

U.S. CHAMBER OF COMMERCE

THE STATE of AMERICAN BUSINESS 2020





The U.S. Chamber of Commerce is the world's largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations.

THE STATE of **AMERICAN BUSINESS** **2020**

Every day, American businesses roll up their sleeves and go to work serving their customers, employees, and communities. And, every day, we at the U.S. Chamber of Commerce roll up our sleeves to serve them.

Our mission is to help businesses of every size, sector, and region drive a vibrant, growing economy that creates opportunity and supports jobs for 130 million Americans. The entrepreneurs, innovators, and workers that make that happen rely on the right policies at every level —local, state, national, and global. Only the U.S. Chamber of Commerce, along with its federation of state and local chamber partners and vast network of American Chambers of Commerce abroad, has the reach to represent the interests of American businesses in Washington, across the country, and around the world.

In this booklet you'll find an overview of our policy priorities for 2020. It may be an election year, but that's no excuse for inaction from our leaders.

This year, we will advocate on these issues, knowing they will strengthen our economy, support our communities, and better Americans' lives.

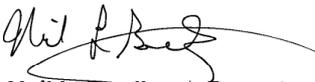
We hope you'll join us in this mission.



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CAPITAL MARKETS & FINANCIAL REGULATION



Make it easier for companies to go public and reform the proxy advisory industry

- Finalize reform recommendations to help more companies grow and go public, including changes to corporate governance systems, corporate disclosure, shareholder proposal rules, secondary market trading, and more investor research for small public companies.
- Advance reforms to the proxy advisory industry, which is dominated by two firms, riddled with conflicts of interest, and a major impediment to companies going public.

Reform bank capital and liquidity rules and the Consumer Financial Protection Bureau (CFPB)

- Support policies that allow for a well-capitalized banking system without unnecessarily constraining bank lending to consumers and businesses.
- Work with the CFPB and Congress to ensure that the Bureau's primary focus is to preserve consumer access and choice.

Obtain relief for derivatives end users and promote recognition of the U.S. system of insurance

- Engage with domestic and international policymakers regarding international capital and supervisory standards to avoid disruption in insurance markets and preserve the U.S. system of insurance regulation.
- Advocate through the U.S. Chamber-led Coalition for Derivatives End-Users for legislative proposals to remove unnecessary costs on the use of derivatives by commercial end users.

Promote and enact policies to ensure that U.S. capital markets are the fairest, most efficient, and innovative in the world.

Uphold best interest rules that protect investors and preserve their choices and access

- Support the implementation of the SEC's Regulation Best Interest (Reg BI) rule that enhances the standards of conduct for financial professionals advising retail investors, with the anticipation of filing an amicus brief in support of the rule as litigation efforts challenge Reg BI.
- Advocate for the alignment of the Department of Labor's rules with Reg BI and exemptive relief for brokers complying with Reg BI to ensure they are not found in violation of ERISA.
- Prevent a patchwork of conflicting state regulations.

Promote a regulatory environment that incentivizes financial services innovation

- Advocate for and participate in federal and state initiatives (e.g., tech sprints, pilot programs) that establish an evidence-based approach to financial services innovation.
- Engage with domestic and international policymakers regarding the impact of digital assets on capital markets.

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CYBER AND SUPPLY CHAIN

Cybersecurity

- Advance operational collaboration between U.S. national security agencies and critical infrastructure entities to proactively defend against foreign cyberattacks.
- Pass Internet of Things (IoT) legislation that reflects the industry-led core security baseline, protects device makers and buyers, reduces policy fragmentation globally, and bolsters collective defense.
- Enact the Cyber SAFETY Act to clarify that the 2002 SAFETY Act's liability protections apply to significant cyber incidents.
- Advance the rapid and secure deployment of 5G domestically while ensuring that national and international policy is aligned, promotes open and interoperable radio networks, is risk based, and fosters a vibrant technology market that rewards security and innovation.

