### The Chamber's Nonsense Excuses For Backing Off Of Build Back Better Reveal Its True Agenda: Protecting Profits Of Huge Corporations.

**SUMMARY:** After *Axios* reported the U.S. Chamber of Commerce was "withdrawing its support" for the Bipartisan Infrastructure Bill, the Chamber's Executive Vice President, Chief Policy Officer, and Head of Strategic Advocacy, Neil Bradley gave an interview walking back the report. Bradley insisted the Chamber still supported the Bipartisan Infrastructure Bill but opposed tying its passage to Democrats' reconciliation package.

While the U.S. Chamber claims to take issue with procedural and allegedly partisan components of the reconciliation package, Neil Bradley's inconsistent excuses reveal the Chamber's real agenda includes just one item: preventing huge corporations from paying their fair share.

- RHETORIC: The <u>U.S. Chamber's Executive VP</u> criticized the reconciliation bill and its family leave plan as a "partisan attempt" to "foist" legislation through Congress, saying passing legislation "on the strength of one single party's vote" was the "wrong way to legislate."
  - REALITY: In 2017, the U.S. Chamber "applauded" Republicans leadership for their corporate tax cut legislation—which was forced through Congress <u>via reconciliation</u> and <u>without</u> a single Democratic vote.
- RHETORIC: The U.S. Chamber's Executive VP said the U.S. Chamber opposes the reconciliation package because it would hurt small businesses and consumers.
  - REALITY: The Chamber has a history of attacking consumer interests and prioritizing huge corporations over working families and family businesses.
- RHETORIC: The U.S. Chamber's Executive VP defended corporate tax cuts by claiming that "a lot" of companies were purchased by foreign companies in 2017 before tax cuts took effect. He also said corporate tax cuts led to "zero" instances of American companies merging with foreign companies.
  - REALITY: There were no major foreign purchases of American companies in 2017 thanks to an Obama-era policy, which pre-dated Republican tax cuts.
- RHETORIC: The U.S. Chamber's Executive VP admitted that the Chamber has lobbied Senators Sinema, Manchin, and "others" against Build Back Better.
  - REALITY: Senators <u>Manchin</u> and <u>Sinema</u>, who have together taken over \$1 million from the U.S. Chamber and the corporations whose leaders serve on the Chamber board, oppose the proposed reconciliation package.

After Axios Reported That The U.S. Chamber Of Commerce Was "Was Withdrawing Its Support" Of The Bipartisan Infrastructure Bill, The Chamber's Executive Vice President Neil Bradley Gave An Interview Saying The Chamber Supported The Infrastructure Bill But Opposed Linking It To The Passage Of The Reconciliation Package.

## On October 4, 2021, Axios Reported That The U.S. Chamber Was "Withdrawing Its Support" Of The Bipartisan Infrastructure Bill.

On October 4, 2021, Axios Reported That The U.S. Chamber Of Commerce "Was Withdrawing Its Support" Of The Bipartisan Infrastructure Bil Due To President Biden Linking The Infrastructure Bill To The Reconciliation Package. "The U.S. Chamber of Commerce is withdrawing its support of the Senate-passed \$1.2 trillion bipartisan infrastructure bill just hours after Punchbowl News reported House Republicans were booting it from its strategy calls, Axios has learned. [...] The Chamber's chief policy officer, Neil Bradley, announced the policy shift in a letter to its Board of Directors on Monday. The pretense for his decision: President Biden formally linking the 'hard' infrastructure bill with the \$3.5 trillion budget reconciliation package during a meeting with House Democrats on Friday." [Axios, 10/04/21]

# The Chamber Quickly Released A Statement Claiming That Axios "Incorrectly" Reported Its Position On Legislative Negotiations.

