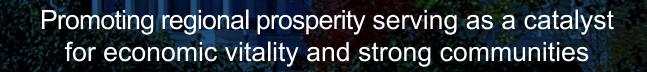


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# WASHINGTON D.C. EXECUTIVE DIALOGUE





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# DISCUSSING THE POLITICAL LANDSCAPE OF 2018

The 2017 GPCC Executive Dialogue Delegation arrived in Washington D.C. during a critical time to be present and aware of the changes occurring within the federal government. The delegation participated in conversations and received updates on vitally important topics happening at the forefront of the political debate.

In an effort to learn more about potential and pending legislation and regulatory issues, the GPCC delegation met with policy experts and Arizona's members of Congress. The GPCC delegation first met with policy experts from the U.S. Chamber of Commerce to discuss issues pertinent to the state of Arizona and the business community. These discussions focused on key items including health care reform, trade agreement renegotiations, a once in a generation opportunity to restructure the U.S. tax code and the introduction of legislation on transportation infrastructure maintenance and funding.

On Capitol Hill, Arizona's elected officials shared their views on these topics and more, leaving business representatives with more certainty and knowledge on the topics affecting Arizona. During these meetings, the GPCC delegation shared their views and voiced which issues were of utmost importance to the business community with Arizona's congressional leaders.

In addition, the GPCC delegation had the unique opportunity to visit with Global Security Innovative Strategies (GSIS) and Trump Administration. Through these meetings and discussions, it is clear that one issue is central to every proposed policy change: the ability of lawmakers to work together to develop legislation that focuses on economic growth and prospering communities.

# FEDERAL ISSUES IMPACTING ARIZONA BUSINESSES

#### HEALTH CARE

The GPCC delegation learned that a bipartisan stabilization package will be key to reigning in health care expenses. Specifically, certain aspects in health care that need to be reevaluated such as the cost sharing reductions and changes to how it is financed. Arizona's congressional representatives discussed possible solutions that can improve health care including broadening the definition for chronic conditions in high deductible plans, allowing organizations to band together for group plans and extending the time for short-term plans up to one year. Lawmakers also suggested that a marketplace health care industry may empower patients financially. Many expect Congress to revisit this issue sometime early next year, and GPCC will continue to advocate for common sense reforms that don't shift costs onto employers.



▲GPCC Delegation at the White House

#### **INFRASTRUCTURE**

The need for investment to advance the state's and the country's infrastructure has long been a topic of conversation. With the deficit in mind, public-private partnerships continue to be the likely financing method discussed by political leaders. Federal leaders are also encouraging states to pursue other financing methods to aid in funding infrastructure overhauls that the nation desperately needs.

In Arizona, there are more than 2,900 transportation and logistics companies employing approximately 97,000 individuals. Despite the size and importance of transportation, Arizona's transportation system is facing a \$63 billion funding gap. Many other states and cities across the nation are dealing with aging infrastructure and the need for new, 21<sup>st</sup> century roads.

While there isn't pending legislation on this issue, now is the time for businesses and states to ensure that the federal government prioritizes infrastructure investment—economic growth is dependent on roads, airports and other ports of entry.



"The trip was of immense value, offering business and community leaders the opportunity to share pivotal information with Arizona's Congressional legislators. It's also a unique opportunity to gain insight from our legislators that would be otherwise unavailable via telephone or correspondence. Participating in this experience is nothing shy of worthwhile for business facilitators aiming to bolster the economic vitality and success of our state"

Mike McCann JP Morgan Chase GPCC Board Chairman

"I really feel this was a very unique and exceptional opportunity provided by the GPCC to meet and interact over several days with our Congressional delegation as well as hearing from the US Chamber of Commerce. I came away with a sense that together, as business leaders, our voices are heard and can make a difference to influence change."

David Skinner HDR, Inc. GPCC Transportation & Infrastructure Committee Co-Chair

"This trip was nothing short of outstanding. The preparation put in to the materials, as well as the quality of the meetings was top shelf. I have done a few of these trips, but this was head and shoulders the best I have been on."

