The Koch State

How the Koch Brothers' Growing Influence is Hurting Pennsylvanians
The common thread running through each of the headlines below is the growing influence of the Koch brothers in Pennsylvania.

- **Penn Live: Toomey opposes Obama minimum wage initiative** [Penn Live, 1/29/14]
- **CNBC: Sen. Pat Toomey: We should repeal Dodd-Frank** [CNBC, 2/26/14]
- **Tribune-Review: Pennsylvania budget impasse leaves college students without funds** [Tribune-Review, 10/17/15]
- **WPXI: Pre-K programs closing due to Pennsylvania budget battle** [WPXI, 10/30/15]
- **Philadelphia Business Journal: With no state budget, Pa. schools tap $900M in loans to keep running** [Philadelphia Business Journal, 2/12/16]
- **Morning Call: Sen. Pat Toomey says next president should pick Justice Antonin Scalia's successor** [Morning Call, 2/16/16]

For years, the Koch brothers—through their corporate and political network—have been quietly plotting to take over Pennsylvania. The recent 266-day state budget impasse can be traced back to the obstruction they have fostered and orchestrated in the commonwealth with copious campaign donations and funding a network of radical political front groups. From their aggressive in-state lobbying to get taxpayer-paid subsidies for Georgia Pacific, to pressuring local elected officials to look the other way as Frac-Chem contaminated Pennsylvania’s air and drinking water and wreaked havoc on farmlands, the Koch machine in Pennsylvania has disrupted health and state services, precipitated threats of school closures, while casting the most vulnerable residents into the political maelstrom the Koch brothers created.

In the lead up to Gov. Tom Wolf’s inauguration in 2015, Koch-backed political groups were already putting pressure on conservative lawmakers, cornering them on issues such as liquor privatization and a tax on natural gas extraction. As a result, any effort by moderate lawmakers toward a compromise from either side was stonewalled, putting Pennsylvanians across the state at risk of losing their jobs. Schools delayed payments to teacher retirement funds, senior centers and domestic violence centers were forced to turn away those who relied on the public services, and school officials were at a loss how they would pay off hundreds of millions of dollars in loans to keep their doors open.

On the federal level, the Koch brothers have propped up and installed politicians as key defenders of their billionaire agenda, namely Sen. Pat Toomey. Sen. Toomey has repeatedly championed the Koch agenda at the expense of Pennsylvania’s working families: opposing a raise in the minimum wage, advocating for weaker environmental standards and less restrictions against polluters, and pushing to repeal Dodd-Frank, the law intended to stop the financial wrongdoings that crippled our economy in the 2008 recession.

Up for re-election, Sen. Toomey is taking cues from his patrons and joining the partisan fight to obstruct the judicial process and keeping a vacancy on the Supreme Court. The Kochs will do everything they can to ensure that Pat Toomey—and their other client politicians—are re-elected this year. To protect those who they’ve put in place to do their bidding in Congress, the Koch brothers cut a $1.5 million check from the $889 million political war chest, and gave it to their “veterans” front group, Concerned Veterans for America, earmarking it for Toomey.

The Kochs don’t care who they hurt with the havoc they are fueling in Pennsylvania—so long as it serves their own bottom line. All Pennsylvanians should pay close attention to what the Kochs, their corporate entities, and their network of political front groups are doing in the Keystone state. As both Governor Wolf and the legislature work to rekindle budget proceedings for the next fiscal year, they will start from behind thanks to the turmoil wrought by Charles and David Koch.

**Reading Eagle: Analysts see mess in Pennsylvania budget**

"The magnitude of the projected budget gap," which the administration estimates at $2 billion for next year, "is not insurmountable, in our view, and is not tied to tax base fundamentals. Our negative outlook rather reflects our view that the state's fiscal issues lie in lack of political will to solve them in a timely manner," they wrote. [Reading Eagle, 3/28/16]
The Kochstone State: How The Koch Brothers' Growing Influence Is Hurting Pennsylvanians

Koch Industries In Pennsylvania

Koch Industries Operations Extend Across Pennsylvania

Georgia Pacific

Koch Acquired Georgia-Pacific In 2005

Georgia Pacific Controversies In Pennsylvania

Georgia Pacific Asked For Taxpayer Support

Frac-Chem

Frac-Chem Was Acquired By Koch Minerals In 2012

Frac-Chem’s Business

Frac-Chem’s Business

Koch Acquired Georgia-Pacific In 2005

Frac-Chem’s Business

Koch Industries Had A Significant Stake In Fracking

Koch Political Front Groups In Pennsylvania

Americans For Prosperity

Americans For Prosperity Was Founded By The Koch Brothers

AFP – Pennsylvania Has Had A Staff Presence In The State Since 2014

 Concerned Veterans for America: The Vets Group That Fights Against Veterans

CVA Held That Its Mission is To Advocate For Freedom, Which Veterans “Fought And Sacrificed To Defend”

CVA Is Funded By The Koch Network

American Future Fund

Organization

Leadership

Koch Funding

Commonwealth Foundation

Organization

Staff

Offices

Koch Connections

The Kochs’ Use Of Their Political Influence To Thwart Efforts To Pass A Bipartisan State Budget, Ultimately Forcing The GOP Budget On Pennsylvanians

March 2016 Budget Update - Koch Orchestrated Budget Crisis Resulted In Forcing Contested GOP Budget To Become Law, Cementing Kochs As Winners And Making Pennsylvania’s Working Families, Students, Seniors, And All Who Benefit From Public Services Losers

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Koch Industries Has Spent Hundreds Of Thousands Of Dollars On Pennsylvania Congressional Races

AFP - Pennsylvania Ranked Every Pennsylvania Federal Office Holder Based On Their Votes On Issues Of “Economic Freedom”
KOCH INDUSTRIES IN PENNSYLVANIA

KOCH INDUSTRIES OPERATIONS EXTEND ACROSS PENNSYLVANIA

As Of September 2015, Koch Industries Had Five Georgia Pacific Plants In Pennsylvania. According to the Koch Industries website, Koch Industries has five Georgia Pacific facilities in Pennsylvania that are currently operating. [KochInd.com, Accessed 9/13/15]

- **Georgia Pacific’s Facilities In Pennsylvania Were Located In Bradford, Breinigsville, Easton, Mount. Jewett And Mt. Wolf.** According to Georgia Pacific’s Pennsylvania fact sheet, Georgia Pacific Engineered Wood Products is located in Mt. Jewett, Georgia Pacific Corrugated is located in Bradford and in Mt. Wolf, Georgia Pacific Harmon Balling is located in Breinigsville and Georgia Pacific Dixie is located in Easton. [Georgia Pacific Pennsylvania Fact Sheet, Accessed 11/24/15]


Colonial Pipeline Was Built Through 14 States, Including Pennsylvania. According to the New York Times, "Colonial Pipeline, which is privately held, transports more refined petroleum products than any other company in the world. It moves approximately 20 percent of what is produced in the United States. The pipeline, about 40 years old, snakes through 14 states: Texas, Louisiana, Mississippi, Alabama, Georgia, Tennessee, South Carolina, North Carolina, Virginia, the District of Columbia, Maryland, New Jersey, New York and Pennsylvania." [New York Times, 4/1/03]

- **Colonial Pipeline Has Had Operations In Pennsylvania.** According to an Associated Press release, "Colonial Pipeline spokesman Steve Baker said its operations in and out of Greensboro, N.C., were shut down to inspect for damage from the quake. He says after checking for signs of leaks or other safety concerns, all of the pipelines that transport gasoline, kerosene, heating oils and diesel fuel were restarted by 10:30 p.m. Tuesday. The company has operations in North Carolina, Virginia, Maryland, Pennsylvania, New Jersey and New York." [Associated Press via Nexis, 4/24/11]

Georgia Pacific

KOCH ACQUIRED GEORGIA-PACIFIC IN 2005

In November 2005 Koch Industries Agreed To Purchase Georgia-Pacific For $13.2 Billion And To Assume $7.8 Billion Of Its Debt. According to the Wall Street Journal, “Koch Industries Inc. agreed to purchase building-products and paper maker Georgia-Pacific Corp. for $13.2 billion, bringing the maker of Brawny paper towels and Dixie cups under the roof of what will become the nation's largest private company by revenue. Under terms of the deal, Koch will make a $48 per share cash tender to Georgia-Pacific shareholders, a price 39% above where Georgia Pacific's shares closed trading on Friday. Koch, based in Wichita, Kan., will also assume $7.8 billion of Georgia-Pacific debt outstanding.” [Wall Street Journal, 11/14/05]

GEORGIA PACIFIC CONTROVERSIES IN PENNSYLVANIA

2014: Georgia Pacific’s Easton Plant Was Sued For Violating The Americans With Disabilities Act After They Fired An Employee Who Scheduled Surgery To Address A Work-Related Injury

David Crocker, Of Easton, Pennsylvania Sued Georgia Pacific For Violating The American Disabilities Act “By Firing Him For Needing Surgery To Heal A Work-Related Injury.” According to the Pennsylvania Record, “A Northampton County man says 36-year employment with Georgia Pacific unlawfully ended in 2012 when his managers violated the American with Disabilities Act and the Age Discrimination in Employment Act by firing him for needing surgery to heal a work-related injury, according to a suit filed in the U.S. District Court for the Eastern District of Pennsylvania. David...
Crocker, of Easton, Pa., seeks damages in excess of $50,000 for violations of the ADA, ADEA and the Pennsylvania Human Relations Act. Crocker also says that his termination was in retaliation for his asserting his rights under the ADEA.” [Pennsylvania Record, 9/15/14]

The Day After Informing Georgia Pacific He Had Scheduled A Surgery For An Injury He Sustained On The Job, Crocker Was Told His Employment Had Been Terminated. According to the Pennsylvania Record, “According to the complaint, Crocker injured himself on the job on Oct. 2, 2012. After receiving x-rays, his doctor gave him two options, wear a brace or have knee replacement surgery performed. Fearing the brace would not work, Crocker scheduled the surgery. The suit says that the plaintiff informed his supervisor that the surgery would keep him out of work for the next three to six months. On Oct. 17, 2012, the plant manager phoned Crocker and told him to report the next day to conclude an unrelated work issue. When he arrived on Oct. 18, Crocker was told his employment with Georgia Pacific was terminated. Crocker began working for the company in 1976 and worked his way up to maintenance supervisor.” [Pennsylvania Record, 9/15/14]

Georgia Pacific Settled The Lawsuit In 2015. According to a statement of court settlement, David Crocker and Georgia Pacific settled the lawsuit on August 13, 2015 with undisclosed terms and the case was subsequently dismissed. [Case 5:14-cv-05201-JFL Document 37, Viewed 8/31/15]

Georgia Pacific Was Included In A Lawsuit Over Price Fixing Oriented Strand Board From 2002 To 2006; Settled In 2008 For More Than $1 Million

2006: Georgia Pacific, Along With Weyerhaeuser, J.M. Huber Corporation, Potlatch And Others Were Sued In The U.S. District Court For The Eastern District Of Pennsylvania For Alleged Price Fixing. According to the Lewiston Morning Tribune, “Potlatch has been named as a defendant in a series of lawsuits alleging prices for oriented strand board were fixed from June 2002 to the present, said Michael Hausfeld, a Washington, D.C. attorney representing the plaintiffs. […] Other defendants include Weyerhaeuser Co., of Federal Way, Wash.; Georgia Pacific Corp. of Atlanta; and J.M. Huber Corp. of Edison, N.J. The suits are filed in U.S. District Court for the Eastern District of Pennsylvania.” [Lewiston Morning Tribune, 4/22/06]

- **A Motion By The Defendants To Dismiss The Case Was Denied.** According to the Class Action Reporter, “The cases are consolidated and a consolidated amended class action complaint was filed on March 31, 2006. The court denied defendants' motion to dismiss as well as a premature motion for summary judgment.” [Class Action Reporter, 11/15/07]

- **A Motion By The Defendants Requesting Summary Judgement Of The Case Was Denied.** According to the Class Action Reporter, “The cases are consolidated and a consolidated amended class action complaint was filed on March 31, 2006. The court denied defendants' motion to dismiss as well as a premature motion for summary judgment.” [Class Action Reporter, 11/15/07]

2008: Georgia Pacific Agreed To Settle The Case For $1.2 Million. According to the Class Action Reporter, “Under the settlement, Ainsworth agreed to pay $1,300,000, Georgia-Pacific agreed to pay $1,200,000, and Huber agreed to pay $850,000 into a settlement fund. […] Initially, several complaints were brought on behalf of direct purchasers of OSB during the period from June 1, 2002, through the present, and allege violations of the antitrust laws by defendants' actions in reducing the available supply of OSB and fixing the price at which it was sold.” [Class Action Reporter, 5/30/08]

- **Two Co-Defendants Of Georgia-Pacific In A Drywall Price-Fixing Case Settled For A Total Of $55 Million.** According to the Legal Intelligencer, “Two defendants in the multidistrict litigation alleging price-fixing on the part of major manufacturers of drywall have agreed to settle for $55 million. […] The plaintiffs had alleged price-fixing among companies that make gypsum board, commonly called drywall, sheetrock or plasterboard. Major manufacturers of drywall have annual sales of more than $5 billion, according to the complaint that was filed in the Eastern District of Pennsylvania, and the plaintiffs are seeking treble damages. The defendants in the suit account for more than 99 percent of drywall sold in North America, according to the complaint. They are USG, National Gypsum, CertainTeed, Georgia-Pacific, American Gypsum, Lafarge, Temple-Inland (TIN) and PABCO.” [Legal Intelligencer, 3/19/15]

Georgia Pacific Was Sued Over The Asbestos-Related Deaths Of At Least Three Construction Workers In Philadelphia
2007: Georgia Pacific Was Sued By The Widow Of A Construction Worker Who Claimed That Her Husband Developed Mesothelioma After Being Exposed To Asbestos While Sanding Georgia-Pacific Dry Wall Spackle. According to the case summary Charles Michael Guidon, Sr. v. Georgia Pacific Corporation, “Plaintiffs commenced this Asbestos Mass Tort action alleging that Plaintiff Charles Michael Guidon, Sr., developed mesothelioma as a result of his exposure to asbestos. […] According to Plaintiff’s complaint, Charles Michael Guidon, Sr., died on May 24, 2004. This action is brought by Jeannette Guidon, his surviving spouse as Administratrix of Mr. Guidon’s estate. […] In contrast, Plaintiff's brief in opposition to the motion asserted that David Guidon's testimony established that Decedent was exposed to Georgia Pacific dry wall spackle, that he 'believed' Decedent was present when the spackle was sanded, that it created dust that 'got into his father's nose and mouth' and that he 'believes' the Georgia Pacific spackle contained asbestos.” [Charles Michael Guidon, Sr. v. Georgia Pacific Corporation via Nexis, 10/5/07]

- **The Philadelphia Court Of Common Pleas Ruled In Favor Of Georgia-Pacific, But The Pennsylvania Superior Court Reversed And Remanded The Decision In 2008.** According to PR Newswire, “Even after exposure to its asbestos-containing joint compound caused a Pennsylvania [sic] construction worker to contract and die of mesothelioma, manufacturer Georgia-Pacific thought it could avoid compensating the victim's family by requiring them to provide documentation of the precise days and times when the man worked around the product. The Court of Common Pleas of Philadelphia County initially ruled in favor of Georgia-Pacific, but this week, the Pennsylvania Superior Court reversed the decision and returned the case to be tried on its merits, according to the plaintiff's counsel at Baron & Budd, P.C.” [PR Newswire, 9/22/08]

- **2009: The Pennsylvania Supreme Court Denied A Petition For Allowance Of Appeal From The Order Of The Superior Court On May 1, 2009.** [Jeanette Guidon, Administratrix Of The Estate Of Charles Michael Guidon, Sr., Deceased, Jeanette Guidon In Her Own Right, Charles Michael Guidon, Jr., David Alan Guidon, Edward Gregory Guidon, And Larry Jeffrey Guidon, Respondents V. 3m Company Et Al. via Nexis, 5/1/09]

- **2010: The Case Was Settled Without Prejudice By The Philadelphia Court Of Common Pleas On September 30, 2010.** According to the First Judicial District of Pennyslvnaia Civil Docket Report, Guidon vs. 3M et al. was “settled as to all non bankrupt parties except the Manville Fund without prejudice. Case dismissed against Manville Fund without prejudice to be reopened as an arbitration matter. 9/30/10 by the court: Judge Sanda M. Moss.” [First Judicial District of Pennsylvania Civil Docket Report, accessed 10/4/10]

2009: Families Of Two Philadelphia Men Won Damages From Georgia Pacific, Following Death From Exposure To Malignant Mesothelioma From A Georgia-Pacific Asbestos-Containing Joint Compound. According to PR Newswire, “[HEADLINE:] Baron & Budd Wins Damages for Six Families of Pennsylvania Asbestos Victims […] Lawsuits brought by the families of six Pennsylvania men who died of malignant mesothelioma were successfully resolved this past week, announced Baron & Budd, P.C. […] The remaining three cases were tried to verdict against Ericsson, Inc., Georgia-Pacific, and Melrath. […] The six Philadelphia, Pennsylvania cases involved: […] A professional carpenter and remodeler who was exposed to Georgia-Pacific asbestos-containing joint compound[,] A weekend and evenings home remodeler who was exposed to Georgia Pacific asbestos-containing joint compound.” [Baron & Budd, P.C. via PR Newswire, 3/16/09]

**Georgia Pacific Laid Off Bradford, Pennsylvania Employees With Only One Week’s Notice**

2011: Georgia Pacific’s Bradford Plant Laid Off 9 Of Its 100 Employees. According to the Associated Press, “A corrugated box plant in northwestern Pennsylvania is laying off nine of its 100 employees, citing the bad economy. Julie Davis, a spokeswoman for Atlanta-based Georgia-Pacific, says workers were told last week of the layoffs at the plant in Bradford. That's about 130 miles northeast of Pittsburgh, near the New York border.” [Associated Press, 1/4/11]

- **Workers Were Given A Week’s Notice About The Layoffs.** According to the Associated Press, “Julie Davis, a spokeswoman for Atlanta-based Georgia-Pacific, says workers were told last week of the layoffs at the plant in Bradford. That's about 130 miles northeast of Pittsburgh, near the New York border. Davis says the last day for some employees was Monday, while others will be let go later this week. She tells the Bradford Era newspaper that company officials are "always hoping" the layoffs will be temporary but says it's not clear whether the workers will ever be recalled.” [Associated Press, 1/4/11]
GEORGIA PACIFIC ASKED FOR TAXPAYER SUPPORT

Georgia Pacific Asked For 100 Percent Tax Abatement For Building New Facility

2014: Georgia Pacific Requested Local Economic Revitalization Tax Assistance Support From Shippensburg, Pennsylvania For The Construction Of A Regional Distribution Center. According to the Sentinel, “In other business, Georgia-Pacific representatives Jolie Sims and Steve Peck addressed the board to seek Local Economic Revitalization Tax Assistance support for a regional distribution center in Shippensburg. Georgia-Pacific is currently considering two locations, both in the Shippensburg school district. One property is located at Prologis Park on Walnut Bottom Road in Cumberland County; the other is located in United Business Park along Olde Scotland Road in Franklin County.” [Sentinel, 5/28/14]

- **Georgia Pacific Requested A 100 Percent Tax Abatement For The First Year The Shipping Center Was Built, With A 10 Percent Reduction In The Abatement Over The Next Seven Years.** According to the Sentinel, “On Monday, Georgia-Pacific submitted a proposal for a seven-year LERTA. The proposal stated, in part, ‘a 100 percent abatement on year one with a 10 percent decrease in the abatement percentage each year. After a period of seven years, the taxing authority will receive 100 percent of the real estate taxes on the fully assessed property.’” [Sentinel, 6/16/14]

- **The Shippensburg Area School District Board Voted Against The Tax Abatement Plan Due To The 100 Percent Abatement During The First Year.** According to the Sentinel, “The Shippensburg Area School District board of directors voted Monday against a Local Economic Revitalization Tax Assistance proposal from Georgia-Pacific for a regional distribution center in Shippensburg. […] Although it supported a LERTA, the board voted 5-4 against the proposal because of the 100-percent abatement in the first year.” [Sentinel, 6/16/14]

Frac-Chem

Bloomberg Business In 2015: Frac-Chem Manufactures, Imports, And Supplies Oilfield Chemicals. According to Bloomberg Business, “Frac-Chem, L.L.C. manufactures and supplies oilfield chemicals. It offers stimulation chemicals, including friction reducers, gelling agents, gel breakers, crosslinkers, scale inhibitors, surfactants, buffers, corrosion inhibitors, clay stabilizers, iron control agents, micro-emulsions, fluid systems, gel stabilizers, fluid loss systems, diverting agents, acid emulsifiers, fine suspensions, anti sludge solutions, foaming agents, defoamers, guar gum powder, guar gum slurries, paraffin control solutions, acid inhibitors, biocides, mutual solvents, KCl substitutes, non-emulsifiers, oxygen scavengers, and flow back enhancers; and coil tubing chemicals, such as friction reducers, guar gels, xanthan gel metals to metal lubricants, defoamers, coilbeads foamers, high temperature sweep gels, and corrosion inhibitors. The company also imports and supplies wholesale chemicals, including guar gum powder and slurries.” [Bloomberg Business, Accessed 9/14/15]


- **Frac-Chem: We Have Locations “Near Every Major Unconventional Resource And Shale Play In North America.”** According to Frac-Chem, “With locations near every major unconventional resource and shale play in North America, our products are guaranteed to meet the aggressive timelines and logistic requirements of clients in the hydraulic fracturing and coil tubing markets. WHERE WE DO IT. We are located near every major unconventional resource and shale play in North America, including but not limited to: Haynesville, Eagle Ford, Marcellus, Bakken, Barnett, West Texas, Niobrara, Etc.” [Frac-Chem, Accessed 9/14/15]

- **As Of September 2015, Frac-Chem Had A Location In Everson, Pennsylvania.** [Frac-Chem.com, Accessed 9/14/15]

FRAC-CHEM WAS ACQUIRED BY KOCH MINERALS IN 2012
Koch Minerals LLC Acquired Frac-Chem In 2012. According to Colton Capital Partners, “Colton provided growth capital to a newly formed oilfield fluids manufacturing company to enable it to expand geographically. The company was sold to Koch Minerals, LLC in 2012.” [Colton Capital Partners, Accessed 9/14/15]

Koch Companies’ Discovery Magazine Listed Frac-Chem As One Of Their Acquisitions. This information is detailed in the following graphic:

“Koch Bought Frac-Chem, A Top Provider Of Hydraulic Fracturing Chemicals To Drillers.” According to Rolling Stone, “In a recent acquisition, Koch bought Frac-Chem, a top provider of hydraulic fracturing chemicals to drillers. Thanks to the Bush administration’s anti-regulatory-agenda – which Koch Industries helped craft – Frac-Chem’s chemical cocktails, injected deep under the nation’s aquifers, are almost entirely exempt from the Safe Drinking Water Act.” [Rolling Stone, 9/24/14]

FRAC-CHEM’S BUSINESS

Overview

Frac-Chem Engaged With Both Onshore And Offshore Oil And Gas Companies. According to Frac-Chem, “Members of the FRAC-CHEM team have been working in the oilfield stimulation (hydraulic fracturing) market for almost 50 years. The FRAC-CHEM team has been engaged to provide oilfield chemical solutions for both onshore and offshore oil and gas companies for over three decades.” [Frac-Chem, Accessed 9/14/15]

- Frac-Chem: “These Engagements Have Been For Both Domestic And International Applications.” According to Frac-Chem, “The FRAC-CHEM team has been engaged to provide oilfield chemical solutions for both onshore and offshore oil and gas companies for over three decades. These engagements have been for both domestic and international applications.” [Frac-Chem, Accessed 9/14/15]

Frac-Chem: “Stimulation, Hydraulic Fracturing And Coil Tubing Chemicals Are Our Specialty.” According to Frac-Chem, “At FRAC-CHEM, our commitment to continuous improvement ensures that our customers receive the most technologically advanced products and resources available for their respective applications. Stimulation, hydraulic fracturing and coil tubing chemicals are our specialty.” [Frac-Chem, Accessed 9/14/15]

- Oil Well Stimulation Describes “A Variety Of Operations Performed On A Well To Improve Its Productivity” With Its Main Two Types Being “Matrix Acidization And Hydraulic Fracturing.” According to OilPrimer.com, “So, what is oil well stimulation? Oil well stimulation is the general term describing a variety of operations performed on a well to improve its productivity. Stimulation operations can be focused solely on the wellbore or on the reservoir; it can be conducted on old wells and new wells alike; and it can be designed for remedial purposes or for enhanced production. Its main two types of operations are matrix acidization and hydraulic fracturing.” [OilPrimer.com, Accessed 9/14/15]
Coiled Tubing Refers To Small-Diameter Steel Pipe And Related Equipment For Oil Well Intervention And Drilling. According to Schlumberger, “Increasingly, the coiled tubing unit is used for many well intervention operations and certain drilling applications. Coiled tubing refers to a continuous length of small-diameter steel pipe and related surface equipment as well as associated drilling, completion and workover, or remediation, techniques. Coiled tubing oilfield technology was initially developed for working on live, producing wells. More recently, this technology has gained wider acceptance among operators for an expanding range of workover and drilling applications. The trend toward extended-reach wells favors coiled tubing for its capability to drill or to convey tools and equipment in high angle wellbores.” [Schlumberger, 9/26/14]

Frac-Chem: We Also Provide Oilfield Laboratory, Fluid System Design And Review, And Logistics Services. According to Frac-Chem, “FRAC-CHEM is more than just a wholesale chemical manufacturer and supplier. Our primary goal is to service our customers with solutions related to the chemicals and markets we serve. Therefore, we also provide a full range of services to support the products we offer. An abbreviated list of these services include: LABORATORY: Full Service Oilfield Laboratory FLUID SYSTEM DESIGN & REVIEW: Develop Complete Fluid Systems for Application TROUBLESHOOTING: Providing Support and Solutions to Fluid Issues LOGISTICS & HANDLING: Cradle to Grave Logistics and Handling Support of Fluids” [Frac-Chem, Accessed 9/14/15]

FRACKING CHEMICALS CAN CONTAMINATE PENNSYLVANIA’S AIR AND DRINKING WATER AND HAVE ALREADY HAD NEGATIVE EFFECTS ON PENNSYLVANIA FARMLAND

There Were 4,006 Violations For 7,788 Active Wells In Pennsylvania Between January 2009 And October 2015, According To Pennsylvania Department Of Environmental Protection Data. According to NPR State Impact, there have been 4,006 violations on 7,788 active wells in Pennsylvania since 2009 according to Pennsylvania Department of Environmental Protection data. [NPR State Impact, Accessed 10/30/15]


Natural Resources Defense Council: “Studies Have Shown Dangerous Levels Of Toxic Air Pollution Near Fracking Sites…Oil And Gas Extraction Have Caused Smog In Rural Areas At Levels Worse Than Downtown Los Angeles.” According to the Natural Resources Defense Council, “Studies have shown dangerous levels of toxic air pollution near fracking sites; and oil and gas extraction have caused smog in rural areas at levels worse than downtown Los Angeles.” [Natural Resources Defense Council, accessed 11/11/15]

Associated Press In March 2011: Ozone Levels In Wyoming’s Upper Green River Basin “Got As High As 124 Parts Per Billion,” Which Is “Above The Worst Day In Los Angeles All Last Year.” According to the Associated Press, “Wyoming, famous for its crisp mountain air and breathtaking, far-as-the-eye-can-see vistas, is looking a lot like smoggy Los Angeles these days because of a boom in natural gas drilling. […] In the Upper Green River Basin […] some wonder if they’ve made a bargain with the devil. […] Preliminary data show ozone levels last Wednesday got as high as 124 parts per billion. That’s two-thirds higher than the Environmental Protection Agency’s maximum healthy limit of 75 parts per billion and above the worst day in Los Angeles all last year, 114 parts per billion, according to EPA records.” [Associated Press via NBC News, 3/9/11]

The Nation: Environmental Health Analyst Theo Colborn “Identified 632 Chemicals Used In Natural-Gas Production,” More Than 75 Percent Of Which “Could Affect Sensory Organs And The Respiratory And Gastrointestinal Systems.” According to The Nation, “Theo Colborn, an environmental health analyst and former director of the World Wildlife Fund’s wildlife and contaminants program, identified 632 chemicals used in natural-gas production. More than 75 percent of them, she said, could affect sensory organs and the respiratory and gastrointestinal systems; 40 to 50
percent have potential impacts on the kidneys and on the nervous, immune and cardiovascular systems; 37 percent act on the hormone system; and 25 percent are linked with cancer or mutations.” [The Nation, 11/28/12]

Contamination From Fracking Chemicals Resulted In Death And Pregnancy Complications For Pennsylvania Cows

The Nation: “In North Central Pennsylvania, 140 Cattle Were Exposed To Fracking Wastewater When An Impoundment Was Breached. Approximately Seventy Cows Died.” According to The Nation, “In north central Pennsylvania, 140 cattle were exposed to fracking wastewater when an impoundment was breached. Approximately seventy cows died; the remainder produced eleven calves, of which only three survived.” [The Nation, 11/28/12]

Pennsylvania, an overflowing waste pit sent fracking chemicals into a pond and a pasture where pregnant cows grazed: half their calves were born dead.” [The Nation, 11/28/12]

- The Nation: “The Following Year's Animal Births Were Sexually Skewed, With Ten Females And Two Males, Instead Of The Usual 50-50 Or 60-40 Split.” According to The Nation, “In western Pennsylvania, an overflowing waste pit sent fracking chemicals into a pond and a pasture where pregnant cows grazed: half their calves were born dead. The following year’s animal births were sexually skewed, with ten females and two males, instead of the usual 50-50 or 60-40 split.” [The Nation, 11/28/12]

KOCHEL INDUSTRIES HAD A SIGNIFICANT STAKE IN FRACKING

Capital Times In 2013: Koch Industries Is “Heavily Invested” In Hydraulic Fracturing; Their Wisconsin Operations Have Capitalized On The States Inexpensive Frac Sand. According to The Cap Times, “Wisconsin, along with neighboring Minnesota, has some of the best frac sand in the continent, and Koch Industries is heavily invested in natural gas extraction using a technique known as hydraulic fracturing. […]Koch’s Wisconsin operations include Flint Hills Resources, which produces gasoline and asphalt; the C. Reiss Coal Co., which supplies coal throughout the Great Lakes region; and Georgia-Pacific, the packaging and paper firm. Georgia-Pacific’s chemical division is also now stepping up production of proppant resin, a coating for small particles used in hydraulic fracturing. Of course, Wisconsin doesn’t have any oil or gas deposits of its own. Most fracking is going on in Pennsylvania and western states, along with Texas and Louisiana. But from Koch Industries’ perspective, the more frac sand that comes on the market, the cheaper it becomes. That’s why the company has an interest in Wisconsin sand.” [The Capital Times, 5/28/13]

- PRWatch: “Koch Industries Has Reaped Undisclosed Profits From Ventures Benefiting From Expanded Fracking.” According to PRWatch, “Koch Industries has reaped undisclosed profits from ventures benefiting from expanded fracking, such as from the lower cost of the natural gas used as a feeder to make its fertilizer by Koch Nitrogen, one of the Koch companies.” [PRWatch, 12/28/12]

Georgia Pacific Produced Proppants Used for Fracking

2011: Georgia Pacific Increased Production Of Proppants Used For Oil Extraction Due To The Rapid Growth Of Hydraulic Fracturing. According to a Georgia-Pacific Chemicals Press Release, “Georgia-Pacific Chemicals will expand capabilities at its Lufkin, Texas, facility to increase production of resins used to coat proppants for oil and gas extraction. […]The need for resin for proppants is driven by the rapid growth of hydraulic fracturing in the last few years. The use of proppants in hydraulic fracturing results in much higher recovery rates of oil and gas than previously possible. The process has enabled oil and gas extraction from deposits that were impractical to tap, increasing the United States’ natural gas and oil production capacity.” [Georgia-Pacific Chemicals Press Release, 5/19/11]

John Zink Hamworthy Produced Flares Used By Fracking Operations

Flares Are Used By Hydraulic Fracturing Facilities That Have Wells To Burn Off Natural Gas That Can’t Be Processed Or Sold. According to CNBC, “Hydraulic fracturing, or fracking, forces natural gas and crude oil out of shale buried deep below the earth by using highly pressurized and treated water. Drillers seek out valuable crude oil, but natural gas comes out of the ground, too. Flaring is the burning of natural gas that can’t be processed or sold. […] Many oil drillers are unable to direct the flow of natural gas coming off wells into existing pipelines, which already are at full capacity. They have no choice but to add a flare at each site with a well. The result is nearly a third of the natural gas produced in the region is being burned to secure crude oil, and subsequently creating thousands of flares.” [CNBC, 8/22/14]

- 2012: The EPA Implemented Rules Requiring Flaring At Facilities. According to Marten Law, “Prior to EPA’s new rules, there was no national requirement for producers to flare or immediately capture the gas, and it has not been uncommon for operators to simply let the gas escape while managing the flowback waters. The increasingly widespread use of hydraulic fracturing therefore has increased completion stage air emissions, and EPA’s rules require both flaring and separation/capture (‘green completions’) going forward.” [Marten Law, 5/29/12]
John Zink Hamworthy Sold Flare Systems For Onshore And Offshore Facilities. According to the John Zink Hamworthy Combustion products page on flare systems, “SOLVING COMPLEX PROBLEMS for global industries is nothing new for John Zink Hamworthy Combustion. Over the years, we’ve led the advancement of flare design and clean flare technologies for upstream, downstream, and biogas flare industries, transforming yesterday’s fired equipment into sophisticated, low-emissions systems. Today, John Zink Hamworthy Combustion’s clean flare systems are put to work in onshore facilities and offshore platforms around the world, enabling these operations to work safer, cleaner, and more cost efficiently.” [John Zink Hamworthy Combustion, “Flare Systems,” Accessed 7/31/15]

2011: Koch Chemical Technology Group Affiliates John Zink Co. And Coen Co. Acquired Hamworthy Combustion From Subsidiaries Of Citi Holdings. According to Hydrocarbon Processing, “Affiliates of John Zink Co. and Coen Co. have reached an agreement to acquire UK-based Hamworthy Combustion Engineering Ltd. and U.S.-based Hamworthy Combustion from subsidiaries of Citi Holdings. […] John Zink and Coen are part of the Koch Chemical Technology Group, whose affiliates design, manufacture, sell, install and service process and pollution control services for industries and municipalities worldwide.” [Hydrocarbon Processing, 4/13/11]

Lobbying Efforts

KOCH INDUSTRIES SPENT OVER $200,000 ON LOBBYING EFFORTS IN PENNSYLVANIA SINCE 2011

Koch Companies Public Sector, LLC

Between 2012 And 2015, Koch Companies Public Sector, LLC And Its Affiliates Spent A Total Of $187,276 On Lobbying In Pennsylvania. According to Pennsylvania’s lobbying disclosure, between 2012 and 2015, Koch Companies Public Sector, LLC and its affiliates spent a total of $187,276 on lobbying in Pennsylvania. This information is further detailed in the following table:

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Georgia Pacific, LLC
Between 2011 and 2012, Georgia Pacific, LLC spent a total of $21,243 on lobbying in Pennsylvania. According to Pennsylvania’s lobbying disclosure, between 2011 and 2012, Georgia Pacific, LLC spent a total of $21,243 on lobbying in Pennsylvania. This information is further detailed in the following table:

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KOCH POLITICAL FRONT GROUPS IN PENNSYLVANIA

Americans For Prosperity

AMERICANS FOR PROSPERITY WAS FOUNDED BY THE KOCH BROTHERS

Americans for Prosperity is “A Conservative Group Founded By The Billionaire Koch Brothers.” According to NPR: “The loudest voice taking on vulnerable Senate Democrats right now is not the Republican party, but Americans for Prosperity, a conservative group founded by the billionaire Koch brothers.” [NPR, 3/6/14]

- Americans for Prosperity’s Founders Were “Billionaire David Koch, And His Brother, Charles Koch.” According to the Washington Post, “Americans for Prosperity’s increasing involvement in races this cycle has caught the attention of the New Yorker, which earlier this week published a lengthy investigative piece on the organization’s co-founder, billionaire David Koch, and his brother, Charles Koch.” [The Washington Post, 8/26/10]

AFP – PENNSYLVANIA HAS HAD A STAFF PRESENCE IN THE STATE SINCE 2014

Organization

February 2015: AFP-PA Opened A Field Office In Greensburg In Addition To The Offices AFP Already Ran Out Of Philadelphia And Harrisburg. According to the Pittsburgh Tribune-Review, “In a move that political observers said reflects the importance the Republican Party is placing on the upcoming presidential election, Americans for Prosperity, a conservative, free-market advocacy group, has opened a field office in Greensburg. […] The group, which opposes big government and supports repealing Obamacare, has offices in Harrisburg and Philadelphia.” [Pittsburgh Tribune-Review, 2/26/15]


AFP Has Had Staff In Pennsylvania Since May 2014 And Had 188,000 Members In The State As Of February 2015. According to the Pittsburgh Tribune-Review, “It is the first office on the western side of the state for the national organization that counts 2.3 million members, including 188,000 in Pennsylvania. ‘We’ve had staff out here since May of 2014,’ said state director Beth Anne Mumford. ‘We have a lot of active activists in Westmoreland County.’” [Pittsburgh Tribune-Review, 2/26/15]
State Director Beth Anne Mumford

Beth Anne Mumford Was The State Director For AFP - Pennsylvania As Of February 2015. According to Penn Live, “Beth Anne Mumford, the new Pennsylvania state director for Americans for Prosperity, is settled into a table at the State Street outpost of Little Amps Coffee Roasters. Across the table sits a regional communications manager named Adam Nicholson.” [Penn Live, 2/10/15]

- Beth Anne Mumford Previously Worked As A Project Manager At A Kansas City Consulting Firm. According to Americans for Prosperity, “Beth Anne Mumford spent the last 10 years as a project manager for CMA, a consulting firm in Kansas City, where she helped food-system clients design and successfully execute stakeholder engagement, communication and outreach programs. Before joining CMA, Beth Anne spent six years as public affairs director for the North Carolina Pork Council (NCPC) where she managed and implemented all public and media relations programs as well as state and federal legislative affairs activities.” [Americans for Prosperity, Accessed 10/2/15]
  - Mumford's LinkedIn Profile Stated That She Only Worked At CMA For Four Years And Nine Months. [LinkedIn, 11/11/15]

- Beth Anne Mumford Worked As The Public Affairs Director “For The North Carolina Pork Council.” According to Americans for Prosperity, “Beth Anne Mumford spent the last 10 years as a project manager for CMA, a consulting firm in Kansas City, where she helped food-system clients design and successfully execute stakeholder engagement, communication and outreach programs. Before joining CMA, Beth Anne spent six years as public affairs director for the North Carolina Pork Council (NCPC) where she managed and implemented all public and media relations programs as well as state and federal legislative affairs activities.” [Americans for Prosperity, Accessed 10/2/15]

