



GREATER PHOENIX
CHAMBER OF COMMERCE

D.C. EXECUTIVE DIALOGUE 2016

PROMOTING REGIONAL PROSPERITY,
SERVING AS A CATALYST FOR
ECONOMIC VITALITY AND
STRONG COMMUNITIES.





NAVIGATING THE NEW WASHINGTON

The 2016 GPCC Executive Dialogue Delegation arrived in Washington, D.C., days after the election to find Arizona's U.S. representatives and senators cautious, but hopeful about what can be accomplished during the first term of President Donald J. Trump.

The largely unexpected election of Trump left the delegation of Arizona business leaders – like many others around the country – wondering what to expect from not only the new administration, but also Congress. Finding insight on what Arizona's elected officials are planning for this session – and several additional business-related queries – started with expert policy briefs and continued with candid, face-to-face discussions with Arizona's senators and representatives.

Delegates shared the following pro-business policy recommendations with Arizona's congressional delegation.

TRADE/ECONOMY/FOREIGN POLICY

Free trade with Mexico is vital to Arizona's economy. Any renegotiation of NAFTA must consider that Mexico is Arizona's No. 1 trading partner, with \$41.6 billion worth of goods in two-way trade processed by Arizona's six ports of entry in 2014. We should also engage in trade agreement discussions with Pacific Rim countries whether within or outside of Trans-Pacific Partnership. The plethora of emerging Rim economies coupled with irreversible globalization demand a United States-Pacific Rim trade agreement that optimizes commerce between the regions.

A bold plan is required to invest substantially in our country's aging infrastructure which is vital to our economic success. Key to any infrastructure investment plan, especially in Arizona, is to expand and optimize our ports of entry with Mexico and the roads leading there to maintain and increase constructive commerce between our countries.

The trip kicked off with experts from the U.S. Chamber of Commerce discussing issues vital to the business community including developing a qualified workforce, strong trade agreements, transportation infrastructure maintenance and funding, growing the economy, regulatory reform and addressing the U.S. debt through reducing entitlement spending.

Elected officials shared their outlooks on the upcoming session of Congress and where they see opportunities to influence policy positively for the business community. They also answered questions and shared insights on international border management, working with President-elect Trump and what they may – and may not – be able to accomplish with a Republican in the White House.

REGULATIONS

Many of the onerous regulations dictated by federal agencies in recent years must be evaluated and repealed. The recent emergency injunction of the Labor Department's overtime rule is welcome news, as GPCC advocates for elimination of that regulation and several others including EPA mandates such as the Waters of the U.S. and Clean Power Plant rules. Upcoming key appointments of leaders at the Department of Labor, NLRB, EPA, Ex/Im Bank and the U.S. Supreme Court are critical to restoring balance and equity in business, employment, environmental and other obligations.

FEDERAL BUDGET

Inaction on entitlement spending, which consumes currently 70 percent of the federal budget, and threatens the long-term sustainability and vitality of the American economy.

Addressing this highly divisive issue requires bold, historic action. Entitlement spending threatens to consume more than 90 percent of the federal budget by 2025.



U.S. Rep. Kyrsten Sinema



U.S. Rep. Matt Salmon



Sen. Jeff Flake



DELEGATION SPOTLIGHT: WORKFORCE

The business leaders on the delegation all share a major workforce challenge. They're ready to grow, but have difficulty in locating workers who possess the specific skills their companies need.

"Nearly half of companies that have open positions are passing on business opportunities because they don't have the human capital to take them on," said Jason Tyszko, executive director of the United States Chamber of Commerce Foundation Center for Education & Workforce, during a presentation to the GPCC delegation.

This slows the growth of the economy and can lead to salary bidding wars between companies. "With a lack of trained labor, people just end up stealing from each other," said Mike Bontrager, senior vice president of Adolfson & Peterson Construction. "This has also created an opportunity for innovation."

"The best place to start is the chamber of commerce community," Tyszko said. "It's just a matter of getting a large percentage of chambers to buy into the concept. Talent pipeline management (TPM) is a core business need like any other, so we need a playbook."

The playbook is TPM, which approaches workforce development as a supply-chain issue and was founded on the idea that standardization throughout the process enables mass customization near the end of the line.

Tyszko outlined the plan, which starts with identifying the skills needed to fill 2-3 key positions in key sectors and the skills required. Businesses must share accurate information among them and develop a common language for sharing skills requirements. Employers then use their HR data to determine the talent path for those key positions.

The Greater Phoenix Chamber of Commerce is applying the TPM system through its new workforce collaboratives in the construction, financial services, cybersecurity, compliance & risk management, and health care sectors.

