

Oklahoma State Chamber of Commerce Legislative Wrap Up Meeting

11:30 am to 1:00 pm Tuesday, July 17, 2012 Northeastern State University, Broken Arrow Campus

Quotable quotes:

"This ain't your granddaddy's State Chamber." "... we have engaged very heavily at the political level."

"What we decided is that we couldn't just wait and hope and pray that good legislators showed up at the Capitol... so we run campaigns, essentially, out of one side of our shop... we don't care what party you're from,..."

"We have our legislative agenda.... [A]nd if they're voting against the legislation the business community wants they you're, you get a bad score..."

"How do I get off your list?" And I said, "It's very easy, just kinda vote your way off the list... if you vote the right way, you'll get off the list."

"I mean, we absolutely helped switch votes."

"Oklahoma Civil Justice Council is not directly related to the Legislature, it's another project we wanted to point out. We're doing the same thing with Judges and we've caught a little bit of heat for it. It's a brand new project that Fred uh, has, uh, been spearheading.... And we're going to do the same job of evaluation system on Judges and all we're going to judge Judges on are, do they expand or contract liability for businesses...?"

"But part of the problem is we spend all of our time to recruit good business candidates, we get them elected, we get them educated, we get them to vote the right way on a bill, and then the bill goes to the Supreme Court and gets struck down.... we've got some work to do making sure that the business community.... understand who these Judges are..." "Representative Bennett came out and criticized us for having the gall to evaluate judges..."

"So, again, this is the, **the RIED Score**, many of you have seen it. It lists who got what.... so again, **we go back to party** affiliation, we don't care what party you're from – we just care that you're voting for business."

" Uh, and for us, you know, political guys, you know, a lot of times we, you know, the legislature spends a lot of time talking about things that just don't matter – I mean, they want to talk about tax cuts and all that stuff... So we're going to have to figure out... how to help, uh, refocus maybe the legislators' attention on things that are actually going to create jobs, versus worrying about tax cuts and tax credits and stuff like that."

Transcript of Presentations. Speakers were Fred Morgan, State Chamber President, and Chad Warmington, Lobbyist for State Chamber of Commerce.

Fred Morgan Comments: [Minute Markers indicated]

- **00:00 00:26** "We really want to get the organization back to where it should be which is, and have a focus, and our focus at the State Chamber is one thing and that's to lobby for the business community at the state Capital. When I came we were doing a couple of other things we were involved in nanotechnology development. Great project, super project, we were really fascinated by it, but it doesn't fit into our mission."
- **00:27 00:52** "Our mission is simply to be the voice of all business at the Capitol big and small. And sometimes we're looked upon and viewed as [unclear] that we represent big business. Actually more than 75% of our members are small and small business owners. And we're also looked at sometimes as being for city business. We're not, our members are scattered all over the state and represent all kinds of different businesses."
- **00:53 01:14** "But we had one of the things we had is, one gentleman, some of you might know him, his name is, he's called "Bubba", but uh, Mike Cantrell, who's in the oil and gas industry, and he came to one of our meetings the other day and saw some of the new projects we're doing and his comment was, *"This ain't your granddaddy's state chamber.'*"
- **01:15 01:47** "Because before I came we really weren't very politically engaged. But we know that in order, that [unclear] and so we know that we need to be engaged and we need to be engaged not just at the policy advocacy level but we need to be involved in the political level as well. So we have engaged very heavily at the political level. It's a lot easier to lobby a legislator who shares your ideas, and your goals, and who knows something about business. And Chad is going to go through a lot of the projects, kind of sum up our political projects."
- 01:47 -02:11 "But we've completely changed the focus everyone at the State Chamber right now, we've changed a lot of our staff, but we're really focused on just doing one thing and doing it very, very well. And we're fortunate, because there really aren't very many groups who actually have won votes we don't have a lot of competition. Our competition is making sure that the business community knows what we do for them. And so we're going to talk a little bit about that today."
- **02:12 02:57** "We're really making a big push, we've been doing this for about a year, Wes knows this, we've been making a big push in this area, in the northeast area of the state. One of the reasons for that is, uhm, as a statewide organization, I think Tulsa is under-represented within our organization and frankly we encourage all of our members to join their local chambers, the Tulsa Chamber, the Broken Arrow Chamber. And we have a great working relationship; in fact, we build coalitions with them to get things done, because from a legislative standpoint a lot of times it's even better to hear from their local chamber than it is from the State Chamber. So we work together and try to have common goals, common mission and we work with the Tulsa Chamber, we work with Wes, we work with all types of different chambers around the state. But it's very important that business speak with one unified voice."
- **02:58 03:54** [audio unclear, too much crackling and background noise] ... "get out in the state and see what was going on and boy, did we get an earful from manufacturers."