Supply Chain

- Champion legislative solutions that modernize ports, solve e-commerce challenges, address security gaps, and improve trade facilitation.
- Engage with regulators to enact commonsense policies that enhance U.S. competitiveness and improve the flow and security of goods moving across our borders.

Promote and enact sound cybersecurity and global supply chain policies to facilitate safe and secure domestic and global commerce and trade, as well as the free movement of goods to enhance U.S. competitiveness.

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EDUCATION AND WORKFORCE

Early Education, K-12 Education, and Child Care

- Support the expansion of high-quality early education programs.
- Improve K-12 education through rigorous academics, accountability for performance, and choices for parents and families.
- Ensure that every student graduates from high school prepared for the next step—whether college or career.
- Expand the availability of high-quality child care options.

Higher Education

- Support innovation in higher education while holding institutions accountable for their performance.
- Improve transparency to empower students, parents, and policymakers to make informed decisions.
- Improve financial aid programs and systems, including private sector innovations in higher education finance, which work to improve college access and affordability while incentivizing outcomes.

Workforce Training

- Ensure that training and retraining programs are aligned with the needs of employers based on accurate and timely local labor market data.
- Support employer-led earn and learn opportunities, including apprenticeships.
- Incentivize more effective and efficient partnerships between education and workforce systems.

Promote access to affordable, high-quality education, career paths that lead to jobs, and workforce initiatives that create a more equitable talent marketplace and strengthen the American economy.

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ENERGY

Facilitate the construction of new energy infrastructure

- Streamline the permitting process while ensuring safe and environmentally responsible projects.
- Ensure a regulatory process that provides transparency, predictability, and consistency.

Maintain and enhance America's energy security through expanded domestic production and investments in energy technology innovation

- Increase access for production of domestic natural gas, oil, and wind by finalizing a comprehensive offshore energy program.
- Enact legislation to direct government research and encourage private investment in the technologies of tomorrow, including energy storage, carbon capture utilization and storage, and advanced nuclear.

Foster a commonsense energy strategy to help keep America secure, prosperous, and clean.

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ENVIRONMENTAL AFFAIRS & SUSTAINABILITY



Water Infrastructure and Water Policy

- Promote increased federal, state, and local investment in water infrastructure modernization, including through innovative funding approaches and mobilizing private capital.
- Encourage investments and promote policy solutions specifically focused on the needs of the agricultural sector, small communities, and small businesses, including improved access to rural water and sanitation.
- Increase technology innovation through a national program for collaborating and sharing best practices and promoting exports of water technologies, products, and services.
- Advance alternative compliance and innovation for stormwater management, including the importance of green infrastructure.

Climate Smart Action and Resilience

- Promote the Task Force on Climate Actions to engage our broad membership on the risks and opportunities of climate change to—
 - Inform and contribute to the discussion of proposed climate change policies.
 - Highlight business leadership in addressing greenhouse gas emissions reductions in business operations through investments and technology innovation.

Continue America's long record of environmental improvement through promoting smart regulation and leveraging the business community's drive for innovation.

- Facilitate climate resilient infrastructure, including water and watershed management, flood control, and drought response, through funding and policies to support predisaster mitigation and planning.
- Advance and support technology innovations and other solutions to mitigate and adapt to climate change.

Recycling

- Support policies that enable flexibility and infrastructure to grow markets for recycling and recycled products, including addressing marine litter.

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HEALTH CARE

Access and Affordability

- Enable greater flexibility for businesses as they offer health care coverage to their employees.
- Support the expansion of Association Health Plans.
- Adopt policies to stabilize the individual and small group markets.
- Improve access to meaningful cost and quality information for consumers while protecting the ability of private companies to enter into negotiated contractual arrangements.
- Facilitate the adoption of value-based insurance and reward high-quality providers.

Wellness, Innovation, and Value

- Facilitate and promote workplace wellness programs.
- Protect consumer safety by stopping unregulated foreign drug imports and curbing the opioid epidemic.
- Oppose price controls and efforts that reduce contractual flexibility in our health care system.
- Oppose the adoption of a single-payer, government-run health care system.
- Support reforms that lead to more value-based, quality-focused, and coordinated care.