October 4, 2021: The U.S. Chamber Of Commerce Said Axios "Incorrectly" Reported Its Position On Infrastructure, Which Is Supportive Of The Bipartisan Infrastructure Plan And In Opposition To Linking Infrastructure To The Reconciliation Package. "An Axios story earlier this evening incorrectly stated the U.S. Chamber of Commerce's position on the bipartisan infrastructure bill. The U.S. Chamber of Commerce continues to support the Senate-passed bipartisan infrastructure bill and believes it should pass the House as a stand-alone bill unlinked to the proposed tax and spend reconciliation bill. The Chamber is continuing and expanding its efforts to defeat the reconciliation bill and opposes efforts to link the infrastructure bill to the reconciliation bill." [The U.S. Chamber of Commerce, 10/04/21]

On October 5, 2021, The U.S. Chamber's Executive Vice President Neil Bradley
Gave An Interview Saying The U.S. Chamber Did Not Have A Change In Position
But Rather Faced A "Change Of Situation" With The Infrastructure Bill—He
Insisted The Chamber Supports The Infrastructure Bill And Opposes Linking It
To The Reconciliation Package.

On October 5, 2021, Neil Bradley Appeared On C-Span's Washington Journal Program To Discuss The Biden Administration's Economic Agenda. [C-Span, 10/05/21]

 Neil Bradley Is The Executive Vice President, Chief Policy Officer and Head of Strategic Advocacy At The U.S. Chamber of Commerce. [U.S. Chamber of Commerce, accessed 10/05/21]

Neil Bradley Said He Wouldn't Call The U.S. Chamber's Change Of Position On The Infrastructure A "Change Of Mind" But Rather A "Change Of Situation." Host: "There is a report from Axios this morning about the Chamber's position on the infrastructure bill. There has been a change of mind on that, what has changed?" Bradley: "I wouldn't call it a change in mind more than a change of situation we are facing. The Chamber is a strong supporter of the infrastructure bill that makes \$1 trillion of investments in our roads, bridges, broadband, replacing lead water pipes. That bill got 60 bipartisan votes in the U.S Senate. [...] We want to see that bill passed." [C-Span (00:49), 10/05/21]

Neil Bradley Said The U.S. Chamber Is A "Strong Supporter" Of The Infrastructure Bill But "Oppose[s] [The] Linkage" Of The Bipartisan Infrastructure Bill To The Reconciliation Bill. Bradley: "We want to see it be signed into law. But late on Friday, the President and the Democratic leadership sought to link that Bipartisan Infrastructure Bill to the partisan tax and spend reconciliation bill. We oppose that linkage and we oppose that reconciliation bill and we will not change our position our reconciliation just because of our support for infrastructure." [C-Span (01:29), 10/05/21]

Neil Bradley Criticized The Reconciliation Bill As A "Partisan Attempt" To "Foist" Legislation Through Congress, Saying Passing Legislation "On The Strength Of One Single Party's Vote" Was The "Wrong Way To Legislate"—Despite This, The U.S. Chamber Supported Republicans' Entirely Partisan 2017 Corporate Tax Cuts Forced Through The Same Reconciliation Process.

RHETORIC: Neil Bradley Said The Reconciliation Bill Was A "Partisan Attempt"
To Jam Policies Like Family Leave Through Congress And Criticized Legislation
"Pass[ed] [...] On The Strength Of One Single Party's Vote" As "The Wrong Way
To Legislate."

Neil Bradley Said That The Reconciliation Bill's Family Leave Provisions Are Paid For By A "Punitive Tax On American Employers." Host: "You mentioned education, but other aspects of the program deal with with federal paid family leave, medical leave as well [...] did the Chamber take a position on these things separate from the legislation that's being debated?" Bradley: Well unfortunately all these things have been rolled together. And you're right, there are some good things and some problems that need to be solved. If we pulled them out of this reconciliation bill, we could solve. Paid family leave is one of them. There is a path forward on a responsible paid family leave program, You know interestingly, the bill that existed before it got rolled into this reconciliation bill was one that was modeled off what many states like California and states on the East Coast have done, which recognizes that like other programs this is an employee benefit paid for through a combined employee employer payroll tax. When this bill got folded into the reconciliation bill, all of a sudden the common sense pay for was gone and instead it was replaced with kind of a punitive tax on American employers." [C-Span (07:17), 10/05/21]

Neil Bradley Said The Reconciliation Bill Was A "Partisan Attempt" To "Jam All These [Policies] Into One Bill And Foist It Through Congress." Bradley: "We are not having honest debates about ways to solve these problems, instead what's happening is a partisan attempt to jam all these things into one bill and to foist it through Congress and on the American People." [C-Span (08:18), 10/05/21]