Lt. Governor Todd Lamb

- 03:55 -04:34 "The two biggest issues we were hearing about were workers comp reform and workforce development. And we're now, got a lot of great feedback. And so one of the things we said was well, this was working so well one-on-one, why don't we start doing Summits around the state and getting more input from local business owners who face the real world problems of every day? And so we're taking up with Lt.
 Governor Lamb who is going to conduct with us Summits around the state one in Enid, doing one up here, we're going to do one in Oklahoma City, one in Lawton, uh, Enid, did I say Enid already? Uh, and we're uh, and Durant."
- 04:35 05:48 "And we're going to be doing those around, inviting people to come in and have a one-on-one
 dialogue with Lt. Gov. Lamb and listen to what they would like to see us do and what kind of small business

agenda we can develop, a manufacturing agenda that we can develop for next year. We're getting ready to kick those off, the first one is next week up in Enid and uh, we think it's really important to listen, because, everyone, a business owner is the boots on the ground. We can think we know what business says, but unless we get feedback and input we don't really know and so we're really reaching out to businesses across the state. What's that going to lead to, hopefully, is an agenda for small businesses and manufacturing at the State Capitol. We're going to do this all throughout the summer and then in late fall we're bringing, we'll have one big one in Oklahoma City, announcing the legislative agenda. And Lt. Gov. Lamb is going to actually to shepherd that agenda through the Legislature, he's going to help find the authors, he's going to help kinda make sure of the communication with the Legislature but also communication with the general public, and build that coalition, really get what's needed by the business community. So with that, we're real excited about that and uh, oh, we'll be also doing one in Bartlesville, Bartlesville area, I think."

Governor Fallin = CEO

• **05:49 – 06:44** "So we're going to be, to be spending some time up here, we have been spending time, and we're going to continue to spend time, because we think it's really important because Oklahoma is on a really good track here. If you start looking at some national magazines, the articles, they say that Oklahoma is really a great place to do business. **And we've got a Governor who we work very closely with,** but who is really out there promoting business and economic development and jobs. Which she should be. I just did an interview this morning with uh, a newspaper, and uh, they were saying, "Well what about the taxpayer dollars, about funding these trips?" and stuff. Uh, first of all **the Chief Executive Officer** is the person who needs to be out there to promote the state. The Thunder, when you start looking at the Thunder and the playoffs, people outside of Oklahoma don't really know Oklahoma, I mean they don't have a bad impression, they don't have a good impression...they have no impression. And so, the Thunder gave us a chance to highlight ourselves on a national scale."

The Business Roundtable

- **06:45 07:08** "Now the follow-up with that is to have your **Chief Executive Officer** going out and promoting the state and she's doing that. Uh, and as a result of that **the Oklahoma Business Roundtable**, **which is a organization that has business owners and leaders from across the state**, **is at an all-time high**, because they see a Governor who is really actively engaged with the business community, that really wants to improve the situation. And so, we're really excited about it as well."
- **07:09 07:42** "With that I'm going to turn it over to Chad Warmington, but before I do let me introduce the rest of our staff. We brought some staff up, we've got some staff meetings today, uh, we have Jennifer Monies will you stand up. She is our communications director. She actually worked for two House Speakers as Communications Director; she knows people at the Legislature; she knows the media, she also worked for the Daily Oklahoman. Gwen Caldwell who is probably no stranger to all of you. She and I worked together for Senator Coffee and then she went on to belong to the Tulsa Chamber and headed up the government affairs there. Again, someone who is well connected to the legislature, knows the legislative process."
- **07:43 08:09** "And then Chad Warmington worked for three Speakers of the House, uh, we actually worked against each other for a while but I was so impressed by him beating me all that time that I went out and hired him. So, uh, he's very talented uh, and knows government affairs process, knows and still has lots of connections in the House and Senate and is widely respected at the legislature. So with that I'll turn it over to Chad Warmington, and appreciate you all being here today. Thank you."