Mumford: Why Does Making Sure Our Children Are Educated, Our Roadways Are Safe, And Our Parks Are Open“Entail Higher Taxes When We Spent $700 Million On Corporate Subsidies?” According to a letter to the editor by AFP-Pennsylvania State Director Beth Anne Mumford for The Patriot-News, “Reduce spending or raise taxes: those are our options. We need lawmakers to spend responsibly so our children are educated, our roadways are safe, and our parks are open for recreation. Why does that entail higher taxes when we spent $700 million on corporate subsidies, including $60 million on film tax credits?” [Beth Anne Mumford – Patriot-News, 7/5/15]

Field Director For Western Pennsylvania Ashley Klingensmith

Ashley Klingensmith Was The Americans For Prosperity Field Director For Western Pennsylvania As Of April 2015. According to The Indiana Gazette, “The AFP states that it holds everyone equally accountable, regardless of party affiliation. ‘We sway toward a limited government, whether that’s toward one party or another is for folks to decide,’ said Ashely S. Klingensmith, field director of AFP for Western Pennsylvania.” [Indiana Gazette, 4/14/15]

Ashley Klingensmith Previously Worked On Congressman Keith Rothfus’ (PA-12) District Staff. According to Ashley Klingensmith’s LinkedIn profile, Ashley Klingensmith worked on Keith Rothfus’ district staff from January 2013 to February 2014. [Ashley Klingensmith LinkedIn, Accessed 10/5/15]

Ashley Klingensmith Previously Worked As The Executive Director Of The Westmoreland County Republican Committee. According to Ashley Klingensmith’s LinkedIn profile, Ashley Klingensmith worked as the Executive Director of the Westmoreland County Republican Committee from August 2012 to December 2012. [Ashley Klingensmith LinkedIn, Accessed 10/5/15]

Klingensmith: “We Sway Toward A Limited Government, Whether That's Toward One Party Or Another Is For Folks To Decide.” According to The Indiana Gazette, “The AFP states that it holds everyone equally accountable, regardless of party affiliation. ‘We sway toward a limited government, whether that’s toward one party or another is for folks to decide,’ said Ashely S. Klingensmith, field director of AFP for Western Pennsylvania.” [Indiana Gazette, 4/14/15]
Concerned Veterans for America: The Vets Group That Fights Against Veterans

CVA HELD THAT ITS MISSION IS TO ADVOCATE FOR FREEDOM, WHICH VETERANS “FOUGHT AND SACRIFICED TO DEFEND”

Concerned Veterans Of America: “CVA’s Mission Is To Advocate For Policies That Will Preserve The Freedom And Prosperity That We And Our Families So Proudly Fought And Sacrificed To Defend.” According to the Concerned Veterans for America’s website, “Simply put, CVA’s mission is to advocate for policies that will preserve the freedom and prosperity that we and our families so proudly fought and sacrificed to defend. The goal of Concerned Veterans for America is to translate the experience, concerns and hopes unique to veterans and their families into a common vision of freedom. We apply this unique perspective to speak out on issues that threaten to cripple not only our economic and national security, but the spirit of opportunity and liberty that all Americans cherish.” [CV4A.org, Accessed 5/1/15]

CVA: “Throughout Our Years Of Service And Many Deployments Around The World, We Have Seen Firsthand What Happens When Freedom And Free Markets Are Interfered With And Fail.” According to the Concerned Veterans for America’s website, “Throughout our years of service and many deployments around the world, we have seen firsthand what happens when freedom and free markets are interfered with and fail. We know all too well that freedoms surrendered are rarely — if ever — regained. And we watch as our elected leaders continue to shrink from challenges and betray the trust placed in them. The truth is, the ideals and freedoms that have defined America since its founding are dissolving before our eyes.” [CV4A.org, Accessed 5/1/15]

CVA: “The Freedoms We Have Defended – That Our Friends And Loved Ones Suffered And Died For – Are Being Threatened By The Irresponsibility, Broken Promises, And Misguided Priorities Of Our Leaders In Washington.” According to the Concerned Veterans for America’s website, “We all share a strong belief that the freedoms we have defended – that our friends and loved ones suffered and died for – are being threatened by the irresponsibility, broken promises, and misguided priorities of our leaders in Washington.” [CV4A.org, Accessed 5/1/15]

Instead Of Advocating For Freedom, CVA Capitalized On Scandal At The VA To Advance The Political Interests Of The Koch Brothers

Former CVA CEO Pete Hegseth, To Koch Brothers Freedom Partners Summit: “Concerned Veterans For America Is An Organization This Network Literally Created.” According to a speech Pete Hegseth gave at a Koch brothers’ summit, “Concerned Veterans for America is an organization this network literally created.” [Pete Hegseth Speech – Koch Brothers’ Summit via YouTube, 6/16/14]

Hegseth: CVA Played A “Central Role” In “Driving” The VA Scandal. According to a speech Pete Hegseth gave at a Koch brothers’ summit, “What you probably don’t know is the central role that Concerned Veterans for America played in exposing and driving this [VA scandal] from the very beginning.” [Pete Hegseth Speech – Koch Brothers’ Summit via YouTube, 6/16/14]

Hegseth: CVA Has “Broadened The Debate To Include Big Government Dysfunction,” “Fortifying” AFP’s Position On Healthcare. According to a speech Pete Hegseth gave at a Koch brothers’ summit, “Concerned Veterans for America, along with our network partners, have intentionally broadened the debate to include big government dysfunction generally, further fortifying a new skepticism that AFP and others have brought to what government-run healthcare does” [Pete Hegseth Speech – Koch Brothers’ Summit via YouTube, 6/16/14]

Hegseth: “I Thank Charles And David” For Making CVA Possible. According to a speech Pete Hegseth gave at a Koch brothers’ summit, “I thank Charles and David […] everyone that puts in the sweat equity that makes this possible.” [Pete Hegseth Speech – Koch Brothers’ Summit via YouTube, 6/16/14]

A CVA Campaign During The 2014 Midterm Election Attempted To Link “Vulnerable Democrats” To The VA Scandal
Sunlight Foundation: CVA Led “A Multi-Faceted Campaign Linking Vulnerable Democrats” To The VA Scandal During The 2014 Midterm Election. According to the Sunlight Foundation, “Instead, the organization has transferred ad contracts in Iowa and North Carolina to another politically active group under the Koch umbrella, Concerned Veterans for America (CVA), which is leading a multi-faceted campaign linking vulnerable Democrats to the Veterans Administration scandal.” [SunlightFoundation.com, 8/13/14]

CVA Issues And Campaign Manager Dan Caldwell Acknowledged That The VA Scandal “Changed The Whole Dynamic” Of CVA, But “Denied” That The Group’s Big-Money Attacks On Democrats Are “Political.” According to CQ Roll Call, “Concerned Veterans of America is run by and champions veterans, said Dan Caldwell, the group’s issues and campaign manager, a veteran himself. The group fills a void in the veterans’ community, he said, by advocating VA changes, deficit reduction and national security. Caldwell acknowledged that the VA scandal ‘changed the whole dynamic of our organization,’ but denied that the group’s big-money dollar attacks on such Democrats as North Carolina incumbent Sen. Kay Hagan and Rep. Bruce Braley of Iowa are political. ‘These ads we consider issue advocacy,’ Caldwell said. ‘They are based out of our VA reform efforts. We are not just a fly-by-night 501(c)(4) trying to use the VA scandal as an election-year issue. We have a long history on these issues. We have a real agenda on VA reform.’” [Roll Call, 10/5/14]

In October 2014, CVA Launched “Get Out The Veteran (GOTVets), A Multi-Million Dollar, Nationwide Get-Out-The-Vote Initiative” In “Veteran And Active-Duty, Military-Heavy States.” According to a web post from the Concerned Veterans for America, “Concerned Veterans for America (CVA) today announced the launch of Get Out The Veteran (GOTVets), a multi-million dollar, nationwide get-out-the-vote initiative that includes direct mail, digital advertising, and grassroots activism in veteran and active-duty, military-heavy states. The mail, multimedia and on-the-ground effort will include a dedicated website and digital promotion, as well as local events, door-to-door canvassing efforts and phone banking by CVA veterans and activists in targeted states, including but not limited to, North Carolina, Louisiana, New Hampshire, Virginia, Florida, and Texas.” [Post via CV4A.org, 10/8/14]

CVA Proposed A “Premium Support System” That Would Force “Most Veterans To Pay Out-Of-Pocket Costs For Private Health Care”

CVA Recommended Converting The Current “VHA Integrated Health Care System” Into A Government-Chartered Non-Profit Corporation. According to a press release from Concerned Veterans for America, “The Veterans Independence Act would make four key reforms to the delivery of veterans health care: 1. Separate the VHA’s payor and provider functions and convert the current VHA integrated health care system into a government-charted [sic] nonprofit corporation.” [Concerned Veterans For America Press Release, 2/26/15]

CVA Recommended Forcing “The VHA To Provide More Detailed Data On Their Medical Costs To Congress And The Public.” According to a press release from Concerned Veterans for America, “The Veterans Independence Act would make four key reforms to the delivery of veterans health care: […] 3. Force the VHA to provide more detailed data on their medical costs to Congress and the public.” [Concerned Veterans For America Press Release, 2/26/15]

CVA Recommended Creating “A Premium-Support Private Insurance Option For Eligible Veterans Who Want To Access Care In The Private Sector.” According to a press release from Concerned Veterans for America, “The Veterans Independence Act would make four key reforms to the delivery of veterans health care: […] 2. Create a premium-support private insurance option for eligible veterans who want to access care in the private sector.” [Concerned Veterans For America Press Release, 2/26/15]

CVA’s “Proposed Premium Support System” Forces “Most Veterans To Pay Out-Of-Pocket Costs For Private Health Care.” According to a FAQ on Fixing Veterans Health Care from Concerned Veterans for America, “Q: Why does the proposed premium support system force most veterans to pay out-of-pocket costs for private health care? Didn’t veterans earn free health care through their military service? A: Many veterans are already forced to pay co-pays through the current VA health care system for certain medical services. Cost-sharing is already in effect in the current system. In fact, under the Veteran Independence Act, veterans who use the independent VACO will not have to pay any copays or deductibles.” [FAQ – cv4a.org, accessed 2/26/15]
CVA Used Scandals At The VA Offices In Philadelphia And Pittsburgh To Advocate For Cutting Workplace Protections For VA Workers

Washington Post: The VA Accountability Act Of 2015 “Cut Workplace Protections For Department Of Veterans Affairs Employees…Making It Easier To Fire New Staffers.” According to the Washington Post, “The House voted Wednesday to cut workplace protections for Department of Veterans Affairs employees and extend their probationary period, making it easier to fire new staffers. The ‘VA Accountability Act of 2015’ was approved with a 256 – 170 vote, largely, though not strictly, along party lines, despite a White House veto threat.” [Washington Post, 7/29/15]

- White House: The VA Accountability Act Creates “A Disparity In The Treatment Of One Group Of Career Civil Servants.” According to the Washington Post, “In a statement the day before the vote, the White House said the legislation would create ‘a disparity in the treatment of one group of career civil servants. The centerpiece of the bill is a provision that allows a VA employee to be removed from Federal service or demoted without the opportunity to appeal that decision to the full Merit Systems Protection Board’ (MSPB), as most other federal workers can.” [Washington Post, 7/29/15]

CVA Media Relations Specialist Phil Hegseth: Former Pittsburgh VA Director Michael Moreland’s Return To The Facility As A Private Contractor After A 2013 Outbreak Of Legionnaire’s Disease Proves Why CVA Is “Advocating” For Rep. Jeff Miller’s VA Accountability Act. According to a web post by Concerned Veterans for America media relations specialist Phil Hegseth, “Back in April, the Pittsburgh Tribune-Review reported on a disturbing death at the Pittsburgh VA – a veteran came in with pneumonia-like symptoms and was ultimately diagnosed with Legionnaire’s disease. […] In 2013, a Legionnaire’s outbreak killed six veterans at the facility and infected at least 13 others. […] Michael E. Moreland, a former regional director at the VA who oversaw the Pittsburgh VA during the 2013 outbreak has suddenly resurfaced at the facility—this time as a private contractor. […] Again and again we find ourselves circling back to the need for accountability. That’s why CVA never relents in advocating for VA reform—as we are currently advocating for House Veterans Affairs Committee Chairman Jeff Miller’s VA Accountability Act.” [Phil Hegseth – Concerned Veterans for America, 5/18/15]


CVA Volunteers In Pennsylvania Made “Over 250 Calls To Members Of Congress” Asking Them To Support The VA Accountability Act. According to a Facebook post by Concerned Veterans for America Pennsylvania, “Yesterday our volunteers made over 250 calls to members of Congress asking their support for the VA Accountability Act (H.R. 1994/ S. 1082)! Next week we will continue to build the army fighting for Veterans in Cranberry! Please join us!” [Concerned Veterans for America Pennsylvania – Facebook, 6/18/15]

Then-CVA CEO Pete Hegseth Criticized Attempts By The VA To Protect The Due Process Rights Of Their Embattled Employees At The Philadelphia VA Office

Philadelphia Inquirer In July 2015: VA Officials Said That A Probe “Expected To Identify The Employees Responsible For Pervasive Problems” At The Philadelphia VA Office “Is Being Withheld To Protect The Due Process Rights Of The Employees Involved.” According to the Philadelphia Inquirer, “Investigators have finished a probe expected to identify the employees responsible for pervasive problems at the Philadelphia Veterans Affairs benefits office, but say they aren’t releasing the findings while the agency is considering disciplinary action. VA officials on Monday said the report, completed last Tuesday, is being withheld to protect the due process rights of the employees involved.” [Philadelphia Inquirer, 7/8/15]

employees involved. ‘Decisions on each issue, including any appropriate disciplinary actions, will be made in accordance with applicable due process procedures,’ VA spokesman James Hutton said in a statement.” [Philadelphia Inquirer, 7/8/15]

Hegseth On Withholding The Probe Findings: We Agree With Philadelphia VA Whistleblower Kristen Ruell, Who Said That The VA Is “Stalling And Trying To Buy Time For These People.” According to a web post by Concerned Veterans for America CEO Pete Hegseth, “According to a web post by Concerned Veterans for America CEO Pete Hegseth, “The Philadelphia Inquirer reported that while the probe into the Philadelphia VA benefits office has been finished, as requested by a Congressional subpoena last month, the VA will not be making the findings public and will not hand the report over to Congress. Why not? Well the VA claims that ‘the report, completed last Tuesday, is being withheld to protect the due process rights of the employees involved.’ […] The likely true intention behind this convenient delay in the report’s release is summed up by Philadelphia VA whistleblower Kristen Ruell, ‘I just think they’re stalling and trying to buy time for these people.’ We agree, Kristen.” [Pete Hegseth – Concerned Veterans for America, 7/9/15]

Hegseth: “All Evidence Points To This Being Another Ploy To Give Corrupt Employees A Golden Parachute Into Retirement.” According to a web post by Concerned Veterans for America CEO Pete Hegseth, “The Philadelphia Inquirer reported that while the probe into the Philadelphia VA benefits office has been finished, as requested by a Congressional subpoena last month, the VA will not be making the findings public and will not hand the report over to Congress. Why not? Well the VA claims that ‘the report, completed last Tuesday, is being withheld to protect the due process rights of the employees involved.’ […] All evidence points to this being another ploy to give corrupt employees a golden parachute into retirement. Retiring quietly with benefits and pensions in hand is not accountability.” [Pete Hegseth – Concerned Veterans for America, 7/9/15]

CVA IS FUNDED BY THE KOCH NETWORK

Concerned Veterans For America Received $5.245 Million From Freedom Partners In 2013. According to Conservative Transparency, Concerned Veterans for America received $5.245 million from Freedom Partners in 2013. [Conservative Transparency, Accessed 7/27/15]

Concerned Veterans For America Received $32,062 From The Center To Protect Patient Rights In 2012. According to Conservative Transparency, Concerned Veterans for America received $32,062 from the Center to Protect Patient Rights in 2012. [Conservative Transparency, Accessed 7/27/15]

To Learn More About Concerned Veterans For America, Read The Bridge Project Report “The Vets Group That Fights Against Veterans”

American Future Fund

American Future Fund: AFF “Was Formed To Provide Americans With A Conservative And Free Market Viewpoint To Have A Mechanism To Communicate And Advocate On The Issues That Most Interest And ConcernThem.” According to a web post from the American Future Fund, “The American Future Fund operates as a 501(c)(4) and was formed to provide Americans with a conservative and free market viewpoint to have a mechanism to communicate and advocate on the issues that most interest and concern them.” [American Future Fund, Accessed 7/21/15]

American Future Fund Describes Its Primary Focus As Nonpartisan Education And Advocacy On Important National Issues. According to a web post from the American Future Fund, “The American Future Fund is a 501(c)(4) organization which primarily focuses on nonpartisan education and advocacy on important national issues.” [American Future Fund, Accessed 7/21/15]

ORGANIZATION

president, Nicole Schlinger, was a finance director of the Republican Party of Iowa, and its current president is Iowa Republican state Sen. Sandra Greiner, who is also a farmer. In 2011, Ryan was also hired as an adviser for the presidential campaign of former Sen. Rick Santorum of Pennsylvania.” [FactCheck.org, 9/18/11]

**American Future Fund Is Located In West Des Moines, IA.** According to a web page from American Future Fund, American Future Fund is located at “6750 Westown Pkwy. #200 – 156 West Des Moines, IA 50266. [American Future Fund, Accessed 7/27/15]

**LEADERSHIP**

**Sandra Greiner Is President Of American Future Fund.** According to the American Future Fund website, Sandra Greiner is the president of American Future Fund. [American Future Fund, Accessed 7/28/15]

**Allison Dorr Kleis Is The Director Of American Future Fund.** According to the American Future Fund website, Allison Dorr Kleis is the Director Of American Future Fund. [American Future Fund, Accessed 7/28/15]

**KOCH FUNDING**

**92 Percent Of American Future Fund's 2012 Revenue Came From Two Organizations Connected To Charles and David Koch: CPPR And Freedom Partners.** According to the Center for Responsive Politics, “American Future Fund, a politically active nonprofit based in Iowa that reported spending more than $25 million in last year's elections on ads and other communications benefiting Republicans, received more than 92 percent of its 2012 revenues from two organizations connected to Charles and David Koch. According to the group's annual tax form, filed with the IRS in mid-November and obtained by OpenSecrets Blog, its income came to $67.9 million last year -- a sharp increase from the $2.6 million it registered in 2011, a nonelection year. […] The Center to Protect Patient Rights (CPPR), a political nonprofit that has served as something of an ATM for other groups and is run by someone who is part of the Kochs' network of conservative operatives, gave AFF $49.2 million last year. Freedom Partners Chamber of Commerce, also a 501(c) whose board members are all connected to the billionaire Koch brothers, chipped in $13.6 million. Freedom Partners also provided most of CPPR's budget, $115 million out of nearly $147 million, last year.” [Center for Responsive Politics, 12/9/13]

**American Future Fund Has Received Over $63 Million From The Center To Protect Patient Rights Since 2010.** According to the Center for Responsive Politics, American Future Fund has received 4 donations totaling $63,222,409 from the Center to Protect Patient Rights since 2010. [Center for Responsive Politics, Viewed 1/17/14]

**American Future Fund Has Received Nearly $2.5 Million From American Justice Partnership Since 2011.** According to the Center for Responsive Politics, American Future Fund has received 2 donations totaling $2,491,000 from American Justice Partnership since 2011. [Center for Responsive Politics, Viewed 1/17/14]

**American Future Fund Received $13.6 Million From Freedom Partners Chamber Of Commerce In 2013.** According to the Center for Responsive Politics, in 2013 American Future Fund received a donation of $13,600,000 from Freedom Partners Chamber of Commerce. [Center for Responsive Politics, Viewed 1/17/14]

**Commonwealth Foundation**

**ORGANIZATION**

**The Commonwealth Foundation Is A Pennsylvania-Based Free-Market Think Tank.** According to the Commonwealth Foundation, “The Commonwealth Foundation for Public Policy Alternatives, commonly known as the Commonwealth Foundation or CF, is Pennsylvania's free-market think tank. Our mission is simple: CF transforms free-market ideas into public policies so all Pennsylvanians can flourish.” [Commonwealth Foundation, Accessed 3/28/16]

**The Commonwealth Foundation Was Formed As The “Hub” Of “Pennsylvania's Permanent Freedom Infrastructure” Providing “Intellectual Ammunition” For Policy Battles.** According to the Commonwealth Foundation,
“Recognizing that a think tank alone isn’t sufficient to advance the cause of liberty, the Commonwealth Foundation and its allies form Pennsylvania’s Permanent Freedom Infrastructure. At the hub of the infrastructure lies the Commonwealth Foundation, providing the intellectual ammunition to be deployed in every policy battle that we engage in.” [Commonwealth Foundation, Accessed 3/28/16]

**STAFF**

Then-Former Congressman Pat Toomey Was Named To The Commonwealth Foundation's Board Of Directors On August 6, 2007. According to a press release by the Commonwealth Foundation, “The Commonwealth Foundation—Pennsylvania’s free-market public policy think tank—announced the election of former Pennsylvania Congressman Pat Toomey to its Board of Directors.” [Commonwealth Foundation, 8/6/07]

- The Pittsburgh Tribune Review Described Toomey As A “Former Member” Of The Commonwealth Foundation Board In May 2009. According to the Pittsburgh Tribune Review, “Obviously, things have taken a bit of a twist in Pat Toomey's life,” said Matthew Brouillette, president of the foundation, which recruited Toomey, a former member of its board, as its speaker before Specter made his announcement.” [Pittsburgh Tribune Review, 5/2/09]


Matthew Brouillette Was The President And CEO Of The Commonwealth Foundation As Of March 2016. According to the Commonwealth Foundation, “Matthew J. Brouillette (pronounced "Bree-Yet") is President and CEO of the Commonwealth Foundation. Matt is a prominent voice in statewide public policy debates through frequent appearances in print, television, and talk radio across the Commonwealth.” [Commonwealth Foundation, Accessed 3/28/16]

Charles Mitchell Was The Executive Vice President Of The Commonwealth Foundation As Of March 2016. According to the Commonwealth Foundation, “Charles F. Mitchell is Executive Vice President of the Commonwealth Foundation. Charles grew up in Delaware County and is a graduate of Pennsylvania’s public schools. He and his wife have been financial supporters of the Commonwealth Foundation for many years and returned to the Keystone State in 2010 at the request of Matt Brouillette.” [Commonwealth Foundation, Accessed 3/28/16]

- Charles Mitchell Was Awarded The State Policy Network’s 2014 Overton Award. According to the Commonwealth Foundation, “Charles F. Mitchell is Executive Vice President of the Commonwealth Foundation. […] In 2014, Charles had the honor of accepting State Policy Network's Overton Award on behalf of the CF team.” [Commonwealth Foundation, Accessed 3/28/16]

- Charles Mitchell Is A Graduate Of The Koch Associate Program. According to the Commonwealth Foundation, “Charles F. Mitchell is Executive Vice President of the Commonwealth Foundation. […] He is a graduate of the Koch Associate Program, the Mackinac Center's Leadership Conference, and the Claremont Institute's Publius Fellowship and has appeared in print and broadcast media across our commonwealth and country.” [Commonwealth Foundation, Accessed 3/28/16]

Nate Benefield Was The Vice President Of Policy Analysis Of The Commonwealth Foundation As Of March 2016. According to the Commonwealth Foundation, “Nathan A. Benefield is Vice President of Policy Analysis for the Commonwealth Foundation. Nate has researched and written on public policy issues including taxes, government spending, education reform, transportation funding, health care policy, and economic development.” [Commonwealth Foundation, Accessed 3/28/16]

Nate Benefield Wrote A Blog Called “Nate’s Thoughts” That Included Controversial Statements

Benefield Suggested That Obama’s Race Would Motivate Voters To Support Him “In Spite Of His Record.”
Nathan Benefield Suggested That Obama’s Race Would Motivate Voters To Support Him “In Spite Of His Record.” According to a blog post by Nathan Benefield, “Rather, the question is whether Obama can attract enough voters (including new voters) to support him because of his race, in spite of his record, rather than vice versa. During the primary election season, exit polls indicate that while splitting the white vote with Hillary Clinton, Obama captured 90% or more of the Black vote in key states like Virginia, Pennsylvania, and Wisconsin and over 75% in South Carolina (when John Edwards, from neighboring NC, was still running), California, and Georgia. Political analysts would be hard pressed to point to the policy differences with Sen. Clinton that made Obama more appealing to black voters.” [Nate’s Thoughts – A Blog by Nathan Benefield, 10/29/08]

Benefield: “Obama’s Message Of ‘Hope’ And ‘Change’ Is Largely Based On The Color Of His Skin.” According to a blog post by Nathan Benefield, “But his appeal to non-black voters, which he will need to win the general election, also stems from his race. Obama’s message of ‘hope’ and ‘change’ is largely based on the color of his skin. The message is not entirely without merit. As the first African American nominee of a major party for President, an Obama election would be every bit as significant as Jackie Robinson’s first game and Thurgood Marshall’s appointment to the Supreme Court. Such an election would send a message to the rest of the world and to African-Americans who feel their government doesn’t respect them. However, Obama’s message of ‘change’ does not jive with his record.” [Nate’s Thoughts – A Blog by Nathan Benefield, 10/29/08]

Benefield: “One Has To Wonder What Percentage Of Voters Will Vote For Obama—Or Turn Out To Vote When They Otherwise Would Not—Because He Is Black?” According to a blog post by Nathan Benefield, “This laundry list of examples doesn’t make Obama out to be the devil, but simply a typical politician. Yet he is cast as a change agent. This may be, as Obama himself says, he ‘looks different’ than other politicians. One has to wonder what percentage of voters will vote for Obama—or turn out to vote when they otherwise would not—because he is black?” [Nate’s Thoughts – A Blog by Nathan Benefield, 10/29/08]

Benefield Summarized An Article Critical Of Affirmative Action In Law School Admissions Because It Resulted In Lower Standards To Accept Minorities, Which He Described As “Very Interesting And Methodologically Strong”


- “Using Preferences To Admit Blacks Has A Cascade Effect...Second And Third Tier Law Schools Are Forced To Lower Academic Credentials For Minorities Or Enroll Very Few Blacks.” According to a blog post by Nathan Benefield, “2. Using preferences to admit blacks has a cascade effect: other top tier law schools follow the racial preferences norm to maintain public image; second and third tier law schools are forced to lower academic credentials for minorities or enroll very few blacks.” [Nate’s Thoughts – A Blog by Nathan Benefield, 2/2/05]

- LSAT Scores Correlate Very Well With Grades In Law School, Even For Blacks. According to a blog post by Nathan Benefield, “3. LSAT scores correlate very well with grades in law school, even for blacks.” [Nate’s Thoughts – A Blog by Nathan Benefield, 2/2/05]

- “Black Grades In Law School Suffer At All Tiers Of Schools...Historically Minority Colleges Are The Lone Exception.” According to a blog post by Nathan Benefield, “4. Black grades in law school suffer at all tiers of schools – 51% of blacks rank in the lowest 10% of first year law students in GPA. Historically minority colleges are the lone exception.” [Nate’s Thoughts – A Blog by Nathan Benefield, 2/2/05]

- “There Is A Higher Dropout And Failure To Graduate Rate Among Blacks In Law School, Especially Outside The Most Prestigious (Top 10) Schools.” According to a blog post by Nathan Benefield, “5. There is a higher dropout and failure to graduate rate among blacks in law school, especially outside the most prestigious (top 10) schools.” [Nate’s Thoughts – A Blog by Nathan Benefield, 2/2/05]
• “A Higher Proportion Of Black Law School Graduates Fail The Bar On The 1st Attempt.” According to a blog post by Nathan Benefield, “6. A higher proportion of black law school graduates fail the bar on the 1st attempt.” [Nate’s Thoughts – A Blog by Nathan Benefield, 2/2/05]

Benefield Called Abortion “The Real Leading Cause Of Death In The U.S.” And Compared The Number Of U.S. Military Casualties In Iraq To The Number Of Abortions Performed In The United States.

Benefield Contrasted The Number Of U.S. Military Casualties In Iraq To The Number Of Abortions Performed In The United States. According to a blog post by Nathan Benefield, “Now here’s the punchline: the real leading cause of death in the US is Abortion. Over 1 Million fetuses are aborted each year in this country. This is 1000 times the total US casualties in Iraq. In fact, almost 3 times as many abortions occur every day as the total deaths in Iraq. WOW! There were almost twice as many abortions as deaths from heart disease? When is the last time you ever heard a news story about the rate of abortions in this country? Imagine if, instead of the evening news leading off with a story about the Iraq death count, to leading off with ‘Another 4,000 babies were aborted today.’ Sock! Bam! Boom! What if a university allowed an exhibit showing 1,000,000 empty cribs? Imagine the controversy. Even my pro-choice counterparts would be shocked by these numbers and would have to concede that a million abortions per year is far too many. Yet the perception seems to be that abortions are rare; the media, schools, advocacy groups, and the like continue to focus on the death count in Iraq, but ignore the death count from abortion. Next time someone from the New York Times says conservatives should forget about abortion and worry about ‘real issues’, just consider: is the leading cause of death in the US something we should be fighting?” [Nate’s Thoughts – A Blog by Nathan Benefield, 1/18/05]

Benefield: “The Real Leading Cause Of Death In The US Is Abortion.” According to a blog post by Nathan Benefield, “Comparing the US deaths in Iraq to the causes of death in the US leads similar [sic] conclusions. Over 700,000 individuals die each year from heart disease, the ‘leading cause of death’ in the US. More people die every day from heart disease than the total in Iraq. There were 16,000 murders in the US in 2001, about 20 times the average annual casualties [sic] in Iraq. Shouldn’t these be more emphasized in the news? Does the constant coverage and emphasis on the Iraq death toll seem somewhat overblown now? Now here’s the punchline: the real leading cause of death in the US is Abortion.” [Nate’s Thoughts – A Blog by Nathan Benefield, 1/18/05]

Benefield Made Lewd Comments Regarding In A Sarcastic Retort To Controversy Surrounding Jack Ryan’s Divorce Records

Benefield: Jack Ryan “Nearly Talked Jeri Ryan Into Participating In An Orgy. A Man Like That Deserves To Be In The Senate. You Might Say He Belongs There. Where Else Can We Send Our Sexual Deviants, If Not To Congress?” According to a blog post by Nathan Benefield, “However, Mr. Zorn, you are incorrect when you say that this will hurt Mr. Ryan’s chances to be elected. He nearly talked Jeri Ryan into participating in an orgy. A man like that deserves to be in the Senate. You might say he belongs there. Where else can we send our sexual deviants, if not to Congress?” [Nate’s Thoughts – A Blog by Nathan Benefield, 6/23/04]

OFFICES

The Commonwealth Foundation Was Headquartered In Harrisburg, Pennsylvania As Of September 2015. According to the Commonwealth Foundation, the Commonwealth Foundation is headquartered at 225 State Street, Suite 302, Harrisburg, PA 17101. [Commonwealth Foundation, Accessed 9/29/15]

The Commonwealth Foundation Had A Satellite Office In King Of Prussia, Pennsylvania As Of September 2015. According to the Commonwealth Foundation, the Commonwealth Foundation has a satellite office at 1060 First Avenue, Suite 420, King of Prussia, PA 19406. [Commonwealth Foundation, Accessed 9/29/15]

KOCH CONNECTIONS

The Commonwealth Foundation Has Received Over $2.5 Million From The Koch Network Since 2002
Donors Capital Fund Has Donated $1,571,300 To The Commonwealth Foundation Since 2002. According to Conservative Transparency, Donors Capital Fund has donated $1,571,300 to the Commonwealth Foundation since 2002. [Conservative Transparency, Accessed 9/29/15]

Donors Trust Has Donated $689,500 To The Commonwealth Foundation Since 2002. According to Conservative Transparency, Donors Trust has donated $689,500 to the Commonwealth Foundation since 20002. [Conservative Transparency, Accessed 9/29/15]


THE KOCHS’ USE OF THEIR POLITICAL INFLUENCE TO THWART EFFORTS TO PASS A BIPARTISAN STATE BUDGET, ULTIMATELY FORCING THE GOP BUDGET ON PENNSYLVANIANS

March 2016 Budget Update - Koch Orchestrated Budget Crisis Resulted In Forcing Contested GOP Budget To Become Law, Cementing Kochs As Winners And Making Pennsylvania’s Working Families, Students, Seniors, And All Who Benefit From Public Services Losers

MARCH 23, 2016: GOVERNOR WOLF ANNOUNCED HE WOULD ALLOW THE 2015-2016 GOP BUDGET TO BECOME LAW WITHOUT HIS SIGNATURE FOLLOWING MORE THAN 200 DAYS OF STALEMATE

Gov. Tom Wolf Allowed A March 2016 GOP Appropriations Bill To Became Law Without His Signature, Ending Pennsylvania's Budget Impasse After Almost Nine Months. According to the Pittsburgh Post-Gazette, “After nearly nine months, Pennsylvania's state budget impasse ground to an end Wednesday, with Gov. Tom Wolf saying he would allow a Republican-crafted appropriations bill to become law without his signature.” [Pittsburgh Post-Gazette, 3/24/16]


KOCH GROUPS CELEBRATED GOVERNOR WOLF ALLOWING THE REPUBLICAN BUDGET TO BECOME LAW

AFP-PA Director Beth Anne Mumford On Governor Tom Wolf Announcing He Would Allow A $6 Billion Supplemental Appropriation To Become Law Without His Signature: “I Guess Passive-Aggressive Leadership Is Better Than No Leadership At All.” According to a tweet by AFP-PA director Beth Anne Mumford, “I guess passive-aggressive leadership is better than no leadership at all.” The tweet quoted a tweet by AFP-PA which read “.@GovernorTomWolf announcing that he will allow $6 billion supplemental appropriation to become law without his signature #pabudget[.]” [Beth Anne Mumford – Twitter, 3/23/16]
- Mumford Responded To Gov. Wolf's Call For “A Budget In 2016-17 That Actually Has The Money We All Know We Need” By Reasserting Opposition To Any Tax Increases. According to a tweet by AFP-PA director Beth Anne Mumford, “More jobs and opportunity will help. We've raised taxes for decades. That's not working.” The tweet quoted a tweet by Governor Tom Wolf which read “Gov. Wolf: We need to get back to work to create a budget in 2016-17 that actually has the money we all know we need.” [Beth Anne Mumford – Twitter, 3/23/16]

American Commitment President Phil Kerpen Tweeted That Gov. Tom Wolf Allowing A GOP Budget With No Tax Increases To Become Law A “Victory.” According to a series of tweets by American Commitment president Phil Kerpen, “Wolf finally blinks in PA budget standoff, signs budget with no tax hikes! […] My PA friends astutely correct me that he will not sign but will allow to pass without signature. Still victory!” [Phil Kerpen – Twitter, 3/23/16; 3/23/16]

Commonwealth Foundation President Matthew Brouillette Wrote That Is Was “Good News” That “Pennsylvanians’ Wallets Were Spared” In The 2015-2016 State Budget. According to an opinion by Commonwealth Foundation president Matthew Brouillette for Morning Call, “It took 267 days, two full vetoes, one partial veto, and one veto threat, but Pennsylvania finally has a state budget. In letting the Legislature's budget become law, Gov. Tom Wolf conceded defeat, saying, “We need to move on.” We can all agree on that. The good news is Pennsylvanians’ wallets were spared, thanks to legislators standing against Wolf’s tax hike plans.” [Matthew Brouillette – Morning Call, 3/28/16]

ALLOWING GOP BUDGET TO BECOME LAW ESTABLISHED KOCH AGENDA AS THE WINNER IN PENNSYLVANIA

Gov. Tom Wolf: The Fiscal Code Passed Alongside The March 2016 GOP Appropriations Bill Would Terminate Regulations On Gas An Oil That “Would Present A Significant Obstacle To...Efforts To Enhance Environmental Safeguards.” According to the Associated Press, “Gov. Tom Wolf has vetoed the state's fiscal code, which was passed along with the Pennsylvania budget, citing concerns about how it divvies money for schools, borrows $2.5 billion, affects greenhouse gas emissions at power plants and regulates oil and gas drilling, [...] He said the fiscal code also would invalidate oil and gas regulations related to conventional drilling that have been in the works for more than two years. ‘This termination of the regulatory process would present a significant obstacle to (the Department of Environmental Protection)'s efforts to enhance environmental safeguards for conventional oil and gas development,’ he told the House. ‘I do not consider this legislative proposal as being in the best interests of this commonwealth.’” [Associated Press, 3/30/16]

The GOP’s 2015-2016 Budget Did Not Include The Severance Tax Originally Sought By Gov. Tom Wolf On Gas Production. According to Times-Shamrock Communications, “Gov. Tom Wolf will let a $6.6 billion supplemental state budget bill become law without his signature, thus allowing needed state aid to flow to financially strapped school districts, Pennsylvania State University and other state-related universities, county agricultural extension offices and rural hospitals, he announced Wednesday. [...] $800 million less than a compromise budget deal that fell apart last December. It doesn’t contain increases in the state sales and income taxes and a new severance tax on gas production that Wolf sought to generate new revenue.” [Times-Shamrock Communications, 3/23/16]

GOP BUDGET BECOMING LAW MEANT THAT ALL PENNSYLVANIANS WHO BENEFIT FROM PUBLIC SERVICES AND PROTECTIONS, INCLUDING WORKING FAMILIES, STUDENTS, AND SENIORS, CAME OUT AS LOSERS

AP: Gov. Tom Wolf “Originally Sought A $400 Million Increase” In Appropriations For Public Schools, But The March 2016 GOP Appropriations Bill Only Included A $200 Million Increase. According to The Associated Press, “The appropriations bill carries just over $3.1 billion for public school instruction and operations, which would bring the total appropriated for the year to $5.9 billion, a $200 million increase. Wolf had originally sought a $400 million increase, and the bipartisan deal that collapsed had contained $350 million.” [Associated Press, 3/23/16]

Mental Health Association Of Southeastern Pennsylvania COP Michael Brody Criticized The March 2016 GOP Budget For Not Including A Modest Personal Income Tax Increase, Which “Could Save After-School Programs, Mental Health Programs, Affordable Housing, And Countless Other Services.” According to a press release by the
Mental Health Association of Southeastern Pennsylvania, “The budget (HB 1802) passed by the Pennsylvania General Assembly last week is yet another budget exploiting short-term fixes and delayed payments that would have a devastating impact on Pennsylvania's most vulnerable citizens, said Michael Brody, President and CEO of the Mental Health Association of Southeastern Pennsylvania. [...] ‘The proposal to increase the personal income tax would add less than $4 per week to the taxes of an earner making $50,000 annually,’ he said.'Less than $4 a week could save after-school programs, mental health programs, affordable housing, and countless other services that support the vitality of Pennsylvania's communities.’” [Mental Health Association of Southeastern Pennsylvania, 3/22/16]

