



Learn about Meg Whitman's
Wall Street agenda, and find
out where she stands on the issues
that matter most to California's
working families.

www.wallstreetwhitman.com

The Budget



For additional information go to the "Wall Street Whitman Briefing Book" online: WallStreetWhitman.com

TAKING SCHWARZENEGGER'S FAILED POLICIES TO A NEW LEVEL

In March, Meg Whitman released her 48-page policy book, which includes some of her so-called "budget solutions", which would undoubtedly cause far more problems than they would solve.

Whitman's plan to close the budget gap includes many of the same anti-worker and pro-corporation schemes that Governor Schwarzenegger has been pushing for years — schemes that would force working families to bear even more of the burden, while the wealthiest Californians and corporations get even more tax breaks.

Meg Whitman's budget proposal includes

- Slashing 40,000 state jobs.
- Cutting another \$15 billion in critical public services.
- Giving massive tax breaks to big corporations, millionaires and billionaires.
- Eliminating worker and environmental protections.

Whitman wants to eliminate 40,000 state jobs.

- Wall Street Whitman proposes to unilaterally slash 40,000 state employee jobs, which would likely bring state services to a screeching halt. California's economic recovery has already been slowed by the needless Schwarzenegger state employee furlough policy.
- Slashing 40,000 state jobs alone would increase our unemployment rate 1.7%, from 12.6 to 14.3%. The impact of this devastating job loss on state and local revenues would be insurmountable.

Whitman is proposing another \$15 billion in spending cuts.

- Governor Schwarzenegger has already slashed state services by \$60 billion over the past two years.
- The budget is now \$20 billion short, with no improvement in the structural deficit for the next three years.
- Already, firefighters, police, teachers, and nurses statewide have faced job loss, pay cuts, and reduced public safety to the public.

Though she has yet to specifically identify where these cuts will come from, in order to cut \$15 billion in services, Whitman would have to eliminate:

- All Department of Corrections and Rehab: \$8,056,255
- State share of Community College: \$3,734,374
- University of California system: \$2,596,066
- All State and Consumer Services: \$510,303
- California's Environmental Protection Agency: \$69,549

Total: \$14,966,547

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The Budget

Or, Whitman could eliminate:

- California State University system, University of California system and Cal Grants: \$6,470,862
 - Department of Social Services including Foster Care, IHSS, SSI/SSP, CalWORKs, Adoptions, Adult Protective Services, Child Protective Services: \$8,651,167
- Total: \$15,122,029

Whitman is pushing for massive tax cuts for big corporations and the wealthy.

- Whitman's answer to our budget shortfall – give massive tax breaks for the wealthiest Californians.
- This “voodoo economics” theory of tax cuts for the wealthy was a spectacular failure when George W. Bush tried it at the national level and it surely won't in California.

Whitman proposes to eliminate the capital gains tax assessed on earnings from the sale of stocks.

- Over 80% of tax filers who pay capital gains tax earn over \$500,000 a year. In the last decade, capital gains taxes generated anywhere from \$3.2 billion to \$11.7 billion in annual state revenues. Estimates project that eliminating it would cost the state \$10.8 billion a year in revenues.

Whitman proposes to create new tax breaks for large corporations.

She would:

- Eliminate the sales tax on manufacturing equipment
- Increase what companies can claim in depreciation expenses
- Raise the tax credit for research and development, already a \$1 billion a year giveaway
- Eliminate the business license fee.

Whitman wants to do away with worker protections and deregulate business activities.

- Whitman proposes taking away the 8-hour workday and forcing workers to work 10 hours a day with no overtime pay.
- Hundreds of thousands of construction, service, health care, and transportation workers would collectively lose billions of dollars in overtime pay.
- Whitman continues the Schwarzenegger attack on worker lunch breaks by promoting a voluntary system of meal periods.

Whitman proposes a moratorium on all new business regulations.