Neil Bradley Said "Good Faith Negotiations" Could Lead To A Family Leave Policy And Criticized The Reconciliation Package As "Pass[ed] [...] On The Strength Of One Single Party's Vote" And "The Wrong Way To Legislate." Host: "As many of you and others have acknowledged, implementation of family-friendly policies is critical to achieving gender and racial justice. Don't these programs promote good business in the long run and why note support that? Bradley: Well some of them could promote good business in the long run, and that's why they deserve to be pulled out of this multi-trillion dollar reconciliation bill and debated and considered on their own. So, we, I actually think that we could come to an agreement. It would hard and it would involve negotiations, but good faith negotiations could produce an agreement on things like paid family leave. Instead, what is happening is we are taking approximately—literally— 100 different proposals, throwing them all into one bill and decided to try to pass it on the strength of one single party's vote. That is the wrong way to legislate. It will [breed] distrust in the system." [C-Span (08:52), 10/05/21]

REALITY: The U.S. Chamber Of Commerce Supported The 2017 Tax Cuts And Jobs Act And "Applauded" Republican Leadership For Its Passage—The Bill,

#### <u>Passed Through Reconciliation, Garnered Zero Democratic Votes And Included</u> <u>Provisions Having "Little To Do With Simplifying Taxes."</u>

The U.S. Chamber Of Commerce Supported Passage Of The Tax Cuts And Jobs Act In 2017. "U.S. Chamber of Commerce President and CEO Thomas J. Donohue today issued the following statement after final passage of the 'Tax Cuts and Jobs Act,' sending the legislation to President Trump to sign into law: 'Today, Congress achieved what many said was impossible — overhauling our country's broken, outdated tax code and updating it with bold reforms for lasting growth. American businesses will become more competitive around the world. The business community has long called for lower rates for all businesses, full and immediate expensing, and a territorial tax system because we know these elements are the pro-growth reforms our economy needs to thrive." [U.S. Chamber of Commerce, 12/20/17]

**Zero Democrats Voted For The Tax Cuts And Jobs Act Of 2017.** [VoteSmart, Tax Cuts and Jobs Act, accessed <a href="10/05/21">10/05/21</a>]

Republicans Passed The Tax Cuts And Jobs Act Through Reconciliation. "While Trump and the Congress were unable to use reconciliation to repeal the ACA, they were successful in using the tool to enact a tax reform bill, the Tax Cut and Jobs Act, that included, among other provisions, the repeal of the ACA's individual mandate and reductions to tax rates." [National Law Review, 01/12/21]

U.S. Chamber Of Commerce President And CEO After Final Passage Of The Tax Cuts And Jobs Act: "We Applaud The House And Senate Republican Leadership [...] For Their Hard Work And Dedication To Ensuring This Tax Reform Is As Pro-Growth As Possible." "U.S. Chamber of Commerce President and CEO Thomas J. Donohue today issued the following statement after final passage of the 'Tax Cuts and Jobs Act,' sending the legislation to President Trump to sign into law [...] 'We applaud the House and Senate Republican leadership, especially Speaker Paul Ryan and Senate Majority Leader Mitch McConnell, as well as House Ways and Means Committee Chairman Kevin Brady and Senate Finance Committee Chairman Orrin Hatch, for their hard work and dedication to ensuring this tax reform is as pro-growth as possible." [U.S. Chamber of Commerce, 12/20/17]

HEADLINE: "What's Included In The GOP Tax Bill May Surprise You. Buried In The 429-Page Bill Are Provisions That Have Little To Do With Simplifying Taxes." [U.S. News, 11/30/17]

- The Tax Cuts And Jobs Act Repealed The Individual Mandate For The Affordable Care Act. "The tax package also repeals the individual mandate of the Affordable Care Act, also known as Obamacare, that requires most people to have some form of health insurance, or else pay a tax penalty. With this mandate's removal, about 13 million people could lose health care coverage and premiums in the health insurance marketplace will increase by approximately 10 percent by 2027, according to Congressional Budget Office estimates." [U.S. News, 11/30/17]
- The Tax Cuts And Jobs Act Enabled Oil Drilling On Protected Lands In Alaska's Arctic National Wildlife Refuge. "Both the Senate and House bills include language that would enable oil and gas drilling companies to bore into Alaska's Arctic National Wildlife Refuge." [U.S. News, 11/30/17]

Neil Bradley Said The U.S. Chamber Is Opposing The Reconciliation Package To Protect Small Businesses And Consumers, But The Chamber Has Historically Worked Against Consumers And Prioritized Huge Corporations Over Working Families And Family Businesses.