AP: Republicans Planned To Pay For Their March 2016 Appropriations Bill By Delaying “More Than $200 Million In Payments For Social Security Taxes For School Employees.” According to the Associated Press, “Republicans say the plan would spend about $260 million in carried-over money and $200 million in unspent program money. The state would forgo a $305 million payment it regularly makes for its portion of school construction projects and delay more than $200 million in payments for Social Security taxes for school employees and reimbursements to counties for child welfare costs.” [Associated Press, 3/23/16]

AFSCME Council 13: The 2015-2016 GOP Budget Created “A $1.6 Billion Deficit For 2016-17 That Will Prompt Cuts To Education, Teacher Layoffs, Higher Property Taxes And Cuts To Senior Programs.” According to AFSCME Council 13, “Unfortunately, the Republican budget creates a $1.6 billion deficit for 2016-17 that will prompt cuts to education, teacher layoffs, higher property taxes and cuts to senior programs. ‘The math doesn't add up,’ Wolf said, but acknowledged that dragging the budget fight out any longer would do more harm than good.” [AFSCME 13, 3/24/16]

AFP – Pennsylvania Defended The Ultra Wealthy And Fought Against Commonsense State Budgets

AFP-PENNSYLVANIA CLAIMED THAT THE FEDERAL ESTATE TAX CREATES DISTORTIONS IN THE ECONOMY AND UNDERMINES FREE MARKET ECONOMICS

AFP-Pennsylvania: The Estate Tax Threatens The “Continued Viability” Of A Family Business When It Is Passed Down Between Generations. According to an AFP-Pennsylvania web post, “The death tax, also known as the estate tax, is a tax on a person’s assets at death. Family-owned farms and businesses are most vulnerable to the death tax. When one generation wishes to pass family business assets down to the next generation, the death tax can threaten the continued viability of the business’ operations.” [AmericansForProsperity.org, 9/3/14]

AFP-PA: The Estate Tax “Builds Harmful Distortions” In The Economy. According to an AFP-Pennsylvania web post, “The rate for this tax is currently at 40%. While the tax falls directly on the children and grandchildren of some of society’s most successful members, it also builds harmful distortions and inefficiencies into our economy that hurt everyone by stifling economic growth.” [AmericansForProsperity.org, 9/3/14]

AFP-PA: Arguments Supporting The Estate Tax Are “Completely Contrary To Free Market Economics.” According to an AFP-Pennsylvania web post, “Proponents argue that the death tax helps to stimulate the economy and redistribute money mitigating long term income inequality; however, this kind of thinking is completely contrary to free market economics and threatens property rights.” [AmericansForProsperity.org, 9/3/14]

AFP-PA: An Estate Tax “Unfairly Favors The Rich,” Who Are Able To Hire People To Plan Their Estates In Order To Avoid The Tax. According to an AFP-Pennsylvania web post, “Lastly, the federal death tax unfairly favors the rich as they are the ones who can afford to hire estate planners to find ways to get around the burdensome fine, not middle class families.” [AmericansForProsperity.org, 9/3/14]

The Federal Estate Tax Is Only Applied To Estates Worth At Least $5.43 Million

Slate: The Federal Estate Tax Is Only Levied On Estates Worth At Least $5.43 Million, Which Applied To Only 0.2% Those Who Died In 2013. According to Slate, “By all rights, the federal estate tax should be an extremely popular piece
Most Americans believe that the wealthy should pay more of their money to the IRS. And while not everybody agrees on what constitutes affluence these days, the government only taxes estates worth at least $5.43 million dollars [sic]. In 2013, 2.6 million people died in this country, and only 4,700 of them had to pay any taxes as a goodbye gift to Uncle Sam. We're talking about a levy on the 0.2 percent.” [Slate, 3/27/15]

- **Slate: When Individuals Were Educated About The History Of Income Inequality, Their Support For The Estate Tax “More Than Tripled.”** According to Slate, “One group of participants was shown a presentation beforehand about the history and extent of income gap, which included information on how many households actually pay the estate tax. The other group took the survey cold. While the educational exercise did make people more concerned about inequality, it didn't seem to change their minds much about policy. [...] However, the presentation did seem to affect opinions on two issues. It drove up enthusiasm for a higher minimum wage, but only slightly. And it more than tripled support for hiking the estate tax.” [Slate, 3/27/15]

**The Estate Tax Is A Check On Income Inequality – And Even Billionaire Warren Buffet Supports It**

Billionaire Warren Buffet “Endorsed The Estate Tax As A Check On Wealth Accumulation.” According to Reuters, “Billionaire Warren Buffett on Wednesday endorsed the estate tax as a check on wealth accumulation, while two senior U.S. senators said they want the tax repealed. Revisiting a long-standing debate over the controversial tax, the Senate Finance Committee held a hearing where Chairman Max Baucus said he supports ending the estate tax, although he said he did not expect this to happen any time soon.” [Reuters, 11/14/07]

- **Buffet Called Dynastic Wealth The “Enemy Of Meritocracy” And Said The Estate Tax “Is Needed To Curb The Movement Of A Democracy Toward Plutocracy.”** According to Reuters, “But Buffett, the second-richest man in America after Bill Gates, according to Forbes magazine, said recent tax law changes have tended to benefit people like him.'Dynastic wealth, the enemy of a meritocracy, is on the rise. Equality of opportunity has been on the decline,' Buffett said. ‘A progressive and meaningful estate tax is needed to curb the movement of a democracy toward plutocracy.’” [Reuters, 11/14/07]

**AFP’s Opposition To Pennsylvania’s Inheritance Tax Would Benefit The Wealthy At The Expense Of Working Pennsylvanians, Putting $1 Billion In The Pocket Of The Wealthiest Pennsylvanians**

AFP-PA President Jennifer Stefano In January 2013: “It Is Time To End The Death Tax In Pennsylvania.” According to the office of Pennsylvania State Representative Stephen Bloom, “To those families wanting to keep their businesses open, the thousands or tens of thousands they do not have to pay in inheritance tax could make the difference between keeping the doors open or hiring new employees,’ wrote AFP-PA Director Jennifer Stefano in a letter of support this week. ‘It is time to end the death tax in Pennsylvania, and House Bill 48 is a positive step in that direction.’” [Office of State Representative Stephen Bloom, 1/22/2013]

Pennsylvania’s Inheritance Tax Generated $1 Billion In Annual Revenue For The State, An Amount That Would Have To Be Recovered Elsewhere If The Tax Were Eliminated

**The Pennsylvania Inheritance Tax Generated $1 Billion” In Tax Revenue For The 2014-2015 Fiscal Year.** According to PR Newswire, “Inheritance tax revenue for the month was $96.6 million, $6.5 million below estimate. This brought the fiscal-year total to $1 billion, which is $67.8 million, or 7.3 percent above estimate.” [PR Newswire, 7/1/15]

*Working Pennsylvanians Are Protected From The Inheritance Tax By Exemptions For Family-Owned Farms And Small Businesses*

The Pennsylvania Inheritance Tax Contains An Exemption For Family Farms. According to Penn Live, “Yet the East Hanover Township dairy farmer still cheered at the recent law eliminating the Pennsylvania inheritance tax on working farms passed on to family members.” [Penn Live, 7/29/12]

The Pennsylvania Inheritance Tax Contains An Exemption For Small Businesses That Remain In The Family. According to blog by Marshall, Parker and Weber, LLC, “Last year, Pennsylvania eliminated the tax on the inheritance of agricultural real estate by family members, provided the property continues to be devoted to agriculture for a period of 7 years.
[...] This year, Pennsylvania is eliminating the inheritance tax for small businesses that remain in the family. Act 52 of 2013 (HB 465), signed into law by the Governor on July 9, contains the new exemption.” [Marshall, Parker and Weber L.L.C., 7/13/13]

**AFP-PENNSYLVANIA TOOK A HARD-LINE STANCE ON THE PENNSYLVANIA STATE BUDGET LEADING TO GRIDLOCK AT THE STATE CAPITAL**

**AFP – Pennsylvania Attacked Any Proposal That Would Have Raised Taxes, Despite A Projected $1.2 Billion Structural Budget Deficit**

AFP-PA Policy Director Anna McCauslin On State Budget: AFP-PA Will “Continue To Promote Budgetary Restraint, Supporting Measures Such As The Taxpayer Relief Act.” According to a web post by AFP-PA Director Of Policy Anna McCauslin, “Whenever the budget is passed, AFP-Pennsylvania is committed to making sure there is no Personal Income Tax increase and that Marcellus shale drilling is not overtaxed and remains in the Commonwealth. We will also continue to promote budgetary restraint, supporting measures such as the Taxpayer Relief Act.” [Anna McCauslin – Post via AmericansForProsperity.org/Pennsylvania, 4/24/15]

**AFP-PA State Director Anne Mumford: Bill 504, Which Would Have Reduced Property Taxes By Raising The Income And Sales Tax, “Basically Cuts Taxes By Raising Taxes On Everybody In Pennsylvania, And It’s Something That We Oppose.”** According to CBS Philadelphia, Americans for Prosperity Pennsylvania state director Anne Mumford told Talk Radio 1210 WPHT, “What this bill does not do is make those property tax reductions permanent. It does nothing to make sure that school boards aren’t going to be able to raise taxes again in the future. It does nothing to get rid of those exemptions that are already in place that allow school boards to raise taxes anyway, even without voter approval. So, it’s a bill that basically cuts taxes by raising taxes on everybody in Pennsylvania, and it’s something that we oppose, because we see these tax increases in Pennsylvania as bad for the economy and bad for the economic opportunity in the future and we really believe that people are much more capable of spending their money much more wisely than the government will.” [CBS Philadelphia, 5/18/15]

**Mumford Testified Against Proposed Income And Sale Tax Increases, Saying They Punished “Pennsylvanians Trying To Provide For Themselves And Their Families.”** According to an AFP-Pennsylvania web post, “Americans for Prosperity’s (AFP) Pennsylvania State Director, Beth Anne Mumford, provided testimony this afternoon against HB 504. […] Beth Anne explained: ‘Increasing the personal income tax punishes the hard work of Pennsylvanians trying to provide for themselves and their families, and creates a disincentive to work harder and earn more. Increasing the state sales tax is a regressive tax hike that will hit middle- and lower-income families hardest at a time when they can least afford it.’” [AmericansForProsperity.org, 6/10/15]


**Triad Strategies Partner Tony May: “The Task Of Corralling A Simple Majority” On A State Budget “Was Made Even More Difficult” With The Release Of A Survey Underwritten By AFP.** According to an opinion by Tony May, a partner in Triad Strategies, for The Patriot-News, “The task of corralling a simple majority was made even more difficult with the release last week of a survey underwritten by Americans for Prosperity showing that 73 percent of those polled believe the best way to balance the budget is to ‘address waste or decrease spending before anyone is asked to pay more in taxes even if it means most state programs and services don’t see any increase in funding.’” [Tony May – Patriot-News, 6/21/15]

- **Triad Strategies: The Survey Showed That Most Respondents Opposed Any Tax Increases, “Even If It Means Most State Programs And Services Don’t See Any Increase In Funding.”** According to an opinion by Tony May, a partner in Triad Strategies, for The Patriot-News, “The task of corralling a simple majority was made even more difficult with the release last week of a survey underwritten by Americans for Prosperity showing that 73 percent of those polled believe the best way to balance the budget is to ‘address waste or decrease spending before anyone is asked to pay more in taxes even if it means most state programs and services don’t see any increase in funding.’” [Tony May – Patriot-News, 6/21/15]
taxes even if it means most state programs and services don't see any increase in funding.” [Tony May – Patriot-News, 6/21/15]

AFP Praised Pennsylvania State Representatives “For Voting Down Governor Wolf’s Proposed Tax Hike A Second Time, 73 To 127.” According to a post on the Americans for Prosperity website, “Americans for Prosperity today acknowledged that Governor Wolf worked hard to make his tax hike dream a reality, but urged him to move on and find a new policy goal. The state legislature has already rejected his tax hike plan, but will again consider the Governor’s proposal for $5 billion in new taxes that will impact Pennsylvanians at all income levels. The legislature should vote NO to higher taxes. ‘Look, Governor Wolf is wrong, but we understand: tax hikes hold a very special place in his heart,’ explained Beth Anne Mumford, Pennsylvania State Director of Americans for Prosperity.” [Americans for Prosperity, 10/14/15]

AFP-PA Policy Director Anna McCauslin: It Was ‘Unfathomable’ For Five Months Of Budget Fighting To Pass Only To See A Sales Tax Increase Of About 21 Percent Emerge From The Negotiations. According to the Pennsylvania Independent, “Democratic Gov. Tom Wolf and lawmakers have agreed on the broad framework of a budget deal that would increase education funding by $350 million and raise the statewide sales tax from 6 percent to 7.25 percent to generate an estimated $2 billion for school property tax relief. […] It is ‘unfathomable’ for five months of budget fighting to pass only to see a sales tax increase of about 21 percent emerge from the negotiations, said Anna McCauslin, director of policy for the Pennsylvania chapter of Americans for Prosperity, a limited government group that’s already lobbying to kill the proposed tax hike. The property tax system is broken; it needs fixed,’ she said, ‘(but) I do not think you’ll find many people that believe this is the answer except those individuals that just want the budget to be passed.’” [Pennsylvania Independent, 11/11/15]

AFP-PA Issued A Statement “Calling Out Pennsylvania Lawmakers For Coming Up With Over Twenty Taxes To Increase, But Not Offering A Single Line-Item Of Wasteful Spending Or Corporate Welfare To Reduce.” According to a post on the Americans for Prosperity website, “Americans for Prosperity is calling out Pennsylvania lawmakers for coming up with over twenty taxes to increase, but not offering a single line-item of wasteful spending or corporate welfare to reduce. AFP pointed out the $700 million in corporate welfare identified by the Commonwealth Foundation as a great starting point.” [Americans for Prosperity, 12/2/15]

AFP: While Governor Wolf “Cutting The Budget In A Fit Of Anger With The Legislature Is Not The Ideal Way To Get Our State’s Budget On Track, It’s An Improvement Over The Tax-And-Spend Status Quo That Has Plagued Pennsylvania For Too Long.” According to a petition by Americans for Prosperity on the Phone 2 Action website, “By vetoing sections of the state budget, Governor Wolf made a defacto $7 billion budget cut. While cutting the budget in a fit of anger with the legislature is not the ideal way to get our state’s budget on track, it’s an improvement over the tax-and-spend status quo that has plagued Pennsylvania for too long.” [Americans for Prosperity – Phone 2 Action, archived 2/10/16]

- AFP Petition: “Send This Note To Your Legislator – Make Governor Wolf’s Spending Cuts Permanent.” According to a petition by Americans for Prosperity on the Phone 2 Action website, “Obviously, Governor Wolf wants even more money and higher taxes to fund his broken agenda. But he technically cut spending, and that's a step in the right direction. Send this note to your legislator – make Governor Wolf's spending cuts permanent. Cutting spending doesn't mean cutting essential services. PA could save $700 million alone by cutting corporate welfare, and an additional $1 billion in savings by repealing our outdated prevailing wage laws. Now is not the time to raise taxes. Let’s follow in the Governor’s footsteps and reduce spending to remove the burden from the economy and from families.” [Americans for Prosperity – Phone 2 Action, archived 2/10/16]

AFP-PA Urged Lawmakers To Hinder The Process Of Passing A State Budget By Demanding Pension Reforms

AFP-PA State Director Anne Mumford: State’s “$50 Billion” Pension Liability Is “Crowding Out Spending For Other State Functions, Such As Transportation, Education, And Public Safety.” According to an opinion by AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “When the market crashed in 2007, the burden grew. We now owe a mind-boggling $50 billion, and it's getting in the way of responsible government. That massive liability is crowding out spending for other state functions, such as transportation, education, and public safety.” [Beth Anne Mumford – Philadelphia Inquirer, 5/13/15]
Mumford: “Gov. Wolf Claims That His Proposed Tax Hikes Will Fix The Pension Liability. Yet The Revenue From The Governor's Tax Hikes On Hardworking Families Will Only Start To Pay A Fraction Of The $50 Billion.” According to an opinion by AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “Gov. Wolf claims that his proposed tax hikes will fix the pension liability. Yet the revenue from the governor's tax hikes on hardworking families will only start to pay a fraction of the $50 billion. Worse, raising taxes will hamper the very economic growth Pennsylvania needs.” [Beth Anne Mumford – Philadelphia Inquirer, 5/13/15]

AFP Announced It “Now Plans To Focus 100% On Urging Lawmakers To Adopt” Pension Reforms. According to a post on the Americans for Prosperity website, “AFP-Pennsylvania has simultaneously opposed Governor Wolf’s tax hike and urged lawmakers to fix the state’s $50 billion unfunded pension crisis and cut wasteful spending. AFP now plans to focus 100% on urging lawmakers to adopt those needed reforms.” [Americans for Prosperity, 10/14/15]

An AFP Released A Petition To Make Pennsylvania Politicians “Feel The Heat,” Saying Any Bill That Does Not “Fix The Pension System” Would Be Unacceptable. According to a petition by Americans for Prosperity on the Phone 2 Action website, “Thanks to your help, we are winning in the fight against Wolf's tax-and-spend demands. We can't give up now. Make sure your politicians feel the heat. Tell them to decrease spending, fix the pension system, and privatize liquor stores. Nothing else will be acceptable.” [Americans for Prosperity – Phone 2 Action, archived 2/11/16]

AFP-PA Paid For Radio Ads And Billboards To Oppose Budget Efforts By Governor Tom Wolf

AFP-PA Launched A State-Wide Radio Ad “To Hold Governor Wolf Accountable For His Income And Sales Tax Hike Proposals.” According to a press release from AFP-PA, “Americans for Prosperity (AFP) has released a one-minute radio ad airing across the state to hold Governor Wolf accountable for his income and sales tax hike proposals. The ad portrays an advisor to Governor Tom Wolf calling into a fictitious ‘politicians anonymous’ hotline to confess that he has been misleading Pennsylvania taxpayers about the impact of the Governor’s tax plan.” [AFP-PA Press Release, 3/12/15]

AFP-Pennsylvania Ran A Billboard Ad Campaign Against Governor Tom Wolf’s Tax Plan. According to an AFP-Pennsylvania web post, “Americans for Prosperity is greeting Governor Wolf with billboards highlighting the cost of his tax plan on Pennsylvanians. The Governor, state legislators, and all other commuters driving into the Capitol today on 581, I-83, and 283 will see some new billboards explaining the impact of the Governor’s tax plan.

[AmericansForProsperity.org, 6/8/15]

AFP – Pennsylvania Launched A Radio Ad On Pennsylvania Governor “Wolf's Schemes To Take State Income And Sales Taxes 'Up, Up, Up'” And Directed Listeners “To An Affiliated Website.” According to Patriot News, “Everywhere you look in Pennsylvania, someone is trying to move the needle measuring public attitudes toward who's right and who should give in on the protracted state budget debate. [...] Wolf's campaign committee recently urged its supporters by blast email to make phone calls to the top Republican legislative leaders' offices to 'tell them to do what's right for Pennsylvania.' Americans for Prosperity, the grassroots political action group financed by the wealthy conservative activists David and Charles Koch, responds with a radio ad alerting listeners to Wolf's schemes to take state income and sales taxes ‘up, up, up’ and encouraging them to go to an affiliated website to take action.” [Patriot News, 7/27/15]
• **AFP - Pennsylvania “Went On The Air In March With Radio Ads” And Appeared To Have Been “The First To Fire In The Budget Wars” With Unprecedented Advertising.** According to Patriot News, “And this year, in what seems to be a first, well-financed interests are bringing their broad themes right into your family room (television ads), or if you're really lucky, to your kitchen table (mailings about a specific lawmaker's stance). […] It appears that Americans for Prosperity, which went on the air in March with radio ads, was the first to fire in the budget wars. But Wolf's campaign committee directors were soliciting funds, $5 at a time, from his supporters in cyberspace all through the spring as well. By June 1, just as the budget talks were intensifying, organized labor's CLEAR Coalition and Wagner's Reform PA committee went on the air in central Pennsylvania with their pro and con budget ads.” [Patriot News, 7/27/15]

**AMERICAN FUTURE FUND LAUNCHED A STATEWIDE CAMPAIGN TO PRESSURE CONSERVATIVE LAWMAKERS ON BUDGET ISSUES IN THE WEEKS BEFORE GOV. WOLF TOOK OFFICE**

American Future Fund Announced A Statewide Multimedia Campaign To Advocate For Pension Reform, Liquor Privatization, And For Banning The State From Deducing Dues And Money Used For Political Purposes From Paychecks In Pennsylvania. According to Penn Live, “The American Future Fund, a super PAC founded by ex-Mitt Romney aides that has ties to the billionaire Koch Brothers, has come to play in Pennsylvania. The group plans a statewide multimedia and advocacy blitz during the coming legislative session aimed at [reminding] legislators of their commitments to support ‘3 Ps’: pension reform, paycheck protection, and liquor privatization,’ according to a statement posted to its website. […] More astute readers will recall that a vote on the so-called "Paycheck Protection" bill, which would ban the state from deducting dues and money used for political purposes from employees’ paychecks, failed in the Senate last year. Votes on liquor privatization and pension reform never saw the light of day.” [Pennlive.com, 1/7/15]

• **AFF Political Action Chairman Nick Ryan: “Through This Campaign, The American Future Fund Is Providing Voters A Voice To Hold Conservatives Accountable.”** According to Penn Live, “The people of Pennsylvania have delivered Republicans and conservatives a wider majority, and now they have every right to expect bigger results on the issues important to them,” the group’s Political Action Chairman Nick Ryan said in the statement. ‘Through this campaign, the American Future Fund is providing voters a voice to hold conservatives accountable to follow through in Harrisburg on the promises they made on the campaign trail.”’ [Pennlive.com, 1/7/15]

**PENNSYLVANIA GOVERNOR TOM WOLF OFFERED MULTIPLE COMMONSENSE COMPROMISSES DURING THE STATE’S 2015-2016 BUDGET NEGOTIATIONS – ALL WHICH WERE FLATLY REJECTED BY REPUBLICANS**

Despite The Consensus That Early Childhood Education Results In Positive Outcomes For Students, Pennsylvania Republicans Fought Against Proposed Increases To The Program

Brookings Institute: “Recent Studies Demonstrate That State Pre-Kindergarten (Pre-K) Programs Have Had Positive Effects On Children’s Readiness To Learn” With Some States Seeing “Large Impacts.” According to the Brookings Institute, “New research on early childhood programs continues to emerge. Recent studies demonstrate that state pre-kindergarten (pre-K) programs have had positive effects on children’s readiness to learn, with large impacts in some states. Findings from the National Head Start Impact Study, released in 2005, provide more rigorous evidence than previously existed of Head Start’s positive impacts on children. An earlier national evaluation of Early Head Start also found a range of small positive impacts on very young children’s cognitive skills, behavior, and health.” [Brookings Institute, 9/2008]

• **Brookings Institute: Early Childhood Interventions “Have Had Positive Impacts On Children's Emotional And Behavioral Outcomes” Including “Long-Term Reductions In Criminal Behavior.”** According to the Brookings Institute, “Most early childhood interventions also have had positive impacts on children’s emotional and behavioral outcomes, including long-term reductions in criminal behavior. There also is some evidence of improvements in children’s health and safety, and some programs have had positive effects on the children’s parents.” [Brookings Institute, 9/2008]
In March 2015, Governor Tom Wolf Proposed $120 Million Worth Of Funding “For Both Prekindergarten And Head Start Programs.” According to Penn Live, “During his budget rollout in March, Wolf asked lawmakers to authorize $120 million for both prekindergarten and Head Start programs. The budget plan the Senate approved back in June included $30 million for the two expenditures.” [Penn Live, 11/12/15]

- **Governor Wolf’s Proposed $120 Million Would Pay For 14,000 Pennsylvania Children To Enroll In Pre-K And Head Start Programs.** According to Penn Live, “According to data compiled by the Pennsylvania Office of Early Childhood Development, nearly 17,000 students are on a waiting list for those programs statewide. Advocates say the $120 million sought by Wolf would pay for 14,000 children, while $60 million would pay for 7,000 children. The $30 million included in the Republican-authored budget that Wolf vetoed in June would pay for just 3,500 students. They say that's unacceptable.” [Penn Live, 11/12/15]

The Republican Controlled Pennsylvania State Senate Only Approved $30 Million Worth Of Funding For The Two Programs In The November 2015 Budget They Sent To Governor Wolf. According to Penn Live, “During his budget rollout in March, Wolf asked lawmakers to authorize $120 million for both prekindergarten and Head Start programs. The budget plan the Senate approved back in June included $30 million for the two expenditures.” [Penn Live, 11/12/15]

- **The $30 Million Proposed In The “Republican-Authorized Budget That Wolf Vetoed” Would Have Paid For “Just 3,500 Students.”** According to Penn Live, “According to data compiled by the Pennsylvania Office of Early Childhood Development, nearly 17,000 students are on a waiting list for those programs statewide. Advocates say the $120 million sought by Wolf would pay for 14,000 children, while $60 million would pay for 7,000 children. The $30 million included in the Republican-authored budget that Wolf vetoed in June would pay for just 3,500 students. They say that's unacceptable.” [Penn Live, 11/12/15]

- **As Of November 2015, There Were 17,000 Pennsylvania Children On The Waiting List For Pre-K And Head Start Programs.** According to Penn Live, “It's all about access. According to data compiled by the Pennsylvania Office of Early Childhood Development, nearly 17,000 students are on a waiting list for those programs statewide.” [Penn Live, 11/12/15]

In December 2015, Wolf Signed “A Portion Of A Republican-Crafted Budget,” Which Included “More Than $122 Million In Pre-K” And “$44 Million In Head Start Supplemental Assistance,” According to the Reading Eagle, “Education interruptions, layoffs, job changes and large loans were brought about in many organizations in Berks County because of the budget standoff. It started in July with the new state fiscal year and partially ended Dec. 29 when Wolf, a Democrat, signed off on only a portion of a Republican-crafted budget. […] Wolf spokesman Jeff Sheridan provided a budget breakdown that showed more than $122 million in the Pre-K Counts category and $44 million in Head Start Supplemental Assistance was part of the spending approved by the governor.” [Reading Eagle, 1/7/16]

- **Pre-K For PA: Gov. Wolf’s Original Budget Proposal Would Have Increased Pre-K Funding To About $200 Million, And Head Start Funding To About $59 Million.** According to Pre-K for PA, “Governor Wolf’s budget proposal included: Increasing funding for Pre-K Counts by $100 million, which will nearly double the commonwealth’s current annual investment of $97.3 million[;] A $20 million increase in state funding for the Head Start Supplemental Assistance Program, which would bring total funding to $59 million.” [Pre-K for PA, accessed 1/18/16]

Governor Wolf Attempted To Reach A Compromise On The Privatization Of State Run Liquor Stores, But Republican Lawmakers Refused To Find Common Ground

Pennsylvania Governor Tom Wolf Offered A Compromise In The State Budget Talks, Proposing “Private Management Of The State-Owned Liquor Store System.” According to the Pittsburgh Post-Gazette, “Gov. Tom Wolf said Wednesday that he had offered major compromises on two key issues in the budget impasse, proposing private management of the state-owned liquor store system…But in doing so, the Democratic governor unleashed another attack on Republican legislative leaders, calling them inflexible and uncompromising as they took steps toward passing a short-term spending plan that he is almost certain to veto.” [Pittsburgh Post-Gazette, 9/16/15]
**Governor Wolf’s Proposal Would “Provide For A Long-Term Lease Agreement” That Would Place The States Liquor Store “Under A Private Manager” With “Discretion Over The Number And Location Of Stores And Flexibility Regarding Pricing.”** According to the Pittsburgh Post-Gazette, “Mr. Wolf’s liquor proposal would provide for a long-term lease agreement to put the state’s wholesale and retail wine and spirits stores under a private manager, he said. The system would still be state-owned, but the private entity would have discretion over the number and location of stores and flexibility regarding pricing, according to an administration outline.” [Pittsburgh Post-Gazette, 9/16/15]

- **The Plan Would Also Allow “For The Possibility Of Wine In Grocery Stores And Restaurants And Six-Packs In Convenience Stores.”** According to the Pittsburgh Post-Gazette, “The private management entity would be required to maintain the state system’s current unionized workforce. The plan would allow for the possibility of wine in grocery stores and restaurants and six-packs in convenience stores, according to the administration.” [Pittsburgh Post-Gazette, 9/16/15]

**Reading Eagle In January 2016: House Republicans Are Stipulating That If A Budget Deal Includes “Plans For Taxes And A Pension Overhaul, Then It Must Also Include…Liquor Privatization.”** According to the Reading Eagle, “House Republicans: They don't want increases to sales or income taxes unless they're part of a plan to reduce or eliminate property taxes. They have advocated for a smaller budget without broad-based tax hikes if a compromise can't be reached on the larger issues. They say that if a budget deal includes plans for taxes and a pension overhaul, then it must also include property tax reform and liquor privatization.” [Reading Eagle, 1/4/16]

**Reading Eagle: In November 2015, A Framework Deal Was Announced By Gov. Wolf And GOP Leaders, Which Included “A Plan To Allow Wine Sales In Supermarkets.”** According to the Reading Eagle, “In November, Wolf and GOP leaders announced the framework deal. That included spending increases for education, the compromise pension overhaul, a plan to allow wine sales in supermarkets and a sales tax hike to fund property tax reductions.” [Reading Eagle, 1/4/16]

- **Reading Eagle: Republicans “Take Exception To Being Blamed For Killing” The Framework Budget Agreement, “Saying It Died Because Property Taxes And” Full Liquor Privatization “Were Stripped Out.”** According to the Reading Eagle, “House Republicans: They share senators' criticisms of Wolf, saying he wants lawmakers to vote for taxes without making concessions on their proposals. They take exception to being blamed for killing the framework, saying it died because property taxes and liquor were stripped out, Democrats wouldn't vote for the pension bill and Wolf and the Senate couldn't agree on a tax package.” [Reading Eagle, 1/4/16]

**Governor Wolf Offered Multiple Compromises On The Proposed Natural Gas Extraction Tax, But Republicans Refused To Make Natural Gas Drillers Pay Their Fair Share**

**Headline: Gov. Wolf Says He's Willing To Compromise On Severance Tax** [NPR State Impact, 7/20/15]

Pennsylvania Governor Tom Wolf said he was able to remove the “so-called ‘price floor’ as part of a larger budget deal.” According to NPR State Impact, “Wolf’s severance tax proposal calls for a five percent tax on the value of the gas, plus 4.7 cents for every thousand cubic feet. His original budget proposal would also base the tax on a minimum value of $2.97 per thousand cubic feet, regardless of the actual sale price. Wolf said Monday he was willing to let go of that so-called ‘price floor’ as part of a larger budget deal.” [NPR State Impact, 7/20/15]

- **Wolf Admitted That “Under Certain Market Prices” The Proposed Price Floor “Could Lead To An Excessively Punitive Tax,” So He Removed It.** According to NPR State Impact, “Wolf’s severance tax proposal calls for a five percent tax on the value of the gas, plus 4.7 cents for every thousand cubic feet. His original budget proposal would also base the tax on a minimum value of $2.97 per thousand cubic feet, regardless of the actual sale price. Wolf said Monday he was willing to let go of that so-called ‘price floor’ as part of a larger budget deal. ‘It was pointed out — correctly—that under certain market prices, (the price floor) could lead to an excessively punitive tax—so i [sic] took the floor out,’ Wolf said.” [NPR State Impact, 7/20/15]

**Governor Wolf Also Attempted To Compromise With Republicans Over The Proposed Natural Gas Extraction Tax By Keeping “The Impact Fee On Drillers Unchanged.”** According to Penn Live, “Wolf's Policy and Planning Sec. John
Hanger said the governor proposed compromising on three aspects of his proposal. First was removing a floor price for gas, second was to keep the impact fee on drillers unchanged and third was allowing companies to self-report how much money they receive from producing gas. Hanger said that the Republicans' counter offer was: zero.” [PennLive, 6/24/15]

Governor Wolf Also Offered To Allow Natural Gas Drillers “To Self-Report How Much Money They Receive From Producing Gas.” According to Penn Live, “Wolf's Policy and Planning Sec. John Hanger said the governor proposed compromising on three aspects of his proposal. First was removing a floor price for gas, second was to keep the impact fee on drillers unchanged and third was allowing companies to self-report how much money they receive from producing gas. Hanger said that the Republicans' counter offer was: zero.” [PennLive, 6/24/15]

Pennsylvania Republicans Offered “Zero” In Response To The Governor's Proposed Compromises. According to Penn Live, “Wolf's Policy and Planning Sec. John Hanger said the governor proposed compromising on three aspects of his proposal. First was removing a floor price for gas, second was to keep the impact fee on drillers unchanged and third was allowing companies to self-report how much money they receive from producing gas. Hanger said that the Republicans' counter offer was: zero.” [PennLive, 6/24/15]


Governor Wolf Agreed To A Compromise Proposal For Pension Reform Which Included Both 401(k)-Style Plans And Traditional Pensions, But House Republicans Reneged On The Associated Framework Deal

Pennsylvania Republicans “Passed Legislation To End The Traditional Pension Benefit” Received By Public Employees And Want It Signed Into Law As A Part Of The Budget Deal. According to Leigh Valley Live, “With the budget stalemate between Wolf and leaders of the House and Senate Republican majorities in the state Legislature at 86 days, here is a summary of their key objectives and what they have made public about their compromise offers: […] Republicans passed legislation to end the traditional pension benefit for most future state government and public school employees and replace it with contributions to 401(k)-style retirement plans. The employer match would be 2.6 percent for school employees and 4 percent for state government employees. Future employees also would have to contribute 3 percent of salary into a cash-balance plan that guarantees the employee a return of up to 4 percent. The state keeps a portion of extra investment gains from the cash balance contributions.” [Leigh Valley Live, 9/24/15]

Reading Eagle: Gov. Wolf And GOP Leaders Announced A Framework Budget Deal In November 2015, Which Included A “Compromise Proposal” For Pension Reform “That Would Give New Employees A Combination Of” 401(k)-Style Plans And Traditional Pensions. According to the Reading Eagle, “Senate Republicans: They want to see major changes to pensions for state and public school employees and say they will not support any new revenue without them. They prefer a complete shift to 401(k)-style plans, rather than traditional pensions, for new employees but also support a compromise proposal that would give new employees a combination of both plans. […] In November, Wolf and GOP leaders announced the framework deal. That included spending increases for education, the compromise pension overhaul, a plan to allow wine sales in supermarkets and a sales tax hike to fund property tax reductions.” [Reading Eagle, 1/4/16]

- Reading Eagle: In December 2015, “House Republicans Announced They Were Breaking From The Framework And Pursuing A Smaller Spending Plan.” According to the Reading Eagle, “In early December, House Republicans announced they were breaking from the framework and pursuing a smaller spending plan.” [Reading Eagle, 1/4/16]
Pennsylvania Public Schools Were Forced To Take Out Massive Amounts Of Loans To Continue Operating

Pennsylvania Has A History Of Budget Stalemates, But Many Public Schools And Social Service Providers “Are In More Desperate Straights” Due To “Post-Recession Funding Cuts Enacted By Republicans.” According to the Morning Call, “Pennsylvania has seen budget stalemates before — most notably in 1991, 2003 and 2009 — but this is different: Public school advocates and social services providers say they are in more desperate straits now after post-Recession funding cuts enacted by Republicans.” [Morning Call, 11/1/15]

October 2015: Waiting For A State Budget, Pennsylvania Schools Borrowed $431 Million. According to Reuters, “Pennsylvania school districts have had to take out more loans to survive the state's budget impasse, with total borrowing now at $431 million, Pennsylvania Auditor General Eugene DePasquale said on Wednesday.” [Reuters, 10/28/15]

In Order To Survive The Budget Impasse, Pennsylvania Schools “Stopped Paying Vendors And Delayed Contributions To Teachers’ Retirement Funds.” According to Reuters, “The stalemate affects ‘literally every facet’ of school operations, DePasquale said. To get by, districts have stopped paying vendors and delayed contributions to teachers' retirement funds. Some have discussed closings.” [Reuters, 10/28/15]

Pennsylvania Nonprofits And Crisis Centers Went Into Debt To Continue Providing Services To Vulnerable Pennsylvanians

Headline: Sexual And Domestic Violence Victim Services Among Those Impacted By State Budget Stalemate [Pittsburgh NPR, 11/18/15]

Pittsburgh NPR: “As The State Budget Impasse Continues, Organizations That Provide Assistance To Those In Need Across Pennsylvania Are Going Into Debt.” According to NPR Pittsburgh, “As the state budget impasse continues, organizations that provide assistance to those in need across Pennsylvania are going into debt to cover costs. ‘It has been a roller coaster you don't want to ride.’ Victim Outreach Intervention Center (VOICe) is one of those. The Butler County organization provides services to individuals and families who are survivors of sexual, domestic and other types of violence. Executive Director Heidi Artman said the organization relies heavily on state funding and she sums up the last few months as such.” [Pittsburgh NPR, 11/16/15]

Headline: Pennsylvania Social Service Agencies Struggle As Budget Crisis Continues [Pittsburgh Post-Gazette, 11/12/15]

Due To The Budget Impasse “Senior Centers Have Closed,” Domestic Violence Shelters Have “Turned Away Women And Children Seeking Refuge” And “Nonprofits Statewide Are Making Difficult Choices About Which Bills To Pay.” According to the Pittsburgh Post-Gazette, “As Pennsylvania marks its 135th day today without an enacted state budget, the impact is being felt most severely at social service agencies that rely on state funding to help serve families in crisis, children, the disabled, the elderly and a range of other people in need. Senior centers have closed in Mercer County. A domestic violence shelter in Adams County has turned away women and children seeking refuge. And nonprofits statewide are making difficult choices about which bills to pay.” [Pittsburgh Post-Gazette, 11/12/15]

THE KOCHS’ ATTEMPTS TO FIGHT ENVIRONMENTAL PROTECTIONS AND PROTECT THEIR BOTTOM LINE

Department Of Environmental Protection Citations

GEORGIA PACIFIC WAS FINED BY THE PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OVER AN AIR QUALITY VIOLATION

Georgia Pacific Dixie In Easton Was Fined $1500 For An Air Quality Violation In 2012 By The Pennsylvania Department Of Environmental Protection. According to the Pennsylvania Department of Environmental Protection, Dixie
Consumer Product LLC in Easton, Pennsylvania was fined $1500 for violating Pennsylvania Code 25.127.25 in 2012. [Pennsylvania Department of Environmental Protection, Accessed 9/14/15]

- Pennsylvania State Code 25.127.25, Concerning Air Quality, Was Adopted In 1975 To Prevent Companies From Operating An Air Contamination Source “Inconsistent With Good Operating Practices.” According to the Pennsylvania State Code, “A person may not cause or permit the operation of a source subject to § 127.11 (relating to plan approval requirements), unless the source and air cleaning devices identified in the application for the plan approval and the plan approval issued to the source, are operated and maintained in accordance with specifications in the application and conditions in the plan approval issued by the Department. A person may not cause or permit the operation of an air contamination source subject to this chapter in a manner inconsistent with good operating practices.” [Pennsylvania State Code 25.127.25, Accessed 9/14/15]

Koch-Backed Citizens To Protect PA Jobs, AFP-Pennsylvania And The Commonwealth Foundation Fought A Proposed Natural Gas Extraction Tax, Which Could Cost The Kochs Money

Pennsylvania Governor Tom Wolf Proposed A Tax On The Marcellus Shale That Could Exceed 5 Percent Of The Value Of The Gas Produced From Shale Wells. According to the Pittsburgh Post-Gazette, “Severance tax supporters, led by Mr. Wolf, argue that the state is not getting a fair fraction of the gas’s true value and it is missing out on a chance to boost funding for statewide priorities like public education. This year the governor proposed a severance tax that could exceed 5 percent of the value of gas and natural gas liquids from shale wells.” [Pittsburgh Post-Gazette, 7/26/15]

Headline: Gas Severance Tax Faces Stalemate For Fifth Year. [Pittsburgh Post-Gazette, 7/26/15]

2015: CITIZENS TO PROTECT PA JOBS AND THE PENNSYLVANIA CHAMBER OF BUSINESS AND INDUSTRY SPENT OVER $1 MILLION OPPOSING PROPOSED NATURAL GAS EXTRACTION TAX

Citizens To Protect PA Jobs Described Its Mission As To Create An Environment Where “Job Creation And Economic Growth Are Allowed To Flourish.” According to Citizens to Protect PA Jobs, “Like you, the diverse group of people that support job creation in Pennsylvania- ‘Citizens to Protect PA Jobs’ -desire a quality of life for Pennsylvanians that can only be fully realized when job creation and economic growth are allowed to flourish. Because when businesses add jobs, people and communities prosper- that means a better quality of life for you and your family!” [ProtectPAJobs.com, Accessed 9/17/15]

Citizens To Protect PA Jobs Spent At Least $1 Million Fighting The Proposed Natural Gas Extraction Tax

2015: Citizens To Protect PA Jobs Spent Over $1 Million On Media Campaigns Concerning The Pennsylvania State Budget. According to LNP News, “With Republican legislators and Democratic Gov. Tom Wolf in a stalemate over the state budget, interest groups on both sides are waging ad campaigns to win the hearts and minds of voters. Citizens to Protect PA Jobs is an offshoot of the Pennsylvania Chamber of Business and Industry. America Works USA is affiliated with the Democratic Governors Association. The two organizations each have spent more than $1 million so far on their Pennsylvania media campaigns, primarily on television spots, spokesmen said.” [LNP, 8/2/15]

- LNP News: “The Ads Focus On Wolf’s Proposed Severance Tax On Natural Gas.” According to LNP News, “Sam Denisco is the Pennsylvania chamber’s vice president of government affairs. Citizens to Protect PA Jobs’ efforts are a reaction to Wolf’s ‘very aggressive budget proposal,’ he said. The ads began weeks before Republicans in the Legislature passed their own budget, which Wolf vetoed June 30. Specifically, the ads focus on Wolf’s proposed severance tax on natural gas, which Denisco called ‘punitive.’ ‘That's not the route our members feel Pennsylvania should be taking,’ Denisco said.” [LNP, 8/2/15]
The Pennsylvania Chamber Of Business And Industry’s “Stop New Energy Taxes” Campaign Included Television Ads Painting The Natural Gas Extraction Tax As A Job Killer

The Pennsylvania Chamber Of Business And Industry Organized A Coalition Of Businesses Opposed To Governor Tom Wolf's Proposed Natural Gas Extraction Tax Called The “Stop New Energy Taxes” Campaign. According to State Impact, “The Pennsylvania Chamber of Business and Industry, which leads a coalition of groups opposing the shale gas tax, has begun running an ad against Governor Wolf’s proposal in the Pittsburgh, Harrisburg and Wilkes Barre/Scranton media markets. The TV spot, launched Monday, is part of the Chamber’s ‘Stop New Energy Taxes’ campaign, an effort to beat back Wolf’s plan to tax Marcellus Shale production at five percent, with an additional 4.7 cents per thousand cubic feet. [State Impact, 5/26/15]

- Stop New Energy Taxes: Instead Of Taxing The Natural Gas Industry, Gov. Wolf Should Pursue Pension Reform. According to Stop New Energy Taxes Bad Math infographics, “Gov. Wolf’s proposed severance tax would generate $165 million, while pension obligations for the coming year alone will be $700 million. Pennsylvania doesn’t need another natural gas tax to address its debt – it needs pension reform.”