Expand access to and improve the affordability of high-quality health care services for all Americans.

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IMMIGRATION



Reforming immigration policy to encourage economic growth and job creation in the U.S.

- Protect Dreamers, TPS recipients, and employment-authorized H-4 dependent spouses from losing their work authorization.
- Enact much-needed improvements to our nation's border security efforts.
- Seek cap increases and other reforms to employment-based visa programs to provide employers with the ability to meet their workforce needs in a timely manner.
- Encourage oversight of administrative actions that hinder the ability of employers to hire or continue employing legal immigrant workers.
- Promote international tourism to the U.S. by extending Visa Waiver Program membership to critical U.S. allies, expanding Global Entry and other Trusted Traveler programs, and increasing the number of U.S. Customs and Border Protection officers at our nation's ports of entry to make the inspection process for all travelers more efficient.

Work with Congress and the administration to implement commonsense immigration reforms.

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INFRASTRUCTURE

Roads, Bridges, and Transit

- Enact changes to ensure that there is sufficient dedicated revenue to maintain the solvency of the Highway Trust Fund.
- Enact a long-term infrastructure modernization bill.

Other Infrastructure Including Air, Sea, Rural Broadband, Energy, and Water

- Provide a toolkit of options for supplemental funding and financing of other critical infrastructure, including through public-private partnerships, dedicated user fees, and revolving loan programs.

Permitting and Regulatory Reform

- Continue to streamline the federal permitting process, including the use of concurrent reviews and time limits for agency decisions.
- Encourage similar permitting reforms at the state and local levels.
- Oppose efforts to reregulate transportation industries.

Infrastructure and Transportation Workforce

- Highlight workforce shortages in the infrastructure and transportation sectors and push for regulatory reforms and skills programs to address these shortages.

Ensure the nation's long-term economic growth and competitiveness by enacting an infrastructure modernization plan.

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INTELLECTUAL PROPERTY (IP)

- Deliver an industry vision for the next generation of trade agreements drawing on the U.S. Chamber's Global Innovation Policy Center's (GIPC's) multisector expertise.
- Advocate domestically to promote pro-IP messaging with an emphasis on congressional and administration engagement to ensure that effective policies, regulations, legislation, and enforcement programs are adopted and/or maintained.
- Gain a strategic foothold in the capitals of Europe, China, Brazil, India, Canada, and South Africa to counter the anti-IP narratives in these markets and in multilateral institutions and leverage GIPC's International IP Index.
- Continue the fight against price controls and other market-restrictive measures that prevent innovators and creators from earning a return on investment through the Fair Value for Innovation campaign.
- Positively condition the global enforcement environment to disrupt criminal networks that traffic in counterfeit and pirated goods and prioritize opportunities with law enforcement, U.S. Ports of Entry, and the Office of the Intellectual Property Enforcement Coordinator to promote best practices.

Champion and defend IP rights, which are vital to creating jobs, saving lives, advancing economic growth, and generating solutions to global challenges.

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INTERNATIONAL TRADE, INVESTMENT AND REGULATORY POLICY

- Secure enactment of the U.S.-Canada-Mexico Agreement (USMCA) to retain the benefits of free trade in North America.
- Support continued negotiations to address China's unfair trade and industrial policies.
- Advocate for the termination of U.S. tariffs on imports of steel, aluminum, and a wide range of goods from China—and threatened against imports of autos and auto parts—as taxes on American families and businesses that undermine U.S. competitiveness.
- Support the negotiation of ambitious, comprehensive trade agreements with Japan, the European Union (EU), and the U.K. that hew closely to the negotiating objectives established in the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (known as Trade Promotion Authority).
- Represent U.S. business interests in the Brexit negotiations and the U.K.'s negotiations to secure a new trade agreement with the EU that guarantees continuing, strong commercial ties.
- Ensure that the implementing regulations for the Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA) keep the interagency Committee on Foreign Investment in the United States (CFIUS) focused specifically on legitimate national security concerns associated with inbound investment.