RHETORIC: Neil Bradley Said The U.S. Chamber Represents "Millions Of Businesses Of All Sizes" Including The "Family Store On Main Street" And Opposes "Punitive Taxes" On "Small Businesses, Midsize, And Large Businesses."

Neil Bradley Said The U.S. Chamber Represents "Millions Of Businesses Of All Sizes" Including The "Family Store On Main Street." Host: "Who exactly do you represent?" Bradley: "Well we represent millions of businesses of all sizes across all industries, [...] all over the U.S. It could be the family store on main street all the way to the largest corporations." [C-Span (0:21), 10/05/21]

**Neil Bradley Said The U.S. Chamber Is "Opposed To The Reconciliation Bill" Due To "Punitive Taxes Both On Investors, Small Businesses, Midsize And Large Businesses."** Bradley: "We are opposed to the reconciliation bill [...] and it is partially funded by punitive taxes, both on investors, on small business, midsize and large businesses in a way we believe will destroy the current economic recovery. So, we need to get America working again, we need to get control of inflation and this bill would take us in the exact opposite direction." [C-Span (01:54), 10/05/21]

Neil Bradley Compared Corporations Paying More Taxes To A Family Facing Increases Property Taxes, Saying "Imagine [...] What That Does To Your Household Budget. Employers, The Employer's Taxes, On Average Going Up 25% Would Have Economically Devastating Consequences." "Bradley: "They are very different pay-fors. If you look at the scope of the pay-fors on the reconciliation bill [...] you are talking about big, broad-based tax increases that are really sizable in scope. Take for example, the House proposed bill. The House proposed bill results in employers across the United States, on average, employers – if you aggregate them all together – they will pay 25% more in taxes over the next decade under the bill proposed in the House of Representatives. That is not a minor increase, that is a large, substantial increase in the taxes that are collected. Imagine to the viewers today, if you are talking about property taxes [...] imagine those going up 25%. And what that does to your household budget. Well employers, your employer's taxes, on average [...] going up 25% under this bill would have economically devastating consequences." [C-Span (26:05), 10/05/21]

REALITY: But The U.S. Chamber's Board Is Dominated By Large Corporations, And Its Litigation Center Took Legal Action Just 7% Of The Time In Favor Of Small Businesses Compared To Over 60% Of The Time In Favor Of Fortune 500 Companies Over A 10-Year Span.

2010: The U.S. Chamber Of Commerce Claimed 96% Of Its Members Were Small Businesses, While Its Board Included Just Six Small Businesses And 111 Large Corporations. "The Chamber claims that 96 percent of its members are small businesses, yet its self-selected board includes just 6 representatives from small businesses, 1 from a local chamber, and 111 from large corporations." [Mother Jones, Jan-Feb 2010]

During a 10-Year Span, The U.S. Chamber Of Commerce's Litigation Center Was Involved In 1,100 Lawsuits, But Only 7% Of Those Cases Were In Support Of Small Business, While Almost 60% Of Cases Supported Fortune 500 Companies. "Chamber Watch analyzed approximately 500 cases over a roughly three-year period in which the U.S. Chamber Litigation Center – a Chamber affiliate – was either a plaintiff or an amicus. Chamber Watch found that: [...] In the past 10 years, the Chamber has been involved in more than 1,100 lawsuits. [...] The Chamber's legal filings supported at least one Fortune 500 company almost 60 percent of the time, but supported a small business only 7 percent of the time." [Public Citizen, 10/06/16]

<u>Prices For Consumers," But The Reconciliation Bill Would Provide Paid Leave, Free Pre-School And Community College, And Extend Tax Credits For Working Families—Even More, The U.S. Chamber Sued To Block Consumer Protections In 2017.</u>

Neil Bradley Said The U.S. Chamber Is "Opposed To The Reconciliation Bill" Due To A "Record Level Of Government Spending [That Would] Contribute To Inflation" And "Higher Prices For Consumers."