[Stop New Energy Taxes Bad Math infographics, accessed 10/27/15]

Connections To The Kochs

Gene Barr, The Executive Director Of The Pennsylvania Chamber Of Business And Industry, Is Connected To Citizens To Protect PA Jobs. According to ABC 27 News, “ABC27 has obtained financial documents that link Citizens to Protect PA Jobs to Gene Barr, who is also the executive director of the Pennsylvania Chamber of Business and Industry. The listed address is 417 Walnut Street in Harrisburg, same as the Pennsylvania Chamber.” [ABC 27 News, 3/29/15]
The Address Listed For Citizens To Protect PA Jobs Is The Same Address As The Pennsylvania Chamber Of Business And Industry. According to ABC 27 News, “ABC27 has obtained financial documents that link Citizens to Protect PA Jobs to Gene Barr, who is also the executive director of the Pennsylvania Chamber of Business and Industry. The listed address is 417 Walnut Street in Harrisburg, same as the Pennsylvania Chamber.” [ABC 27 News, 3/29/15]

Pennsylvania Chamber Of Business And Industry Executive Director Gene Barr: “The Chamber Is Engaged” In The Citizens To Protect PA Jobs Ad Campaign. According to ABC 27 News, “ABC27 has obtained financial documents that link Citizens to Protect PA Jobs to Gene Barr, who is also the executive director of the Pennsylvania Chamber of Business and Industry. The listed address is 417 Walnut Street in Harrisburg, same as the Pennsylvania Chamber. ‘I’m here to tell you, yes, the chamber is engaged in this,’ Barr said of the advertising campaign, ‘because it allows us to communicate to a broader audience, much as many, many other organizations in this town do.’” [ABC 27 News, 3/29/15]

Georgia-Pacific Was A Member Of The Pennsylvania Chamber Of Business And Industry As Of Septmeber 2015. According to the Pennsylvania Chamber of Business and Industry’s membership directory, Georgia-Pacific Corporation was a member, classified under SIC Code 26 – Paper and Allied Products. [pachamber.org, accessed 9/16/15]

KochPAC Was A Member Of The Pennsylvania Chamber Of Business And Industry As Of September 2015. According to the Pennsylvania Chamber of Business and Industry’s membership directory, KochPAC was a member. [pachamber.org, accessed 9/16/15]

The PA Forest Products Association Was A Member Of The Pennsylvania Chamber Of Business And Industry As Of September 2015. According to the Pennsylvania Chamber of Business and Industry’s membership directory, the PA Forest Products Association was a member, classified under SIC Code 08 – Forestry. [pachamber.org, accessed 9/16/15]

The American Chemistry Council Was A Member Of The Pennsylvania Chamber Of Business And Industry As Of September 2015. According to the Pennsylvania Chamber of Business and Industry’s membership directory, the American Chemistry Council was a member, classified under SIC Code 86 – Member Organizations. [pachamber.org, accessed 9/16/15]

Bangor Daily News: Koch Industries, Which “Owns One of the Largest Formaldehyde Producing Companies In The Country” Is A “Founding Partner Of The American Chemical Council's Formaldehyde Panel.” According to the Bangor Daily News: “Koch Industries, run by billionaire brothers and major conservative donors Charles and David Koch, owns one of the largest formaldehyde producing companies in the country, according to ProPublica. It also is a founding partner of the American Chemical Council’s Formaldehyde [sic] Panel, which testified against the DEP’s proposed formaldehyde rule back in January.” [Bangor Daily News, 9/3/14]

Pennsylvania Chamber Of Business And Industry President And CEO Gene Barr Formerly Worked For “The Associated Petroleum Industries Of Pennsylvania, The State Office Of The American Petroleum Institute.” According to the Pennsylvania Chamber of Business and Industry, “In 1992, [Gene] Barr joined the Associated Petroleum Industries of Pennsylvania, the state office of the American Petroleum Institute, as Associate Director. This office is responsible for all legislative, regulatory and media activity affecting the major oil companies. In 1997, he was named Executive Director of APIP.” [pachamber.org, accessed 9/16/15]

Koch-Owned Colonial Pipeline Was A Member Of The American Petroleum Institute As Of September 2015. [americanpetroleuminstitute.com, accessed 9/16/15]

KOCH-BACKED AFP – PENNSYLVANIA OPPOSED THE PROPOSED NATURAL GAS EXTRACTION TAX

AFP-PA State Director Beth Anne Mumford Opposed A Natural Gas Extraction Tax. According to Penn Live, “And a severance tax? Yeah, she'll pass on that too: Wolf has proposed a 5 percent severance tax on natural gas drillers to fund a
range of programs from education to infrastructure. During last year's campaign he said such a levy could raise as much as $1 billion. But with gas prices at a low, it's probably somewhere in the neighborhood of around $700 million. A native of northeastern Pennsylvania, Mumford says she's seen the much-ballyhooed economic benefits of drilling first hand and doesn't want anything to happen that would harm it. She also points out that the state has an impact fee, which raised somewhere around $200 million a year already.” [Penn Live, 2/10/15]

Mumford: Pennsylvania Is The Only “Top Natural Gas Producing State” That Doesn’t Tax Drilling, But Natural Gas Producers In Pennsylvania Already Pay High Taxes. According to the Pittsburgh Tribune Review, “Wolf tries to obscure these harmful effects with spin and misinformation. The governor's primary claim is that Pennsylvania is the only top natural gas producing state that doesn't tax drilling. But this completely ignores several critical facts. Natural gas producers here already pay among the highest taxes in the country.” [Beth Anne Mumford – Pittsburgh Tribune Review, 4/19/15]

THE KOCH-FUNDED COMMONWEALTH FOUNDATION FOUGHT AGAINST THE PROPOSED NATURAL GAS EXTRACTION TAX

President Matthew J. Brouillette Opposed The Natural Gas Extraction Tax

Brouillette: Fees On Natural Gas Companies Should Be Limited To Compensating County Or Municipal Governments For Their Costs “To Remediate” Environmental And Infrastructural Impacts. According to a memo by Commonwealth Foundation president Matthew J. Brouillette to the members of the Pennsylvania General Assembly, “Over the course of the Marcellus Shale debate, we've laid out some guiding policy principles that will hold the natural gas industry accountable for its impacts while also allowing for continued extraction and job creation. […] 1. Businesses should pay the cost for government they use. […] 2. Any fee should be directly related to uncompensated costs of government. […] 3. Any fee rate should be established in the context of what businesses are already paying in taxes, fees, and contributions to local communities and the state […] 4. Any fee should be imposed at the county or municipal level, not at the state level.” [Matthew J. Brouillette via Commonwealth Foundation, 2/6/12]

- Brouillette: Proposals To Use A Natural Gas Fee To Fund “Alternative Energy Subsidies, Downtown Redevelopment Projects, Rail Freight Assistance,” And Corporate Welfare Programs Turn The Fee Into A Tax. According to a memo by Commonwealth Foundation president Matthew J. Brouillette to the members of the Pennsylvania General Assembly, “According to the House GOP memo, this ‘deal’ is clearly a tax and not a fee. It is a tax because the rate is tied to natural gas prices, not based on actual impacts. Second, the ‘deal’ includes significant redistributions of these natural gas taxes to fund statewide programs that are unrelated to the impact of drilling, including alternative energy subsidies, downtown redevelopment projects, rail freight assistance, and other corporate welfare programs.” [Matthew J. Brouillette via Commonwealth Foundation, 2/6/12]

Director of Policy Analysis Elizabeth Stelle Opposed The Natural Gas Extraction Tax

Stelle: A Natural Gas Severance Tax, Which Gov. Wolf Claims Would Generate $1 Billion For Public Schools, “Fails To Consider” The Tax’s Impact On Employment, Utility Prices, And Existing Fees Paid By Landowners. According to a policy memo by Commonwealth Foundation policy analysis director Elizabeth Stelle for the Commonwealth Foundation, “Gov. Tom Wolf proposed a new severance tax on natural gas extraction, which he claims will generate more than $1 billion annually for public schools. The proposal fails to consider the energy tax’s impact on employment and utility prices.” [Elizabeth Stelle – Commonwealth Foundation, 8/24/15]

Stelle: Gov. Wolf’s Plan To Impose A Natural Gas Severance Tax To Boost School Funding “Isn’t A Solution,” And Would “Kill” Job Opportunities For Students. According to a press release by the Commonwealth Foundation, “Today, Governor Wolf unveiled his plan to impose a natural gas severance tax on Pennsylvania’s most promising industry to boost funding for public schools. […] ‘What’s most surprising about today’s announcement is Governor Wolf’s faith that throwing money at schools, which already receive $3,000 more funding per pupil than the national average, is an effective way to help students,’ commented Elizabeth Stelle, director of policy analysis for the Commonwealth Foundation. ‘The reality is, he’s driving away future job opportunities for those same students. Education spending at an all-time high, yet standardized test scores are stagnant. If Wolf wants schools that teach, we need real solutions—throwing money at the problem isn’t a solution.’” [Commonwealth Foundation, 2/11/15]
Stelle: A Natural Gas Severance Tax Would Remove The Rationale For Pennsylvania’s Impact Fee, Which “Requires 60 Percent Of The Revenue To Stay In The Local Communities Facing Impacts From Resource Extraction.” According to a policy memo by Commonwealth Foundation policy analysis director Elizabeth Stelle for the Commonwealth Foundation, “Another danger of a severance tax is divorcing the revenue from local impacts, creating a slush fund for unrelated programs. The impact fee requires 60 percent of the revenue to stay in the local communities facing impacts from resource extraction. Transitioning to a severance tax removes the very rationale for the impact fee: to allow local governments to deal with costs related to the impact of drilling.” [Commonwealth Foundation, 5/7/14]

**Vice President Of Policy Analysis Nathan A. Benefield Opposed The Natural Gas Extraction Tax**

Benefield: Gov. Wolf Wants To Use The Natural Gas Tax As A Means To Restore Education Budget Cuts, But “School District Funding Reached A Record High Last Year At $26.1 Billion…Pennsylvania Schools “Are Hardly Underfunded.” According to an opinion by Commonwealth Foundation policy analysis vice president Nathan A. Benefield for the Allentown Morning Call, “Wolf and his allies tout that his plan to tax natural gas is "for the kids"— that is, to fund public schools. […] On his ‘Schools That Teach’ tour, Wolf continues to claim we must ‘restore the cuts to public schools.’ Done. Mission accomplished. School district funding reached a record high last year at $26.1 billion — a $1 billion increase over the last four years. We rank in the top 10 states in the country, spending $3,000 more per student than the national average. Pennsylvania schools are hardly underfunded.” [Nathan A. Benefield – Allentown Morning Call, 8/3/15]

**Senior Fellow Gordon Tomb Opposed The Natural Gas Extraction Tax**

Tomb: “Those Proposing New Taxes On The Natural Gas Industry To Spend More On Schools, Pay Pension Liabilities Or Expand Welfare Programs Act As Though Robbing Peter To Pay Paul Somehow Makes Everyone Better Off.” According to an opinion by Commonwealth Foundation senior fellow Gordon Tomb for the Pittsburgh Tribune-Review, “Those proposing new taxes on the natural gas industry to spend more on schools, pay pension liabilities or expand welfare programs act as though robbing Peter to pay Paul somehow makes everyone better off. Whether the Peters are farmers or pipe fitters, welders or waitresses or simply consumers of gas and electricity, they will be made poorer by a severance tax.” [Gordon Tomb – Pittsburgh Tribune-Review, 5/3/14]

**Policy Analyst Katrina Currie Opposed The Natural Gas Extraction Tax**

Currie: “It Is Appropriate To Charge” A Driller For The Government’s Costs To Remediate Its “Negative Impacts On The Environment,” But Only “For How Much Government It Uses.” According to an opinion by Commonwealth Foundation policy analyst Katrina Currie, “Let there be no doubt, all businesses, including natural gas drillers, should pay the cost for government they use. If a driller is not paying for its negative impacts on the environment or infrastructure, it is appropriate to charge a fee to pay for the government’s cost to remediate the problem. This impact is not measured by how much money a company has, or how much profit a well makes, but for how much government it uses.” [Katrina Currie – Morning Call, 11/20/11]

**NATURAL GAS DRILLERS ARE ABLE TO TAKE PENNSYLVANIA’S NATURAL RESOURCES FOR FAR LESS COST THAN IN OTHER STATES, DEPRIVING TAXPAYERS OF NEEDED REVENUE FOR PUBLIC PROJECTS**

Pennsylvania Was The Only Major Natural Gas Producer Without A Natural Gas Extraction Tax

According To The Pennsylvania Independent Fiscal Office “Pennsylvania Has One Of The Lowest Effective Tax Rates On Shale Gas” Extracted From Marcellus Shale. According to State Impact, “Pennsylvania has one of the lowest effective tax rates on shale gas extraction, according to an analysis from the state’s Independent Fiscal Office (IFO). The analysis only considers Marcellus gas wells going into production this year. It compares Pennsylvania against ten other shale gas-producing states around the country.” [State Impact, 3/20/15]
Pennsylvania Independent Fiscal Office Director Matt Knittel: Under Most Scenarios “Pennsylvania Does Have The Lowest Effective Tax Rate.” According to State Impact, “The analysis only considers Marcellus gas wells going into production this year. It compares Pennsylvania against ten other shale gas-producing states around the country. ‘The states we examined were either a large shale producer, or they were in close proximity to Pennsylvania,’ says IFO director Matt Knittel. ‘Under most of the scenarios we examined, Pennsylvania does have the lowest effective tax rate.’” [State Impact, 3/20/15]

NPR In October 2015: Pennsylvania Is The “Second Largest Gas Producing State” And Is The “Only Major U.S. Gas Producer That Does Not Have A Severance Tax.” According to NPR State Impact, “Pennsylvania, the second largest gas producing state after Texas, is the only major U.S. gas producer that does not have a severance tax; instead, it has an impact fee based on the number of wellheads drilled and the wholesale price of natural gas.” [NPR State Impact, 8/21/15]

Philadelphia City Council Director Of Civic Engagement Lance Haver: “Pennsylvania Is The Only State That Has Large Reserves Of Natural Gas And/Or Oil That Does Not Have A Severance Tax.” According to an opinion by Philadelphia City Council Director of Civic Engagement Lance Haver, “Taxing natural-gas wells is not a contentious issue in other states. Pennsylvania is the only state that has large reserves of natural gas and/or oil that does not have a severance tax. States led by Democratic officeholders, like California, tax natural-gas wells, but so do states led by Republicans. Texas, Louisiana, and Oklahoma, all states led by self-described conservative Republicans, tax natural-gas wells.” [Philly.com, 8/3/15]

Haver: California, Texas, Louisiana, Oklahoma, Wyoming, Alaska, Alabama, Arkansas, Utah, Ohio, North Dakota, West Virginia, Colorado, New Mexico And “Even Kansas” All Have A Severance Tax On Natural-Gas Wells. According to an opinion by Philadelphia City Council Director of Civic Engagement Lance Haver, “States led by Democratic officeholders, like California, tax natural-gas wells, but so do states led by Republicans. Texas, Louisiana, and Oklahoma, all states led by self-described conservative Republicans, tax natural-gas wells. So do Wyoming, Alaska, Alabama, Arkansas, and Utah. Other states with a similar tax are Ohio, North Dakota, West Virginia, Colorado, and New Mexico. Even Kansas, which many believe has the nation's most conservative governor in Sam Brownback, has a severance tax on natural-gas wells.” [Philly.com, 8/3/15]

Haver: A Tax On Natural Gas Extracted From The Marcellus Shale Won’t “Chase Away The Natural-Gas Industry.” According to an opinion by Philadelphia City Council Director of Civic Engagement Lance Haver, “Taxing wells does not chase away the natural-gas industry. States that have the largest oil and natural-gas industries charge a severance tax. Those states have robust gas and oil industries.” [Philly.com, 8/3/15]

Haver: The Natural Gas Industry Can’t Move To A Different State To Avoid The Tax Because “Any Other State With Reserves Worth Drilling For Would Collect A Tax.” According to an opinion by Philadelphia City Council Director of Civic Engagement Lance Haver, “If Pennsylvania is the only state with a large natural-gas industry that does not have a severance tax, where would the companies move to if Pennsylvania enacted one? Any other state with reserves worth drilling for would collect a tax.” [Philly.com, 8/3/15]

Haver: “Every Other State With Such An Industry Has A Similar Tax” And “Our Schools Need The Money.” According to an opinion by Philadelphia City Council Director of Civic Engagement Lance Haver, “Considering these facts, why is there any opposition to passing a tax on natural-gas wells? Every other state with such an industry has a similar tax. The drillers are extremely profitable. Our schools desperately need the money. And developing renewable energy is something the overwhelming majority of us want.” [Philly.com, 8/3/15]

Haver: The Issue Of A Tax On The Marcellus Shale Has Become Political Because The Natural-Gas Industry Makes “Significant Campaign Contributions.” According to an opinion by Philadelphia City Council Director if Civic Engagement Lance Haver, “Considering these facts, why is there any opposition to passing a tax on natural-gas wells? […] The answer, sadly, is what makes so many people cynical about government. It is because of the amount of money it costs to run a modern campaign and the ability of the natural-gas industry to make significant campaign contributions.” [Philly.com, 8/3/15]

Haver, “Furthermore, research by Common Cause Pennsylvania and Conservation Voters of Pennsylvania finds that from 2007 to 2014, the natural-gas industry spent $41 million lobbying members of the Pennsylvania legislature.” [Philly.com, 8/3/15]

**THE NATURAL GAS INDUSTRY IS BENEFITING FROM PENNSYLVANIA, BUT THE STATE IS LOSING REVENUE COMPARED TO OTHER STATES**

**Pennsylvania Derived “Dramatically Less Revenue From Its Gas Industry Than Some Other Leading Oil And Gas States.”** According to NPR State Impact, “As Pennsylvania lawmakers continue to wrangle over whether to impose a severance tax on natural gas production, a new study finds that the state derives dramatically less revenue from its gas industry than some other leading oil and gas states that have a severance tax.” [NPR State Impact, 8/21/15]

**Pennsylvania Gathered “Less Than 1 Percent Of Its Total Tax Receipts” From The Current Fees Payed By Natural Gas Drillers.** According to NPR State Impact, “The study from the U.S. Energy Information Administration showed Friday that Pennsylvania gathers less than 1 percent of its total tax receipts from an impact fee based in part on the number of wellheads drilled.” [NPR State Impact, 8/21/15]

- **North Dakota Gathered “More Than Half Of Total Tax Revenue From Its Severance Tax” And Alaska Gathered “72 Percent Of The Total” Tax Income.** According to NPR State Impact, “That compares with North Dakota which gathers more than half of total tax revenue from its severance tax; Alaska, where the tax accounts for 72 percent of the total, and Wyoming which draws 39 percent of its income from the tax.” [NPR State Impact, 8/21/15]

**Pennsylvania Families Are Already Paying Costs Of A Severance Tax By Buying Natural Gas Produced In Other States**

**Philadelphia City Council Director Of Civic Engagement Lance Haver: Those Living In Southeast Pennsylvania Are “Already Paying A…Tax” Similar To The Proposed Natural Gas Extraction Tax Because “Most Of The Gas Used In Our Region…Comes From Other States.”** According to an opinion by Philadelphia City Council Director if Civic Engagement Lance Haver, “If you live in Southeastern Pennsylvania and use natural gas, you are already paying a severance tax. Because most of the gas used in our region comes from pipelines built long before the Marcellus Shale fields were drilled, the gas comes from other states. These states tax the gas that comes out of the wells. So unless the drilling companies are paying the taxes from their profits, the tax is paid by the people living in our region who buy the gas.” [Philly.com, 8/3/15]

- **Haver: Pennsylvanians Don't Benefit From This Tax On Natural Gas.** According to an opinion by Philadelphia City Council Director if Civic Engagement Lance Haver, “Because most of the gas used in our region comes from pipelines built long before the Marcellus Shale fields were drilled, the gas comes from other states. These states tax the gas that comes out of the wells. So unless the drilling companies are paying the taxes from their profits, the tax is paid by the people living in our region who buy the gas. We just don't benefit from it. It’s as if a percentage of Pennsylvania’s sales tax were collected from Pennsylvanians and sent to another state.” [Philly.com, 8/3/15]

**The Proposed Severance Tax Would Support The Pennsylvania School System And Would Fund The Development Of Sustainable Energy Sources For The State**

**Headline: Severance Tax On Gas Drillers Makes Sense For Pa.** [Philly.com, 8/3/15]

**Philadelphia City Council Director Of Civic Engagement Lance Haver: The Proposed Natural Gas Extraction Tax Would “Be Used To Help Fund Our Schools And Develop Sustainable Energy.”** According to an opinion by Philadelphia City Council Director if Civic Engagement Lance Haver, “Under Gov. Wolf's proposed budget, the severance tax would be used to help fund our schools and develop sustainable energy. Without the tax, not only will our schools suffer, but we will lose an important opportunity to move toward a sustainable future.” [Philly.com, 8/3/15]

Wolf would fund several energy initiatives by issuing $675 million in bonds. He would pay the interest on the bond money with $55 million from a proposed severance tax on oil and gas drillers.” [Pittsburgh Tribune-Review, 3/8/15]

**Pittsburgh Tribune-Review: Gov. Wolf's Proposed Bond Would Pay For $150 Million In Grants For Renewable Energy, $50 Million For Solar Rebates, $20 Million For Wind Energy Generation, $20 Million Toward A Program To Generate Electricity Using Agricultural Waste, And $30 Million To Fund Co-Generation Initiatives.** According to the Pittsburgh Tribune-Review, “The plan would direct $225 million to energy investments. It would provide $150 million for grants and other aid to renewables, including $50 million to resurrect a rebate program for solar projects. A $100 million program enacted in 2008 to fund solar installations ended in 2013, and a 30 percent federal tax credit for solar projects is due to expire in 2016. Another $20 million in bond money would fund a wind energy generation program, and $20 million would expand a green program to generate electricity by using agricultural waste. The Pennsylvania Energy Development Authority also would receive $30 million to expand the market for clean energy technology and fuels, and $30 million would fund initiatives in using recycled heat to produce power, or what is known as co-generation.” [Pittsburgh Tribune-Review, 3/8/15]

- Pittsburgh Tribune-Review: “The Pennsylvania Energy Development Authority Also Would Receive $30 Million To Expand The Market For Clean Energy Technology And Fuels.” According to the Pittsburgh Tribune-Review, “The Pennsylvania Energy Development Authority also would receive $30 million to expand the market for clean energy technology and fuels, and $30 million would fund initiatives in using recycled heat to produce power, or what is known as co-generation.” [Pittsburgh Tribune-Review, 3/8/15]

**Pennsylvania Department Of Revenue Acting Secretary Eileen McNulty: The Proposed Natural Gas Severance Tax Would Help Pennsylvania “Invest An Additional $2 Billion” In Our Education System “Over The Next Four Years.”** According to testimony by Pennsylvania Department of Revenue acting secretary Eileen McNulty before the Joint Hearing of the Senate Finance and Environmental Resources & Energy Committees, “The Pennsylvania Education Reinvestment Act will impose a reasonable tax on natural gas severed in Pennsylvania. The tax will provide revenue for basic education, economic growth and Act 13 Impact Fee replacement. […] Most importantly, the Education Reinvestment Act will help enable the commonwealth to invest an additional $2 billion to improve our education system over the next four years and pursue a goal of universal pre-kindergarten education for all Pennsylvania children.” [Eileen McNulty via Pennsylvania Senate Environmental Resources & Energy Committee, 6/1/15]

- McNulty: The Severance Tax Would Help Pennsylvania “Pursue A Goal of Universal Pre-Kindergarten Education For All Pennsylvania Children.” According to testimony by Pennsylvania Department of Revenue acting secretary Eileen McNulty before the Joint Hearing of the Senate Finance and Environmental Resources & Energy Committees, “The Pennsylvania Education Reinvestment Act will impose a reasonable tax on natural gas severed in Pennsylvania. The tax will provide revenue for basic education, economic growth and Act 13 Impact Fee replacement. […] Most importantly, the Education Reinvestment Act will help enable the commonwealth to invest an additional $2 billion to improve our education system over the next four years and pursue a goal of universal pre-kindergarten education for all Pennsylvania children.” [Eileen McNulty via Pennsylvania Senate Environmental Resources & Energy Committee, 6/1/15]

**PennLive: The Wolf Administration Expects The Gas Severance Tax To Raise “About $1 Billion Per Year, The Majority Of Which Would Go Toward Education Funding.”** According to PennLive, “Wolf's budget includes a 5 percent severance tax on the value of gas at the wellhead, as well as charge of 4.7 cents per thousand cubic feet of volume. The administration expected it to raise about $1 billion per year, the majority of which would go toward education funding.” [PennLive, 6/1/15]

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**AFP-Pennsylvania Rallied Against New EPA Standards That Would Save Hundreds Of Pennsylvanians From Premature Death**

**AFP – PENNSYLVANIA OPPOSED EMISSIONS RESTRICTIONS PROPOSED BY THE OBAMA ADMINISTRATION**
2013 AFP-PA: President Obama’s Carbon Tax Is A Way To Punish Individuals Who Don’t “Conform To His Way Of Thinking ‘Green.”” According to an AFP-Pennsylvania web post, “President Obama wants to levy a new tax on Americans. What’s a carbon tax? A carbon tax is basically, if you don’t conform to his way of thinking ‘green’, you will be punished and charged for it.” [AmericansForProsperity.org, 9/26/13]

2014: AFP-Pennsylvania Held A Rally To Protest The EPA’s Proposed Carbon Emissions Restrictions. According to an AFP-Pennsylvania web post, “Americans for Prosperity Pennsylvania rallied today to call attention to the latest power grab efforts from the Environmental Protection Agency (EPA). The rally took place outside an EPA public hearing at the William S. Moorhead Federal Building in Pittsburgh. The purpose of the hearing was to discuss the latest EPA proposal to cut carbon dioxide emissions from coal- and gas-fired power plants across the United States.” [AmericansForProsperity.org, 7/31/14]

- AFP-PA State Director Beth Anne Mumford: The EPA’s Proposed Regulations Would Make It “More Expensive For Every Pennsylvania Family And Business Owner To Turn On Their Lights.” According to an AFP-Pennsylvania web post, “The last thing Pennsylvania taxpayers and job creators need are more regulations from President Obama and the EPA,’ said Beth Anne Mumford, State Director of Americans for Prosperity Pennsylvania. “These new regulations will not only stymie job creation and growth across the Commonwealth but will also make it more expensive for every Pennsylvania family and business owner to turn on their lights.” [AmericansForProsperity.org, 7/31/14]

AFP-PA Director Beth Anne Mumford Claimed That Gov. Wolf’s Intention To Implement President Obama’s Carbon Rule Would Lead To “Fewer Jobs” And “Higher Energy Costs.” According to a tweet by AFP-PA director Beth Anne Mumford, “Gov. Wolf is determined to implement Obama’s Carbon rule. Fewer jobs, higher energy costs.” The tweet quoted a tweet by Keystone Report which read “Wolf, 16 other governors announce clean energy, transportation agreement[.]” [Beth Anne Mumford – Twitter, 2/17/16]

- After The Supreme Court Blocked Implementation Of The Carbon Rule In February 2016, AFP Published A Petition In An Attempt To Prevent Pennsylvania’s Department Of Environmental Protection From “Imposing Obama’s Unconstitutional, Job-Killing Energy Regulations!” According to a petition by Americans for Prosperity on the Phone 2 Action website, “Good news: the Supreme Court struck down Obama's job-killing energy regulations, delivering a blow to his attempt to go around Congress and impose these disastrous regulations on the nation. Bad news: The PA Department of Environmental Protection didn't get the memo, and is still trying to impose these regulations. If the state legislature doesn't stop them our energy rates will still spike and jobs will be destroyed. We need to take action today. Tell your lawmakers to stop the DEP from imposing Obama's unconstitutional, job-killing energy regulations!” [Americans for Prosperity – Phone 2 Action, archived 2/23/16]

THE EPA’S PROPOSED EMISSION RESTRICTIONS WOULD ACTUALLY SAVE HUNDREDS OF PENNSYLVANIAN’S LIVES, CREATE THOUSANDS OF JOBS IN THE STATE AND WOULD ACTUALLY SAVE PENNSYLVANIANS MONEY

EPA: “EPA’s New Mercury And Air Toxics Standards…Will Prevent Up To 530 Premature Deaths In Pennsylvania” In 2016, And Create “Up To $4.4 Billion In Health Benefits.” According to the United States Environmental Protection Agency, “EPA’s new Mercury and Air Toxics Standards (MATS) - the first ever national limits on mercury and other toxic emissions from power plants – will improve people’s health by requiring power plants that contribute to air pollution in Pennsylvania to use widely available, proven pollution control technologies to protect families from pollutants like mercury, arsenic, chromium, nickel and acid gases. These new standards will prevent up to 530 premature deaths in Pennsylvania while creating up to $4.4 billion in health benefits in 2016.” [United States Environmental Protection Agency, 2/25/15]

Natural Resources Defense Council: “In Limiting Its Pollution, Pennsylvania Will Benefit From The Expansion Of Its Clean Energy Sources, Adding Jobs To Its Clean Energy Economy.” According to the Natural Resources Defense Council, “The EPA’s standards set a limit for power plant pollution in each state. […] Under its mass-based standard, Pennsylvania would reduce its carbon pollution from all power plants (existing and new) from 116.7 million tons in
2012 to 90.9 million tons in 2030. In limiting its pollution, Pennsylvania will benefit from the expansion of its clean energy sources, adding jobs to its clean energy economy, which already employs more than 57,000 workers.” [Natural Resources Defense Council, August 2015]


NRDC: The EPA's Clean Air Act “Can Put More Than 5,100 People To Work In Efficiency-Related Jobs In Pennsylvania.” According to the Natural Resources Defense Council, “Under the Clean Air Act, the U.S. Environmental Protection Agency is moving now to curb power plant carbon pollution, which makes up 40 percent of our nation’s total carbon footprint. […] Using smart strategies…can put more than 5,100 people to work in efficiency-related jobs in Pennsylvania.” [Natural Resources Defense Council, May 2014]

NRDC: The EPA's Clean Air Act Will Generate "$456 Million In Savings For Household And Business Customers, And That Will Save Pennsylvania Household Electric Customers $214 Million, Or $41 Per Average Household.” According to the Natural Resources Defense Council, “Under the Clean Air Act, the U.S. Environmental Protection Agency is moving now to curb power plant carbon pollution, which makes up 40 percent of our nation’s total carbon footprint. […] $456 million in savings for household and business customers[,] and that will save Pennsylvania household electric customers…$214 million, or $41 per average household.” [Natural Resources Defense Council, May 2014]

- NRDC: The Clean Air Act Could Save The Average Pennsylvania Customer “$3.40 Per Month” On Their Electricity Bill. According to the Natural Resources Defense Council, “In Pennsylvania, the impacts would be substantial. Using the Clean Air Act in this way to reduce carbon pollution, the state could in 2020: […] Save $3.40 per month on the average customer’s electricity bill.” [Natural Resources Defense Council, May 2014]

The Commonwealth Foundation Called For “Ending Special Subsidies To Favored Businesses,” Including The $10 Million Alternative Energy Production Tax Credit. According to the Commonwealth Foundation, “Given the state's fiscal hurdles, ending special subsidies to favored businesses would be a win for both fiscal responsibility and economic growth. Corporate welfare costs taxpayers more than $700 million a year (billions if you include interest from economic development spending bonds and from independent state agencies). […] Alternative Energy Production Tax Credit” [Commonwealth Foundation, 5/14/14]

**AFP-PENNSYLVANIA RAN ADS AGAINST THE WIND PRODUCTION TAX CREDIT**

AFP-Pennsylvania Ran Digital Ads To Convince Reps. Bill Shuster And Glenn Thompson To Oppose The Wind Production Tax Credit. According to an AFP-Pennsylvania web post, “Americans for Prosperity, Pennsylvania’s foremost grassroots advocate for economic freedom, is launching a new media effort designed to persuade Reps. Bill Shuster and Glenn Thompson to oppose spending any more money on the Wind Production Tax Credit (Wind PTC). The ads launched today on digital platforms and will run for several weeks.” [AmericansForProsperity.org, 11/14/14]

AFP-PA State Director Beth Anne Mumford: Wind Subsidies Are Corporate Handouts That Raise Prices For Pennsylvanians. According to an AFP-Pennsylvania web post, “AFP-Pennsylvania State Director Beth Anne Mumford released the following statement: ‘Wind subsidies among the many corporate handouts that Congress has allowed to go on for too long. The role of government is not to subsidize industries indefinitely while Pennsylvanians get hit on all sides — their tax bills and their utility bills.’” [AmericansForProsperity.org, 11/14/14]

- Mumford: Large Corporations Benefit The Most From Wind Subsidies. According to an AFP-Pennsylvania web post, “AFP-Pennsylvania State Director Beth Anne Mumford released the following statement: […] ‘Providing affordable,
abundant energy for all Americans requires the federal government to get out of the way and let the best solutions come to market and thrive. Pennsylvanians simply don’t want to chip in on another $13 billion in the next decade, especially when it’s large corporations that stand to benefit most.” [AmericansForProsperity.org, 11/14/14]

WIND ENERGY HAS A HUIGE IMPACT ON PENNSYLVANIA’S ECONOMY

Choose PA Wind: Pennsylvania Wind Farms Generate “Over 3 Billion Kilowatt-Hours (kWh) Of Clean Electricity Each Year,” Enough Energy “To Power Nearly 330,000 Homes.” According to Choose PA Wind, “Currently, Pennsylvania has twenty-four operating wind farms with a total installed capacity of over 1,340 megawatts (MW) that generate over 3 billion kilowatt-hours (kWh) of clean electricity each year. That's enough to power nearly 330,000 homes.” [Choose PA Wind, Accessed 10/30/15]

If The Pennsylvania Wind Industry Grew By One Third “The Cumulative Economic Benefits To Pennsylvania Would Be $1.2 Billion.” According to Choose PA Wind, “If PA can increase the power generated by wind power by just a third, bringing the total in wind generation to 1,000MW annually, the cumulative economic benefits to Pennsylvania would be $1.2 billion. At the same time, annual carbon dioxide emissions would be reduced by 3.4 million tons and save 1,837 million gallons of water yearly.” [Choose PA Wind, Accessed 10/30/15]