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Joseph Hughes American Airlines

► (Left to right) David Skinner, Joe Hughes, Mike McCann

◄(Left to right) Jennings Imel, Doris Savron, David Skinner, Sabrina Vazquez, Kristen Douglas, Jaime Molera, Mike McCann, Todd Sanders, Mike Huckins, Jen Springman, John Wolfe, Joe Hughes, Amelia Murillo, Adam Deguire, Andrea Whitsett



#### IMMIGRATION

For Arizona, immigration is a hot topic and at the core of the state's relationship with the federal government. This year, the delegation to met with the Global Security Innovation Strategies (GSIS) team, a unique opportunity to have an in-depth look at border security and immigration. Arizona businesses, large and small, have advocated for changes at the border and a modernization in the customs process.

Under current proposals, the country can expect an increase in border patrol and ICE agents. Business owners should be aware and diligent in checking the legal status of employees utilizing existing resources, such as e-verify. With enhanced focus on increased border security, it will be vital for employers to keep this verification process properly used.

The ports of entry in Arizona, while more secure than ever, occasionally hinder trade expansion because they are outdated and ill-equipped to handle the amount of exports and imports from Mexico. A federal-state strategy is needed to address both port safety and ease of entry to continue facilitating Arizona's prosperous trade relationship with Mexico. Public-private partnerships could be used to fund the support systems needed to pre-screen goods, which would allow products to move quickly across the border.

#### TAX REFORM

The tax reform effort has the potential to be revolutionary for the U.S. economy, as the current tax code is out of sync with the current needs of the nation. The bill, as proposed, lowers the corporate tax rate and simplifies the tax code for businesses and individuals. The GPCC delegation expressed interest in maintaining employers' ability to offer tuition reimbursement as a tax-free expense to encourage economic and workforce development programs like ASU's unique partnership with Starbucks.

Lawmakers are cautiously optimistic that they will be able to address important facets of the bill that do not coincide with the public and political interests. Tax reform is not an easy issue, but it's important that the business community support work to bring the tax code into the 21st century and encourage efforts to prioritize pro-growth modifications that will create jobs, spur economic growth and make tax season easier.

### TRADE

In a global economy, trade and trade agreements are necessary measures that help grow Arizona's economy. Since President Trump took office there has been a robust discussion about the right path forward surrounding international trade deals, including NAFTA. There's room for improvement in NAFTA. It is more than two decades old and doesn't reflect key business issues such as digital trade and IP protection.

Most economists agree with the GPCC that a withdrawal from NAFTA would be toxic to the U.S. economy. In Arizona, NAFTA has been instrumental in the success of the economy. Arizona would suffer if the U.S. withdrew from NAFTA, putting at risk more than 230,000 jobs that depend on trade with Canada and Mexico. Nearly 47 percent of Arizona's exports are destined for customers in Canada and Mexico, generating more than \$10 billion in revenue.

GPCC supports trade renegotiations that prioritize modernization and reflect the dynamism of Arizona's economy, while maintaining positive relationships with vital trade partners.

► (Left to right) Jen Springman, Jennings Imel, Meghan Kielty, Mike Huckins, John Wolfe, Adam Deguire, Joe Hughes, Mike McCann, Doris Savron, David Skinner, Andrea Whitsett, Jaime Molera, Amelia Murillo, Todd Sanders, Sabrina Vazquez



## THANK YOU TO OUR SPONSORS



#### ARIZONA STATE UNIVERSITY UNIVERSITY OF ARIZONA

#### **SPECIAL THANKS**

- Office of Congresswoman Kyrsten Sinema
- Global Security Innovative Strategies (GSIS)

#### **GPCC STAFF**

- Todd Sanders
  President & Chief Executive Officer
- Mike Huckins Vice President, Public Affairs
- Meghan Kielty Premier Engagement Manager
- Jennifer Springman
  Public Affairs Coordinator

#### TRIP AT A GLANCE

- Issue Briefings U.S. Chamber of Commerce
- Special Presentation on
  Immigration & Cybersecurity
  Global Security Innovative Strategies (GSIS)
- Congressional Meetings
  U.S. Capitol Hill
  Senator Jeff Flake
  - Congressman Andy Biggs Congressman Trent Franks Congressman Ruben Gallego Congressman Paul Gosar Congresswoman Martha McSally Congressman Tom O'Halleran Congressman David Schweikert Congresswoman Kyrsten Sinema
- Trump Administration Meeting Eisenhower Executive Office Building, The White House
- Tour of the East Wing The White House

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#### DELEGATION



- Adam Deguire
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- Joseph Hughes
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- Jennings Imel Executive Director, Western Region, U.S. Chamber of Commerce
- Mike McCann
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#### ▼Wells Fargo Dinner