Bradley: "We are opposed to the reconciliation bill whether we are talking about \$2 trillion or \$3.5 trillion, you are talking about a record level of government spending that's going to contribute to inflation, higher prices for consumers and it's partially funded by punitive taxes, both on investors, on small business, midsize and large businesses in a way we believe will destroy the current economic recovery. So, we need to get America working again, we need to get control of inflation and this bill would take us in the exact opposite direction." [C-Span (01:54), 10/05/21]

The Reconciliation Package Would Expand Paid Family And Medical Leave And Child And Dependent Care Tax Credits. "Families with children may more relief to look forward to in the coming years, thanks to the Democrats' \$3.5 trillion budget plan. [...] The plan would likely continue several tax credits that benefit low- and middle-income families, and especially those with children. It would extend the child tax credit, earned income tax credit, child and dependent care tax credit, and paid family and medical leave, according to a fact sheet outlining the budget resolution." [CNBC, 08/25/21]

The Reconciliation Package Would Provide Free Pre-School For Three And Four-Year-Olds, As Well As Free Community College While Also Boosting Child Nutrition Programs. "Children and their families would also potentially be helped by planned investments in childcare and education baked into the proposal. Senate Democrats would like to extend universal pre-K to 3- and 4-year-old children and expand childcare benefits for working families. The plan would also make community college tuition-free, give money to institutions serving minorities and increase the maximum Pell Grant award to help people attend and pay for higher education. Child nutrition programs would also get a boost." [CNBC, 08/25/21]

2017: The U.S. Chamber Of Commerce Sued To Challenge The Consumer Financial Protection Bureau's Rule Restricting Companies' Use Of Force Arbitration. "The Chamber of Commerce — along with dozens of others [...] have filed suit against the Consumer Financial Protection Bureau [...] trying to stop a Bureau rule that would limit banks' and other financial services' ability to strip wronged consumers of their right to a day in court. In July, the CFPB finalized a new rule — the result of several years of research — that would restrict certain companies' use of 'forced arbitration.' Forced arbitration is when a company inserts a paragraph or two into its customer agreement saying that all legal disputes must be handled outside the legal system. Instead, you must go through private, binding arbitration — a process that most Americans don't even know exists, let alone understand the finer points of." [Consumer Reports, 09/29/17]

Neil Bradley Said "A Lot" Of Companies Were Purchased By Foreign Companies In 2017 And That The 2017 Corporate Tax Cuts Led To "Zero" Instances Of American Companies Merging With Foreign Companies—In Reality, There Were No Major Foreign Purchases Of American Companies In 2017 Thanks To An Obama-Era Policy Pre-Dating The Republican Tax Cuts.

RHETORIC: Neil Bradley Said That In 2017 "A Lot" Of U.S. Companies Were Purchased By Overseas Companies Due To Foreign Tax Advantages, Adding There Were "Zero" Corporate Inversions After 2017 Corporate Tax Cuts Took Effect.

Neil Bradley Said The 2017 Tax Reform Bill "Protected America's Industrial Base" And Has Led To "Zero" Corporate Inversions. Bradley: "It is important to know when [businesses] did that. If you go back to pre-2017, we had a lot of industries who [...] U.S. companies who were purchased by overseas companies because it was economically advantageous to be located abroad because of the punitive U.S. tax system. In late 2017, a tax reform bill was passed into law, and since then you know the number of corporate inversions, this is U.S. companies re-incorporating into a foreign country, we've seen zero. That is a huge important track record that's protected millions of American jobs and America's industrial base. But what would happen if this

proposed bill becomes law is we would reverse all of that that and we would get back to the days where U.S. companies are sitting targets for foreign competitors." [C-Span (17:58), 10/05/21]

A Corporate Inversion Is A Transaction In Which A U.S. Based Multinational Company Merges
With A Smaller Foreign Company And Establishes Its Residence Under A Foreign Country's Tax
Regime. "An inversion is a transaction in which a US-based multinational company merges with a
smaller foreign company and then establishes its residence in the foreign company's country. As a
foreign resident, the company can sometimes significantly reduce its taxes without changing the
location of any real business activities." [Tax Policy Center, accessed 10/05/21]