Pennsylvania Was “Widely Acknowledged As The Mid-Atlantic Leader In Wind Production.” According to the Central Penn Business Journal, “Still, you wouldn't know it by looking around Pennsylvania, which is widely acknowledged as the Mid-Atlantic leader in wind production, according to Bruce Burcat, executive director of the Mid-Atlantic Renewable Energy Coalition. According to a report by the American Wind Energy Association, the state does not have a single confirmed wind project under construction.” [Central Penn Business Journal, 6/10/15]

- Uncertainty Over “Federal Tax Credits” Has Led To “A Lull In Construction” Of Pennsylvania Wind Farms. According to the Central Penn Business Journal, “Still, you wouldn't know it by looking around Pennsylvania, which is widely acknowledged as the Mid-Atlantic leader in wind production, according to Bruce Burcat, executive director of the Mid-Atlantic Renewable Energy Coalition. According to a report by the American Wind Energy Association, the state does not have a single confirmed wind project under construction. While uncertainty about federal tax credits has helped to create a lull in construction, Burcat said less-visible signs show the industry is entering a resurgence.” [Central Penn Business Journal, 6/10/15]

THE KOCHS’ ATTEMPTS TO PRIVATIZE EDUCATION AND ATTACK WORKING FAMILIES

Koch-Backed Groups Attacked The Pennsylvania Public Education System, Fighting Against Increases To Its Budget And Calling For An Increase In Privatized Education

AFP – PENNSYLVANIA RELENTLESSLY ATTACKED PENNSYLVANIA’S PUBLIC SCHOOL SYSTEM

AFP-Pennsylvania Fought Against Proposals To Increase Funding For Pennsylvania Schools

AFP-PA Opposed A Cigarette Tax That Would Have Funded The Philadelphia School District

2013: AFP-Pennsylvania State Director Jennifer Stefano Said That The Proposal To Raise Cigarette Taxes To Fund The Philadelphia School District Was Not “Fiscally Prudent.” According to an AFP-Pennsylvania web post, “As you may know, the State Senate is considering legislation, Senate Bill 944, which would raise cigarette taxes to fund the
Philadelphia School District. It is not fiscally prudent to raise taxes, any taxes, in order to fund any entity that is consistently unable to manage its finances.” [Jennifer Stefano – AmericansForProsperity.org, 6/28/13]

**Stefano: The Philadelphia School District Should Not Receive More Tax Funding Because It Was Not Able To Manage Its Finances.** According to an AFP-Pennsylvania web post, “As you may know, the State Senate is considering legislation, Senate Bill 944, which would raise cigarette taxes to fund the Philadelphia School District. It is not fiscally prudent to raise taxes, any taxes, in order to fund any entity that is consistently unable to manage its finances.” [Jennifer Stefano – AmericansForProsperity.org, 6/28/13]

**Stefano: Increasing School Funding Has Not Improved Results In The Philadelphia School District.** According to an AFP-Pennsylvania web post, “It is not fiscally prudent to raise taxes, any taxes, in order to fund any entity that is consistently unable to manage its finances. In addition, as we have seen in the Philadelphia School District, increased funding alone does not equal results. The Philadelphia School District’s 2012 fiscal year budget was over $700 million, and less than 60 percent of students graduate.” [Jennifer Stefano – AmericansForProsperity.org, 6/28/13]

**2014: AFP-Pennsylvania State Director Anne Mumford: The Passage Of A Cigarette Tax Increase Through The Pennsylvania House Was A Result Of Legislators Taking “The Easy Way” Out.** According to an AFP-Pennsylvania web post, “The statement can be attributed to Beth Anne Mumford, State Director of Americans for Prosperity Pennsylvania. ‘Philadelphia parents, students and the teachers that serve them deserve a substantive and productive debate on school funding and long-term financial stability. Instead of giving children and their parents a real choice, the PA House took “the easy way” out today and voted to increase taxes instead.” [AmericansForProsperity.org, 9/22/14]

**AFP-PA State Director Beth Anne Mumford Criticized A State Budget That Increased Funding To Pennsylvania Public Schools**

**AFP-PA State Director Beth Anne Mumford: “Much” Of The “Increased Spending” In Gov. Tom Wolf's Budget Goes To Public Education, “Yet Simply Throwing More Money… Is Not The Solution.”** According to an opinion from AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “Buckle up, Pennsylvania. Gov. Wolf has introduced his first budget for our state and, as expected, record spending and middle-class tax hikes are on the way. The centerpiece of the governor’s inaugural budget is a blowout in government spending. Accounting gimmicks aside, the state’s general fund - the primary bank account - would balloon 16 percent, to $33.8 billion. That’s the largest single-year increase since Richard Nixon was president and the most expensive budget in state history. Much of this increased spending will go to public education, with an immediate $1 billion boost and a $3.7 billion property-tax rebate in 2017. This, the governor argues, is necessary to ensure our students have all the resources necessary to succeed. Yet simply throwing more money at our state’s education system is not the solution.” [Beth Anne Mumford – Philadelphia Inquirer, 3/16/15]

**Mumford: “State Education Spending Is Already At All-Time Highs… This Is Not The Blighted And Underfunded Education System Wolf And His Teachers'-Union Supporters Like To Conjure Up In The Public's Mind.”** According to an opinion from AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “State education spending is already at all-time highs, and Pennsylvania ranks in the top 10 states in total education spending per pupil. This is not the blighted and underfunded education system Wolf and his teachers'-union supporters like to conjure up in the public's mind.” [Beth Anne Mumford – Philadelphia Inquirer, 3/16/15]

**AFP-Pennsylvania Promoted Charter Schools Rather Than The Public Education System**

**AFP-Pennsylvania Criticized The Pennsylvania Legislature’s Proposal To Cut Funding For Pennsylvania’s Cyber Charter Schools.** According to an AFP-Pennsylvania web post, “30,000 Pennsylvania schoolchildren need your help. The State Senate has introduced a bill that would cut funding for Pennsylvania’s cyber charter schools by 5%, even though they already receive a mere fraction of what brick-and-mortar public schools do. Cyber schools only get 81% of the per pupil funding a district school does when a student decides to transfer, but the Senate wants to cut it even further.” [AmericansForProsperity.org, 11/15/13]

- **AFP-Pennsylvania: The Same Bill Would Save The State Millions Of Dollars By Updating Pennsylvania's Charter School Laws.** According to an AFP-Pennsylvania web post, “Granted, S.B. 1085 isn’t all bad news. In fact, the bill has a number of much-needed updates to our state’s messy charter school law. It would save the state millions of
dollars by eliminating an unnecessary provision that allows charter school employee’s to pension double dip.” [AmericansForProsperity.org, 11/15/13]

**AFP-Pennsylvania: Cyber Charter Schools “Revolutionization Education” In Pennsylvania.** According to an AFP-Pennsylvania web post, “Pennsylvania’s cyber charter schools have revolutionized education in our state. Even though the Keystone State families value school choice, most brick-and-mortar charter schools are clustered in Philadelphia and Pittsburgh.” [AmericansForProsperity.org, 11/15/13]

**AFP-Pennsylvania’s Third Priority Was Education Reform Via Tax Credits And The “Charter-Trigger.”** According to Trib Live, “3. Public Education Reform: Mumford is enough of a policy realist to know that the chances of Republicans ramming through school vouchers this session is scant to utterly non-existent. But she is slightly more optimistic when it comes to smaller-scale reform measures, such as tax-credits (lawmakers boosted the Educational Improvement Tax Credit last session) and the so-called ‘charter-trigger,’ to increase parents’ options for their kids’ schooling.” [Penn Live, 2/10/15]

**AFP-PA State Director Beth Anne Mumford: Gov. Wolf’s Proposal To Make Charter Schools Reimburse Districts For Unused Tuition Money Was “Disgraceful.”** According to a tweet by AFP-PA director Beth Anne Mumford, “Disgraceful Gov. Wolf.” The tweet quoted a tweet by Keystone Report which read “Charter schools bristle at Wolf proposal to give unspent cash to districts” and linked to a Trib Live article which read “Those unassigned funds, which aren’t earmarked for specific yearly expenses, are necessary to help cover unanticipated costs, Sofo said. That's why he and other charter school leaders are against Gov. Tom Wolf's proposal to make charter schools reimburse districts for the tuition money they don't [sic] use.” [Beth Anne Mumford – Twitter, 2/17/16; Trib Live, 2/16/16]

**AFP-PA Has Openly Criticized Pennsylvania’s Teachers, And Has Fought To Reduce Their Healthcare Benefits And Privatize Their Pensions**

**AFP VP Jennifer Stefano Praised Philadelphia's School Reform Commission For “Unanimously Voting To Void Teacher Contracts That Required Them To Pay Nothing Towards Their Own Health Care.”** According to an opinion by Jennifer Stefano, Vice President of AFP, on Watchdog.org “Philadelphia is hailing two teams of champions this week: The Eagles, for their shutout against the Giants and the bipartisan School Reform Commission - for unanimously voting to void teacher contracts that required them to pay nothing towards their own health care. The SRC made the bold move in an effort to keep more resources in the classroom and stave off possible layoffs.” [Jennifer Stefano – Watchdog.org, 10/21/14]

**AFP VP Jennifer Stefano: “There Should Be A Ban On Teacher Strikes Statewide.”** According to an opinion by Jennifer Stefano, Vice President of AFP, on Watchdog.org “The fact that Philadelphia teachers are not permitted to strike, and therefore classes are not disrupted during this union dispute, should be an example of why there should be a ban on teacher strikes statewide. Pennsylvania is one of only 12 states to allow teacher strikes and has the unfortunate distinction of having more strikes then [sic] any other state.” [Jennifer Stefano – Watchdog.org, 10/21/14]

**Mumford: Wolf's $1.75 Billion Budget Increase In School Pension Payments “Is Another Solution In Search Of A Problem.”** According to an opinion from AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “[Gov. Tom] Wolf also proposes an additional $1.75 billion in school pension payments. Just like his increased education spending, however, this is another solution in search of a problem.” [Beth Anne Mumford – Philadelphia Inquirer, 3/16/15]

**Mumford: “Pennsylvania Taxpayers Already Contribute More Than Enough To Our Pension System…. Without Structural Reforms, This System Will Sink Taxpayers Further.”** According to an opinion from AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “Pennsylvania taxpayers already contribute more than enough to our pension system. In fact, 62 cents of every new dollar to our general fund covers pension costs. Even despite that, the union-dominated Public School Employees' Retirement System still faces a funding shortfall of $33 billion. Plugging this hole with $1.75 billion is like trying to save the Titanic with bubble gum. Without structural reforms, this system will sink taxpayers further.” [Beth Anne Mumford – Philadelphia Inquirer, 3/16/15]
THE COMMONWEALTH FOUNDATION WORKED TO WEAKEN THE PENNSYLVANIA STATE EDUCATION ASSOCIATION AND TO UNDERMINE PUBLIC EDUCATION THROUGH VOUCHERS

The Commonwealth Foundation Launched The “Free To Teach” Campaign In Order To Convince Teachers To Opt Out Of Their Union

Free To Teach Was Described As “An Initiative Of The Commonwealth Foundation That Informs Teachers Of Their Labor Rights And Options.” According to a press release by the Commonwealth Foundation, “Nearly 30 percent of union members say they want to opt out of their union, according to a 2015 nationwide poll,’ said Brittney Parker, project director for Free to Teach, an initiative of the Commonwealth Foundation that informs teachers of their labor rights and options.” [Commonwealth Foundation, 9/16/15]

- Free To Teach Covered “Topics That Affect Teachers’ Professional Lives, Like Public Pensions, Performance Pay, Seniority, School Spending, And Labor Rights.” According to a press release by the Commonwealth Foundation, “FreetoTeach.org is an online community and resource center that equips and empowers Pennsylvania teachers hungry for information about public education and the teaching profession. Free to Teach covers topics that affect teachers’ professional lives, like public pensions, performance pay, seniority, school spending, and labor rights.” [Commonwealth Foundation, 9/16/15]

Free To Teach Project Director Brittney On Friedrichs V. California Teachers Association: “If The Court Rules In Friedrichs’ Favor…Union Leaders Will Be Incentivized To Focus On The Classroom,” Not Political Agendas.

According to a press release by the Commonwealth Foundation, “Like any other organization, unions should have to earn their members’ money, not use the power of government to force teachers to pay them,’ [Free to Teach project director Brittney] Parker continued. ‘If the court rules in Friedrichs’ favor, teachers, students, and taxpayers will benefit because union leaders will be incentivized to focus on the classroom, rather than on their own political agendas.” [Commonwealth Foundation, 9/16/15]

Free To Teach's Teacher's Bill Of Rights Includes “The Right To Be Rewarded…Based On My Job Performance,” The Right To “Protect My Paycheck And Not Be Forced To Fund Political Views I Oppose,” And The Right To “Employment Based On Merit.” According to the Commonwealth Foundation’s Free to Teach initiative, “Teacher's Bill of Rights:] As a public educator who loves the teaching profession, I believe the following rights will best secure my professional growth and freedom and foster the best learning environment for Pennsylvania’s students: The right to associate professionally as I choose, without being forced to contribute financially to any organization I do not support. The right to be rewarded as a professional based on my job performance. The right to protect my paycheck and not be forced to fund political views I oppose. The right to have flexibility to meet the learning needs of students regardless of job action stipulations by the union. The right to employment based on merit, not just years of experience.” [Commonwealth Foundation, accessed 10/23/15]

Parker: “Teachers Shouldn't Be Penalized With A Union ‘Tax’...If Unions Want To Politick, They Should Collect Their Money Through Voluntary Contributions, Not Coerced Deductions.” According to the Commonwealth Foundation’s Free to Teach initiative, “Teachers shouldn’t be penalized with a union ‘tax’ simply because they choose a career in the classroom,’ Parker continued. ‘If unions want to politick, they should collect their money through voluntary contributions, not coerced deductions.”’ [Commonwealth Foundation, accessed 10/23/15]

Free To Teach: “Union Professional Liability Insurance Provided To Members Is Redundant And Largely Unnecessary…Only Teachers Who Plan On Committing A Crime Will Need The Union's…Liability Insurance.” According to the Commonwealth Foundation’s Free to Teach initiative, “Union professional liability insurance provided to members is redundant and largely unnecessary. Only teachers who plan on committing a crime will need the union’s additional liability insurance.” [Commonwealth Foundation, accessed 10/23/15]

Free To Teach: Seniority-Based Salary Increases Amount To “Cookie-Cutter Compensation…If Teachers Excel In The Classroom, They Should Be Rewarded.” According to the Commonwealth Foundation’s Free to Teach initiative, “In Pennsylvania, most school contracts give teachers automatic salary increases on the basis of seniority and for earning
postgraduate degrees. Student performance and how well kids learn have little impact on how we reward educators. Unfortunately, this cookie-cutter compensation means great teachers have to wait longer to receive the raises they deserve. Performance pay means teachers are paid—and retained—based on the results they produce in the classroom, not just on education or seniority. If teachers excel in the classroom, they should be rewarded.” [Commonwealth Foundation, accessed 10/23/15]

- **Free To Teach: “Both Students And Teachers Benefit If Persistently Bad Educators Stand To Lose Their Jobs.”**
  According to the Commonwealth Foundation’s Free to Teach initiative, “If teachers are guaranteed to keep their jobs, with the only difference in their pay being the size of the bonus they can earn, then there’s little incentive to become a better teacher. Both students and teachers benefit if persistently bad educators stand to lose their jobs.” [Commonwealth Foundation, accessed 10/23/15]

Free To Teach: “Government Pension Plans That Are ‘Defined Benefit’ – Guaranteeing A Fixed Yearly Income – Are Inherently Political And Unsafe For Workers In The Pension System.” According to the Commonwealth Foundation’s Free to Teach initiative, “Despite a surplus just 13 years ago, Pennsylvania is now stuck with more than $50 billion in unfunded liabilities between PSERS and SERS. The moral: Government pension plans that are ‘defined benefit’ – guaranteeing a fixed yearly income – are inherently political and unsafe for workers in the pension system.” [Commonwealth Foundation, accessed 10/23/15]

**The Commonwealth Foundation Called On Pennsylvania Lawmakers To Undermine Pennsylvania Public Education With A Voucher System**

Commonwealth Foundation: “Pennsylvania’s Education Woes Stem Not From A Lack Of Funding, But From A Broken System And An Ongoing Pension Crisis.” According to a press release by the Commonwealth Foundation, “Pennsylvania’s education woes stem not from a lack of funding, but from a broken funding system and an ongoing pension crisis,’ Benefield says. ‘That’s a problem new taxes simply cannot fix.’” [Commonwealth Foundation, 6/1/15]

Commonwealth Foundation: “Inaction On School Choice Traps Students In Violent And Failing Schools, Where They See A Violent Act Every 17 Minutes.” According to an opinion by Commonwealth Foundation policy analysis director Nathan A. Benefield for the Commonwealth Foundation, “For Christmas this year, Gov. Tom Corbett hoped the legislature would gift wrap three things he could tie a bow on: An education reform package that included school vouchers, state liquor store privatization and legislation addressing gas drilling in the Marcellus Shale. Unfortunately, the legislature played more Grinch than giver and the consequences of failure to act remain clear. Inaction on school choice traps students in violent and failing schools, where they see a violent act every 17 minutes.” [Commonwealth Foundation, 12/22/11]

Commonwealth Foundation: Lawmakers Should “Expand Educational Tax Credits And Implement School Vouchers.” According to a policy brief by the Commonwealth Foundation, “What can lawmakers do? Legislation has been introduced to expand educational tax credits and implement school vouchers. The popular Educational Improvement Tax Credit Program (EITC) supports scholarships that help parents pay tuition at their school of choice from voluntary contributions of Pennsylvania businesses. Vouchers provide families with taxpayer money, in this case a fraction of the amount schools currently spend per pupil, to help parents pay private or public school tuition.” [Commonwealth Foundation, 11/2/11]

Commonwealth Foundation Senior Communications Officer John Bouder: Education Reforms Should Include Charter Schools, Cyber Schools, Vouchers, And “Tax Credit-Funded Scholarships” Instead Of “New Rules Or Additional Funding.” According to the Commonwealth Foundation, “CF’s work in education focuses on promoting opportunity and improving children’s lives though incentive-based reforms. Instead of repeating the failed attempts to reform education through new rules or additional funding, such reforms use competition to improve education. Incentive-based reforms include providing choice within the public school system through charter schools and cyber schools, providing families with private school options through vouchers or tax credit-funded scholarships, and measuring and rewarding success in education for both schools and teachers.” [Commonwealth Foundation, accessed 10/26/15]

**The Commonwealth Foundation Fought Attempts To Adequately Fund The Pennsylvania School System And Instead Recommended Charter Schools**
Commonwealth Foundation Senior Policy Analyst James Paul: “There Is No Reason To Believe” That “More Spending…Will Lead To Better Performing, Higher-Achieving Schools.” According to a press release by the Commonwealth Foundation, “[Commonwealth Foundation senior policy analyst James] Paul continued: ‘Gov. Wolf is proposing more of the same stale solutions: more spending, primarily financed by state taxpayers. There’s no reason to believe this will lead to better performing, higher-achieving schools.’” [Commonwealth Foundation, 3/18/15]

- Paul: “In Philadelphia…Charter Schools Have Become A Refuge For About One-Third Of Student Enrollment;” Gov. Wolf’s “Dismissal Of Charter Schools To Improve York City…Arbitrarily Takes Such Options Away From York City Families.” According to a press release by the Commonwealth Foundation, “Paul continued: […] ‘In Philadelphia, which faces similar struggles with academic performance and school violence, charter schools have become a refuge for about one-third of student enrollment. Even so, tens of thousands sit on waiting lists for the opportunity to attend a school of choice. Clearly, parents value choice in education above and beyond simple dollars and cents. Wolf’s dismissal of charter schools to improve York City School District arbitrarily takes such options away from York City families.’” [Commonwealth Foundation, 3/18/15]

- Paul: “Some Will Question How Philadelphia Can Afford These New Charters Schools. But, For The Sake Of Kids Trapped In Failing And Violent School Districts…How Can The City Afford Not To?” According to a press release by Commonwealth Foundation strategic communications director Cindy Hamill, “‘Today, the School Reform Commission has an opportunity to offer thousands of Philadelphia parents and students hope for a brighter academic future,’ commented James Paul, senior policy analyst for the Commonwealth Foundation. ‘Some will question how Philadelphia can afford these new charter schools. But, for the sake of kids trapped in failing and violent district schools by virtue of their ZIP code, a better question is: how can the city afford not to?’” [Cindy Hamill – Commonwealth Foundation, 2/18/15]

ONLINE CHARTER SCHOOLS DRAIN RESOURCES FROM THE STATE’S PUBLIC EDUCATION SYSTEM, AND HAVE BEEN SHOWN TO BE SHOCKINGLY INEFFECTIVE

Koch-Backed Groups Have Voiced Support For Online Charter School Funding…

AFP-Pennsylvania Criticized The Pennsylvania Legislature’s Proposal To Cut Funding For Pennsylvania's Cyber Charter Schools. According to an AFP-Pennsylvania web post, “30,000 Pennsylvania schoolchildren need your help. The State Senate has introduced a bill that would cut funding for Pennsylvania’s cyber charter schools by 5%, even though they already receive a mere fraction of what brick-and-mortar public schools do. Cyber schools only get 81% of the per pupil funding a district school does when a student decides to transfer, but the Senate wants to cut it even further.” [AmericansForProsperity.org, 11/15/13]

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...But Recent Studies Have Shown That In Some Subjects It’s As Though Students “Had Not Gone To School” At All

Leigh Valley Live Editorial: Pennsylvania Has 14 Cyber Charter Schools, And The “Second-Highest Enrollment In The U.S.” According to an editorial by the Leigh Valley editorial staff, “Pennsylvania has 14 cyber charter schools, and the second-highest enrollment in the U.S. Legislators in Harrisburg have been wrangling with reform efforts for several years. Lingering concerns over performance and accountability have led to a denial of new cyber charters for two years. This isn't an issue in New Jersey, which doesn't have online charter schools.” [Editorial – Leigh Valley Live, 11/1/15]

Leigh Valley Live Editorial: A Study Conducted By Stanford University’s Center For Research On Education Outcomes Found That “The Deficit In Learning By Cyber Students Was Equal To Losing 72 Days Of Learning In Reading…Over A Standard 180-Day School Year.” According to an editorial by the Leigh Valley editorial staff, “Researchers at Stanford University’s Center for Research on Education Outcomes said their analysis showed the deficit in learning by cyber students was equal to losing 72 days of learning in reading and 180 days in math over a standard 180-day school year. That's not a misprint. The measure of learning in math was effectively zero — ‘as if they had not gone to school,’ said Margaret Raymond, director of the Stanford center.” [Editorial – Leigh Valley Live, 11/1/15]

Leigh Valley Live Editorial: Students Who Attended A Cyber Charter School Showed A Deficit Equal To Losing “180 Days In Math Over A Standard 180-Day School Year.” According to an editorial by the Leigh Valley editorial staff, “Researchers at Stanford University’s Center for Research on Education Outcomes said their analysis showed the deficit in learning by cyber students was equal to losing 72 days of learning in reading and 180 days in math over a standard 180-day school year. That's not a misprint. The measure of learning in math was effectively zero — ‘as if they had not gone to school,’ said Margaret Raymond, director of the Stanford center.” [Editorial – Leigh Valley Live, 11/1/15]

• Stanford University Center For Research On Education Outcomes Director Margaret Raymond: The Measure Of Learning In Math Was Effectively Zero – “As If They Had Not Gone To School.” According to an editorial by the Leigh Valley editorial staff, “Researchers at Stanford University's Center for Research on Education Outcomes said their analysis showed the deficit in learning by cyber students was equal to losing 72 days of learning in reading and 180 days in math over a standard 180-day school year. That's not a misprint. The measure of learning in math was effectively zero — ‘as if they had not gone to school,’ said Margaret Raymond, director of the Stanford center.” [Editorial – Leigh Valley Live, 11/1/15]

DESPITE THEIR FAILURE TO ADEQUATELY EDUCATE STUDENTS, PENNSYLVANIA CHARTER SCHOOLS RECEIVED MONEY FROM LOCAL SCHOOL DISTRICTS, DRAINING PUBLIC SCHOOLS OF THEIR RESOURCES

Christian Science Monitor: “State Law Requires School Districts To Pay” Charter Schools “For Every Student In The District That Goes To A Charter School.” According to the Christian Science Monitor, “State law requires school districts to pay the charters for every student in the district that goes to a charter school. But as enrollment in charters grows, school districts pay more out of their own pockets, services in public schools can decline, and more students may leave for charters.” [Christian Science Monitor, 9/1/15]

• CSM Wrote That As Enrollment In Charter Schools Continues To Grow “School Districts Pay More Out Of Their Own Pockets” And School Services Decline Resulting In More Students “Leaving For Charters.” According to the Christian Science Monitor, “State law requires school districts to pay the charters for every student in the district that goes to a charter school. But as enrollment in charters grows, school districts pay more out of their own pockets, services in public schools can decline, and more students may leave for charters.” [Christian Science Monitor, 9/1/15]

CSM: The Chester Upland School District Of Pennsylvania Paid “About $64 Million In Tuition Payments To Local Charter Schools” Which Is “More Than It Receives In State School Aid.” According to the Christian Science Monitor, “The Chester Community Charter School, the largest charter in CUSD, opened in 1998 with 100 students. The school now enrolls 2,900 students, nearly as many as are in the traditional public school system. CUSD currently makes about $64 million
in tuition payments to local charter schools, according to Keever, more than it receives in state school aid.” [Christian Science Monitor, 9/1/15]

CONTINUED ATTACKS ON PUBLIC EDUCATION HAVE LED TO AN IMPELLING TEACHER SHORTAGE IN PENNSYLVANIA, DESPITE THE SUCCESS THAT PENNSYLVANIA'S PUBLIC EDUCATION SYSTEM HAS HAD EDUCATING STUDENTS

Koch-Backed Groups Have Criticized The Pennsylvania Public School System, But Pennsylvania Students “Outperformed National Averages”


- **Pennsylvania Students Outperformed The National Average In Every Test Category.** According to the Central Penn Business Journal, “Sponsored by the U.S. Department of Education, the NAEP measures the reading and math abilities of students in grades 4 and 8. More than 16,000 Pennsylvania students in 263 schools took the NAEP last year. The percentages of Pennsylvania students scoring ‘proficient’ on the test, compared to the U.S. average by category, were: grade 4 reading, 42 to 35 percent; grade 4 math, 45 to 39; grade 8 reading, 40 to 32; and grade 8 math, 37 to 32.” [Central Penn Business Journal, 11/2/15]

A Lack Of Financial Security And The Potential Loss Of A Pension Have Created An Impending Teacher Shortage

The Number Of Education Majors In The Pennsylvania Higher Education System Declined By 31% From The Fall Of 2010 To The Fall Of 2013. According to Lancaster Online, “In Pennsylvania, “we're not hearing any widespread concern” regarding the supply of teachers, said Steve Robinson, spokesman for the Pennsylvania School Boards Association. But could that be about to change? There are some statistics that might lead you to think so. For starters, the State System of Higher Education enrolled 31 percent fewer education majors in 2013-14 than it did three years earlier. The 14 state system universities evolved from teachers’ colleges, and though they have diversified, they still train a large portion of Pennsylvania’s K-12 faculty.”
The Pennsylvania Department of Education has seen the number of teacher certifications that it issues fall by “more than 60 percent between 2012-13 and 2014-15.” According to Lancaster Online, “For starters, the State System of Higher Education enrolled 31 percent fewer education majors in 2013-14 than it did three years earlier. The 14 state system universities evolved from teachers’ colleges, and though they have diversified, they still train a large portion of Pennsylvania’s K-12 faculty. Meanwhile, teacher certifications issued by the Pennsylvania Department of Education have fallen even more dramatically: more than 60 percent between 2012-13 and 2014-15.”
Pottstown School District Director Of Human Resources Stephen Rodriquez Said That The Decline In New Teachers May Be Due To Teaching “Becoming More Difficult With Less Financial Security.” According to the Times Herald, “Stephen Rodriguez, director of human resources for the Pottstown School District, said last October, Pottstown’s ‘fill rate’ was as high as 80 percent. […] Rodriquez says, despite what people who make remarks on The Mercury’s Facebook or Sound-Off page may say about how easy teachers have it, teaching is becoming more difficult with less financial security.” [Times Herald, 11/2/15]

- Rodriquez: In The Past “At Least The Pension Made Teaching More Attractive And Offered Some Financial Security, But Now That Is In Doubt As Well.” According to the Time Herald, “People who say things like that have little understanding of what it means to be in education today,’ [Stephen] Rodriquez said. ‘Society expects education to solve a lot of problems and the planning and requirements now involved, especially for special education, continue to rise,’ he said. […] ‘It used to be that at least the pension made teaching more attractive and offered some financial security, but now that is in doubt as well,’ he said.” [Times Herald, 11/2/15]

**THE KOCH’S OPPOSITION TO WORKING FAMILIES’ RIGHTS**

Koch-Backed Attempts To Privatize Pennsylvania Liquor Sales And Destroy 5,000 Unionized Jobs

**AMERICAN FUTURE FUND CALLED ON STATE LEADERS TO PRIORITIZE LIQUOR PRIVATIZATION, EVEN IF IT JEOPARDIZED EFFORTS TO PASS A BUDGET BILL**

AFF Launched A Multimedia Campaign To Advocate For Liquor Privatization

AFF Announced A Statewide Multimedia Campaign To Advocate For Pension Reform, Liquor Privatization, And For Banning The State From Deducting Dues And Money Used For Political Purposes From Paychecks In Pennsylvania. According to Penn Live, “The American Future Fund, a super PAC founded by ex-Mitt Romney aides that has ties to the billionaire Koch Brothers, has come to play in Pennsylvania. The group plans a statewide multimedia and advocacy blitz during the coming legislative session aimed at ‘reminding’ legislators of their commitments to support ‘3 Ps:’ pension reform, paycheck protection, and liquor privatization,’ according to a statement posted to its [sic] website. […] More astute readers will recall that a vote on the so-called "Paycheck Protection" bill, which would ban the state from deducting dues and money used for political purposes from employees’ paychecks, failed in the Senate last year. Votes on liquor privatization and pension reform never saw the light of day.” [Pennlive.com, 1/7/15]

- AFF Political Action Chairman Nick Ryan: “Through This Campaign, The American Future Fund Is Providing Voters A Voice To Hold Conservatives Accountable.” According to Penn Live, “‘The people of Pennsylvania have delivered Republicans and conservatives a wider majority, and now they have every right to expect bigger results on the issues important to them,’ the group’s Political Action Chairman Nick Ryan said in the statement. ‘Through this campaign, the American Future Fund is providing voters a voice to hold conservatives accountable to follow through in Harrisburg on the promises they made on the campaign trail.’” [Pennlive.com, 1/7/15]

AFFPA Shifted “Its Entire Focus To Senate Republicans Encouraging Them To Pass A Liquor Privatization Bill.” According to a press release from American Future Fund Political Action, “The nationally known conservative group, American Future Fund Political Action (AFFPA), is increasing the volume of its statewide ad campaign and shifting its entire focus to Senate Republicans encouraging them to pass a liquor privatization bill. The move comes following the House passage of a measure to privatize Pennsylvania’s state-run liquor sales.” [AFFPA Press Release, 2/26/15]

AFF Political Action Chairman Nick Ryan: “There’s No Question We Have Their Ear, And That Helped With Getting The [Liquor] Privatization Bill Through The House.” According to a press release from American Future Fund Political Action, “‘There’s no question we have their ear, and that helped with getting the privatization bill through the House,’
said [AFF Political Action Chairman Nick] Ryan. ‘Last year the voters sent a clear signal they wanted real leadership in Harrisburg. The Senate took the first step in electing new, conservative leadership to begin this legislative session and this is their first opportunity to move that positive agenda forward.’” [AFFPA Press Release, 2/26/15]

**AFF Political Action Chairman Nick Ryan Urged State Leaders To Push For Liquor Privatization Even After House Majority Leader Dave Reed Said It Could Be “Pushed Aside” In The Interest Of A Budget Compromise**

Ryan: “The People Of Pennsylvania Have Had To Endure The Lack Of Choice, Death Of Competition And Endless Inconvenience That Comes With A Depression-Era, State-Run Liquor Monopoly.” According to a press release by American Future Fund Political Action, “Dear Governor Wolf: Dear Governor Wolf: When is enough enough? It’s apparently not enough that the people of Pennsylvania have had to endure the lack of choice, death of competition and endless inconvenience that comes with a Depression-era, state-run liquor monopoly. […] Sincerely, Nick Ryan[,] Chairman[,] American Future Fund Political Action” [American Future Fund Political Action, 7/20/15]

- **Ryan: Wolf Should “Enter Talks With Legislative Leaders…On The Complete Elimination Of This Archaic System And The Rising Costs, Continuing Inconvenience And Growing Rot Of Corruption It Imposes On Taxpayers.”** According to a press release by American Future Fund Political Action, “Dear Governor Wolf: […] It is past time for you to reverse course and enter talks with legislative leaders on liquor privatization. Not on ‘modernization,’ not on some loosening of restrictions, and not on other half-measures. Rather, on the complete elimination of this archaic system and the rising costs, continuing inconvenience and growing rot of corruption it imposes on taxpayers.” [American Future Fund Political Action, 7/20/15]

**Ryan In A Letter To House Speaker Mike Turzai And Senate President Pro Tempore Joseph Scarnati: “It’s Been Suggested That” Liquor Privatization “Can Be ‘Pushed Aside’ In The Interest Of Getting A Budget Done. But The Will Of The People Cannot Be Pushed Aside So Easily.”** According to a letter written by American Future Fund Political Action Committee chairman Nick Ryan to Pennsylvania House speaker Mike Turzai and Pennsylvania State Senate president pro tempore Joseph B. Scarnati, “[I]t’s been suggested that two of the utterly essential ‘3Ps’ for this legislative session – liquor privatization and pension reform – can be ‘pushed aside’ in the interest of getting a budget done. But the will of the people cannot be pushed aside so easily.” [Nick Ryan – American Future Fund Political Action Committee, 6/26/15]

- **House Republican Leader Dave Reed: “Look, Liquor Can Be Pushed Aside. It Can Be Taken Off The Table As Part Of A Final Budget Discussion.”** According to CBS Philadelphia, “But on Tuesday, a much more mellow Dave Reed, the House Republican leader, downplayed the role of liquor privatization as a linchpin to a budget deal. ‘Look, liquor can be pushed aside. It can be taken off the table as part of a final budget discussion.’” [CBS Philadelphia, 6/24/15]

- **Ryan: “This Is No Time To Let The Governor Get Away With A Cynical Game Of ‘Divide-And-Conquer’ Emboldened By Looming Deadlines And Baited With Illusory Concessions…Republicans Must Stand Strong And Stay United.”** According to a letter written by American Future Fund Political Action Committee chairman Nick Ryan to Pennsylvania House speaker Mike Turzai and Pennsylvania State Senate president pro tempore Joseph B. Scarnati, “This is no time to let the Governor get away with a cynical game of ‘divide-and-conquer’ emboldened by looming deadlines and baited with illusory concessions [sic]. Rather, Republicans must stand strong and stay united – united with each other on policy and principle, but more important, united in spirit with the voters who entrusted you with the honor and responsibility of public service.” [Nick Ryan – American Future Fund Political Action Committee, 6/26/15]

**AFP – PENNSYLVANIA ADVOCATED FOR LIQUOR PRIVATIZATION AND ENCOURAGED PENNSYLVANIANS TO ILLEGALLY BUY ALCOHOL IN OTHER STATES UNTIL IT WAS PASSED**

2014: AFP-Pennsylvania Praised Governor Tom Corbett’s Annual Budget Address For Calling For “Pension Reform, Liquor Privatization And A Merit Based Education System.” According to an AFP-Pennsylvania web post, “Earlier this week, Governor Corbett laid out his 2014-2015 budget in an address to the General Assembly. In his proposal, the Governor set forth his plans to tackle important issues like pension reform, liquor privatization and a merit based education system.
While these are all laudable goals that we would like to see debated this year, the truth is none of these reforms are likely to happen until the Governor champions the passage of Paycheck Protection in Pennsylvania.” [AmericansForProsperity.org, 2/6/14]

- AFP-Pennsylvania In 2014: These Reforms Are Not Likely To Happen Until Governor Corbett Champions Paycheck Protection. According to an AFP-Pennsylvania web post, “Earlier this week, Governor Corbett laid out his 2014-2015 budget in an address to the General Assembly. In his proposal, the Governor set forth his plans to tackle important issues like pension reform, liquor privatization and a merit based education system. While these are all laudable goals that we would like to see debated this year, the truth is none of these reforms are likely to happen until the Governor champions the passage of Paycheck Protection in Pennsylvania.” [AmericansForProsperity.org, 2/6/14]

AFP-PA “Applauded The House Liquor Control Committee And The State Government Committee For Passing Legislation To Privatize Liquor Sales And End Forced Union Dues, Respectively.” According to a press release from AFP-PA, “Americans for Prosperity today applauded the House Liquor Control Committee and the State Government Committee for passing legislation to privatize liquor sales and end forced union dues, respectively. AFP sees the two bills as massive steps towards great fiscal accountability and opportunity for workers and taxpayers.” [AFP-PA Press Release, 2/23/15]

AFP-PA State Director Beth Anne Mumford: “There’s No Excuse For Talk About Raising Taxes When We Can Easily Save Millions Of Dollars Through Common Sense Solutions Such As Liquor Privatization.” According to a statement from AFP-PA State Director Beth Anne Mumford on the committee passage of the liquor privatization and the paycheck protection bills, “Today Pennsylvania made two big steps towards greater freedom and fiscal responsibility by advancing liquor privatization and paycheck protection,” explained Beth Anne Mumford, AFP Pennsylvania state director. ‘Given Pennsylvania’s embarrassing spending crisis, there’s no excuse for talk about raising taxes when we can easily save millions of dollars through common sense solutions such as liquor privatization.”’ [AFP-PA Press Release, 2/23/15]

Mumford On Liquor Privatization Bill: “We Applaud The State House For Voting To Starting Cutting Off The Government's Booze Habit And Urge The Senate To Follow Suit.” According to a press release from AFP-PA, “Americans for Prosperity applauded the state House for passing SB 466, which would partially privatize liquor sales in Pennsylvania, by 114 to 87. ‘We applaud the state House for voting to starting cutting off the government’s booze habit and urge the Senate to follow suit,’ explained Beth Anne Mumford, Pennsylvania State Director of Americans for Prosperity. ‘SB 466 is a fiscally responsible step towards closing the government liquor shop and allowing adults in our state more options when they want to purchase beer, wine and spirits.”’ [AFP-PA Press Release, 2/26/15]