- Key pending issues like clean air and water, worker health and safety issues, critical consumer protections against dangerous toxins would all be put on hold during the Whitman regulatory timeout.

Jobs



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ELIMINATE, OUTSOURCE, DOWNSIZE

Meg Whitman wants to "run California like a business." So what does that mean for California's working families? Whitman has a history of layoffs, outsourcing and exorbitant executive perks as CEO and Board Member of eBay. While on the campaign trail, Whitman has pledged to continue cutting jobs while giving lavish tax breaks to her corporate millionaire friends.

Meg Whitman:

- Has a record of slashing jobs at eBay, while giving herself and other executives huge bonuses and others perks.
- Is a serial outsourcer, having sent 40% of eBay's jobs overseas.
- Says she's a "huge fan" of increasing the number of H-1B visas, which take California jobs and exploit foreign workers.
- Proposes mass firings of state workers, costing California 40,000 jobs.

Whitman Oversaw Mass Layoffs at eBay

- Whitman approved mass layoffs of 10% of eBay's workforce as a member of the board in 2008. As thousands of workers lost their jobs, the board approved million dollar severance packages for executives.

Whitman Sent eBay Jobs Overseas

- Under Whitman's leadership, nearly 40% of eBay's employees were overseas.
- From 2002-2007, Whitman increased the number of overseas workers at eBay by 666%, rather than keeping jobs in California.

Whitman Supports Using H-1B Visas to Replace Workers in California

- Whitman says she's a "huge fan" of increasing H-1B visas to foreign workers, meaning fewer jobs for California workers. H-1B workers often earn less than U.S. workers, leading to potential exploitation of those workers.
- U.S. Senator Dick Durbin has introduced legislation to limit the H-1B program, because "the H-1B visa program is plagued with fraud and abuse and is now a vehicle for outsourcing that deprives qualified American workers of their jobs. Our bill will put a stop to the outsourcing of American jobs and discrimination against American workers."

Whitman Would Cut 40,000 State Jobs—10% of the Workforce

- Whitman proposes to cut 10% of the state's workforce, about 40,000 state workers, supposedly without cutting public safety. Yet even Governor Schwarzenegger's office ridiculed her proposal, saying "The governor only has authority over contracts with 100,000 state employees paid through the general fund. About two-thirds of those are in Corrections. So it's unclear how you cut 30,000 positions without affecting public safety."

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Jobs

- Even though Whitman would not have the authority to cut positions in the University of California system, she would cut UC's budget in order to force layoffs of key university personnel.
- Whitman's proposal would supposedly include state workers paid through Special Funds, meaning that she would fire state workers, creating hardships for those workers and local businesses, for no savings to taxpayers or to the State.
- California already has the second-lowest number of full-time state workers relative to population in the entire nation—second only to Illinois and tied with Florida.

Whitman's Job Creation Plan Has No Basis in Reality

- In February 2009, Sacramento Bee columnist Dan Walters contended that Whitman's promise to create two million jobs "defies economic, demographic and political reality."

Healthcare



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ELIMINATE LANDMARK REFORM, PERMIT INSURANCE COMPANY ABUSES AND REJECT FEDERAL FUNDING

Compared to residents in other states, Californians are more likely to be uninsured, less likely to get on-the-job benefits, more likely to be denied for pre-existing conditions, and more likely to need help to afford health coverage.

Yet Meg Whitman wants to repeal the new federal law that will help Californians who are facing these problems get access to the quality, affordable health care they so desperately need. At a Redondo Beach campaign event, Meg Whitman said she would "strongly encourage" California's Attorney General to challenge the new federal health reform law. (*"California should seek to block healthcare plan, Whitman says", Los Angeles Times, March 31, 2010*)

Whitman's campaign to roll back health care reform would:

- Repeal consumer protections and allow insurance company abuses.
- Deny millions of Californians help with health care.
- Reject federal funds and resources for Californians.
- Cut the health system we all rely on.

Whitman is pushing to repeal consumer protections and allow insurance company abuses.