Trade and investment agreements that are fair and accountable create a level playing field and put American families and workers first.

- Advocate for a balanced approach in implementing regulations for the Export Control Reform Act of 2018 that protects national security without unduly hindering legitimate commerce.
- Win congressional approval of permanent normal trade relations with Kazakhstan and its graduation from the Jackson-Vanik amendment to the Trade Act of 1974.
- Support full funding of the federal international affairs budget to advance U.S. economic interests, national security, and humanitarian values.
- Work to secure ratification of treaties for the avoidance of double taxation with respect to taxes on income with Chile, Hungary, and Poland.

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LEGAL REFORM



- Support legislation designed to stop asbestos litigation abuses. Expose fraud and abuse by the plaintiffs' trial bar. Work to reform and limit abuses associated with Section 524(g) asbestos bankruptcy trusts.
- Support reform of the broken class and mass action system. Push for legislation like the Fairness in Class Action Litigation Act, the Litigation Funding Transparency Act, and the PROTECT Asbestos Victims Act and work to reform our securities class action regime.
- Fight to preserve the availability of arbitration and other alternative dispute resolution mechanisms.
- Raise awareness of overenforcement and facilitate meaningful reforms to rein in overreach, including enforcement of the False Claims Act and the Foreign Corrupt Practices Act.
- Oppose the expansion of private civil liability under key statutes, including the Telephone Consumer Protection Act.
- Fight to stop or scale back litigation-expanding regulatory overreach; push back against speculative litigation by states and localities.
- Fight the spread of class actions and other problematic U.S.-style litigation features abroad.

Champion a fair legal system that promotes economic growth and opportunity.

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RETIREMENT

Promote policies that provide retirement security through private sector solutions

- Work with Congress to increase retirement savings and security by making it easier for all employers and other private entities to offer retirement plans and retirement security solutions.
- Update employee benefit notices to provide meaningful information efficiently and effectively while protecting plan sponsors.
- Encourage employers to offer financial wellness programs suited to their employees' demographics and needs while limiting compliance burdens.
- Modernize the multiemployer pension system through pension funding relief, including funding and governance reforms.

Work with Congress and the administration to expand retirement coverage and security for Americans and ease administrative burdens for employers and plan sponsors.

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SMALL BUSINESS



The Chamber's small business priorities include:

- Enhancing the ability of small businesses to find, hire, and retain qualified and willing employees—the top issue identified by small businesses in the MetLife & U.S. Chamber of Commerce Small Business Index.
- Improve access to capital for startups and small businesses.
- Enable associations and state and local chambers to provide health insurance and retirement options for small businesses and their employees.
- Support the SBA Office of Advocacy's ability to act as an independent voice for small business in the federal government.
- Expand opportunities for small firms to buy and sell goods on a global market and to do so without the burdens of intellectual property abuses and restrictive tariffs.
- Infrastructure legislation that enables small businesses to provide timely delivery of goods and services, enhances the ability to fairly compete for government contracts, and streamlines the procurement process for small firms to work on public construction projects.
- An open and functioning federal government that provides business certainty through consistent operations and policies that establish clear rules of the road for small and growing businesses.

Small businesses count on a policy environment that enables them to hire, grow, and flourish in America's free enterprise system.

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TAX AND ECONOMIC DEVELOPMENT

Tax Policy

- Advocate for continued pro-growth tax policies in relevant tax legislation (e.g., tax extenders, technical corrections bills).
- Continue to work with the administration on regulations and other guidance to implement the Tax Cuts and Jobs Act.
- Continue to work with the administration, Congress, foreign governments, and governing organizations to achieve a multilateral consensus on the taxation of the digital economy.
- Prevent rollback of any parts of the pro-growth tax reform bill enacted in 2017.
- Oppose anti-growth tax policy proposals.