Chad Warmington Comments:

- **08:12 08:32** "Thanks Fred. What I'll do is, we do really want to talk to you about what you're hearing and what, what a, what are some of the impediments that we can help you with at the Legislature. So I want to run through this so I can give you an idea of some of the activities the Chamber is up to."
- 08:33 09:53 [C.W. correcting problems with ppt projector]
- **09:54 10:09** "There we go. OK. Alright. So, just to make sure you understand the differences between the State Chamber and what other Chambers are. Sometimes they get a little bit confused. We get confused with the Department of Commerce, we get confused with local chambers, and we're totally different than both of those."

- 10:10 10:36 "All we do is lobby for business at the Capitol. That's what we do. We partner with local Chambers on their issues, but local Chambers handle economic development, they handle issues that are very specific to their community. Uh, they do a lot of outreach to businesses in terms of helping recruit that's not what we do. What we do is, we help to make sure the legislative environment, the business environment, in the state of Oklahoma is pro-growth and is good for business. That's all we do."
- 10:37 11:40 "And so we're, and because of that, we're the most credible, and in some cases, the only voice of businesses statewide at the Capitol. So what we're trying to do is bring all those voices together, so we'll partner with the local Chambers and bring an issue to the legislature and say, "Hey, look, this is what we're hearing from these communities, this is what the businesses in Broken Arrow, this is what the businesses in uh, you know, Broken Bow, and in Enid are hearing, and are experiencing problems, and we want to work with the legislature to fix it." We kind of unify them, and we have one voice at the Capitol together, so we kind of look at ourselves as the coalition builder on that. But uh, nobody else does what we do. And our only job is to be engaged at 23rd and Lincoln, to make sure that legislative leaders understand what is important to growing business in the state of Oklahoma. That's what we do. And like Fred said, we really had gotten off track, had gotten involved in some good endeavors, but they weren't about being involved at 23rd and Lincoln, and really making sure the legislators were engaged in knowing what was going on in the business community. And how legislators could help the business community, uh, grow their businesses and move Oklahoma forward."
- 11:41 12:14 "Again, local chambers, again they focus on economic development. And corporate lobbyists, a lot of the companies you may work with, they have their own corporate lobbyists, but they're very focused on their own issues, specific to the company. So our job is to kind of partner with them, so it's nice for instance, say, AT&T, to work with us on an issue and have us kind of take the lead. And it doesn't become just an AT&T issue; it becomes a business community in Oklahoma issue. And so we'll work with those different groups, the different corporations, and the, uh, different local Chambers and have a unified, uh, a unified voice on that."

Recruiting Candidates, Run Campaigns, Either Party

- 12:15 13:07 "What we decided is that we couldn't just wait and hope and pray that good legislators showed up at the Capitol, that knew business and was pro-business. And, uh, particularly with term limits, you get a bad legislator in there, it's hard to get them out. Uh, so you're usually stuck with them for 12 years. And we decided that if we were going to be effective and, in, uh, in moving the legislature we had to have a more pro-business bias, that we had to make sure we had people getting elected that were pro-business, or at least understood the issues, or had had some experience with business issues. So we decided we couldn't just sit back and wait, we had to engage a lot more in the political process, in order to help recruit, uh, find good people to run, help them run and help them get elected, and then we'd have the opportunity to go talk to them once they were elected about business issues and they would understand our issues.
- 13:08 13:41"So we've done a lot of different things. We've done we've done television, radio, uh, newspaper ads, so we run campaigns, essentially, out of one side of our shop. And so we'll, once we find a good probusiness candidate, and our criteria is pretty clear, we'll interview all of the candidates, we don't care what party you're from, all we care about is, 'Do you understand business issues and are you willing to listen and engage and work with us in making Oklahoma a more pro-business climate?' And when there is a clear delineation between a pro-business candidate and candidate who is not pro-business, or doesn't express an interest in working with us, then we'll work with the other candidate."