Siding with Anthem Blue Cross of California and other insurers, Whitman opposes the reform that would stop the worst abuses of the health insurance industry. By opposing health reform and its consumer protections, she would allow Californians to continue to be at the mercy of insurers, and allow insurers to:

- Deny coverage for "pre-existing conditions";
- Rescind coverage after a patient gets sick and needs care;
- Impose arbitrary annual and lifetime caps on coverage, leaving insured patients at risk of medical debt and bankruptcy; and
- Sell "junk" coverage that does not provide basic benefits.

In her main pro-active health care proposal, Meg Whitman would allow out-of-state insurers to come into California without abiding by any California consumer protections, including basic benefits, the right to appeal decisions to deny care, or other patient's rights.

Whitman's plan to repeal health care reform would deny millions of Californians help with health care.

Meg Whitman's health plan is simply to go backwards. By pushing to repeal health reform, she would effectively:

- Deny 800,000 Californians with "pre-existing conditions" from obtaining coverage.

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Healthcare

- Deny new health coverage to 3.8 million uninsured Californians and prevent improvements to coverage for 21 million Californians with employer-based or individual health insurance.
- Condemn 66,000 more California families a year to go into bankruptcy due to unaffordable health care costs.
- Prevent 3.2 million young adults in California (under age 26) to obtain coverage on their parents' insurance plans.
- Deny all 4.5 million California seniors with free preventive services.

Whitman wants to reject federal funds and resources for Californians.

By seeking to repeal health reform, Meg Whitman would reject \$124 billion in new federal support, just when we need it the most. Repealing reform would also:

- Increase health insurance premium costs for millions of California families by denying tax credits to purchase health care coverage and other federal health care benefits worth \$106 billion.
- Increase taxes on up to 392,000 California small businesses by \$4.3 billion, by stopping small business tax credit.
- Increase prescription drug costs for 794,000 California seniors by \$9.3 billion, continuing to allow seniors with a “donut hole” in their current Medicare Part D coverage to have their coverage run out after around \$2,000, rather than improving drug coverage with a \$250 rebate this year, and eventually making seniors' drug coverage comprehensive.
- Continue uncompensated care costs for California health care providers, continuing \$2.6 billion burden on our health system.
- Eliminate \$1.4 billion in new funding to California community health centers.
- Increase the federal deficit by over \$143 billion in the first ten years, and over \$1.2 trillion in the ten years after that. According to the Congressional Budget Office, federal health reform would both lower the deficit, and extend the solvency of Medicare for nine years.

Whitman's budget plan would cut the health system we all rely on.

- Although she has provided little detail, Meg Whitman's budget proposal would also have negative repercussions on our state's health care system, leading to further denials of coverage and additional cuts to California's clinics, hospitals, and emergency rooms.

WALL STREET WHITMAN BRIEFING BOOK

Education



For additional information go to the "Wall Street Whitman Briefing Book" online: WallStreetWhitman.com

MORE CUTS, UNFAIR TESTING, INEQUITABLE PAY, AND MANDATORY CHARTER SCHOOLS

Meg Whitman has no experience with education policy and has never attended school in California. The billionaire CEO promises to instill wrongheaded policies that will make it even harder for California's students to succeed. For starters, Whitman proposes an additional \$15 billion in cuts, much of which will come directly out of our state's classrooms.

Her strategies to "fix" our education system will only widen the achievement gap between privileged and underprivileged students by discriminating against women, minorities, and low-income students. Her plan to remove the accountability structure of public schools and allow them to be run for-profit will fail both our students and our teachers.

Meg Whitman:

- Proposes billions in additional budget cuts that would devastate education.
- Will rank our schools using flawed tests which have proven to be biased against women, minorities, and low-income students.
- Will punish teachers who work hard to serve minority and low-income communities.
- Will forcefully convert struggling public schools into business-like charter schools that aren't held to the government's standards and can be run for-profit.

Whitman is pushing for more devastating budget cuts to education.

