

## *Efforts in Government:*

### **ADVANCING PRINCIPLED PUBLIC POLICY**

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More and more, Americans are turning to government to solve problems. As a result, government grows bigger and more powerful—even if not successful. What's worse is that **the least fortunate are among the hardest hit by government overreach.**

Frequently, the cost paid for these types of laws and regulations is opportunity foregone. Children remain trapped in schools that do not meet their needs. Adults struggle to escape a life of poverty because they cannot turn their skills into value-generating businesses. Small businesses cannot expand or grow because regulations favor their bigger competitors.

Tackling these challenges at the state and federal level is no easy feat—progressive groups, unions, and crony special interests are well-funded and well-organized to defend (or expand) big government. However, Seminar Network supporters have made it possible to build a permanent grassroots force that has been able to overcome the opposition. And with continued support, we will be able to sustain and reinforce this grassroots capability for the long term.

Though by no means exhaustive, below is a list of a few of the key objectives of Network grassroots and policy groups for 2018:

- Engaging lawmakers and holding them accountable for comprehensive tax reform
- Confirming principled jurists
- Ensuring worker freedom
- Rolling back overregulation
- Protecting America's fiscal future
- Eliminating corporate welfare
- Increasing access to educational freedom

To advance these policy reforms, Network groups will:

- Educate and engage Americans about these issues through our 36-state grassroots infrastructure,
- Shape the narrative through paid and earned media, and
- Persuade lawmakers with direct lobbying, events, and communications both in D.C. and in their home states and districts.

Once policy reforms become law, we help to defend those gains through *"It's Working"* campaigns which connect people to the positive benefits and outcomes of such reforms while pushing back on the opposition's hyperbole and negative rhetoric about the changes.

### **COMPREHENSIVE TAX REFORM**

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For the first time in more than a generation, lawmakers in both chambers have advanced comprehensive tax reform. The Tax Cuts and Jobs Act, passed by the House and Senate on December 20th, now awaits the President's signature—although the White House has indicated that President Trump may wait until January 1st to sign the bill into law.

**Enacting principled, pro-growth, comprehensive tax reform has been the Seminar Network's top policy priority throughout 2017, and we are proud of the progress that this bill makes towards that goal—although we also realize that there is more work to be done.** The Network made an eight-figure commitment to this initiative, leveraging waves of paid and earned media and highly-publicized grassroots events to support our under-the-dome tactics and our consistent messaging. In addition, members of the Seminar Network played a large role in the effort, urging decision-makers to stand firm on key issues within the bill or to pursue better policies.

## **WHAT'S NEXT?**

**Educating Americans on how this bill will spur growth and economic benefits:** The final passage of the tax reform bill will not mark the end of our efforts. The Network has recently announced a new multi-million dollar campaign over the next few years to educate Americans on the ways that comprehensive tax reform will benefit them.

AFP will continue to push forward in our goals of enacting pro-freedom legislation, constantly striving to improve the laws and regulations that govern our tax system and all other facets of the American economy.

**Holding lawmakers accountable for their votes:** In addition to persuading lawmakers and educating Americans *during* policy fights, a key component of the Seminar Network's strategy happens *after* votes take place. Using direct mail, television and digital advertising, and phone-banking and door-knocking, our grassroots organizations champion lawmakers who advance good policy (like tax reform)—and hold accountable those who do not. The purpose of this is to help people understand what positions lawmakers have taken and what the consequences are or will be because of their votes.

As an example, in October, Americans for Prosperity launched issue advocacy television ads in Indiana, Missouri, and Wisconsin encouraging Senators Donnelly, McCaskill, and Baldwin to support tax reform. AFP now plans to hold accountable those who stand in the way of this much-needed policy change.

## **REMOVING REGULATORY BURDENS**

**Continuing to remove the burden caused by unnecessary and harmful regulations imposed during the Obama Administration—at both the state and federal level—remains a key focus of the Network's overall strategy.** By leveraging the Network's policy, grassroots, and communications capabilities to build the public case for smarter approaches to regulation, we've already seen progress toward this goal. In the first eleven months of President Trump's Administration, the White House and Congress have closely followed the Network's Roadmap to Repeal, with Congress utilizing the Congressional Review Act more than any other time in its history.