Campaign Examples

• **13:42 –14:35** "So in this case, this is the mail piece we did, this is the front and back, you're seeing both sides of it, a mail piece for piece for **Representative Marion Cooksey**, the Representative from Edmond, OK, running against a guy who was very anti-business, uh, refused to come to our meetings, refused to fill out our surveys, didn't want anything to do with us. And Marion Cooksey has been a very good pro-business voter. She's a

realtor by trade, she gets business issues, and she has like a lifetime on a **RIED Score**, uh Research Institute for Economic Development, they score legislators at the end of session, I'll talk about that when we get to it, I think a lifetime in the high 90's. So she's a great business voter, she's the kind of voter we want in the legislature. **So we decided to help Marion out** and helped her in her primary and so this is an example of one of the mail pieces we did. And uh, [we just wanted to make sure] that her constituents understood that uh, Marion, was, doing uh, good things for business, uh, up at the Capitol."

• 14:36 – 15:17 "Uh, this is another piece of mail we did, uh, in conjunction in part with Governor Fallin.

Governor Fallin wanted to try to help some of the candidates who were running. Senator Brian Crain has been another great pro-business voter, uh, was in a tough, uh, re-election fight and the Governor's office said, "Hey you can use my name to help Senator Crain out." Which we did, we put this piece together. Uh, we did a bunch of mail, a bunch of radio uh, and uh, a lot of phone calls, uh, those beloved robo calls that you get. We do live advocacy calls, we don't just have a machine call you, we actually have a person call and uh, talk to you about the candidate. So we did a lot of that for Senator Crain, [unclear] somewhere, there we go."

Legislative Races, Statewide Issues

- **15:18 16:33** "Uh, so we were very engaged on those political issues, at the legislative race uh, level. But what we also do is, we realize there are other political issues that we need to engage in on a statewide level. And particularly as it relates to state questions. Uh, last cycle, many of you know, SQ 744 was the big state question and was, uh, a lot of debate and uh, a big campaign on that. We were very much involved in that. This cycle the big question is going to be **SQ 766**. And 766 is the state question that deals with the intangible personal property tax. I don't know if any of you are familiar with that but the, uh, Supreme, Oklahoma Supreme Court a couple years ago ruled, uh, in a case against AT&T [NOTE: This case actually was Southwestern Bell Telephone Corp. vs. the Okla. Board of Equalization, in 2009] that, uh, exposed businesses all across the state to a new tax on intangible, intangible personal property. And so you say, "What's intangible personal property?" Uh, well, that's part of the problem, it's hard to define what is intangible your customer list, your goodwill, your logo. It could be, uh, pretty much anything a county assessor says is an intangible personal property of a business. Or a person could have a tax levied against them, it could be a hunting lease, mineral rights, it could be an insurance policy."
- 16:34 –17:06 "So the Supreme Court basically said, "Look, if it's not exempt, it's taxable." And so, we fought two years, Gwendolyn, Fred and I when we were still there, we were working on the legislation, trying, "How do you fix this new gaping hole in the tax system?" that essentially that would have allowed 77 different county assessors to go out and say, come into your business and go, "Look, I wanta, I wanta, I wanta take a review of your business and I wanta, it looks like you've got a really good customer base, and use some proprietary software, [unclear] and insurance policies, and I wanta levy a tax on that. And now [unclear] you [unclear] tax on that."
- 17:07 17:49 "So what we did was, we passed a bill that for two years put a ban in place of, uh, enforcing this tax. For us to work with the tax commission [unclear] on how we solve the problem. That the, uh, uh, prohibition on the, the ban on that tax be levied runs out in January. So we had this question on the ballot in November. If it passes then we will prevent what we believe, what we know, would be the largest tax increase in the history of the state of Oklahoma. It would be a massive tax increase. And if you're a county assessor, you're going to go levy that tax. Uh, that's what you do. And so, it's nothing against them, it's just that uh, we just think that the levying of an intangible personal property tax is completely ridiculous, it has no guidelines, and no boundaries."
- 17:50 18:42 "The other thing that we work on are statewide initiatives like uh, worker's compensation system. This is a mail piece we did when we were running a bill [unclear] actually at the Capitol that was on worker's compensation reform bill. There's two issues we hear about from businesses, and we definitely want to talk to you about your issues are, that we hear the most our worker's comp cost and access to qualified workforce. I mean everywhere we go. Just had a meeting this morning at Spirit AeroSystems, uh, they have 450

open jobs – they are just dying to get people to apply for. And they can't, they get them in, they'll come in and they're failing drug tests, uh, they can't, they can't even sit still in the interview, and he's like, "Look, we've got a \$100,000 dollar piece of, of, of machinery; I can't have a guy that's, you know, failing a drug test." But it', so he said, "Chad, you know, these are great, high-paying jobs, I mean 401Ks, benefits, you know, and, and we can't find people for them."