# REALITY: But There Were Actually No Major Corporate Inversions In 2017 After An Obama-Era Policy Took Effect.

According To The Brookings Institution, There Were No Major Inversion In 2017 After Obama-Era Regulations Took Effect, And The "Major Decline" Of Inversions Happened Before The Tax Cuts And Jobs Act Took Effect. "Another claim (Holtz-Eakin (2020)) is that the law would reduce corporate inversions—the practice of American companies moving their headquarters abroad for tax reasons. By reducing the corporate tax rate and making other changes, TCJA certainly reduced the incentive to invert, and there have been no major corporate inversions since TCJA was enacted. But it is also the case that there were no major inversions in 2017, after a second round of Obama-era regulations designed to curb the practice took effect but before TCJA.20 Of course it might be possible that there would have been inversions after 2017 in the absence of TCJA, but the major decline appears to have happened before the law was enacted." [Brookings Institution, 07/21]

The U.S. Chamber's Executive VP Admitted That The Chamber Has Lobbied Senators Sinema (D-AZ) And Manchin (D-WV) Against Build Back Better—Sinema And Manchin Have Together Raked In More Than \$1 Million From The U.S. Chamber And Companies Represented On The Chamber's Board.

RHETORIC: When Asked How Much Of The U.S. Chamber's Lobbying Had Been Targeted Toward Senators Manchin And Sinema, Neil Bradley Admitted That The Chamber Had Conversations About Build Back Better With "Them And Others."

When Asked About The Chamber's Lobbying Activity, Neil Bradley Admitted That The U.S. Chamber Of Commerce Had Conversation About The Reconciliation Package With Both Senators Sinema And Manchin. Host: "There is a front page piece in the New York Times this morning talking about lobbying groups pushing back against the Build Back Better [...] program, your group mentioned among that, saying you spent \$30 million this year on – [...]" Bradley: "Well I think that's not just on Build Back Better, we engage in lobbying activities on 300 different issues at any one period of time [...]." Host: "Because they are so involved in the conversation these days, how much of the lobbying or at least discussions has been [,,,] directly targeted to Senators Manchin and Sinema?" Bradley: "Yeah, well it's not just targeted to Senators Manchin and Sinema. We talked to Republicans and Democrats kind of across the spectrum [...]." Host: "Just to clarify you have had conversations with both of those senators about this specific legislation?" Bradley: About this? [...] them and others." [C-Span (27:14), 10/05/21]

REALITY: Senator Sinema And Senator Manchin, Who Have Together Taken
More Than \$1 Million From The U.S. Chamber And Companies Represented On
Its Board Of Directors, Are Blocking Build Back Better After Accepting Millions
From Corporate Interests.

The U.S. Chamber Of Commerce PAC And PACs Of Corporations Whose Leaders Serve On The Chamber's Board Have Given \$454,365 To Sen. Sinema. [Accountable.US, <u>09/10/21</u>]

Sen. Manchin, Who Has Opposed Democrats' Proposed \$3.5 Trillion Reconciliation Package, Said On October 5, 2021 That He Was Open To A \$1.9 To \$2.2 Trillion Package. "Centrist Sen. Joe Manchin (D-W.Va.) on Tuesday signaled he is open to a budget reconciliation bill in the ballpark of \$1.9 trillion to \$2.2 trillion, above the limit he set just last week of \$1.5 trillion. Manchin and his fellow moderate Sen. Kyrsten Sinema (D-Ariz.) are still far apart from liberals such as Sens. Elizabeth Warren (D-Mass.) and Bernie Sanders (I-Vt.) who thought the upper chamber had a deal to spend \$3.5 trillion on President Biden's human infrastructure package, but the two sides are inching closer." [The Hill, 10/05/21]

The U.S. Chamber Of Commerce PAC And PACs Of Corporations Whose Leaders Serve On The Chamber's Board Have Given \$575,700 To Sen. Manchin. [Accountable.US, 09/20/21]

Senator Sinema Opposes Democrat's Proposed \$3.5 Trillion Reconciliation Package. "Moderate Democrats Senator Joe Manchin and Senator Kyrsten Sinema held separate meetings with President Biden at the White House Tuesday, as the White House and most Democrats push an up-to \$3.5 trillion bill to expand the social safety net. [...] Both senators have said the bill is too large and must be trimmed to win their support." [CBS, 09/29/21]