This year, thanks in part to research and outreach efforts across institutions, we have seen progress on many regulatory priorities this Network has championed for years. **Notable developments at the federal level include:**

- CFPB Arbitration Rule – *Repealed by Congressional Review Act*
- EPA Waters of the U.S. Regulations – *In Process of Being Formally Repealed*
- Keystone XL Pipeline, Dakota Access Pipeline – *Permits Approved*
- BLM Stream Protection Rule – *Overtured*

- EPA Clean Power Plan – *In Process of Being Formally Repealed*
- Infrastructure Project Permit Streamlining – *Executive Order Issued*
- Review Antiquities Act Abuse – *Executive Order Issued*
- BLM Rule Preventing Fracking on Federal and Indian Lands – *Rescinded*
- Withdraw the U.S. from the Paris Climate Agreement – *Withdrawn*
- EPA “sue and settle” practices – *Ended*
- Treasury Department estate-tax rules – *Eight Rules Repealed*
- Expanded joint employer/independent contractor standards – *DOL Rescinded, Amendment Passed in House*
- Repealed Obamacare limits on short-term insurance plans – *Executive Order Issued*

**State legislatures**, particularly in states with a strong Network presence, have also made significant progress toward removing harmful and unnecessary regulations. For example, Wisconsin this year went so far as to enact the nation’s first REINS Act, which will require legislative approval of any issued regulation that has an impact above a certain cost threshold.

## **JUDICIAL CONFIRMATION STRATEGY**

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The protection of the rule of law is critical to a free and open society. For this reason, grassroots groups supported by the Seminar Network are engaging their activists to support the confirmation of principled, constructionist jurists from federal courts all the way up to the Supreme Court. These organizations are engaging around judicial nominations, mobilizing activists to support qualified nominees who respect the rule of law, fighting to end judicial obstruction in Congress, and educating Americans about the value of a fully-functioning judiciary. Freedom Partners Chamber of Commerce, Concerned Veterans for America, and Americans for Prosperity have also been engaging in direct, under-the-dome tactics, working with allies like the Federalist Society.

In the lower courts, our strategy is primarily focused on under-the-dome tactics. However, when it can make a difference in the confirmation process, we do activate our grassroots volunteers through tactics like phone calls, digital ads, and telephone town halls.

## **WHAT’S NEXT: POTENTIAL BATTLE FOR JUSTICE KENNEDY’S SEAT**

In Washington, there are reports that Justice Kennedy could announce his retirement from the court within the next year. A traditional “swing” seat, if a fight for Kennedy’s replacement materialized, it would be far more contentious and potentially require a far more expensive effort.

If President Trump nominates a principled, constructionist nominee, for Justice Kennedy’s seat or any other vacant seat, we anticipate engaging with both grassroots and under-the-dome tactics, bringing paid and earned media and events to support the confirmation. We expect that Network organizations would engage their communications and grassroots capabilities to ensure a strict constructionist is confirmed to the court.

If additional resources were available, the Network could choose to undertake a more expensive (but potentially more effective) approach. This could possibly look like adding waves of direct mail, putting together TV ads, or broadening the grassroots approach to target additional Senators who are potentially persuadable.

**Holding lawmakers accountable for their votes on principled jurists:** In addition to persuading lawmakers and educating Americans *during* policy fights, a key component of the Seminar Network's strategy happens *after* votes take place—similar to our efforts in tax reform and other policy priorities. Using direct mail, television and digital advertising, and phone-banking and door-knocking, our grassroots organizations champion lawmakers who advance good policy—or, in this case, principled jurists who support rule of law—and hold accountable those who do not. The purpose of this is to help people understand what positions lawmakers have taken and what the consequences are or will be because of their votes.

### **2017 Flashback: Confirming Judge Gorsuch**

Network groups used mail, digital ads, and email campaigns in the effort to confirm Neil Gorsuch to the U.S. Supreme Court. Grassroots groups supported by the Seminar Network contacted **nearly 400,000** Americans resulting in more than **20,000** people contacting their Senators directly. Three targeted senators—Manchin (D-WV), Heitkamp (D-ND), and Donnelly (D-IN)—all voted to confirm Gorsuch.

## **ENSURING WORKER FREEDOM: EMPLOYEE RIGHTS ACT AND STATE-BASED RIGHT-TO-WORK**

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Reforming labor laws and practices protects the basic freedoms of workers by putting their preferences ahead of unions and special interests. Furthermore, reforms benefit employers and consumers by allowing for faster economic, job, wage, and revenue growth in the states where changes are implemented. Most importantly, labor reforms remove barriers for people to increase their financial opportunity and advance their personal prosperity.

The Seminar Network has been driving state-level labor reforms over the last decade—and experienced great success. These successes created a domino effect: as reforms were implemented in one state, legislators in other states were encouraged to act on principle and support such reforms in their states as well.

### **LONG-TERM STRATEGY**

Labor reform is not an overnight process; advancing major federal labor reform requires a long-term strategy. When we look at the history of labor reform, legislation often takes years after initial introduction before being passed and implemented. Labor reform has not been a top federal priority for lawmakers in recent years. However, seeing the state-level successes—many of Network groups helped achieve—has built new awareness of the issue among members and legislative staff.