• **18:43 –19:17** "So, access to uh, the, you know, a qualified workforce is really important to us. So, workshop is always number one. Always number one. And so, we've been pushing really hard on reforming the worker's compensation system. And we found this picture on [refers to photo]I mean it's perfect, it's just a photo with no text and I thought, "This is perfect for what we want to talk about." Because it really is crushing our Oklahoma businesses. So we've been trying to talk to legislators about how important it is, so we ran these ads and did['nt?] mail them in their districts, pointing out that their businesses were getting killed by these costs and we wanted to point out to them the importance of staying engaged and trying to find solutions for that."

After They're Elected We Educate Them

- **19:18 19:40** "Uh, so once we've gone out, recruited them, got them elected, **we uh, help educate them on business issues.** They get up to the Capitol, and a lot of these folks uh, you know, they've got four months of session, they got a lot of people coming at them, two, twenty five hundred pieces of legislation that are filed, they need help figuring out what's the important stuff and what are, what are the real issues. And so our job is to help them."
- 19:41 20:24 "And what we also have to do is help defend them when they're under attack. So we got us, [I'll] look at us as the good guys, and you have the other guys on the other side, which are typically trial lawyers and labor unions. And they have [unclear] persuasion than we do on some of these business issues. And so they are very much engaged politically and pushing back on tort reform, or comp reform, uh, different issues like that. You know, they go after those legislators as well, and try to convince them that, you know, we don't need that reform. And frankly, they attack them. But when they do attack them, we have to go out and defend our friends. We have to make sure that they know politically, that if they make a tough vote on worker's compensation reform or on lawsuit reform bill, that the trial lawyers are going to come and put in money, find an opponent, that, that uh, to run against them, that we're going to defend them. "

"Trial Lawyers"

- 20:25-21:39 "So, we had a bill that was a lawsuit reform bill that was up two years ago, two sessions ago and these trial lawyers were beating the snot of the legislators. They were hitting them with really vicious phone calls in their districts, and mail pieces, and uh, just saying a bunch of really untrue things about them and about the bill. And I was driving down the road when I called Jennifer, uh Jennifer's department, and said, "You know, I'm really getting tired of these trial lawyers beating up these guys, we've gotta do something. "I said, "Find me a picture of the sleaziest looking guy with a cigar, if you can, and let's call him a trial lawyer." And say, "This guy doesn't, doesn't want you to vote on HB 2128 because he and his trial lawyer buddies are making too much money off the backs of hardworking Oklahomans."" [Refers to image of a sly-looking man with a cigar featured in a Chamber mail piece.] So we took this and this became a full-page ad in The Oklahoman, in the Tulsa World, and we used it as a handout at the Capitol. And basically, we were trying to tell our, our friends in the legislature, look, the only voices you're hearing are not going to be the trial lawyers, you will hear from the business community, and we'll defend you as well. So, I just love that guy [referring to the photo of the sly-looking man with the cigar in the mail piece], I think he, he fits exactly what I needed for, uh, un-reputable looking cigar smoker, it was perfect. Not that cigar smoking is bad [unclear]. If you guys love cigars I'm sure they're good. I'm just, you know, for that, smoke-filled room of trial lawyers, it had just the right imagery for me."
- **21:40 22:29** "But once they make those tough votes, we have to make sure that we do a good job thanking them. Uh, this is a mail piece we did for Senator Kim David, you all may be familiar with her, she's from over in

this part of the state. Uh, Kim was really under attack, she was a freshman senator, she had a tough bill, uh, she had a lot of trial lawyers in her district going after her and so uhm, uh, we sent out, again this is the front and back, "This guy wants to take your money." We didn't use my same guy, which is kind of a bummer, I don't know why we did that, I'm still mad about that, [laugh], but we used the other cigar smoking guy and said, you know, "This guy was trying to uh, uh, uh, uh, you know, take a, beat lawsuit reform and, uhm, fighting for his own pocketbook and your Senator fought back and she won. She stood up for jobs." And we sent that out to uh, about 25,000 people, and used different districts, just letting them know their Senator, in our opinion, did right thing. So, it's a way of us, you know, telling the representatives that we're going to be there if you make a tough vote as well."

