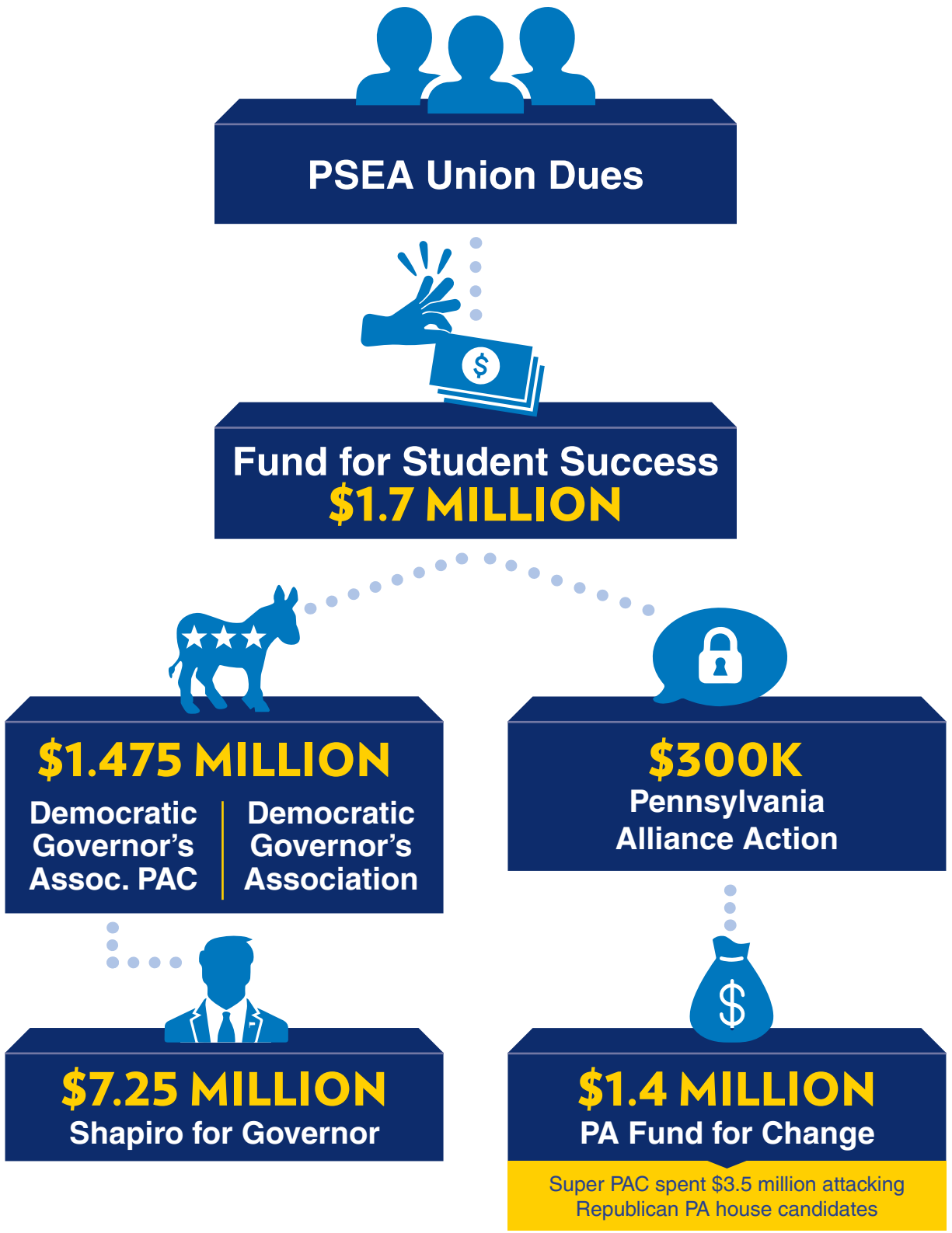


# HOW THE PSEA DIVERTED UNION DUES TO POLITICS IN 2022





# HOW THE PSEA DIVERTS UNION DUES TO POLITICS

The Pennsylvania State Education Association (PSEA) has created an intricate web of organizations to funnel money from union dues—collected at taxpayer expense—to election-related activity. These dues were redirected through a front group called Fund for Student Success to entities that heavily supported Josh Shapiro and Pennsylvania legislative Democrats.

In 2018, the PSEA **set up the “Fund for Student Success.”** This new entity, nothing more than a political arm of the PSEA, allowed the PSEA to divert union dues to political activity, without disclosing the end-user on reports filed with the US Department of Labor. These reports (called LM-2 reports) show that the PSEA gave **\$3.27 million** to the Fund for Student Success from 2018-2022.

However, the Commonwealth Foundation was able to track down Fund for Student Success expenditures using **reports filed with the IRS.**

In 2022, the Fund for Student Success contributed **\$1.475 million** to the Democratic Governors Association, and **\$300,000** to Pennsylvania Alliance Action, a 501c4 entity created by notorious Philadelphia trial lawyer **Sam Pond.**

The Democratic Governors Association, through **its Pennsylvania PAC,** was the largest contributor to Josh Shapiro, giving more than **\$7.25 million** to Shapiro for Governor.

Pennsylvania Alliance Action is itself a passthrough entity, which doesn’t have to disclose all its donors. But we know the Pennsylvania Alliance Action **gave \$1.4 million** to the **Pennsylvania Fund for Change** in 2022. (Following \$1.45 million in the 2018 cycle and \$4 million in the 2020 cycle).

PA Fund for Change is a SuperPAC that spent **\$3.5 million** in 2022 on TV ads and mail campaigns, attacking eight Republican candidates for the Pennsylvania House of Representatives. All eight lost in contested races.