### **Status of major National Labor Relations Board Rules:**

- **Overtime Rule:** In 2016, the Obama administration announced the new Overtime Rule to increase the white-collar overtime exemption salary threshold from \$23,660 to \$47,500. However, in the fall of 2016, a Texas district court blocked the overtime rule from taking effect. In September 2017, the Justice Department announced it will not defend the overtime rule, effectively stopping it.
- **Joint Employer Rule:** The Obama Administration's reinterpretation of the of the Fair Labor Standards Act's Joint Employer Rule placed a heavy burden on employers by making corporations and franchisors liable for employment practices of their franchises. However, in June 2017, Department of Labor Secretary Alex Acosta rescinded the expanded interpretation of this rule, an important step in protecting companies from union threats and lawsuits. However, in the future, the Obama Administration's interpretation of the joint employer rule can still be applied to businesses. A legislative solution is the most permanent and desired outcome to protect economic growth and opportunity for more Americans.

The Republican-backed Save Local Business Act, which passed the House of Representatives on a 242-181 vote, would protect businesses from being held liable for violations committed by their franchisees and contractors. Americans For Prosperity (AFP) has endorsed this legislation and released a Key Vote Alert.

**Status of National Labor Relations Board nominations and vacancies:** The National Labor Relations Board (NLRB) is currently made up of three Republicans and two Democrats, each appointed for five-year terms. President Trump took office with two vacancies on the board, and nominated Marvin Kaplan and William Emanuel to the positions—both were confirmed by the Senate.

Recently, current NLRB Chairman Phillip Miscimarra (R) announced that he plans to retire at the end of 2017. Reports suggest that President Trump will nominate John Ring, a management lawyer, to fill the soon-to-be empty seat. Ring, however, would most likely *not* be nominated as to serve as chairman. It is expected the leadership role would be filled by one of the current Republican members, Kaplan or Emanuel.

**Employee Rights Act (ERA):** Network groups are among the primary leaders of a coalition of outside groups supporting the effort to pass the Employee Rights Act, the most sweeping overhaul of federal labor law in over 70 years. Network groups are utilizing grassroots tactics and coalition letters to help drive support in Congress. Since AFP began having meetings on the Employee Rights Act, co-sponsorships in the House have more than doubled. AFP formally endorsed the bill in 2016 and 2017. Our Network has produced multiple op-eds and articles on this issue and *The Wall Street Journal* editorial board recently endorsed the ERA during a major AFP lobbying push in favor of the ERA.

AFP continues to lead a coalition of like-minded organizations to engage in under-the-dome activity to advance the Employee Rights Act. However, we believe this effort would be super-charged by a grassroots effort that helps restore worker freedom as a key *federal* priority for the base.

## VETERANS AFFAIRS ISSUES

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The Network takes an active role in protecting and promoting the well-being of our nation's veterans, largely through Concerned Veterans for America (CVA). CVA strives to highlight the urgent need to advance reforms that upend the dysfunctional status quo at the Department of Veterans Affairs (VA) and give veterans access to the quality of care they both need and deserve.

After a multi-year Network effort spearheaded by CVA, President Trump signed into law the VA Accountability and Whistleblower Protection Act of 2017, giving the VA Secretary the authority to hold bad department employees accountable for their actions and protect those who speak out against wrongdoing. The bill serves as a blueprint to reform ineffective agencies across the government so they can better help those they were intended to serve.

The Network used both its substantial grassroots presence and strong under-the-dome relationships to give voices to hundreds of thousands of veterans—making millions of calls and door knocks across the country; highlighting issues through earned, paid, and social media; and attending roundtable meetings with President Trump and VA Secretary Shulkin to discuss CVA's solutions for bringing a culture of accountability to the department.

While this legislation paved the way for reform, too many veterans still lack access to high-quality health care. Building on the momentum from the VA Accountability Act, the Network is supporting more opportunities to improve choice, innovation, and quality in veterans' care.

CVA leaders are now calling on lawmakers to enact permanent legislative solutions that would put veterans at the center of their own health care decisions, such as the Veterans Care and Community Access Act. Introduced earlier this month by Republican Senators John McCain (AZ) and Jerry Moran (KS), the legislation would offer veterans more health care options and provide much-needed reforms to the VA's medical system.

## **PROTECTING AMERICA'S FISCAL FUTURE**

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America's national debt and annual deficits are a reflection of bipartisan failures over several decades. Elected officials in office today are incentivized to spend and borrow with no regard for the future. Even though Americans largely believe government is spending too much and that the debt reflects a moral failure, there is little appetite or political will to address overspending. This is particularly true when it comes to the main driver of our debt: unchecked entitlement spending.

President Trump has indicated that he wants to make entitlement reform a priority for 2018 and Speaker Ryan has said that he wants to address welfare reform. Although there is significant indecision among lawmakers, particularly Senators, about whether reform is possible (especially in an election year), organizations supported by the Seminar Network believe that the longer we wait to address entitlements, the more challenging the solutions will be. Americans for Prosperity, Generation Opportunity, Concerned Veterans for America, The LIBRE Initiative, and Freedom Partners Chamber of Commerce will continue to educate Americans about the dangers of overspending and unchecked entitlement growth, and will communicate with lawmakers about the need for action.