- Whitman proposes an additional \$15 billion in budget cuts, which means taking as much as \$7 billion from our state's schools and universities. With California schools already ranked among the lowest in the nation in per pupil funding, these additional cuts would spell disaster for our state's education system.

Whitman will rank schools using biased tests.

- Whitman wants to slap an A through F grade on every public school using discriminatory standardized tests as her rubric. Schools with a majority of students who were raised in the same culture and with the same mindset as the test-writers will get As, and schools with students whose backgrounds were not considered when the tests were written will fail.
- This will only continue the cycle of unfair advantage by providing more funding to schools in privileged neighborhoods while neglecting schools in low-income and minority neighborhoods.

Whitman will instigate inequitable payment policies for teachers.

- Whitman will pit students and teachers against each other with flawed standardized tests, giving raises to teachers whose students do well on the tests and lay off teachers whose students are struggling.

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Education

- Rather than encouraging teachers to succeed, this merit pay system would only punish teachers who serve minority and low-income communities because standardized tests have proven time and time again to be biased against those populations.
- Teachers who work with privileged students will continue to be rewarded and teachers who work with underprivileged students will be forced out of their jobs, leaving those underserved communities to continue to fend for themselves.

Whitman will force struggling public schools to convert to charter schools.

- Instead of giving struggling public schools the help they need, Whitman will force them to convert to charter schools: schools which take public money but aren't held to the same standards as public schools and can even be run for-profit.
- Charter schools make their own rules and have no oversight: many have been shown to underperform, mismanage funds, forsake children with special needs, racially segregate students, and more. Teachers at charter schools do not have collective bargaining rights and are often overworked and undercompensated.
- Charter schools look more like businesses than schools, so it's no surprise that Wall Street Whitman wants to remove the protective cap currently in place to keep their number under control. Whitman's plan would take precious funds away from our public schools, at a time when public education is already drastically underfunded.

WALL STREET WHITMAN BRIEFING BOOK

Workers' Rights



For additional information go to the "Wall Street Whitman Briefing Book" online: WallStreetWhitman.com

MORE TAKEAWAYS FOR MIDDLE-CLASS WORKERS, AND MORE GIVEAWAYS FOR THE WEALTHY

Meg Whitman is preparing to launch a full frontal assault on the rights unions have fought for and won over decades, while leaving CEO perks and lavish compensation packages untouched.

Whitman wants to:

- Take away workplace protections like the 8-hour day and a guaranteed meal break.
- Slash pensions for public sector workers
- Eliminate Project Labor Agreements
- Cut wages for workers while creating even larger tax loopholes for the wealthiest Californians

Whitman wants to take away basic workers' rights.

- In a speech at the Commonwealth Club in February, Whitman said that it's time to take away guaranteed meal breaks for workers in California.)
- Whitman calls California's labor laws "burdensome" and would eliminate the 8-hour day for workers. (Meg 2010 website)

Whitman wants to cut workers' pensions.

- Whitman has called for the privatization of state services such as the work done by janitors and workers at the state printing plant—partly as a way to avoid pension costs.
- Whitman proposes to raise state workers' retirement age from 55 to 65, and will force public employees to double the amount of salary contributions to their pension plans - from 5 percent to 10 percent. She has said: "I think the era of a defined benefit program is over."

Whitman wants to cut wages and reduce protections for construction workers.

- The anti-union Associated Builders and Contractors had Whitman as its keynote speaker at a conference to fight Project Labor Agreements, which set basic terms and conditions for labor in advance of hiring.

Whitman would balance the budget on the backs of workers.

- Whitman thinks she can cut \$15 billion from the state budget, with the largest chunk coming from takeaways from state workers. She would cut increase employee pension contributions, slash 40,000 state jobs and roll back wages.
- At the same time Whitman would eliminate the capital gains tax for her billionaire friends and create even bigger tax loopholes for corporations that continue to bleed billions of dollars from the state budget.