DELEGATION SPOTLIGHT: TRUMP TRANSITION

High-level Trump Transition Team member Scott Mason provided key insights to the GPCC delegation on several of the president-elect's early priorities and plans.

He acknowledged that the country is divided now, but reiterated that the people "want Congress to work" and there's a difference between red-meat rhetoric campaign-trail Trump and President Trump. "Don't believe what you see in the news," Mason said.

He added that a successful Trump administration needs participation from the business community and a united House Republican caucus. He shared Trump's intentions on several issues that are priorities to the business community, including:

Affordable Care Act: Repeal, then replace. Expects a repeal bill possibly on Day 1. Plans to allow companies to start selling plans across state lines.

Trade: Will analyze/renege on all trade agreements and other arrangements to ensure they are all current and structured to benefit the American economy.

Immigration: Plans to drive a plan across the finish line, but such a plan will require some bipartisanship. Fear of mass deportations is just hysteria.

Infrastructure: Will execute a top-to-bottom review of all programs, costs and viability to achieve \$1 trillion spending plan. It doesn't have to be all new money, either.



Scott Mason

"The trip was invaluable—terrific insights into key emerging business issues from the Arizona delegation and how they may evolve, along with an opportunity to share key platforms important to Arizona business leaders. I highly recommend this trip for Arizona business or community leaders with a vested interest in Arizona's long-term success and vitality."

Daniel Froetscher

Senior Vice President

*Transmission, Distribution & Customers, APS
GPCC Chairman of the Board*

"The D.C. trip was very useful to me on many levels and I would highly recommend it. The wide ranging agenda provided valuable, unfiltered information, timely updates on presidential transition activities and priorities and national workforce initiatives that can be translated to Arizona. Our congressional delegation also provided perspectives on key issues related to Arizona, such as immigration and trade."

Russ Johnson

President & CEO,

Merchants Information Solutions

"The trip was fabulous. As in business, nothing is more persuasive than a face-to-face discussion. Letters are nice, email is fine, but flying across the country to tell your elected officials, 'hey, this matters!' is invaluable... if we don't care enough to engage, why should our lawmakers?"

Tanya Wheelless

Founder & CEO, Happy Grace



(Left to right)
Todd Sanders,
Mike Huckins,
Jaime Molera,
Mike Bontrager,
Jennifer Mellor,
Tanya Wheelless,
Cheryl Lewis,
Russell Johnson,
Russ Yelton,
John Wolfe,
Daniel Froetscher

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Special thanks
Congresswoman Kyrsten Sinema
Congressman Matt Salmon

Delegation

- **Daniel Froetscher**
Senior VP, Transmission, Distribution, & Customers, APS
- **Mike Bontrager**
Senior VP, Adolfson & Peterson Construction
- **Russell Johnson**
President & CEO, Merchants Information Solutions, Inc.
- **Tanya Wheelless**
Founder & CEO, Happy Grace
- **Russ Yelton**
CEO, Pinnacle Transplant Technologies
- **Cheryl Lewis**
Vice President Corporate Affairs, Isagenix Corp.
- **Jaime Molera**
Partner, Molera Alvarez, LLC
- **John Wolfe**
Senior Vice President & Regional Manager, Cox Communications

GPCC Staff

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VP of Public Affairs
- **Jennifer Mellor**
VP of Economic Development
- **Cheri' Valentino-Fox**
Premier Engagement Manager
- **Josh Coddington**
Marketing & Communications Manager



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TRIP AT A GLANCE

DAY 1: Welcome and briefing reception

DAY 2: Issue briefings from U.S. Chamber experts at Centene Corporation offices:

Talent Pipeline/Workforce – Jason Tyszko,
*Executive Director, U.S. Chamber of Commerce
Foundation Center for Education & Workforce*

Labor/Regulations – Marc Freedman,
Executive Director, Labor Law Policy

Infrastructure/Transportation – Ed Mortimer,
Executive Director, Transportation Infrastructure

Trade/International Policy – John Murphy,
Senior Vice President, International Affairs

Economy – J.D. Foster, *Vice President Economic
Policy, Chief Economist*

- Briefings on Capitol Hill with members of Arizona Congressional delegation.
- Special presentation on U.S. trade policy and priorities from nonpartisan Congressional Research Service (CRS).



DAY 3: Issue briefings on Capitol Hill with Arizona Congressional delegation.

- Special briefing from Trump Presidential Transition Team on president-elect's early priorities.
- Behind-the-scenes tour of U.S. Capitol building & U.S. House of Representatives gallery.

DAY 4: Debrief, conclusions and key takeaways discussion with delegation members.

- Behind-the-scenes tour of the Library of Congress.



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