CBS Philadelphia: McCauslin “Objected To Governor Tom Wolf's Veto Of A Privatization Bill And Criticized The Current Setup As Inconvenient To The Majority Of State Residents.” According to CBS Philadelphia, “McCauslin, speaking with Talk Radio 1210 WPHT’s Chris Stigall, objected to Governor Tom Wolf’s veto of a privatization bill and criticized the current setup as inconvenient to the majority of state residents. ‘It’s time to allow businesses to sell this product [and] make it easy for responsible adults. To go have a dinner party, I’ve got to lug my children, buckle them out of the car seats, put them back in, to three separate stores. It’s kind of insane. It makes my life more difficult and it means higher price and less selection for responsible adults in Pennsylvania.”’ [CBS Philadelphia, 8/3/15]

McCauslin On Buying Alcohol From Other States To Bring Back To Pennsylvania: “It’s Illegal, But We’re Doing It.” According to CBS Philadelphia, “She rejected claims that privatizing sales will lead to increased prices. ‘If there are higher prices, why aren’t those people in Virginia, Maryland, Delaware, even New Jersey flocking to Pennsylvania to buy our cheap liquor? It’s not how reality works. It’s illegal, but we’re doing it, Pennsylvania residents crossing the border to buy cheaper alcohol with a greater selection and bring it back into the state.”’ [CBS Philadelphia, 8/3/15]
McCauslin Admitted That Pennsylvania Liquor Control Board Tax Revenue Was “Not Going To Go Away Under Privatization.” According to CBS Philadelphia, “McCauslin also asserted Pennsylvania would continue to bring in the majority of revenue generated by alcohol sales even after selling off the state-owned stores. The PLCB [Pennsylvania Liquor Control Board] transfers about $80 million into the general fund every year and over 80 percent of the PLCB revenue is on taxes, which is not going to go away under privatization.” [CBS Philadelphia, 8/3/15]

- **Lancaster Online: If Liquor Sales Are Privatized “Those Unionized State Employees Would Be Replaced With Non-Unionized Employees.”** According to Lancaster Online, “If we privatize, those unionized state employees would be replaced with non-unionized employees. Even if private employers retain the existing help in exchange for a tax break, do you think the private employers will pay a wage and provide benefits in the same ballpark as what the employees get now?” [Lancaster Online, 3/2/15]

AFP Released A Petition To Make Pennsylvania Politicians “Feel The Heat,” Saying Any Bill That Does Not “Privatize Liquor Stores” Would Be Unacceptable. According to a petition by Americans for Prosperity on the Phone 2 Action website, “Thanks to your help, we are winning in the fight against Wolf's tax-and-spend demands. We can't give up now. Make sure your politicians feel the heat. Tell them to decrease spending, fix the pension system, and privatize liquor stores. Nothing else will be acceptable.” [Americans for Prosperity – Phone 2 Action, archived 2/11/16]

**COMMONWEALTH FOUNDATION AGGRESSIVELY ARGUED FOR LIQUOR PRIVATIZATION WHILE SIMULTANEously ADMITTING SUCCESSES IN THE SYSTEM**

Commonwealth Foundation President And CEO Matthew Brouillette: Governor Tom Wolf “Kept Alive A Failing System” Of State Run Liquor Sales. According to an opinion by Commonwealth Foundation President and CEO Matthew Brouillette for the National Review, “For more than eight decades, the Pennsylvania government has been the sole purveyor of wine and spirits for the entire state. But in early July, just days before Independence Day, the state legislature passed historic liquor-privatization legislation for the first time. Since Prohibition, Pennsylvanians’ simple hopes to buy wine and spirits at the supermarket rather than a state store had never come closer to fruition. But with a stroke of his veto pen, Governor Tom Wolf kept alive a failing system that benefits only politically connected special interests and those in power.” [Matthew Brouillette – National Review, 9/3/15]

Commonwealth Foundation: The Pennsylvania Legislature Passed “Historic” Legislation To Privatize The State’s Liquor Sales. According to the Commonwealth Foundation, “The Pennsylvania legislature made history yesterday. For the first time since the creation of the state-controlled liquor system in 1933, both houses of the General Assembly voted to remove government from the business of selling wine and spirits. […] While the bill is far from perfect, it takes a big—historic—step toward ending the PLCB's stranglehold on one of the last vestiges of Prohibition in the country.” [Commonwealth Foundation, 7/1/15]

- **Commonwealth Foundation: The Liquor Privatization Bill Was “Far From Perfect,” But Is Was A “Step Toward Ending The PLCB's Stranglehold On One Of The Last Vestiges Of Prohibition.”** According to the Commonwealth Foundation, “The Pennsylvania legislature made history yesterday. For the first time since the creation of the state-controlled liquor system in 1933, both houses of the General Assembly voted to remove government from the business of selling wine and spirits. […] While the bill is far from perfect, it takes a big—historic—step toward ending the PLCB's stranglehold on one of the last vestiges of Prohibition in the country.” [Commonwealth Foundation, 7/1/15]

2014: The Pennsylvania Liquor Control Board “Reported Record Revenue And Transfers To The State's General Fund.” According to the Commonwealth Foundation, “Is it time to wave the white flag on liquor privatization? After all, the Pennsylvania Liquor Control Board (PLCB) reported record revenue and transfers to the state’s General Fund this past fiscal year.” [Commonwealth Foundation, 9/4/14]

Commonwealth Foundation: The Pennsylvania Liquor Control Board's Decision To Have Companies That Sell Liquor In Pennsylvania Retain Ownership Of The Alcohol While Its Stored In A Warehouse Is “A Band-Aid On A Broken Leg.” According to the Commonwealth Foundation, “The new arrangement is said to improve costs and efficiencies
because companies now have the ability to ensure high in-stock levels at state stores, which will lead to more sales. But this improvement is like putting a Band-Aid on a broken leg.” [Commonwealth Foundation, 11/12/13]

- **Scranton Times-Tribune In November 2013: “Companies That Sell Liquor And Wine To The LCB…Now Retain Ownership Of That Liquor While It’s Stored At The Warehouse.”** According to The Scranton Times-Tribune, “Companies that sell liquor and wine to the LCB like Diageo, a British-based liquor supplier, now retain ownership of that liquor while it’s stored at the warehouse. The LCB takes ownership of the inventory when it ships from the warehouse, a departure from past practice where the agency owned the liquor while in the warehouse.” [Scranton Times-Tribune, 11/11/13]

  The Commonwealth Foundation Argued That Claims About The PLCB’s Buying Power Were Exaggerated, But According To Its Own Data The PLCB Would Be The 8th Largest Liquor Distributor In The Nation

  Commonwealth Foundation: The Pennsylvania Liquor Control Board's Claims Of Its “Enormous” Buying Power Are Weak Because “The PLCB Isn't The Largest Buyer Of Liquor” In The Nation. According to the Commonwealth Foundation, “One popular myth in the liquor debate is that the Pennsylvania Liquor Control Board has enormous 'buying power' that benefits Pennsylvanians. […] The problem with the argument? The PLCB isn't the largest buyer of liquor in nation and it pales in comparison to the 'economies of scale' that other wholesale distributors could bring to the commonwealth if the state's wholesale operations were privatized.” [Commonwealth Foundation, 5/28/13]

- **The Pennsylvania Liquor Control Board Was The 8th Largest Distributor In The Nation In 2012.** According to a graph from the Commonwealth Foundation, The Pennsylvania Liquor Control Board was the 8th largest liquor distributor in the nation in 2012.

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[Commonwealth Foundation, 5/28/13]

A Poll Commissioned By The Commonwealth Foundation Found That Pennsylvanians Were Satisfied With Their Liquor And Beer Purchasing Options By A Margin Of Nearly 3:1

The Commonwealth Foundation Claimed That “A Majority Of Pennsylvanians Support A Privatized Liquor Industry.” According to a Commonwealth blog post, “A majority of Pennsylvanians support a privatized liquor industry, but
government unions use their financial clout to ensure the state government maintains a monopoly over wine and spirits.” [Commonwealth Foundation, 9/16/15]

- The Poll Conducted By Heart And Mind Strategies For The Commonwealth Foundation Found That 63 Percent Of Respondents Were Satisfied With The Current Options For Purchasing Wine Or Spirits. According to a Heart and Mind Strategies poll, 63% of respondents answered the question “How satisfied are you with the retail options available to you in Pennsylvania for purchasing wine or spirits, also known as liquor?” with “Very Satisfied” or “Somewhat Satisfied.” [Commonwealth Foundation, Accessed 10/2/15]

- The Poll Conducted By Heart And Mind Strategies For The Commonwealth Foundation Found That 64 Percent Of Respondents Were Satisfied With The Current Options For Purchasing Beer. According to a Heart and Mind Strategies poll, 64% of respondents answered the question “How satisfied are you with the retail options available to you in Pennsylvania for purchasing beer?” with either “Very Satisfied” or “Somewhat Satisfied.” [Commonwealth Foundation, Accessed 10/2/15]

THE PUSH FOR LIQUOR PRIVATIZATION HAS BEEN LITTLE MORE THAN AN ATTEMPT TO WEaken PENNSYLVANIA UNIONS

Liquor Privatization Would Remove 5,000 Union Jobs From The State Of Pennsylvania

The Pennsylvania Liquor Control Board Employs “About 5,000 Mostly Union” Employees. According to Lancaster Online, “Other arguments in favor of selling off the entire system involve money, at least indirectly: The jobs argument amounts to about 5,000 mostly union Pennsylvania Liquor Control Board employees (2,300 full-time) who would be out of work when state liquor stores close. The pain of job loss can never be diminished, but state lawmakers have been actively fighting for these jobs while passively letting nearly 20,000 teaching jobs disappear the last few years.” [Lancaster Online, 3/2/15]

- The Pennsylvania Liquor Control Board Employs 2,300 Full-Time Employees. According to Lancaster Online, “Other arguments in favor of selling off the entire system involve money, at least indirectly: The jobs argument amounts to about 5,000 mostly union Pennsylvania Liquor Control Board employees (2,300 full-time) who would be out of work when state liquor stores close. The pain of job loss can never be diminished, but state lawmakers have been actively fighting for these jobs while passively letting nearly 20,000 teaching jobs disappear the last few years.” [Lancaster Online, 3/2/15]

Lancaster Online: If Liquor Sales Were To Be Privatized “Those Unionized State Employees Would Be Replaced With Non-Unionized Employees.” According to Lancaster Online, “If we privatize, those unionized state employees would be replaced with non-unionized employees. Even if private employers retain the existing help in exchange for a tax break, do you think the private employers will pay a wage and provide benefits in the same ballpark as what the employees get now?” [Lancaster Online, 3/2/15]

- Lancaster Online: Privatizing Liquor Sales Would Be “Impoverishing A Few Thousand More Pennsylvania Workers…To Save A Buck On A Bottle.” According to Lancaster Online, “If we privatize, those unionized state employees would be replaced with non-unionized employees. Even if private employers retain the existing help in exchange for a tax break, do you think the private employers will pay a wage and provide benefits in the same ballpark as what the employees get now? In other words, impoverish a few thousand more Pennsylvania workers, our neighbors, to save a buck on a bottle?” [Lancaster Online, 3/2/15]

The Pennsylvania Liquor Control Board Generated Over $550 Million In Revenue For Pennsylvanians In The 2014-15 Fiscal Year And There Is No Guarantee That Privatization Would Increase This Revenue

Headline: “Pennsylvania Liquor Control Board Reports Record Sales, Releases Financials For Fiscal Year 2014-15” [Fox 43, 10/28/15]
The Pennsylvania Liquor Control Board Transferred “At Least $80 Million In Profit To The General Fund This Year.” According to Fox 43, “Net cash generated by operating activities totaled $139.1 million for the fiscal year. Such positive cash flow means the PLCB is in an excellent position to provide a transfer of at least $80 million in profit to the General Fund this year. The PLCB also deposited $334.4 million in liquor tax and $130.2 million in state sales tax into the General Fund last fiscal year. Nearly $8.5 million in local sales tax was turned over to Philadelphia and Allegheny County.” [Fox 43, 10/28/15]

The Pennsylvania Liquor Control Board Transferred “$334.4 Million In Liquor Tax” Into The State’s General Fund. According to Fox 43, “Net cash generated by operating activities totaled $139.1 million for the fiscal year. Such positive cash flow means the PLCB is in an excellent position to provide a transfer of at least $80 million in profit to the General Fund this year. The PLCB also deposited $334.4 million in liquor tax and $130.2 million in state sales tax into the General Fund last fiscal year. Nearly $8.5 million in local sales tax was turned over to Philadelphia and Allegheny County.” [Fox 43, 10/28/15]

The Pennsylvania Liquor Control Board Transferred “$130.2 Million In State Sales Tax In The General Fund Last Fiscal Year.” According to Fox 43, “Net cash generated by operating activities totaled $139.1 million for the fiscal year. Such positive cash flow means the PLCB is in an excellent position to provide a transfer of at least $80 million in profit to the General Fund this year. The PLCB also deposited $334.4 million in liquor tax and $130.2 million in state sales tax into the General Fund last fiscal year. Nearly $8.5 million in local sales tax was turned over to Philadelphia and Allegheny County.” [Fox 43, 10/28/15]

The Pennsylvania Liquor Control Board Turned Over “Nearly $8.5 Million In Local Sales Tax” To Philadelphia And Allegheny County. According to Fox 43, “Net cash generated by operating activities totaled $139.1 million for the fiscal year. Such positive cash flow means the PLCB is in an excellent position to provide a transfer of at least $80 million in profit to the General Fund this year. The PLCB also deposited $334.4 million in liquor tax and $130.2 million in state sales tax into the General Fund last fiscal year. Nearly $8.5 million in local sales tax was turned over to Philadelphia and Allegheny County.” [Fox 43, 10/28/15]

Lancaster Online: The Idea That Privatizing Liquor Sales “Could Generate As Much Or More Annual Tax Revenue” Is “A Gamble.” According to Lancaster Online, “Second, while selling the state stores could bring a big windfall up front, this idea that a privatized system could generate as much or more annual tax revenue is, of course, a gamble. We’d find out after we sold the system; and if it didn’t live up to promises… oops!” [Lancaster Online, 3/2/15]

- Lancaster Online: The Current Liquor Sales System “Is Profitable…Funds Itself” And Helps “Shore Up The Balance Sheet At Other Agencies.” According to Lancaster Online, “The system as it exists now is profitable. It funds itself, and not only that, excess funds help shore up the balance sheet at other agencies. It works. You may not like it; but it works.” [Lancaster Online, 3/2/15]

Liquor Privatization In Washington State Actually Increased Average Liquor Prices, Hurting Consumers


Penn Live: Washington State Privatized Liquor Sales In 2012 And “Prices Rose By 15.5% For 750 mL Bottles Of Spirits.” According to Penn Live, “Washington state, which privatized liquor sales in 2012 after a ballot measure, may offer some lessons for the Keystone State. […] Prices rose by 15.5% for 750 ml bottles of spirits and by 4.7% for 1.75 L bottles.” [Penn Live, 7/1/15]

Penn Live: Washington State Privatized Liquor Sales In 2012 And “Prices Rose By…4.7% For 1.75 L Bottles” Of Spirits. According to Penn Live, “Washington state, which privatized liquor sales in 2012 after a ballot measure, may offer some lessons for the Keystone State. […] Prices rose by 15.5% for 750 ml bottles of spirits and by 4.7% for 1.75 L bottles.” [Penn Live, 7/1/15]

Alcohol Research Group Scientific Director Tom Greenfield: When Washington Liquor Retailers “Added Their Own Mark-Up For Profit” Under The Privatized Liquor Plan, “Prices Were Ultimately Higher.” According to Penn
Live, “Greenfield said that the reason that Washington saw an increase in the price of alcohol was that the state structured taxes on private liquor sales in a way intended to ensure that the state brought in the same amount of revenue as it did under its monopoly. When private retailers added their own mark-up for profit, it meant that retail prices were ultimately higher than under the state monopoly.” [Penn Live, 7/1/15]

- **Greenfield: If Pennsylvania Privatization Intends To Be Revenue Neutral “Consumers Would See Similar Results.”** According to Penn Live, “Greenfield said that the reason that Washington saw an increase in the price of alcohol was that the state structured taxes on private liquor sales in a way intended to ensure that the state brought in the same amount of revenue as it did under its monopoly. When private retailers added their own mark-up for profit, it meant that retail prices were ultimately higher than under the state monopoly. Greenfield said that if Pennsylvania’s privatization proposal also intended to be revenue neutral, consumers would likely see similar results.” [Penn Live, 7/1/15]


### Koch-Backed Groups Fought To Weaken The Political Voice Of Working Families

**AFP – PENNSYLVANIA CLAIMED THAT PENNSYLVANIA UNIONS OPPOSE GOVERNMENT REFORM, AND THAT THE ONLY WAY CHANGE WOULD OCCUR IS STIFLING THEIR ABILITY TO ADVOCATE FOR THEMSELVES**

**AFP-Pennsylvania Ran A Paid Media Campaign To Weaken The Political Voices Of Working Families**

2014: AFP-Pennsylvania Released A Radio Ad Titled “Shocked” Attacking Public Sector Unions For Collecting Dues Directly From Employee Paychecks. According to an AFP-Pennsylvania web post, “Americans for Prosperity-Pennsylvania is releasing a radio ad today aimed at revealing the special exemptions currently enjoyed by public sector unions in Pennsylvania. The Spot, titled, ‘Shocked’, details West Chester County school teacher Robin’s surprise to the news that her union dues are being used to fund political activities without her approval.” [AmericansForProsperity.org, 6/9/14]

**AFP-Pennsylvania Called On State Lawmakers To Make It Increasingly Difficult For Pennsylvania’s Working Families To Have A Political Voice**

2014: 400 People Showed Up At An AFP-Pennsylvania Rally For “Paycheck Protection” At The State Capital. According to an AFP-Pennsylvania web post, “As you probably know, more than 400 freedom fighters came out to Harrisburg on June 4th to rally for paycheck protection. In case you missed it, you can view a video here. Paycheck Protection would take the state and local governments and school districts out of the collections business.” [AmericansForProsperity.com, 6/23/14]

**AFP-Pennsylvania State Director Jennifer Stefano: The Passage Of A Paycheck Protection Bill Through The House State Government Committee Was A “Victory” For Taxpayers.** According to an AFP-Pennsylvania web post, “Americans for Prosperity – Pennsylvania is releasing the following statement regarding today’s passage of Paycheck Protection by the House State Government Committee: ‘Today the House State Government Committee handed the hard-working taxpayers of Pennsylvania a major victory by passing Paycheck Protection,’ said Jennifer Stefano, State Director of Americans for Prosperity – Pennsylvania.” [AmericansForProsperity.org, 6/23/14]

- **The Pennsylvania House Moved A Paycheck Fairness Bill To The House Floor.** According to an AFP-Pennsylvania web post, “Great news! Because of your hard work, the Pennsylvania House State Government Committee just reported House Bill 1507, paycheck protection legislation to the House Floor. This is a major step to final passage of this much-needed legislation!” [AmericansForProsperity.com, 6/23/14]
Stefano: AFP-PA Applauded The Passage Of The Paycheck Protection Bill Through The Senate State Government Committee. According to an AFP-Pennsylvania web post, “Americans for Prosperity – Pennsylvania is releasing the following statement regarding today’s passage of Paycheck Protection by the Senate State Government Committee: ‘We applaud the members of the Senate State Government Committee who voted today in favor of Paycheck Protection legislation,’ said Jennifer Stefano, State Director of Americans for Prosperity – Pennsylvania.” [AmericansForProsperity.org, 6/26/14]

- The Pennsylvania Senate Government Committee Moved A Paycheck Fairness Bill To The Senate Floor. According to an AFP-Pennsylvania web post, “Today thanks to your efforts the Pennsylvania Senate State Government Committee reported Senate Bill 1034, paycheck protection legislation to the Senate Floor. The Committee amended the original language that would prevent the collection of all political money including Political Action Committees, but would still allow the fair share fees to be collected.” [AmericansForProsperity.org, 6/26/14]

Mumford On Paycheck Protection Bill: “Pennsylvania Workers Deserve More Respect Than Being Forced To ‘Donate’ Their Hard-Earned Dollars To Union Bosses To Fund Political Causes They May Oppose.” According to a statement from AFP-PA State Director Beth Anne Mumford on the committee passage of the paycheck protection bill, “Furthermore, Pennsylvania workers deserve more respect than being forced to ‘donate’ their hard-earned dollars to union bosses to fund political causes they may oppose. Workers deserve the freedom to decide which organizations best serve their interests and represent their political beliefs.” [AFP-PA Press Release, 2/23/15]

Mumford: “We Urge The Full House And Senate To Quickly Take Up And Pass These Bills And Advance Greater Freedom And Fiscal Responsibility In Pennsylvania.” According to a statement from AFP-PA State Director Beth Anne Mumford on the committee passage of the liquor privatization and the paycheck protection bills, “We urge the full House and Senate to quickly take up and pass these bills and advance greater freedom and fiscal responsibility in Pennsylvania.” [AFP-PA Press Release, 2/23/15]


AFP-Pennsylvania Blamed Public Employees For The Failings Of The State Government And Called Their Movement To Stifle The Political Voice Of Working Families The “Key Issue Facing The State”

AFP-PA State Director Considered Passing A Paycheck Protection Law, Which Would Make Unions Responsible For Collecting Dues And PAC Donations Rather Than Government Agencies, As The “Key Issue Facing The State.” According to the Pittsburgh Tribune-Review, “As for the conservative movement in Pennsylvania, Americans for Prosperity considers passing a paycheck protection law as the key issue facing the state, said Anna L. McCauslin, the Pennsylvania policy director for Americans for Prosperity, which is based in Arlington, Va. Paycheck protection bills under consideration in the state House and Senate would remove government agencies from deducting union dues from the paychecks of their members. Instead, the unions would be responsible for collecting these dues and political action committee donations. Supporters of the bills say the government should not be involved in facilitating unions in their political activity, while opponents claim it is aimed at hurting unions. ‘Until that linchpin falls, we're not going to be moving around to other issues,’ McCauslin said.” [Pittsburgh Tribune-Review, 9/10/14]

AFP-PA State Director: “Any Good Government Reform Is Being Opposed By The Public Sector Unions,” And “None Will See The Light Of Day” Without Paycheck Protection. According to the Pittsburgh Tribune-Review, “With money derived from union dues, public sector unions in the state have attempted to kill all the proposed reforms under consideration in Harrisburg, including the privatization of the state’s beer, wine and liquor sales, McCauslin said. ‘Any good government reform is being opposed by the public sector unions,’ and ‘none will see the light of day’ without paycheck protection, McCauslin said.” [Pittsburgh Tribune-Review, 9/10/14]

AFP-Pennsylvania: Paycheck Protection Legislation Failed Because Elected Officials “Put Politics Ahead Of Fiscal Prudence.” According to an AFP-Pennsylvania web post, “Americans for Prosperity – Pennsylvania, the state’s largest grassroots free market organization is releasing the following statement on today’s rejection of a paycheck protection
amendment to House Bill 803. The statement can be attributed to Beth Anne Mumford, State Director of Americans for Prosperity Pennsylvania. ‘We applaud Senator Wagner’s paycheck protection amendment that was offered today to House Bill 803. Senator Wagner believes, as we do, that Pennsylvania citizens should be free to engage in the political process as they choose rather than be forced to support political speech that does not reflect their values. It is disappointing that so many of our elected officials would put politics ahead of fiscal prudence and reject this amendment which could put the Pennsylvania government out of the dues collection business.’” [AmericansForProsperity.org, 10/15/14]

**AFP-Pennsylvania Claimed Their Efforts To Diminish The Political Voice Of Working Families Was Simply Ending A “Special Privilege” And That It Wouldn’t Effect Union Membership**

AFP-Pennsylvania State Director Jennifer Stefano: “Unions Are The Only Ones Who Get The Government’s Help To Collect Their Dues.” According to an AFP-Pennsylvania web post, “AFP-PA State Director Jennifer Stefano released the following statement: […] ‘Our activists are tired of it, and so is the public. The fact of the matter is, unions are the only ones who get the government’s help to collect their dues. AFP doesn’t get that help, the Sierra Club doesn’t, the NRA doesn’t— nobody does.’” [AmericansForProsperity.org, 2/25/15]

- **Stefano: Removing The Collection Of Union Dues From Paychecks Would Simply End A “Special Privilege And Status Under The Law.”** According to an AFP-Pennsylvania web post, “AFP-PA State Director Jennifer Stefano released the following statement: […] ‘Until the General Assembly puts an end to the government collection of union dues and political action money, the working families and taxpayers of this Commonwealth are losing out. AFP has been at the tip of the spear when it comes to getting this issue on the agenda, and it’s clear union chapters in Pennsylvania are beginning to feel the heat. What we’re asking for is reasonable: an end to their special privilege and status under the law.’” [AmericansForProsperity.org, 2/25/15]

- **Stefano: Removing The Collection Of Union Dues From Paychecks “Doesn’t Effect Union Membership.”** According to an AFP-Pennsylvania web post, “AFP-PA State Director Jennifer Stefano released the following statement: […] ‘What we’re asking for is reasonable: an end to their special privilege and status under the law. It doesn’t effect [ii]union membership or the laws that require workers to join a particular union. There’s no need for this type of abuse and thuggery towards activists just trying to have a say. Let me make this clear one more time: shouting us down and trying to intimidate us will not work.’” [AmericansForProsperity.org, 2/25/15]

**COMMONWEALTH FOUNDATION ALSO JOINED THE EFFORT TO DEFUND PUBLIC UNIONS AND WEAKE THE POLITICAL VOICE OF WORKING FAMILIES**

Commonwealth Foundation: “Paycheck Protection Would End The Conflict Of Interest That Exists When Elected Officials Oversee Public Resources That Collect Government Union Political Money,” Which Can Be Spent On Their Campaigns. According to a press release by the Commonwealth Foundation, “Paycheck protection would end the conflict of interest that exists when elected officials oversee public resources that collect government union political money— money which can be sent right back to the same officials at election time.” [Commonwealth Foundation, 10/14/15]

- **Commonwealth Foundation: Campaign Contributions By Government Unions “Essentially” Makes “Taxpayers An Unwilling Third Party In Furthering Government Union Leaders’ Political Agendas.”** According to a press release by the Commonwealth Foundation, “In the latest election cycle, 10 government unions gave more than $10 million in campaign contributions to political candidates. That money was funneled through public payroll systems, essentially making taxpayers an unwilling third party in furthering government union leaders’ political agendas.” [Commonwealth Foundation, 10/13/15]

Commonwealth Foundation President Matthew Brouillette: It Is “Improper For Taxpayer Resources To Be Used For Political Purposes” No Matter The Cost. According to Penn Live, “For many of the experts who gave testimony, the issue of paycheck protection is moral rather than fiscal. […] ‘Even if the cost to the taxpayers were zero — which it isn't — it is still improper for taxpayer resources to be used for political purposes,’ said Matthew Brouillette, president of the Commonwealth Foundation, a Harrisburg-based conservative policy advocacy group.” [Penn Live, 6/5/14]
The Commonwealth Foundation Signed An Amicus Brief To The U.S. Supreme Court “Which Argues Public Sector Unions Should Not Be Supported Through Coercive Government Mandate But Only Through Employees’ Free Choice.” According to a press release by the Commonwealth Foundation, “To help restore Pennsylvania public employees' rights, the Commonwealth Foundation has signed on to an amicus brief to the U.S. Supreme Court which argues public sector unions should not be supported through coercive government mandate but only through employees’ free choice.” [Commonwealth Foundation, 9/16/15]

ATTACKS ON THE POLITICAL VOICE OF PENNSYLVANIA WORKING FAMILIES HAVE AMOUNTED TO LITTLE MORE THAN UNION-BUSTING

Payroll Deductions For Working Families Represented By Unions Are No Different Than Any Other Type Of Paycheck Deduction – But Are Being Singled Out By Republicans And Koch-Backed Groups

Democratic Lawmakers In The Pennsylvania House Argued That “Unions’ Use Of Government Payroll Deductions To Collect Dues Is No Different Than Other Deductions.” According to Penn Live, “Unions' use of government payroll deductions to collect dues is no different than other deductions made from employee paychecks, Democratic lawmakers argued at a Thursday House committee hearing on a bill to ban that activity. While the Republican bill would not touch any other types of deductions from public employee payrolls, Rep. Jordan Harris, D-Philadelphia said that other types of deductions could go toward lobbying efforts.” [Penn Live, 6/5/14]

- The Bill Introduced By Republicans “Would Not Touch Any Other Types Of Deductions From Public Employee Payrolls” Even Though They Could Be Used For “Lobbying Efforts.” According to Penn Live, “Unions' use of government payroll deductions to collect dues is no different than other deductions made from employee paychecks, Democratic lawmakers argued at a Thursday House committee hearing on a bill to ban that activity. While the Republican bill would not touch any other types of deductions from public employee payrolls, Rep. Jordan Harris, D-Philadelphia said that other types of deductions could go toward lobbying efforts.” [Penn Live, 6/5/14]

Membership Dues That Working Pennsylvanians Pay Through Their Paychecks Are Not Used By Unions’ Political Action Committees

A Joint Statement To The Pennsylvania House By Pennsylvania Labor Unions Explained That Dues “Collected By Government Agencies Do Not Go Toward Political Action Committees.” According to Penn Live, “The groups — including the American Federation of State County and Municipal Employees Council 13, the Pennsylvania AFL-CIO and the Pennsylvania State Education Association, among others — said union dues collected by governmental agencies do not go toward contributions to political action committees to support a candidate directly. Only voluntary contributions made directly by members do.” [Penn Live, 6/5/14]

- “Only Voluntary Contributions Made Directly By Members” Are Used By Unions’ Political Action Committees. According to Penn Live, “The groups — including the American Federation of State County and Municipal Employees Council 13, the Pennsylvania AFL-CIO and the Pennsylvania State Education Association, among others — said union dues collected by governmental agencies do not go toward contributions to political action committees to support a candidate directly. Only voluntary contributions made directly by members do.” [Penn Live, 6/5/14]

Pennsylvania Has The Option To Bill Public Employee Unions For Any Costs Associated With Working Families Making Contributions To The Political Action Committees That Represent Them, But The State Has Never Submitted A Bill

The State Of Pennsylvania Has Been Able To Charge AFSCME Council 13 “For The Cost Of Deducting Political Action Committee Contributions Since 1988,” According to Penn Live, “The state has had the option of billing AFSCME Council 13 for the cost of deducting political action committee contributions since 1988, according to the union statement. ‘To date the Commonwealth has never issued a bill for this service,’ it states. ‘If these deductions truly placed a substantial
burden on the taxpayer we highly doubt that AFSCME would not have been billed for more than 25 years.” [Penn Live, 6/5/14]

- **The State Of Pennsylvania Had Never “Issued A Bill For This Service” Making It Unlikely That It “Truly Placed A Substantial Burden On The Taxpayer.”** According to Penn Live, “The state has had the option of billing AFSCME Council 13 for the cost of deducting political action committee contributions since 1988, according to the union statement. ‘To date the Commonwealth has never issued a bill for this service,’ it states. ‘If these deductions truly placed a substantial burden on the taxpayer we highly doubt that AFSCME would not have been billed for more than 25 years.’” [Penn Live, 6/5/14]

- **The Cost Of These Deductions To Pennsylvania Taxpayers Was Less Than “$100 A Year On Those Transactions.”** According to Penn Live, “The state has had the option of billing AFSCME Council 13 for the cost of deducting political action committee contributions since 1988, according to the union statement. ‘To date the Commonwealth has never issued a bill for this service,’ it states. ‘If these deductions truly placed a substantial burden on the taxpayer we highly doubt that AFSCME would not have been billed for more than 25 years.’ State Treasurer Rob McCord wrote in a letter to Democratic lawmakers Wednesday that the state spends less than $100 a year on those transactions.” [Penn Live, 6/5/14]

THE KOCH-AFFILIATED FAIRNESS CENTER FILED A LAWSUIT TO PREVENT TEACHERS WORKING FOR THE PHILADELPHIA TEACHERS UNION FROM ACCRUING SENIORITY AND RECEIVING BENEFITS

Franklin Center For Government & Public Integrity: The Fairness Center Filed A Lawsuit Aiming “To Dismantle Language In The Teachers' Contract With The School District Of Philadelphia That Allows Teachers To Take Positions With The Union And Continue To Earn Wages And Seniority From The District.” According to the Franklin Center for Government & Public Integrity, “A lawsuit filed in Philadelphia County Court is taking aim at the practice of using so-called 'ghost teachers' to work for the local teachers union on school time. […] The Fairness Center aims to dismantle language in the teachers’ contract with the School District of Philadelphia that allows teachers to take positions with the union and continue to earn wages and seniority from the district.” [Franklin Center for Government & Public Integrity, 2/26/15]

Fairness Center Assistant General Counsel Nate Bohlander: “Schools Should Be Paying For Education, Not For Union Work…Philadelphia's Ghost Teachers Cost The State Around $1 Million In Pension Payments Since 2003.” According to the Franklin Center for Government & Public Integrity, “Philadelphia’s ghost teachers cost the state around $1 million in pension payments since 2003,’ Bohlander said, though the Pennsylvania Public School Employees’ Retirement System could not confirm a financing gap connected to ghost teachers.” [Franklin Center for Government & Public Integrity, 4/21/15]

- **Franklin Center: “The Pennsylvania Public School Employees’ Retirement System Could Not Confirm A Financing Gap Connected To Ghost Teachers.”** According to the Franklin Center for Government & Public Integrity, “Philadelphia’s ghost teachers cost the state around $1 million in pension payments since 2003,’ Bohlander said, though the Pennsylvania Public School Employees’ Retirement System could not confirm a financing gap connected to ghost teachers.” [Franklin Center for Government & Public Integrity, 4/21/15]

The Fairness Center's Lawsuit Was Dismissed Due To Lack Of Standing

Philadelphia Inquirer: The Fairness Center’s Lawsuit Against The PFT Was Dismissed Because The Group It Represented “Did Not Have Standing To Pursue Its Complaint.” According to the Philadelphia Inquirer, “A Common Pleas Court judge this week dismissed a lawsuit against the Philadelphia School District and its teachers' union that tried to end a long-held practice of allowing union employees to remain on the public payroll. Judge Linda Carpenter ruled Wednesday that the Harrisburg-based group Americans for Fair Treatment did not have standing to pursue its complaint.” [Philadelphia Inquirer, 7/26/15]
Philadelphia Federation Of Teachers Spokesman George Jackson: PFT Reimburses The Philadelphia School District “100 Percent…For Whatever Salary Benefit Cost They Incur.” According to the Franklin Center for Government & Public Integrity, “In the contract between the Philadelphia Federation of Teachers and the School District of Philadelphia, a provision exists creating an arrangement that allows teachers to work for the union full-time. […] ‘We reimburse them 100 percent,’ PFT spokesman George Jackson told Watchdog, ‘for whatever salary benefit cost they incur.’ The PFT is billed monthly, he said.” [Franklin Center for Government & Public Integrity, 2/26/15]

Pennsylvania Public School Employees’ Retirement Program: Allowing Public School Teachers To Work For Teachers Unions Doesn't Appear To Have Resulted In A Pension Gap. According to the Franklin Center for Government & Public Integrity, “The Fairness Center says no evidence exists the state has been reimbursed for public pension costs, amounting to $1 million since 1999; the Pennsylvania Public School Employees’ Retirement Program told Watchdog the practice does not seem to have contributed to a pension gap.” [Franklin Center for Government & Public Integrity, 2/26/15]

The Commonwealth Foundation, Whose CEO Serves On The Fairness Center's Board, Supported The Lawsuit, And Cheered A PA House Bill That Would Legislate The Changes The Lawsuit Failed To Bring About


- NewsWorks: The Commonwealth Foundation “Has Previously Received Funding Form The Donors Capital Fund, A Koch Brothers Affiliate, And The Charles G. Koch Foundation.” According to NewsWorks, “Matthew J. Brouillette, CEO of the Commonwealth Foundation, a conservative think tank and lobbying group in Harrisburg, is on the board of the Fairness Center. That foundation has previously received funding from the Donors Capital Fund, a Koch brothers affiliate, and the Charles G. Koch Foundation.” [NewsWorks, 2/25/15]

Brouillette: “Union Leaders Are Abusing Public Resources By Taking These Ghost Teachers Out Of The Classroom To Staff Their Own Organizations…It's A Breach Of Public Trust.” According to the Commonwealth Foundation, “Union leaders are abusing public resources by taking these ghost teachers out the classroom to staff their own organizations—all on the taxpayer’s dime,’ commented Matthew Brouillette, president and CEO of the Commonwealth Foundation and former history teacher. ‘This is a disservice to our students, it’s unfair to dedicated teachers, and it’s a breach of public trust.’” [Commonwealth Foundation, 10/20/15]

Commonwealth Foundation Community Liaison Brittney Parker: It’s “Shocking” That Philadelphia Federation Of Teachers President Jerry Jordan “Hasn't Set Foot In A Classroom Since Before I Was Born.” According to CBS, “Brittney Parker, Community Liaison for the Commonwealth Foundation, called for the end of the practice where school district personnel in Philadelphia can be transferred to work for their union. […] ‘It’s really shocking and most people haven’t heard of it. It’s a very well kept [sic] secret, but in Philadelphia, up to 63 district personnel, including teachers, can be removed from the school to work for the union at any given time.’” [CBS, 10/29/15]


- Brouillette: “This Legislation Is A No-Brainer: Unions Can Hire Their Own Employees – They Should Not Be Allowed To Cannibalize Classrooms To Staff Their Offices.” According to the Commonwealth Foundation, “Brouillette continued: […] ‘This legislation is a no-brainer: Unions can hire their own employees—they should not be allowed to cannibalize classrooms to staff their offices.’” [Commonwealth Foundation, 10/20/15]
Koch Groups Have Fought To Remove Pension Benefits For Pennsylvania’s Public Employees, Privatizing Retirement And Risking It On The Market

AFP-PENNSYLVANIA HAS FOUGHT TO END PENSIONS FOR PUBLIC EMPLOYEES, BLAMING THEM FOR THE STATE’S BUDGET WOES

AFP-Pennsylvania: The Pennsylvania Legislature Should Abandon The State Employee Pension System In Favor Of A 401(k) Plan. According to an AFP-Pennsylvania web post, “Americans for Prosperity – Pennsylvania is releasing the following statement regarding pension legislation proposed in the State House of Representatives: ‘Americans for Prosperity – Pennsylvania is encouraged that lawmakers are aware of the magnitude of the burden placed on Pennsylvania taxpayers by the Commonwealth’s antiquated and unsustainable pension system,’ said Anna McCauslin, Director of Policy of Americans for Prosperity – Pennsylvania. The only meaningful way to reform the system going forward is by putting new hires into a 401k-style defined contribution system.” [AmericansForProsperity.org, 6/17/14]

• AFP-PA: A 401(K) Plan Would “Ease The Burden On State Taxpayers.” According to an AFP-Pennsylvania web post, “House Bill 1353, currently drafted with printer’s number 1846 would place all new employees into a defined contribution plan. These 401k-style plans will give state employees the same kind of choice and control over their own retirement planning that private sector workers enjoy, and ease the burden on state taxpayers.” [AmericansForProsperity.org, 6/17/14]

