocacy did not produce the intended result in 1996. Specifically, labor’s goal was the widespread defeat of 36 Republican freshmen targeted in that year. When their effort failed, unions shifted their political tactics and budgets accordingly.

Instead of relying on contributions to political parties and issue advocacy television advertising of the sort covered by Shays-Meehan, today’s labor unions are focused almost entirely on incredibly sophisticated grassroots organizing and membership mobilization through more than 45,000 union locals for the bulk of their political action. With a massive political training operation, sophisticated and experienced field operatives, extensive voter databases, and more than 16 million union households as a base for mobilization, many of today’s labor unions resemble political party operations even more than the Republican or Democratic National Committees.

Yet, all of this activity is shielded from new regulation under the provisions of Shays-Meehan. The almost \$7 million spent by just four unions to communicate political propaganda to their members in the 2000 election would not have been affected. The 70 field operatives sent by the AFL-CIO and the 27 operatives sent by the NEA into targeted districts to defeat congressional Republicans in 2000 would not have been impacted either. Direct mail, telephone banks, voter identification and mobilization efforts, web posting of candidate endorsements, and similar activities funded out of union general treasuries will continue unabated by Shays-Meehan.

Given the level of political action by today’s labor unions, it’s no surprise that in many cases only 20% of a member’s dues are used for purposes directly related to the union’s role as a collective bargaining representative.

The Bipartisan Campaign Reform Act of 2001 will certainly make it more difficult for some citizens and groups to engage in political speech. But it will have little impact on the way America’s labor unions funnel millions of dollars collected from union members into some of the most sophisticated political operations in the nation.