Economic Policy

- Continue to defend the importance of central bank independence for sound, pro-growth monetary policy.
- Continue to advocate for responsible fiscal policy, including entitlement reform, deficit reduction, and debt management.

Economic Development

- Advocate for effective implementation and utilization of Opportunity Zones and similar economic development programs.

Support broad-based economic growth through effective tax, fiscal, and monetary policy.

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TECHNOLOGY

Privacy

- Advocate for passage of a preemptive federal privacy law based on the U.S. Chamber's privacy principles and model legislation.
- Educate federal and state lawmakers about the benefits of the data-driven economy and the cost of overregulating data.

Communications Infrastructure

- Support Congress, the Federal Communications Commission, and the U.S. Department of Agriculture connecting rural Americans to broadband through smart funding, regulation, and permitting.
- Advocate for federal legislation and regulatory action to streamline and reduce regulatory barriers to 5G, wireline, wireless, and other communications infrastructure.
- Engage members on the best use of federally allocated spectrum.

Autonomous Vehicles (AVs) and Unmanned Aerial Systems (UAS)

- Monitor federal and state legislative activity to support bills that incentivize innovation and prevent enactment of bills that stifle technology development and potentially harm the safety around these technologies.
- Advocate for light touch policy approaches for AVs and UAS and engage with agencies such as the National Highway Traffic Safety Administration, the Department of Transportation, and the Federal Aviation Administration (FAA).
- Coordinate with the administration, FAA, Congress, and state-based organizations to build a foundation of evidence highlighting the economic impact and job creation of AVs and UAS so that policymakers can proceed with evidence-based policy for both industries.

Promote the role of technology in our economy and advocate for rational policy solutions that drive economic growth, spur innovation, and create jobs.

Artificial Intelligence (AI)/Machine Learning

- Advocate for an open environment that allows research and development and the creation of responsible AI technologies.
- Work with public- and private-sector leaders to educate the public, the media, the business community, and policymakers on the benefits of AI and machine learning across industries.

Blockchain

- Improve education and awareness of blockchain technology.

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U.S. CHAMBER LITIGATION CENTER

Challenge unlawful governmental regulation

- Bring lawsuits against unlawful federal, state, and local regulatory actions.

Defend free enterprise in the courts

- File amicus curiae briefs and intervene in cases in support of free enterprise on issues throughout the federal and state judicial systems.

Key issue areas

- Arbitration and Class Actions
- Tort and Novel Theories of Liability
- Plaintiffs' Forum Shopping
- Excessive Civil and Criminal Enforcement
- Energy and Environment
- Capital Markets and Financial Regulation
- Labor and Employment
- Technology and Innovation
- Trade and Immigration

Advocate for fair
treatment of business
in the courts and before
regulatory agencies.

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WORKPLACE POLICY



Labor Law Reform

- Defeat the Protecting the Right to Organize (PRO) Act that would allow for “card check” organizing instead of secret ballot elections; impose binding first contract arbitration; abolish state right to work laws; authorize “secondary boycotts” against employers with no role in a labor dispute; eliminate employers from having any role in elections to decide whether their employees will be unionized; codify the National Labor Relations Board’s “quickie” election regulations; create an unworkable definition of “joint employer;” and make using independent contractors almost impossible.

Regulatory Reforms

- Work with the Department of Labor on proper oversight of union-backed “worker centers.”
- Advocate for a new joint employer regulation and reforms to the “quickie” election rules.

Workplace Mandates

- Ensure that any new workplace regulations or mandates in areas like minimum wage, paid leave, and employment policy are workable and do not impose undue burdens on employers, especially small businesses.
- Address the growing patchwork of state and local workplace mandates in areas such as paid family leave, predictive scheduling, and independent contractors.

Promote workplace policies that enhance economic growth and job creation.

Labor and Employment Issues

- Help shape state policies and legislation on:
 - Independent contractor status
 - Overtime
 - Paid family leave
 - Preemption
 - Mass picketing

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