AFP-Pennsylvania State Director Beth Anne Mumford: In Order For Pennsylvania To Resolve Its Budget Issues It Must First Change The State’s Pension System. According to an AFP-Pennsylvania web post, “Americans for Prosperity – Pennsylvania, the state’s largest grassroots free market organization, is releasing the following statement on today’s release of the mid-year budget briefing. The statement can be attributed to Beth Anne Mumford, State Director of Americans for Prosperity Pennsylvania. In order for Pennsylvania’s budget woes to be resolved, the Commonwealth’s pension crisis must first be addressed in a fiscally responsible manner, including ending the use of collars and other similar gimmicks; and adding a defined contribution component for future employees.” [AmericansForProsperity.org, 12/03/14]

Mumford Supported Moving State Workers Into A 401(K)-Style Retirement Plan. According to Penn Live, “So about those systemic problems? That’d mostly be the state’s roughly $45 billion pension knot. Mumford says she supports moving new employees into a 401(k)-style retirement plan, which majority Republicans and former Gov. Tom Corbett pushed to the top of the hill last year, only watch helplessly as it rolled down the other side without a vote.” [Penn Live, 2/10/15]

AFP-Pennsylvania: Governor Tom Wolf Is Hypocritical For Speaking About Fiscal Responsibility While Vetoing Pension Reform. According to an AFP-Pennsylvania web post, “Americans for Prosperity (AFP) Pennsylvania is disappointed in Governor Wolf for vetoing pension reform passed by the state legislature. The veto comes shortly after the Governor claimed that the state legislature’s budget, which he also vetoed, is fiscally irresponsible.” [AmericansForProsperity.org, 7/9/15]

Mumford: If Governor Wolf Wanted To Manage The State’s Finances He Would Address Pension Reform. According to an AFP-Pennsylvania web post, “Governor Wolf is throwing up his hands and refusing to work towards the very pension reform Pennsylvania urgently needs,” explained Beth Anne Mumford, Pennsylvania State Director of Americans for Prosperity. ‘Apparently Governor Wolf only talks about fiscal responsibility but is unwilling to do the real work of getting our finances in order. If he really wants to balance our budget, he could start by working with the state legislature to reduce spending, not vetoing urgently needed pension reform.” [AmericansForProsperity.org, 7/9/15]

Mumford: State’s “$50 Billion” Pension Liability Is “Crowding Out Spending For Other State Functions, Such As Transportation, Education, And Public Safety.” According to an opinion by AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “When the market crashed in 2007, the burden grew. We now owe a mind-boggling $50 billion, and it’s getting in the way of responsible government. That massive liability is crowding out spending for other state functions, such as transportation, education, and public safety.” [Beth Anne Mumford – Philadelphia Inquirer, 5/13/15]
Mumford: “Gov. Wolf Claims That His Proposed Tax Hikes Will Fix The Pension Liability. Yet The Revenue From The Governor's Tax Hikes On Hardworking Families Will Only Start To Pay A Fraction Of The $50 Billion.” According to an opinion by AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “Gov. Wolf claims that his proposed tax hikes will fix the pension liability. Yet the revenue from the governor's tax hikes on hardworking families will only start to pay a fraction of the $50 billion. Worse, raising taxes will hamper the very economic growth Pennsylvania needs.” [Beth Anne Mumford – Philadelphia Inquirer, 5/13/15]

Mumford: Costs Are Going Up Due To A “Pension Crisis.” According to CBS Philadelphia, “Mumford feels the bill does nothing to address the ‘real’ reasons why the costs are going up, primarily due to what she refers to as a ‘pension crisis’ that exists in the state. ‘Most of the school board increases that we see are to cover pension costs, and they’re exempted from any kind of cap on raising taxes because of those pension and health costs — really, the kind of things that are driving increased costs across the country both in private businesses and private organizations [is] the fact that we have unfunded pensions that need to be covered, the fact that health care costs keep going up. There is nothing in this legislation that deals with any of that. So, in the long term what we’re going to get are higher income taxes, higher sales taxes, and ultimately we’ll be right back up to higher property taxes. That’s not good for anybody.’” [CBS Philadelphia, 5/18/15]

- Mumford: “Unfunded Pensions That Need To Be Covered” Are “Driving Increased Costs Across The Country Both In Private Businesses And Private Organizations.” According to CBS Philadelphia, “Mumford feels the bill does nothing to address the ‘real’ reasons why the costs are going up, primarily due to what she refers to as a ‘pension crisis’ that exists in the state. ‘Most of the school board increases that we see are to cover pension costs, and they’re exempted from any kind of cap on raising taxes because of those pension and health costs — really, the kind of things that are driving increased costs across the country both in private businesses and private organizations [is] the fact that we have unfunded pensions that need to be covered, the fact that health care costs keep going up. There is nothing in this legislation that deals with any of that. So, in the long term what we’re going to get are higher income taxes, higher sales taxes, and ultimately we’ll be right back up to higher property taxes. That’s not good for anybody.’” [CBS Philadelphia, 5/18/15]

AFP-Pennsylvania State Director Beth Anne Mumford: If We Do Not Fix The $50 Billion Unfunded Pension Liability, All Tax Dollars Are “Going To Go Directly Into Funding Those Pensions.” According to CBS Philly, “She [AFP-Pennsylvania State Director Beth Anne Mumford] feels that Pennsylvania residents ‘should not be asked to send another penny to Harrisburg’ because raising taxes prevents lawmakers from having to make ‘the tough decisions’ on the budget such as dealing with pension reform. ‘We’ve got a $50 billion unfunded liability. That means that tax payers are on the hook for $50 billion to pay out future benefits for public sector pensions. What we need to be looking at are ways to reform that, because sixty cents of every new dollar that comes into Harrisburg is used to cover pension costs, and if we don’t get those under control, it’s not going to matter the money we’re sending to Harrisburg because all of that money is going to go directly into funding those pensions.’” [Philadelphia.CBSLocal.com, 6/8/15]

Mumford Stated That To Fix The Pension Problem, “The Focus Should Be On ‘Taking A Step Back’ And Determining Whether Or Not The Money Currently Being Spent Have Been Done So Wisely.” According to CBS Philly, “For [AFP-Pennsylvania State Director Beth Anne] Mumford, all of the conversations that lawmakers in Harrisburg are having are about ‘how do we raise taxes and get more money?’ but the focus should be on ‘taking a step back’ and determining whether or not the money currently being spent have been done so wisely.” [Philadelphia.CBSLocal.com, 6/8/15]

AFP-Pennsylvania Supported Senate Bill 1, Which Would End Pensions For Pennsylvania Public Employees And Replace It With A Riskyer 401K

AFP-PA State Director Beth Anne Mumford: “Every Senator Should Vote Yes On Senate Bill 1” To Deal With State’s “$50 Billion” Pension Obligation. According to an opinion by AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “You are on the hook to pay nearly $4,000 to the government in Harrisburg. That $4,000 is your share of the astounding $50 billion in unfunded pension payments for state public employee retirement plans - meaning promises the government has made that it cannot afford to keep. It’s a big obligation that worsens daily. Failing to deal with it means either massive tax increases or painful cuts to essential services like roads, schools, and police. Fortunately, the state Senate is stepping up, with plans this week to vote on legislation to ensure a sustainable retirement program for state workers. Every senator should vote yes on Senate Bill 1.” [Beth Anne Mumford – Philadelphia Inquirer, 5/13/15]
• Mumford: “S.B. 1 Improves The Calculation For Retirement Benefits So That It Favors Long-Term Employees Who Work Hard Over Those Who Might Game The System In Their Last Few Years.” According to an opinion by AFP-Pennsylvania State Director Beth Anne Mumford in The Philadelphia Inquirer, “Additionally, S.B. 1 improves the calculation for retirement benefits so that it favors long-term employees who work hard over those who might game the system in their last few years. Currently, retirees’ base pension is based on their average pay over their last three years of work. That formula incentivizes workers to drive up their average base pay by working lots of overtime right before retiring.” [Beth Anne Mumford – Philadelphia Inquirer, 5/13/15]

Mumford After The Passage Of SB 1: “On Behalf Of Americans For Prosperity's 180,000 Activists, We Thank The Pennsylvania Senate For Voting To Approve SB 1” Which Deals With The State’s “Pension Crisis.” According to a letter to the editor of the Pittsburgh Tribune-Review from AFP-Pennsylvania State Director Beth Anne Mumford, “On behalf of Americans for Prosperity's 180,000 activists, we thank the Pennsylvania Senate for voting to approve SB 1. The bill is a major step toward fixing the state's pension crisis and making sure the state can honor its obligations to workers and retirees and also fund other essential services.” [Beth Anne Mumford – Pittsburgh Tribune-Review, 5/30/15]

• Mumford On SB 1: The Pension Bill “Offers Some Of The Best Reforms That Have Been Offered Together In One Piece Of Legislation In Recent History.” According to a letter to the editor of the Pittsburgh Tribune-Review from AFP-Pennsylvania State Director Beth Anne Mumford, “On behalf of Americans for Prosperity's 180,000 activists, we thank the Pennsylvania Senate for voting to approve SB 1. The bill is a major step toward fixing the state's pension crisis and making sure the state can honor its obligations to workers and retirees and also fund other essential services. As currently written, this bill offers some of the best reforms that have been offered together in one piece of legislation in recent history.” [Beth Anne Mumford – Pittsburgh Tribune-Review, 5/30/15]

• Mumford: “The Reforms In SB 1 Include Placing All New Employees, Including General Assembly Members And Staffers, Into A Defined- Contribution System.” According to a letter to the editor of the Pittsburgh Tribune-Review from AFP-Pennsylvania State Director Beth Anne Mumford, “The reforms in SB 1 include placing all new employees, including General Assembly members and staffers, into a defined-contribution system.” [Beth Anne Mumford – Pittsburgh Tribune-Review, 5/30/15]

• Mumford: Defined- Contri$°bution System “Is Touted By Policy Analysts As Having The Greatest Impact On Reducing The State's Total Pension Liability While Giving Workers More Control Over Their Retirement.” According to a letter to the editor of the Pittsburgh Tribune-Review from AFP-Pennsylvania State Director Beth Anne Mumford, “The reforms in SB 1 include placing all new employees, including General Assembly members and staffers, into a defined-contribution system. This reform is touted by policy analysts as having the greatest impact on reducing the state’s total pension liability while giving workers more control over their retirement.” [Beth Anne Mumford – Pittsburgh Tribune-Review, 5/30/15]

PUBLIC EMPLOYEE PENSIONS HAVE BEEN PROVEN TO BE BETTER ABLE TO ABSORB THE RISKS OF MARKET FLUCTUATIONS AND PROVIDE RETIREMENT SECURITY FOR WORKING FAMILIES

Defined Benefit Retirement Plans Are Able To Maintain A High Risk Asset Allocation While Defined Contribution Plans Must Adjust To Lower Risk Investments As They Age. According to a study by the National Institute on Retirement Security, “However, DB plans are inherently more cost-efficient than DC plans. […] DB pensions are able to maintain portfolio diversification—specifically, stay invested in equities—over time, while DC participants must shift to lower-risk, lower-return investments as they age. Thus over a lifetime, DB pensions earn higher gross investment returns than do DC accounts.” [National Institute on Retirement Security, 12/2014]

Defined Benefit Retirement Plans Have Low Management Fees Due To Their Sheer Size Resulting In A Higher Return On Investment. According to a study by the National Institute on Retirement Security, “However, DB plans are inherently more cost-efficient than DC plans. […] Due to economies of scale, DB plans feature low investment and administrative expenses as well as management of investments by professionals. An ‘ideal’ DC plan can theoretically achieve
the same fees and investment returns, for a given asset allocation, by removing individual choice. When we use more realistic assumptions—industry average fees and a modest ‘behavioral drag’ on investment returns resulting from well-documented tendencies in individual investor behavior—we find that the DB plan has a large advantage in net investment returns. [National Institute on Retirement Security, 12/2014]

Defined Benefit Retirement Plans Provide “Equivalent Retirement Benefits” As Defined Contribution Plans At Half The Cost. According to a study by the National Institute on Retirement Security, “A typical DB plan provides equivalent retirement benefits at about half the cost of a DC plan, and 29 percent lower cost than an ‘ideal’ DC plan modeled with generous assumptions. A DB plan, modeled with the typical fees and asset allocation of a large public plan, has a 48 percent cost advantage compared to a typical individually directed DC plan. The DB pension costs 29 percent less than an ‘ideal’ DC plan that features the same low fees and no individual investor deficiencies.” [National Institute on Retirement Security, 12/2014]

The Koch Network Pushed To Eliminate A Mandate That Prevents Large Companies From Shortchanging Construction Workers

The Pennsylvania Prevailing Wage Act Prevented Out-Of-State Contractors From Stealing The State’s Construction Workers, And Ensured The Workers A Living Wage And Benefits

Pennsylvania Building Trades & Construction Council: The Prevailing Wage Law “Assures That Local Businesses…Will Not Be Victims Of Out Of State Contractors Or Unscrupulous Local Businesses That Refuse To Play By The Rules.” According to the Pennsylvania Building Trades & Construction Council, “The Prevailing Wage Law is simply a minimum wage law applicable to taxpayer financed public construction projects that assures that local businesses that pay local market based wages and benefits to their skilled construction workers will not be victims of out of state contractors or unscrupulous local businesses that refuse to play by the rules but still think they have a right to get money from Pennsylvania taxpayers.” [Pennsylvania Building Trades & Construction Council, 1/6/14]

Keystone Research Center: Prevailing Wage Laws Were Enacted “As A Check Against The Tendency Of The Construction Industry To Degenerate Into Destructive Wage And Price Competition” And “Lead To Poverty-Level Jobs.” According to the Keystone Research Center, “Construction industry prevailing wage laws have long operated nationally and in states as a check against the tendency of the construction industry to degenerate into destructive wage and price competition. Such competition can drive skilled and experienced workers from the industry, reduce productivity and quality, and lead to poverty-level jobs, all without saving construction customers any money.” [Keystone Research Center, accessed 1/15/16]

- Keystone Research Center: Repealing Prevailing Wage Laws Would Lead To “Lower Wages” And “Lower Health And Pension Coverage.” According to the Keystone Research Center, “Consistent with the original rationale for establishing prevailing laws, a rigorous body of economic research shows that their repeal leads to: less workforce training, a younger, less educated and less experienced workforce, higher injury rates, lower wages; and lower health and pension coverage.” [Keystone Research Center, accessed 1/15/16]

AFP – PENNSYLVANIA AND THE COMMONWEALTH FOUNDATION ADVOCATED ENDING THE PREVAILING WAGE MANDATES

AFP-PA Listed $1 Billion In Savings “Lost Because Of PA's Own Prevailing Wage Law” As “Questionable Spending” That Could Be Eliminated To Address The State's Budget Deficit. According to a graphic tweeted by AFP Pennsylvania, “Governor Wolf wants to raise YOUR taxes to cover PA’s budget deficit, but DOES HE NEED THE MONEY? We looked at recent spending decisions and the numbers don’t add up. […] PA’s questionable spending […] $1 BILLION in savings were lost because of PA’s own Prevailing Wage law (2012)” [AFP Pennsylvania – Twitter, 11/30/15]

According to the Commonwealth Foundation, “The anachronistic prevailing wage mandate limits the number of construction jobs in the state and unnecessarily increases costs for state government, local governments and school districts.” [Commonwealth Foundation, 4/1/15]


While Koch Groups Claim That Prevailing Wage Laws Impose A Financial Burden On The State, Research Shows That Increased Productivity Compensates For Higher Labor Costs

Keystone Research Center: “Research Also Reveals That Prevailing Wage Laws Do Not Raise Costs, Suggesting That The Positive Affect Of Higher Wages On Productivity Compensates For Higher Labor Costs.” According to the Keystone Research Center, “Research also reveals that prevailing wage laws do not raise costs, suggesting that the positive affect of higher wages on productivity compensates for higher labor costs.” [Keystone Research Center, accessed 1/15/16]

Keystone Research Center: “Claims By Opponents Of Prevailing Wage Laws” That The Laws Raise Construction Costs By 20-30% “Ignore Research On Real-World Experience…In States That Have Repealed Prevailing Wage Laws.” According to the Keystone Research Center, “Claims by opponents of prevailing wage laws that these laws raise costs by 20-30% ignore research based on real-world experience and ‘natural experiments’ in states that have repealed prevailing wage laws.” [Keystone Research Center, accessed 1/15/16]

Keystone Research Center: “To Generate Savings Of 20 To 30 Percent Would Require Employees To Work For Free In The Absence Of A Prevailing Wage Law, While Also Achieving The Same Level Of Productivity.” According to the Keystone Research Center, “To generate savings of 20 to 30 percent would require employees to work for free in the absence of a prevailing wage law, while also achieving the same level of productivity.” [Keystone Research Center, accessed 1/15/16]

AFP-Pennsylvania Criticized A March 2016 Executive Order By Gov. Tom Wolf To Raise The Minimum Wage For State Employees To $10.10

GOV. WOLF SIGNED AN EXECUTIVE ORDER TO RAISE THE MINIMUM WAGE FOR PENNSYLVANIA STATE WORKERS FROM $7.25 TO $10.15 PER HOUR

Pittsburgh Post-Gazette: Gov. Tom Wolf “Signed An Executive Order Requiring Pennsylvania State Workers Under His Jurisdiction And Employees Working On Future State Contracts To Be Paid At Least $10.15 An Hour.” According to the Pittsburgh Post-Gazette, “Gov. Tom Wolf on Monday signed an executive order requiring Pennsylvania state workers under his jurisdiction and employees working on future state contracts to be paid at least $10.15 an hour.” [Pittsburgh Post-Gazette, 3/7/16]

Pittsburgh Post-Gazette: The Order Amounted To A “40 Percent Raise For Any Affected Worker Earning The State’s Minimum Wage, Which At $7.25 Is Equal To The Federal Minimum.” According to the Pittsburgh Post-Gazette, “Gov. Tom Wolf on Monday signed an executive order requiring Pennsylvania state workers under his
jurisdiction and employees working on future state contracts to be paid at least $10.15 an hour. The order would mean a 40 percent raise for any affected worker earning the state’s minimum wage, which at $7.25 is equal to the federal minimum.” [Pittsburgh Post-Gazette, 3/7/16]

**AFP-PA DIRECTOR BETH ANNE MUMFORD CALLED EXECUTIVE ORDER “IRRESPONSIBLE”**

AFP-PA Director Beth Anne Mumford: Governor Wolf Was “Irresponsible” To Mandate A Minimum Wage Increase For State Employees; “What Our State Needs Is Not A New Mandate But Less Restrictions On Job-Creators.” According to a post on the Americans for Prosperity website, “Americans for Prosperity-Pennsylvania (AFP-PA) responded today to Governor Tom Wolf’s planned minimum wage executive order for state employees, pointing out that the Governor has not explained where the increased spending will come from, or how this will increase job opportunity for all Pennsylvanians. ‘Governor Wolf may think he’s helping low-wage workers, but what about the workers whose taxes will be raised to pay for this expensive new mandate?’ asked Beth Anne Mumford, PA state director of Americans for Prosperity. ‘What our state needs is not a new mandate but less restrictions on job-creators. It is irresponsible to mandate a minimum wage increase that all Pennsylvanians will be expected to pay for. Pennsylvanians can’t afford the government we have. Instead of forcing some employers to rob Peter to pay Paul more, Governor Wolf should be cutting the state’s corporate welfare, fixing our $50 billion unfunded pension crisis, and end his calls for billions in new spending paid for with taxes from hard-working Pennsylvanians.’” [Americans for Prosperity, 3/7/16]

**Mumford Called On Gov. Tom Wolf To “Explain His Planned Minimum Wage Executive Order For State Employees,” Advocating “Less Restrictions On Job-Creators” Instead Of An “Expensive New Mandate.”** According to a letter to the editor by AFP-PA director Beth Anne Mumford in the Pittsburgh Tribune-Review, “Americans for Prosperity-Pennsylvania (AFP-PA) believes Gov. Tom Wolf should explain his planned minimum wage executive order for state employees. At this point, the taxpayers don't know where the increased spending will come from, or how this will increase job opportunity for all Pennsylvanians. Gov. Wolf may think he's helping low-wage workers, but what about the workers whose taxes will be raised to pay for this expensive new mandate? What our state needs is not a new mandate, but less restrictions on job-creators. It is irresponsible to mandate a minimum wage increase for which all Pennsylvanians will be expected to pay. Pennsylvanians can't afford the government we have. Instead of forcing some employers to rob Peter to pay Paul more, the governor should be cutting the state's corporate welfare, fixing our $50 billion unfunded pension crisis and end his calls for billions in new spending paid for with taxes from hard-working Pennsylvanians.” [Beth Anne Mumford – Pittsburgh Tribune-Review, 3/12/16]

**KOCH GROUPS LED OPPOSITION TO THE EXPORT-IMPORT BANK, DESPITE ITS BILLIONS OF DOLLARS OF BENEFIT TO PENNSYLVANIA**

**AFP-Pennsylvania Opposed The Export-Import Bank Despite The Positive Economic Impact That It Has Had For Pennsylvania Small Businesses**

**AFP-PENNSYLVANIA PRAISED PENNSYLVANIA CONGRESS MEMBERS FOR OPPOSING THE EXPORT-IMPORT BANK, CALLING IT A CORPORATE SLUSH FUND**

AFP-Pennsylvania Praised Representative Scott Perry For Voicing Opposition To The Export-Import Bank. According to an AFP-Pennsylvania web post, “Americans for Prosperity today applauded Representative Scott Perry for publicly opposing reauthorization of the Export Import bank. In an op-ed today Representative Perry explained that the bank ‘subsidizes some of the wealthiest corporations in the world, often based solely on ideological political considerations.’” [AmericansForProsperity.org, 5/27/15]
AFP-Pennsylvania State Director Beth Anne Mumford: The Export-Import Bank Is “A Slush Fund For Corporate Welfare.” According to an AFP-Pennsylvania web post, “Americans for Prosperity Pennsylvania State Director Beth Anne Mumford provided the following statement: ‘We applaud Representative Perry for standing up for taxpayers against the special interests lobbying him to reauthorize the Export-Import bank. The Export-Import bank is nothing more than a slush fund for corporate welfare for politically connected corporations. Congress should not be in the business of picking economic winners and losers and subsidizing big corporations. It’s time to break the bank.’” [AmericansForProsperity.org, 5/27/15]

THE FEDERAL EXPORT-IMPORT BANK HAS SUPPORTED HUNDREDS OF SMALL BUSINESSES AND BILLIONS OF DOLLARS’ WORTH OF EXPORTS IN PENNSYLVANIA


- 206 Of The Pennsylvania Exporters Supported By The Export-Import Bank Were “Small Businesses.” According to the Export-Import Bank, 206 Pennsylvania small businesses were supported by the federal Export-Import Bank since 2007. [Export-Import Bank, Accessed 11/3/15]


Pennsylvania Business Council Leader David Patti Criticized Koch-Backed Senator Pat Toomey For His Opposition To The Export-Import Bank

Pennsylvania Business Council Leader David Patti: Pat Toomey Is Wrong On The Export-Import Bank, Which “Arch-Conservatives” Have Made Out To Be Corporate Welfare. According to the Pittsburgh Post-Gazette, “Many business leaders aren’t happy. ‘Pat Toomey is right on 99 out of 100 economic issues,’ said, David Patti, who heads the Pennsylvania Business Council. But ‘somehow the arch-conservatives have made this out to be corporate welfare.’” [Pittsburgh Post-Gazette, 11/11/15]

Pennsylvania Business Council Leader David Patti: The Export-Import Bank Is A “Necessary Evil” In A Global Economy. According to the Pittsburgh Post-Gazette, “‘Pat Toomey is right on 99 out of 100 economic issues,’ said, David Patti, who heads the Pennsylvania Business Council. But ‘somehow the arch-conservatives have made this out to be corporate welfare.’ Mr. Patti said that in a competitive global market, the bank was a necessary evil: ‘It’s like nuclear disarmament -- I’ll put down mine when they put down theirs.’” [Pittsburgh Post-Gazette, 11/11/15]

THE KOCH’S EFFORTS TO DISMANTLE HEALTHCARE FOR PENNSYLVANIANS

AFP-PA Fought Against Providing At Least 500,000 Of The Most Vulnerable Pennsylvanians With Health Care Coverage Though Medicaid Expansion

AFP – PENNSYLVANIA HAS CRITICIZED THE MEDICAID EXPANSION, SAYING THAT ENSURING PENNSYLVANIANS HAVE INSURANCE WOULD HARM THE STATE

AFP-Pennsylvania Claimed That The Most Vulnerable Pennsylvanians Were Harmed By The Insurance Offered Through Expanded Medicaid
AFP-PA: The Affordable Care Act Has “Worsened Outcomes For Our Most Vulnerable.” According to an AFP-Pennsylvania web post, “President Obama’s policies have done nothing to expand quality, patient-centered health care. What they have done is worsened outcomes for our most vulnerable and made it more difficult for them to get ahead.” [AmericansForProsperity.org, 1/30/14]

AFP-PA: Governor Tom Corbett’s Plan To Expand Medicaid In Pennsylvania Would “Hurt The Working Families And Businesses” In Pennsylvania. According to an AFP-Pennsylvania web post, “Expanding ObamaCare into Pennsylvania using the unsustainable Medicaid scheme as part of his ‘Healthy PA’ plan will only hurt the working families and businesses of our Commonwealth who need Governor Corbett to protect them from ObamaCare, not to expand this harmful law into our state.” [AmericansForProsperity.org, 2/24/14]

AFP-PA State Director On PA Medicaid Expansion: “Sadly, Governor Corbett Has Obligated Pennsylvania Taxpayers To Higher Long-Term Medicaid Spending Without Meaningful Reform At A Time Of Ongoing And Difficult Budget Challenges.” According to a press release from AFP-PA, “Americans for Prosperity – Pennsylvania, the state’s largest grassroots free market organization is releasing the following statement on the announcement that Medicaid Expansion is certain in the Commonwealth under ObamaCare. The statement can be attributed to Beth Anne Mumford, State Director of Americans for Prosperity Pennsylvania. We are disappointed that, in the end, Governor Corbett was unable to bring true Medicaid reform to Pennsylvania. […] Sadly, Governor Corbett has obligated Pennsylvania taxpayers to higher long-term Medicaid spending without meaningful reform at a time of ongoing and difficult budget challenges. Medicaid offers poor quality care to those who need it most. Expanding a broken and overburdened system is the wrong solution for Pennsylvania.” [AFP-PA Press Release, 8/29/14]

Mumford: “Medicaid Offers Poor Quality Care To Those Who Need It Most.” According to an AFP-Pennsylvania web post, “Medicaid offers poor quality care to those who need it most. Expanding a broken and overburdened system is the wrong solution for Pennsylvania. We should instead be seeking ways to identify healthcare reforms and health system innovations that can provide consumers with more marketplace choices to improve access to high quality care that meets their health needs at a lower cost.” [AmericansForProsperity.org, 8/29/14]


Mumford: “Our Poorest Residents Are Subject To Substandard Care Under Medicaid. Adding Even More Able-Bodied Adults... Will Only Increase The Strain On The System And Exacerbate The Existing Problems.” According to an AFP-Pennsylvania Press Release, “There is a big difference between healthcare funding and health outcomes, and Governor Wolf’s proposal will not improve the latter,” explained Beth Anne Mumford, PA state director of Americans for Prosperity. ‘Our poorest residents are subject to substandard care under Medicaid. Adding even more able-bodied adults to a program intended to serve our poorest residents will only increase the strain on the system and exacerbate the existing problems. We need to reform Medicaid to offer better outcomes at a lower cost, not add more people to the system.” [AFP-Pennsylvania Press Release, 2/9/15]

Mumford: “We Need To Reform Medicaid To Offer Better Outcomes At A Lower Cost, Not Add More People To The System.” According to an AFP-Pennsylvania Press Release, “There is a big difference between healthcare funding and health outcomes, and Governor Wolf’s proposal will not improve the latter,” explained Beth Anne Mumford, PA state director of Americans for Prosperity. ‘Our poorest residents are subject to substandard care under Medicaid. Adding even more able-bodied adults to a program intended to serve our poorest residents will only increase the strain on the system and exacerbate the existing problems. We need to reform Medicaid to offer better outcomes at a lower cost, not add more people to the system.” [AFP-Pennsylvania Press Release, 2/9/15]

Despite The Claims By AFP-Pennsylvania, Under The Expansion Of Medicaid Pennsylvania Has Simplified The Process By Which Residents, Many Of Whom Were Already Medicaid Eligible, Can Enroll In Medicaid, And Has Launched A Multi-Faceted Effort To Reform And Improve Its Healthcare Delivery System
Kaiser Foundation: Under The ACA And Medicaid Expansion The State Of Pennsylvania Made Efforts To “Streamline The Medicaid Application Process” And “Promote Increased Enrollment Among Individuals Who Were Already Eligible...Many Of Whom Are Children.” According to the Kaiser Foundation, “These simplifications, which included new requirements to streamline the Medicaid application process, were expected to promote increased enrollment among individuals who were already eligible for Medicaid or CHIP before the ACA but had not enrolled, many of whom are children. Between Summer 2013 and January 2015, Medicaid enrollment in Pennsylvania increased by almost 108,000 individuals. The majority of that increase (90,200 individuals) occurred between December 2014 and January 2015 as a result of the Medicaid expansion that took effect January 1, 2015 in Pennsylvania. Children account for a substantial share (51%) of total enrollment as of January 2015.” [Kaiser Foundation, 4/13/15]

• As Of April 2015, Pennsylvania Was “In The Process Of Reforming Its Delivery System To Support Provider Initiatives To Promote New Care Delivery Models And To Transform Payment Models.” According to the Kaiser Foundation, “Pennsylvania is in the process of reforming its delivery system to support provider initiatives to promote new care delivery models and to transform payment models to multi-payer approaches with patient, provider and payer interest. In February 2013, Pennsylvania was awarded a $1.5 million State Innovation Model (SIM) Model Design grant by CMS to develop a State Health Care Innovation Plan to improve care quality and reduce costs for patients, and to emphasize population health management and coordination with public health and social supports. Implementing new payment models, such as Accountable Provider Organizations (APO) and Patient-Centered Medical Homes (PCMH), will allow the state to provide ‘super-utilizer’s with the appropriate services through community-based care teams. Pennsylvania will expand its use of telemedicine to bring outpatient and inpatient care to underserved and rural parts of the state and health information technology and data usage to improve provider performance, allow insurers to track accountability and modify payment, and inform consumer’s provider choices.” [Kaiser Foundation, 4/13/15]

AFP-Pennsylvania Urged Governor Corbett To Reject Federal Funding To Expand Medicaid Coverage In The State

AFP-Pennsylvania State Director Beth Mumford: The Expansion Of Medicaid In Pennsylvania Is Disappointing Since Federal Mandates “Make It Impossible For Any State To Implement Meaningful Reforms To The Program.” According to an AFP-Pennsylvania web post, “Americans for Prosperity – Pennsylvania, the state’s largest grassroots free market organization is releasing the following statement on the announcement that Medicaid Expansion is certain in the Commonwealth under ObamaCare. The statement can be attributed to Beth Anne Mumford, State Director of Americans for Prosperity Pennsylvania. ‘We are disappointed that, in the end, Governor Corbett was unable to bring true Medicaid reform to Pennsylvania. While Medicaid reform is necessary to ensure a sound fiscal future, federal mandates under ObamaCare make it impossible for any state to implement meaningful reforms to the program.’” [AmericansForProsperity.org, 8/29/14]

• Mumford: The Private Option Found In The Proposed Healthy Pennsylvania Plan “Is Medicaid Expansion By Another Name.” According to an AFP-Pennsylvania web post, “‘The so-called ‘Private Option’ contained in the Healthy PA plan is Medicaid expansion by another name. When an entity is told what products to offer, what to charge and who can receive those products it ceases being a private entity. Sadly, Governor Corbett has obligated Pennsylvania taxpayers to higher long-term Medicaid spending without meaningful reform at a time of ongoing and difficult budget challenges.”” [AmericansForProsperity.org, 8/29/14]

Mumford: Governor Tom Corbett's Medicaid Expansion Will Cause Private Insurance Companies To Cease “Being A Private Entity.” According to The Wayne Independent, “‘We are disappointed that, in the end, Governor Corbett was unable to bring true Medicaid reform to Pennsylvania,’ said Beth Anne Mumford, state director of AFP. ‘While Medicaid reform is necessary to ensure a sound fiscal future, federal mandates under ObamaCare make it impossible for any state to implement meaningful reforms to the program. The so-called “Private Option” contained in the Healthy PA plan is Medicaid expansion by another name. When an entity is told what products to offer, what to charge and who can receive those products it ceases being a private entity.’” [Wayne Independent, 8/30/14]

Mumford Advocated For Privatizing Medicaid, Saying That Rather Than Expanding Medicaid, Pennsylvania Should Instead “Provide Consumers With More Marketplace Choices.” According to The Wayne Independent, “She [State Director Beth Anne Mumford] added Healthy PA will obligate Pennsylvanian taxpayers to higher long-term Medicare spending without meaningful reform at a time of ongoing and difficult budget challenges. Medicaid offers poor quality care to
those who need it most,’ Mumford explained. ‘Expanding a broken and overburdened system is the wrong solution for Pennsylvania. We should instead be seeking ways to identify healthcare reforms and health system innovations that can provide consumers with more marketplace choices to improve access to high quality care that meets their health needs at a lower cost.’” [Wayne Independent, 8/30/14]

**Mumford On Medicaid Expansion: “Adding Even More Able-Bodied Adults To A Program Intended To Serve Our Poorest Residents Will Only Increase The Strain On The System And Exacerbate The Existing Problems.”**

According to the Pittsburgh Tribune-Review, “In a major shift from the path set by his GOP predecessor, Democratic Gov. Tom Wolf on Monday moved toward full Medicaid expansion, saying his plan provides poor people with greater access to insurance. […] ‘Our poorest residents are subject to substandard care under Medicaid. Adding even more able-bodied adults to a program intended to serve our poorest residents will only increase the strain on the system and exacerbate the existing problems,’ said Beth Anne Mumford, state director of Americans for Prosperity. ‘We need to reform Medicaid to offer better outcomes at a lower cost, not add more people to the system.’” [Pittsburgh Tribune-Review, 2/9/15]

**PENNSYLVANIA’S MEDICAID EXPANSION INCREASED THE NUMBER OF PENNSYLVANIANS WITH HEALTH COVERAGE AND HAD A POSITIVE ECONOMIC IMPACT**

**Pennsylvania’s Medicaid Expansion Would Increase The Number Of Pennsylvanians With Health Coverage By As Many As 500,000**

A Study Commissioned By The Hospital And Healthsystem Association Of Pennsylvania Found That “All But 5 Percent Of Nonelderly Pennsylvanians…Will Have Insurance Coverage” Under Medicaid Expansion. According to a Hospital and Healthsystem Association of Pennsylvania study by the Rand Corporation, “With the Medicaid expansion, the model estimates that in 2016 all but 5 percent of nonelderly Pennsylvanians (about 500,000 people) will have insurance coverage, compared with 13 percent (about 1,330,000 people) who would be uninsured under pre-ACA policies, and 8 percent (about 850,000) with the ACA but without the expansion of Medicaid.” [Rand Corporation, Accessed 11/3/15]

- **Under “Pre-ACA Policies” 13 Percent Of Pennsylvanians Would Go Without Adequate Health Coverage.**
  According to a Hospital and Healthsystem Association of Pennsylvania study by the Rand Corporation, “With the Medicaid expansion, the model estimates that in 2016 all but 5 percent of nonelderly Pennsylvanians (about 500,000 people) will have insurance coverage, compared with 13 percent (about 1,330,000 people) who would be uninsured under pre-ACA policies, and 8 percent (about 850,000) with the ACA but without the expansion of Medicaid.” [Rand Corporation, Accessed 11/3/15]

- **With ACA Policies, But Without Medicaid Expansion, 8 Percent Of Pennsylvanians Would Not Have Insurance Coverage.**
  According to a Hospital and Healthsystem Association of Pennsylvania study by the Rand Corporation, “With the Medicaid expansion, the model estimates that in 2016 all but 5 percent of nonelderly Pennsylvanians (about 500,000 people) will have insurance coverage, compared with 13 percent (about 1,330,000 people) who would be uninsured under pre-ACA policies, and 8 percent (about 850,000) with the ACA but without the expansion of Medicaid.” [Rand Corporation, Accessed 11/3/15]

**Kaiser Foundation: Medicaid Expansion Extended Health Care Coverage To “An Estimated 500,000 Low-Income Uninsured Adults” In Pennsylvania.** According to the Kaiser Foundation, “Pennsylvania is one of 29 states currently adopting the ACA Medicaid expansion, which extends Medicaid coverage to an estimated 500,000 low-income uninsured adults in the state. While most states implemented the Medicaid expansion on January 1, 2014, former Governor Tom Corbett implemented the Medicaid expansion during 2014 through a Section 1115 demonstration called Healthy Pennsylvania.” [Kaiser Family Foundation, 4/13/15]

**Pennsylvania’s Medicaid Expansion Would Have An Economic Benefit For The State**

**Medicaid Expansion “Would Result In $2.5 Billion More In Federal Funds” For Pennsylvania Than It Would Without The Medicaid Expansion.** According to a Hospital and Healthsystem Association of Pennsylvania study by the
Rand Corporation, “In 2016, federal inflows are estimated at $4.7 billion without Medicaid expansion as opposed to $7.2 billion with expansion. Therefore, Medicaid expansion would result in $2.5 billion more in federal funds to Pennsylvania.” [Rand Corporation, Accessed 11/3/15]

**THE KOCHS’ EFFORTS TO CO-OPT PENNSYLVANIA’S HIGHER EDUCATION SYSTEM FOR THEIR OWN FINANCIAL AND POLITICAL GAIN**

The Charles Koch Institute Has Donated Funds To Pennsylvania Universities In An Attempt To Align Curriculums With Their Self-Serving Ideologies

**THE CHARLES KOCH FOUNDATION DONATED FUNDS TO SUPPORT A LIBERTARIAN-LEANING PROGRAM AT THE UNIVERSITY OF PENNSYLVANIA**

Daily Pennsylvanian: The Charles Koch Foundation Donated $5,000 To The University Of Pennsylvania “To Support The PPE Freedom Lecture Series, A Libertarian-Leaning Program Which Looks To Analyze The Meaning Of Freedom.” According to the Daily Pennsylvanian, “Vice President for University Communications Stephen MacCarthy confirmed the $5,000 grant from the Charles Koch Foundation to support the PPE Freedom Lecture series, a libertarian-leaning program which looks to analyze the meaning of freedom by bringing in speakers, hosted by the Philosophy, Politics, and Economics Department.” [Daily Pennsylvanian, 1/15/15]

Daily Pennsylvanian: The Institute For Humane Studies “Is Now Responsible For The Ongoing Funding Of The PPE Lecture Series.” According to the Daily Pennsylvanian, “The enforcement of a conservative political agenda appears to be the theme of the Kochs’ education spending. At George Mason University, the Kochs have poured in $8.49 million, partly to set up the Institute for Humane Studies — which specializes in researching the ‘practice and potentials of freedom’ — and is now responsible for the ongoing funding of the PPE Freedom Lectures, which has started at an additional $4,000, said [PPE Professor Sebastiano] Bavetta. The chairman of the Institute’s board is none other than Charles Koch himself.” [Daily Pennsylvanian, 1/15/15]

- Daily Pennsylvanian: “The Kochs Have Poured In $8.49 Million” To George Mason University, “Partly To Set Up The Institute For Humane Studies;” David Koch Serves As Chairman Of The Institute’s Board. According to the Daily Pennsylvanian, “At George Mason University, the Kochs have poured in $8.49 million, partly to set up the Institute for Humane Studies — which specializes in researching the ‘practice and potentials of freedom’ — and is now responsible for the ongoing funding of the PPE Freedom Lectures, which has started at an additional $4,000, said Bavetta. The chairman of the Institute’s board is none other than Charles Koch himself.” [Daily Pennsylvanian, 1/15/15]

**PENN STATE HAS RECEIVED OVER $70,000 FROM KOCH AFFILIATED FOUNDATIONS SINCE 2005**


Daily Collegian: PSU President Eric Barron, While Serving As President At Florida State University, “Was A Signee On” A $1.5 Million Donor Agreement With The Koch Foundation In 2013 To “Promote Research And Economic Education Focused On Free-Market Principles.” According to the Daily Collegian, “In 2008, Florida State University entered into a contract to receive $1.5 million in donations over the course of six years from the Charles G. Koch Foundation,
according to the Wall Street Journal. […] Specifically, the contract called for the funds to be used to promote research and economic education focused on free-market enterprise. […] On March 3, 2013 Barron was a signee on a new donor agreement with the Koch Foundation that changed the language of the original 2008 agreement. This new agreement specifies that the university must identify an alternative source of funding for new hires, so that they are not contingent upon donor approval.” [Daily Collegian, 4/27/15]

- Daily Collegian: The 2013 Contract “Changed The Language Of The Original 2008 Agreement” By Specifying That New Hires Should Not Be “Contingent Upon Donor Approval.” According to the Daily Collegian, “On March 3, 2013 Barron was a signee on a new donor agreement with the Koch Foundation that changed the language of the original 2008 agreement. This new agreement specifies that the university must identify an alternative source of funding for new hires, so that they are not contingent upon donor approval.” [Daily Collegian, 4/27/15]

KOCH FOUNDATIONS DONATED AT LEAST $19 MILLION IN 2013 TO PUBLIC AND PRIVATE UNIVERSITIES IN AN ATTEMPT TO INFLUENCE CURRICULUM, ADVANCE THE KOCH’S LIBERTARIAN IDEOLOGIES AND GATHER INFORMATION ABOUT STUDENTS

The Kochs Believe That The Most Effective Way To Further Their Beliefs Is To Indoctrinate College Students

Center For Public Integrity: Kevin Gentry, “A Top Lieutenant” Of The Koch Network, Told Koch Confab Attendees That Political Success “Begins With Reaching Young Minds In College Lecture Halls.” According to the Center for Public Integrity, “Last year, a top lieutenant of Charles and David Koch’s vast network of philanthropic institutions, laid bare the billionaire brothers’ strategy to evangelize their gospel of economic freedom. Political success, Kevin Gentry told a crowd of elite supporters attending the annual Koch confab in Dana Point, Calif., begins with reaching young minds in college lecture halls, thereby preparing bright, libertarian-leaning students to one day occupy the halls of political power.” [Center for Public Integrity, 10/30/15]

Koch Foundations Donated At Least $19 Million To Colleges In 2013

CPI: Two Charitable Foundations Lead By Charles Koch “Spread More Than $19.3 Million Across 210 College Campuses In 46 States And The District Of Columbia During 2013.” According to the Center for Public Integrity, “During 2013, a pair of private charitable foundations Charles Koch leads and personally bankrolls combined to spread more than $19.3 million across 210 college campuses in 46 states and the District of Columbia, according to a Center for Public Integrity analysis of Internal Revenue Service tax filings.” [Center for Public Integrity, 10/30/15]

- CPI: “That Represents A Significant Increase From The $12.7 Million The Koch Foundations Distributed Among 163 College Campuses In 41 States” And DC During 2012. According to the Center for Public Integrity, “During 2013, a pair of private charitable foundations Charles Koch leads and personally bankrolls combined to spread more than $19.3 million across 210 college campuses in 46 states and the District of Columbia, according to a Center for Public Integrity analysis of Internal Revenue Service tax filings. That represents a significant increase from the $12.7 million the Koch foundations distributed among 163 college campuses in 41 states and the District of Columbia during 2012.” [Center for Public Integrity, 10/30/15]

Requirements For Koch Funding Included Access To Valuable Student Data And Surrendering Academic Control Of Koch-Funded Courses

CPI: Documents From The College Of Charleston Showed The Charles Koch Foundation “Wanted Information About Students It Could Potentially Use For Its Own Benefit.” According to the Center for Public Integrity, “At the College of Charleston in South Carolina, for example, documents show the foundation wanted more than just academic excellence for its money. It wanted information about students it could potentially use for its own benefit — and influence
The Charles Koch Foundation Wanted “Names And Email Addresses” Of Any Student “Who Participated In A Koch-Sponsored Class, Reading Group, Club Or Fellowship.” According to the Center for Public Integrity, “It sought, for one, the names and email addresses — ‘preferably not ending in .edu’ — of any student who participated in a Koch-sponsored class, reading group, club or fellowship. The stated purpose: ‘to notify students of opportunities’ through both the Charles Koch Foundation and the Institute for Humane Studies at George Mason University.” [Center for Public Integrity, 10/30/15]

A Memorandum Of Understanding Signed By Florida State University And The Charles Koch Foundation Required FSU To Allow CKI “To Review And Approve The Text Of Any Proposed Publicity” Mentioning The CKF. According to the Center for Public Integrity, “At Florida State University, one of the nation’s top educational recipients of Koch foundation money this decade — about $1.38 million from 2010 through 2013 — a similar request is more direct. ‘FSU will allow [the Charles Koch Foundation] to review and approve the text of any proposed publicity which includes mention of CKF,’ reads a memorandum of understanding signed between the university and foundation in 2013.” [Center for Public Integrity, 10/30/15]

- The Charles Koch Foundation Initially Proposed Conditions Requiring That “Teachings Must Align With The Libertarian Economic Philosophy Of Charles Koch.” According to the Center for Public Integrity, “Among the proposed conditions: Teachings must align with the libertarian economic philosophy of Charles Koch, the Charles Koch Foundation would maintain partial control over faculty hiring and the chairman of the school’s economics department — a prominent economic theorist — must stay in place for another three years despite his plans to step down. Florida State University ultimately didn’t agree to the initial requests when, in 2008, it reached a funding agreement with the foundation.” [Center for Public Integrity, 10/30/15]

Pennsylvania Ranked Fifth In The Number Of Schools That Received Funding From The Koch Foundation. According to Kentucky Forward, “California and Virginia, with 15 schools each, account for the greatest number of schools receiving Koch foundation money this decade — about $1.38 million from 2010 through 2013 — a similar request is more direct. ‘FSU will allow [the Charles Koch Foundation] to review and approve the text of any proposed publicity which includes mention of CKF,’ reads a memorandum of understanding signed between the university and foundation in 2013.” [Center for Public Integrity, 10/30/15]

THE KOCHS’ OUTSIZED INFLUENCE ON PENNSYLVANIA’S ELECTIONS

The Koch Network Has Supported Pat Toomey With Over $1.5 Million, Extensive Field Operations And Access To Activists And Donors Through Candidate Forums

PAT TOOMEY RECEIVED AT LEAST $1.5 MILLION FROM KOCHPAC, THE KOCH FAMILY, AND THE KOCH NETWORK

Toomey Received A Total Of $16,800 From Members Of The Koch Family In 2010. According to the Center for Responsive Politics, the Pat Toomey received a total of $16,800 from members of the Koch family in 2010. This information is further detailed in the following table:

<table>
<thead>
<tr>
<th>Donor</th>
<th>Recipient</th>
<th>Year</th>
<th>Amount</th>
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<tr>
<td>Chase Koch</td>
<td>Toomey, Pat (R)</td>
<td>2010</td>
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<tr>
<td>David Koch</td>
<td>Toomey, Pat (R)</td>
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<td>Julia Koch</td>
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<td>Anna Koch</td>
<td>Toomey, Pat (R)</td>
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</tr>
<tr>
<td>Charles Koch</td>
<td>Toomey, Pat (R)</td>
<td>2010</td>
<td>$2,400</td>
</tr>
</tbody>
</table>
Toomey Received A Total Of $42,000 From Koch Industries Between 1998 And 2016. According to the Center for Responsive Politics, Pat Toomey and his leadership PAC, Citizens for Prosperity in America Today, received a total of $42,000 from Koch Industries between 1998 and 2016. This information is further detailed in the following table:

<table>
<thead>
<tr>
<th>Donor</th>
<th>Recipient</th>
<th>Cycle</th>
<th>Amount</th>
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<td>Koch Industries</td>
<td>Toomey, Pat (R)</td>
<td>2010</td>
<td>$10,000</td>
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<tr>
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<td>Citizens for Prosperity in America Today (Affiliate: Pat Toomey)</td>
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<td>Koch Industries</td>
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<tr>
<td>Koch Industries</td>
<td>Citizens for Prosperity in America Today (Affiliate: Pat Toomey)</td>
<td>2016</td>
<td>$1,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$42,000</strong></td>
</tr>
</tbody>
</table>

[OpenSecrets.org, accessed 2/15/16]

2016: The Koch-Backed Judicial Crisis Network Ran An Ad “Applauding” Sen. Toomey For Refusing To Consider A Nomination By President Obama To Fill The Seat After The Death Of Justice Antonin Scalia, And Other Koch Network Groups Thanked Toomey For His Obstruction

Arizona Republic: The Koch-Linked Judicial Crisis Network Ran Ads “Applauding” Sen. Pat Toomey And Others For Saying That President Obama Shouldn’t Pick Justice Antonin Scalia’s Replacement. According to The Arizona Republic, “Despite criticism and charges of hypocrisy, U.S. Sen. John McCain is standing by his decision to join fellow Senate Republicans in saying that President Barack Obama should not get to pick the replacement for U.S. Supreme Court Justice Antonin Scalia. […] Meanwhile, a ‘dark money’ group linked to right-leaning billionaire brothers Charles and David Koch has begun running a television ad supporting McCain on the question. The Judicial Crisis Network also is running similar ads applauding Republican U.S. Sens. Kelly Ayotte of New Hampshire, Chuck Grassley of Iowa, Ron Johnson of Wisconsin, Mitch McConnell of Kentucky and Pat Toomey of Pennsylvania.” [Arizona Republic, 2/21/16]

- **Daily Beast**: The Judicial Crisis Network “Relied On Funding” From The Wellspring Committee, Which “Was Founded… With The Help Of Conservative Donors In The Network Led By Billionaire Brothers Charles And David Koch.” According to the Daily Beast, “To fill its own coffers, JCN has increasingly relied on funding—to the tune of nearly $4 million, according to IRS documents—from another non-disclosing group, the Wellspring Committee, that’s run by Corkery and was founded seven years ago with the help of conservative donors in the network led by billionaire brothers Charles and David Koch. Corkery’s entree to that rarefied network came via JCN supporter Arkley, an early attendee of their famed retreats. And Ann Corkery and her husband, Neil—who is JCN’s treasurer—are central figures in a cluster of other nonprofits, according to IRS documents.” [Daily Beast, 3/23/15]

- **In 2008**, “Koch Operatives Gave” JCN Founder Ann Corkery “The Reins To Their Fledgling Wellspring Committee, A Dark Money Conduit That Began Pumping Funds To Other Dark Money Koch-Backed Groups.” According to the Daily Beast, “[Ann] Corkery had a breakthrough year in 2008. Koch operatives gave her the reins to their fledgling Wellspring Committee, a dark money conduit that began pumping funds to other dark money Koch-backed groups like Americans for Prosperity. At the same time, Corkery served as a finance vice chair for Mitt Romney’s 2008 presidential campaign.” [Daily Beast, 3/23/15]

GenOpp Policy And Legislative Analyst Wesley Coopersmith Thanked Sen. Toomey “For Standing Firm” On Holding No Hearings And Having No Votes Regarding The Supreme Court Vacancy. According to a tweet by Generation Opportunity policy and legislative analyst Wesley Coopersmith, “Thank you @SenToomey for standing firm on #NoHearingsNoVotes [.]” [Wesley Coopersmith – Twitter, 2/19/16]
AFP-PA Director Beth Anne Mumford Thanked Sen. Pat Toomey For Saying That The Next President Should Decide On Justice Scalia's Replacement. According to a tweet by AFP-PA director Beth Anne Mumford, “Thanks @SenToomey!” The tweet quoted a tweet by Philadelphia Inquirer DC Correspondent which read “Toomey: next president should decide on Scalia replacement[.]” [Beth Anne Mumford – Twitter, 2/15/16]

2015: Concerned Veterans For America Supported Republican Senator Pat Toomey With A $1.5 Million Ad Buy

Concerned Veterans For America Launched A “$1.5 Million TV, Digital Video And Direct Mail Campaign” Supporting Sen. Pat Toomey For “Fighting To Hold The VA Accountable For Its Failures.” According to a press release by Concerned Veterans for America, “Arlington, Va. – Concerned Veterans for America (CVA) today launched a $1.5 million TV, digital video and direct mail campaign in Pennsylvania thanking Senator Pat Toomey (R-PA) for his commitment to getting veterans the care and benefits they deserve and for fighting to hold the VA accountable for its failures.” [Concerned Veterans for America, 7/30/15]

- Then-CVA CEO Pete Hegseth: CVA Wants Pennsylvanians To Appreciate Toomey’s Efforts To “Fix The VA And Hold The VA Accountable For Failing America’s Veterans.” According to a press release by Concerned Veterans for America, “CVA CEO Pete Hegseth issued the following statement on the launch of the campaign: ‘Sen. Toomey’s actions make it clear that veterans issues are a top priority, and CVA wants Pennsylvanians to understand and appreciate his efforts to fix the VA and hold the VA accountable for failing America’s veterans.’” [Concerned Veterans for America, 7/30/15]

- DSCC: CVA’s Pro-Toomey Ad “Attempts To Cover Up The Fact That Senator Toomey Twice Voted To Block” Legislation That Would Have “Expanded Health Care, Education, And Job Training Benefits” To Veterans And Their Families.” According to the Democratic Senatorial Campaign Committee, “The latest ad to bolster the vulnerable Senator from Pennsylvania is a Koch Brothers backed effort that attempts to cover up the fact that Senator Toomey twice voted to block comprehensive veterans legislation that would have expanded health care, education and job training benefits for veterans and their families.” [Democratic Senatorial Campaign Committee, 7/31/15]

Kansas City Star: CVA, The U.S. Chamber Of Commerce, And The American Chemistry Council “Spent Almost $2.4 Million Touting Aspects Of Toomey’s Record.” According to the Kansas City Star, “The U.S. Chamber of Commerce, the American Chemistry Council and Concerned Veterans for America, a nonprofit with links to the network of organizations created by Charles and David Koch, spent almost $2.4 million touting aspects of Toomey’s record.” 1/28/16

Americans For Prosperity Used Its Vast Field Operation To Toomey’s Benefit In 2010

2010: Americans For Prosperity Staffed Campaign Offices Across Pennsylvania To Organize And Get Out The Vote Against Pennsylvania Democrats. According to the Pittsburgh Post-Gazette, “Much in the same way that third party groups have intervened by spending millions on television advertising, there are more than just Democrats and Republicans playing the ground game […] On the Republican side, tea party and ‘9/12’ groups are active in voter education and rallying efforts. They are newcomers to the process, but are getting help from Washington-based conservative groups familiar with organizing. Americans for Prosperity is staffing offices in Meadville, Connellsville, Lebanon, Scranton and Philadelphia, where volunteers can come in and make phone calls. Or they can do so from home, getting numbers and instructions from www.novemberiscoming.com. Pennsylvania state director Steven Lonegan, who said Americans for Prosperity has about 5,000 active volunteers in the state, said the message focuses on fiscal policies and the group doesn't endorse candidates, but it is unquestionably against the Democratic agenda.” [Pittsburgh Post-Gazette, 10/29/10]

2010: Americans For Prosperity Had 5,000 Volunteers In Pennsylvania For The Election. According to the Pittsburgh Post-Gazette, “Americans for Prosperity is staffing offices in Meadville, Connellsville, Lebanon, Scranton and Philadelphia, where volunteers can come in and make phone calls. Or they can do so from home, getting numbers and instructions from www.novemberiscoming.com. Pennsylvania state director Steven Lonegan, who said Americans for Prosperity has about 5,000 active volunteers in the state, said the message focuses on fiscal policies and the group doesn't endorse candidates, but it is unquestionably against the Democratic agenda.” [Pittsburgh Post-Gazette, 10/29/10]
SENATOR TOOMEY HAS REPAID THE KOCH BROTHERS BY ACQUIESCING TO THEIR POLITICAL REQUESTS

Senator Toomey Was A Vocal Opponent Of The Export-Import Bank

2015: Pennsylvania Senator Pat Toomey Opposed The Export-Import Bank And Sent A Letter To The Bank's Chairman Fred Hochberg Demanding A Plan For The Bank's “Orderly Liquidation.” According to the Examiner, “Senator Marco Rubio, along with fellow conservative Republicans Mike Lee, Ted Cruz, Rand Paul, Ben Sasse, and Pat Toomey, sent a letter to Hochberg requesting ‘clarity on your plan for an orderly liquidation,’ including a ‘timeline, a name for Ex-Im's successor organization, when Ex-Im will return all property to the GSA.’” [Examiner, 7/9/15]

AFP-Pennsylvania State Director Beth Anne Mumford: Senator Pat Toomey Opposes The Export-Import Bank Because He Knows “The Best Thing For Job Creation Is A Dynamic Market.” According to a letter to the editor by AFP-Pennsylvania State Director Beth Anne Mumford for PennLive, “Contrary to Dominic Rawson's May 27-op-ed, solving problems and getting things done does not mean reauthorizing the Export-Import Bank. […] Fourth and finally, supporting free trade is not the same thing as supporting the Export-Import bank. Sen. Pat Toomey and other members who oppose subsidizing big businesses know the best thing for job creation is a dynamic market with less government intervention, not more. Let's break the bank.” [Beth Anne Mumford – PennLive, 6/5/15]

Senator Pat Toomey Challenged Export-Import Bank Chairman Fred Hochberg For Claiming That The Bank Is Self-Sufficient. According to the Washington Examiner, “But the question of the bank's self-sufficiency is complicated by a separate controversy over the accounting used for government credit programs. […] Sen. Pat Toomey, R-Pa., challenged Hochberg Thursday on that point. He argued that the bank receives a ‘subsidy’ that comes ‘in the form of not being adequately compensated for the risk that taxpayers are being required to take.’” [Washington Examiner, 6/5/15]

Senator Toomey Attempted To Repeal The Federal Estate Tax

Senator Pat Toomey Introduced Legislation To “Permanently Repeal The Federal Estate Tax.” According to a press release from Senator Pat Toomey, “Washington D.C. - Keystone State lawmakers, led by U.S. Senator Pat Toomey, are working to protect family-owned farms and businesses through common-sense tax reform. U.S. Senator Pat Toomey and U.S. Representatives Lou Barletta, Ryan Costello, Mike Kelly, Pat Meehan, Scott Perry, Keith Rothfus, and Glenn 'GT' Thompson have co-sponsored legislation to permanently repeal the federal estate tax, better known as the death tax, to finally put an end to a punitive tax on family farms, and businesses upon the death of an owner.” [Pat Toomey – Press Release via Vote Smart, 4/9/15]

Senator Toomey Opposed The Affordable Care Act


Senator Toomey Voted To Protect Tax Breaks For Oil Companies

2012: Toomey Voted Against Repealing $24 Billion In Tax Breaks For The Five Largest Oil Companies To Fund Extension Of Alternative Energy Tax Credits. In March 2012, Toomey effectively voted against a bill that would, according to the Evansville Courier and Press, “end several tax breaks worth $24 billion over ten years for the five largest oil companies: BP, Chevron, ConocoPhillips, Exxon Mobil and Shell. More than half of the savings would be allocated to deficit reduction, with the remaining $11 billion used for tax credits to promote natural gas and propane as vehicle fuels, make U.S. homes more energy-efficient and spur the production of renewable and alternative fuels to reduce U.S. consumption of fossil fuels.” The vote was a motion to end debate on the bill, which failed 51 to 47. [Senate Vote 63, 3/29/12; Evansville Courier and Press, 4/1/12]
2011: Toomey Voted Against Closing Tax Loopholes Used By Five Largest Oil Companies. In May 2011, Toomey voted against a bill that would, according to the Associated Press, “repeal about $2 billion a year in tax breaks for the five biggest oil companies, a Democratic response to $4-a-gallon gasoline.” The vote was on the motion to proceed to consideration of the bill and needed 60 votes to pass; the motion was defeated by a vote of 52 to 48. [Senate Vote 72, 5/17/11; Associated Press via Desert News, 5/17/11]

2004: Toomey Voted To Implement A Comprehensive National Policy For Energy Production That Included Tax Breaks For Oil And Gas, Clean Coal And Alternatively Fueled Cars. In June 2004, Toomey voted for a bill that would have, according to Congressional Quarterly, “implement[ed] a comprehensive national policy for energy conservation, research and development. It would [have] authorize[d] $25.7 billion in tax breaks over 10 years, including $11.9 billion to encourage oil and gas production, $2.5 billion for ‘clean coal’ programs, $2.2 billion in incentives for alternative motor vehicles, and $1.8 billion for the electric power industry and other businesses. […] Makers of the gasoline additive MTBE would be protected from liability, but would have [had] to cease production of the additive by 2015. The bill would [have] also impose[d] reliability standards for electricity transmission networks and ease restrictions on utility ownership and mergers.” The House passed the bill by a vote of 244 to 178; however, the Senate took no substantive action on the measure. [House Vote 241, 6/15/04; Congressional Quarterly, 6/15/04; Congressional Actions, H.R. 4503]

Senator Toomey Supported Unlimited, Undisclosed Money In Politics

2002: Toomey Voted Against McCain-Feingold Campaign Finance Reform. In February 2002, Toomey voted against legislation that, according to Congressional Quarterly, “ban[ned] ‘soft money’ donations to national political parties but allow up to $10,000 in soft-money donations to state and local parties for voter registration and get-out-the-vote activity. The bill [sic] prevent[ed] issue ads from targeting specific candidates within 60 days of a general election or 30 days of a primary. The bill also [sic] increase[d] the individual contribution limit from $1,000 to $2,000 per election for House and Senate candidates, both of which would be indexed for inflation.” The House passed the bill by a vote of 240 to 189. Afterwards, the Senate passed the bill without amendment, and it was then signed into law by the president. [House Vote 34, 2/14/02; Congressional Quarterly, 2/14/02; Congressional Actions, H.R. 2356]

2012: Toomey Voted Against Requiring Disclosure Of Donors To Independent Political Groups. In July 2012, Toomey effectively voted against a bill which, according to the Washington Post, “would [have] require[d] independent groups to disclose the names of contributors who give more than $10,000 for use in political campaigns.” The vote was on a motion to end debate on a motion to consider the bill, titled the DISCLOSE Act of 2012. The motion failed by a vote of 51 to 44; it required 60 votes in order to pass. [Senate Vote 179, 7/16/12; Washington Post, 7/16/12]

2014: Toomey Effectively Voted Against Allowing Congress And The States To Cap Campaign Donations And Spending, And Against Permitting Them To Ban Corporate Election Spending. In September 2014, Toomey effectively voted against an amendment to the Constitution, that, according to Congressional Quarterly, “would [have] allow[ed] federal and state lawmakers to set limits on money raised and spent by candidates and others to influence elections. It would [have] give[n] Congress and the states the power to distinguish between people and ‘corporations or other artificial entities created by law’ and to block such entities from spending money on elections. It also would stipulate that Congress or the states would not be able ‘to abridge the freedom of the press.’” The vote was on a motion to end debate and proceed to a vote on a joint resolution proposing the constitutional amendment to the states for ratification, which required 60 votes to succeed. The Senate rejected the motion by a vote of 54 to 42, effectively killing the amendment. [Senate Vote 261, 9/11/14; Congressional Quarterly, 9/11/14; Congressional Actions, S.J.Res. 19]

2015: Toomey Supported The Citizens United Decision. In a Senate Budget Committee meeting to markup the 2016 budget, Toomey said, “The idea that we should overturn the Supreme Court’s recognition of the First Amendment would be a big mistake.” [C-Span, 3/19/15]

Toomey Supported Allowing Unlimited Contributions To Federal Candidates. According to the Daily News, “Toomey said he has long supported allowing unlimited contributions to federal candidates, along with immediate disclosure of contributors. ‘All that rigmarole … wouldn’t exist if people could contribute (unlimited amounts of money) directly to campaigns. If you required the disclosure, then voters could decide whether they find it objectionable that so-and-so is contributing to such-and-such’s campaign,’ Toomey said. ‘And candidates would be accountable for every message that’s delivered because it would be coming from their campaign.’” [Morning Call, 5/18/15]
January 2015: Toomey Voted Against Requiring Those Making More Than $1 Million From Tar Sands Production To Publicly Disclose Their Political Spending And The Recipients Of That Spending. In January 2015, Toomey voted against an amendment to Senate legislation directing the approval of the Keystone XL pipeline that, according to Congressional Quarterly, “would [have] require[d] campaign finance disclosures for individuals or entities that make more than $1 million in revenues from tar sands production. The amendment would [have] require[d] the identification of individuals making disbursements and candidates or businesses receiving transfers.” The Senate rejected the amendment by a vote of 44 to 52. [Senate Vote 36, 1/28/15; Congressional Quarterly, 1/28/15; Congressional Actions, S.1]

Senator Toomey Supported Obstructing Efforts By President Obama To Appoint A Supreme Court Justice After The Death Of Justice Antonin Scalia

Toomey Released A Statement After The Death Of Justice Antonin Scalia In February 2016, Stating That “The Next Court Appointment Should Be Made By The Newly-Elected President.” According to a press release by Sen. Pat Toomey, “Given that we are already well into the presidential election process and that the Supreme Court appointment is for a lifetime, it makes sense to give the American people a more direct say in this critical decision. The next Court appointment should be made by the newly-elected president. If that new president is not a member of my party, I will take the same objective non-partisan approach to that nominee as I have always done.” [Sen. Pat Toomey, 2/15/16]

- AFP-PA Director Beth Anne Mumford Thanked Sen. Pat Toomey For Saying That The Next President Should Decide On Justice Scalia’s Replacement. According to a tweet by AFP-PA director Beth Anne Mumford, “Thanks @SenToomey!” The tweet quoted a tweet by Philadelphia Inquirer DC Correspondent which read “Toomey: next president should decide on Scalia replacement[.]” [Beth Anne Mumford – Twitter, 2/15/16]

KOCH INDUSTRIES HAS DONATED AT LEAST $276,500 DIRECTLY TO PENNSYLVANIA CANDIDATES RUNNING FOR THE U.S. HOUSE

2016 Cycle

Washington Post In March 2016: The Koch Network Began “Laying Groundwork” In Pennsylvania To Help “Build A Multistate Defense System To Protect Senate And House Candidates” For The 2016 Election. According to the Washington Post, “Establishment Republicans and their big-money allies are rushing to build a multistate defense system to protect Senate and House candidates, fearing that the party could lose its hold on Congress if Donald Trump is at the top of the ticket in November. […] The efforts are being driven by major players such as the Koch brothers’ political network, which has already begun laying groundwork in Colorado, Ohio and Pennsylvania, along with the Crossroads organizations and the U.S. Chamber of Commerce.” [Washington Post, 3/23/16]


For The 2016 Election Cycle, Koch Industries Gave At Least $1,000 To Scott Perry’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 3/29/16]

For The 2016 Election Cycle, Koch Industries Gave At Least $1,000 To Keith J Rothfus’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 3/29/16]

For The 2016 Election Cycle, Koch Industries Gave At Least $7,500 To Bill Shuster's Campaign For The U.S. House. [OpenSecrets.org, Accessed 3/29/16]

For The 2016 Election Cycle, Koch Industries Gave At Least $1,000 To Glen Thompson’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 3/29/16]

2014 Cycle

For The 2014 Election Cycle, Koch Industries Gave At Least $1,000 To Lou Barletta's Campaign For The U.S. House. [OpenSecrets.org, Accessed 11/3/15]


For The 2014 Election Cycle, Koch Industries Gave At Least $10,000 To Mike Kelly’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 11/3/15]


For The 2014 Election Cycle, Koch Industries Gave At Least $10,000 To Bill Shuster's Campaign For The U.S. House. [OpenSecrets.org, Accessed 11/3/15]


2012 Cycle


For The 2012 Election Cycle, Koch Industries Gave At Least $10,000 To Mike Kelly’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 11/3/15]


2010 Cycle


For The 2010 Election Cycle, Koch Industries Gave At Least $5,000 To Mike Kelly’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 11/3/15]


For The 2010 Election Cycle, Koch Industries Gave At Least $5,000 To Tim Murphy’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 11/3/15]


2008 Cycle


2006 Cycle


For The 2006 Election Cycle, Koch Industries Gave At Least $1,000 To Bill Shuster’s Campaign For The U.S. House. [OpenSecrets.org, Accessed 11/3/15]

2004 Cycle


2002 Cycle


2000 Cycle


**AFP - Pennsylvania Ranked Every Pennsylvania Federal Office Holder Based On Their Votes On Issues Of “Economic Freedom”**

**114TH CONGRESSIONAL SESSION**

AFP – Pennsylvania Released Its Legislative Scorecard Ranking Every Pennsylvania Federal Office Holder For The 114th Session Of Congress.

<table>
<thead>
<tr>
<th>NAME</th>
<th>STATE</th>
<th>DISTRICT</th>
<th>PARTY</th>
<th>CURRENT GRADE</th>
<th>LIFETIME GRADE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sen. Bob Casey</td>
<td>PA</td>
<td></td>
<td>D</td>
<td>14%</td>
<td>7%</td>
</tr>
<tr>
<td>Sen. Patrick Toomey</td>
<td>PA</td>
<td></td>
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<td>98%</td>
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<tr>
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<td>PA</td>
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<td>7%</td>
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<tr>
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<td>PA</td>
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<td>62%</td>
</tr>
<tr>
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<td>13</td>
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<td>7%</td>
</tr>
<tr>
<td>Rep. Matt Cartwright</td>
<td>PA</td>
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<td>8%</td>
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<tr>
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<td>PA</td>
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<td>64%</td>
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<tr>
<td>Rep. Mike Doyle</td>
<td>PA</td>
<td>14</td>
<td>D</td>
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<td>8%</td>
</tr>
<tr>
<td>Rep. Charlie Dent</td>
<td>PA</td>
<td>15</td>
<td>R</td>
<td>79%</td>
<td>61%</td>
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<tr>
<td>Rep. Chaka Pattah</td>
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<td>6%</td>
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<tr>
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<tr>
<td>Rep. Tim Murphy</td>
<td>PA</td>
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<td>67%</td>
</tr>
<tr>
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<tr>
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<td>PA</td>
<td>7</td>
<td>R</td>
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</tr>
<tr>
<td>Rep. Joe Pitts</td>
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<td>15</td>
<td>R</td>
<td>86%</td>
<td>83%</td>
</tr>
<tr>
<td>Rep. Scott Perry</td>
<td>PA</td>
<td>4</td>
<td>R</td>
<td>100%</td>
<td>85%</td>
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<tr>
<td>Rep. Keith Rothfus</td>
<td>PA</td>
<td>12</td>
<td>R</td>
<td>100%</td>
<td>89%</td>
</tr>
<tr>
<td>Rep. Bill Shuster</td>
<td>PA</td>
<td>9</td>
<td>R</td>
<td>64%</td>
<td>75%</td>
</tr>
<tr>
<td>Rep. Glenn Thompson</td>
<td>PA</td>
<td>5</td>
<td>R</td>
<td>71%</td>
<td>70%</td>
</tr>
</tbody>
</table>


113TH CONGRESSIONAL SESSION

AFP – Pennsylvania Released Its Legislative Scorecard Ranking Every Pennsylvania Federal Office Holder For The 113th Session Of Congress.

<table>
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<tr>
<th>NAME</th>
<th>STATE</th>
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<th>CURRENT GRADE</th>
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<tr>
<td>Sen. Bob Casey</td>
<td>PA</td>
<td>D</td>
<td>5%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Sen. Patrick Toomey</td>
<td>PA</td>
<td>R</td>
<td>95%</td>
<td>95%</td>
<td></td>
</tr>
<tr>
<td>Rep. Robert Brady</td>
<td>PA</td>
<td>1</td>
<td>D</td>
<td>15%</td>
<td>7%</td>
</tr>
<tr>
<td>Rep. Lou Barletta</td>
<td>PA</td>
<td>11</td>
<td>R</td>
<td>54%</td>
<td>62%</td>
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<tr>
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<td>PA</td>
<td>17</td>
<td>D</td>
<td>15%</td>
<td>8%</td>
</tr>
<tr>
<td>Rep. Mike Doyle</td>
<td>PA</td>
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<td>D</td>
<td>11%</td>
<td>8%</td>
</tr>
<tr>
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<td>61%</td>
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<tr>
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<tr>
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<tr>
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<td>46%</td>
<td>56%</td>
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<tr>
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<td>83%</td>
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<tr>
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<tr>
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<tr>
<td>Rep. Allyson Schwartz</td>
<td>PA</td>
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<tr>
<td>Rep. Glenn Thompson</td>
<td>PA</td>
<td>5</td>
<td>R</td>
<td>54%</td>
<td>70%</td>
</tr>
</tbody>
</table>

[AFP, Accessed 11/18/15]

113th Congress: AFP – Pennsylvania Scored Elected Officials On Their Votes To Reject The Farm Bill And Food Stamps Program, Deny Increased Funding For Hurricane Sandy Relief And To Oppose Rural Expansion Of Broadband. [AFP, Accessed 11/18/15]
The Kochs Used Their Republican State Leadership Committee In An Attempt To Purchase A Supreme Court Seat To Advance Their Interests

KOCH-BACKED REPUBLICAN STATE LEADERSHIP COMMITTEE LAUNCHED A $1 MILLION AD BUY AGAINST DEMOCRATIC JUDICIAL CANDIDATE KEVIN DOUGHERTY

Pittsburgh Post-Gazette: The Koch-Supported Republican State Leadership Council “Launched A $1 Million Advertising Campaign” Targeting Democratic Judicial Candidate Kevin Dougherty. According to the Pittsburgh Post-Gazette, “In the latest sign that outside money may be swamping the state Supreme Court race, a political group backed by the controversial Koch family launched a $1 million advertising campaign Wednesday. And Democratic candidate Kevin Dougherty is squarely in its crosshairs. In a TV ad airing across much of the state, the Republican State Leadership Committee charges that as a Philadelphia family judge, Judge Dougherty ‘shockingly allowed a young girl to be placed in the custody of a convicted murderer. … Tell Kevin Dougherty no more excuses. Keep our children safe.’” [Pittsburgh Post-Gazette, 10/21/15]

- Pittsburgh Post-Gazette: The Republican State Leadership Council Received $100,000 From Koch Industries In The First Half Of 2015. According to the Pittsburgh Post-Gazette, “The RSLC calls itself ‘the largest caucus of Republican state leaders in the country.’ Financial filings suggest that in the first half of 2015, it received $100,000 from Koch Industries, a Kansas firm whose ownership is a Democratic foe. Brothers David and Charles Koch are regarded as among the conservative movement’s most powerful financiers.” [Pittsburgh Post-Gazette, 10/21/15]

Pittsburgh Post-Gazette: The Ad Attacked Judicial Candidate Kevin Dougherty For Placing A 10-Year Old Child In The Care Of Her Aunt, A Convicted Murderer. According to the Pittsburgh Post-Gazette, “In a TV ad airing across much of the state, the Republican State Leadership Committee charges that as a Philadelphia family judge, Judge Dougherty ‘shockingly allowed a young girl to be placed in the custody of a convicted murderer. … Tell Kevin Dougherty no more excuses. Keep our children safe.’ The ad refers to a 2002 case in which Judge Dougherty, acting on the recommendation of child-welfare officials, placed 10-year-old Beatrice Weston in the care of her aunt, Linda Ann Weston. Linda Ann Weston had been convicted of third-degree murder in the 1980s.” [Pittsburgh Post-Gazette, 10/21/15]

- Pittsburgh Post-Gazette: A Review Of Court Records Found “No Evidence That Family Members Or City Officials Told Judge Dougherty Of Linda Ann Weston's Criminal Past” According to the Pittsburgh Post-Gazette, “In a statement unveiling the campaign, RSLC president Matthew Walter said Judge Dougherty’s decision had ‘horrific, unspeakable impacts on a child.’ But an early review of court records and contemporaneous media accounts revealed no evidence that family members or city officials told Judge Dougherty of Linda Ann Weston’s criminal past. A subsequent federal lawsuit placed blame squarely on Philadelphia’s Department of Human Services, and a federal judge later concluded that ‘no one advised the court that [Linda Ann Weston] had a criminal conviction.’” [Pittsburgh Post-Gazette, 10/21/15]

Pittsburgh Post-Gazette: A Federal Lawsuit Concerning The Case “Placed Blame Squarely On Pennsylvania’s Department Of Human Services” And A Federal Judge “Concluded That ‘No One Advised The Court That [Linda Ann Weston] Had A Criminal Conviction.’” According to the Pittsburgh Post-Gazette, “In a statement unveiling the campaign, RSLC president Matthew Walter said Judge Dougherty’s decision had ‘horrific, unspeakable impacts on a child.’ But an early review of court records and contemporaneous media accounts revealed no evidence that family members or city officials told Judge Dougherty of Linda Ann Weston’s criminal past. A subsequent federal lawsuit placed blame squarely on Philadelphia’s Department of Human Services, and a federal judge later concluded that ‘no one advised the court that [Linda Ann Weston] had a criminal conviction.’” [Pittsburgh Post-Gazette, 10/21/15]

Despite Running Misleading Ads, Koch-Supported Judicial Candidates Lost All Three Open Seats On The Pennsylvania Supreme Court
2015: Democratic Candidates For The Pennsylvania Supreme Court Won A “Three-For-Three Sweep In The Supreme Court Election.” According to the National Journal, “Pennsylvania’s political landscape looks a bit more favorable to Democrats after a three-for-three sweep in the Supreme Court election last week, giving the party a five-two advantage on the panel - a sharp turn to the left for a court that has been primarily controlled by Republicans for decades.” [National Journal, 11/10/15]