Thanking Senator Clark Jolley

• **22:30 –22:54** "Uh, this is another mail piece we did for **Senator Jolley** who was in a tough fight this year. Uh, you know, **Senator Jolley has been a champion for us**, he's the A&B Chairman so he's the guy distributes the money in the Senate. [He's got] an important job, he did a very good job of it, so he was under a very, very difficult re-election campaign. **So we worked really hard to help thank him."**

The Political Intelligence Report

• 22:55 –23:28 "But we decided we also couldn't just you know, applaud, when they did well, we had to point out when they weren't doing so well either. And so we have a number of different ways we do that. What we have is uh, a couple different projects. This is Oklahoma Political Intelligence Report [website] were we, we uh, we really look into who their opponents are, and we score their opponents. And so, it's intelligence for folks like you who are constantly getting asked to make campaign contributions, or PACs that are being asked to make campaign contributions. A lot of times you don't know who the good [unclear] candidates are, that's what that project does, that helps you figure out who is who, and where they get their money from."

Research Institute for Economic Development - REID

• 23:29-23:55 "The second thing we do is score them after we work with Research Institute for Economic Development, RIED. And RIED is, uh, has been around, how long has it been around for, Fred? Twenty years? [Fred Morgan, "Twenty years."] Twenty years or so, and so they have a very long demonstrated history of scoring legislators, I think, pretty objectively, on how they vote on pro-business issues. So at the end of each session, RIED comes out with, it's an independent group, they come out with their RIED Score Report, so that's how you know what your legislator did. So we're very involved with that group."

"We Are Watching Them dot biz"

• 23:56 – 24:53 "But what we decided was, RIED was nice after session, but what if you wanted to know what your legislator was doing during session, there'd be no way for you really know unless you were tracking the bills yourself. So again, this is one of those driving down the road moments for me and, uh, I called Jennifer up and I said, and I was driving by the Capitol, and uh, I said, uh, you know, there's a great big billboard that sits right by the Capitol, and I said, "I want to see if we can get that billboard and I want to get a big arrow and point to it, and all I want the billboard to say is, "We Are Watching You."" 'Cause I was mad because those trial lawyers were beating us up and there were some bad votes going on. And "We Are Watching You" became "We Are Watching Them" which became We Are Watching Them dot biz, which became our website, which basically is a, is our way of updating in real time what are legislators doing right now during the session. What are they saying, so Votes, use Quotes, and repeat Offenders. This is our way to track during session how they're voting on the bills so that you can see very clearly how your legislator is doing."

We Have Our Legislative Agenda

- 24:54 26:09 "It's very simple, it, it is very simple for us. We have our legislative agenda that is put together by our members, who are fifteen or sixteen hundred businesses that come together in our committees and tell us what legislation they want. And if they're voting against the legislation the business community wants they *you're, you get a bad score.* And so that became a little bit of consternation for most legislators. I had one legislator come up to me and go, "How do I get off your list?" And I said, "It's very easy, just kinda vote your way off the list. I mean, we're not, this is not our opinion, this is your vote." I had one guy, I was sitting in committee hearing, he's a legislator, he's on the list, in the repeat offenders, I don't have this pulled up, it's kinda this dark shadowy picture of our top ten worst voters at the time, and he said, "I want off your list." And I said, "Well Representative, it's very clear, you need to go back to this committee, you need to vote for this bill in **committee, and then when the bill comes to the floor you need to vote for it there."** And he goes, "Will that get me off?" And I said, "No, it probably won't get you off so you need to vote ..." and I knew that a couple of bills that were on our agenda and I said, "You need to vote for the tort bill." I said, "You need to vote for the SHOP bill..." which was uh, uh, which one [woman says, "The aerospace"], "<mark>and the Aerospace tax credit bill.</mark>" I said, **"If you vote for those three you'll get off the list."** And in my head I'm doing the math, "I hope he gets off the list, I hope he gets off the list." [Laughter] But I was pretty confident he would. He said, "You're sure, you promise me?" I said, "I promise you, if you vote the right way you'll get off the list."
- **26:10 26:53** "So he literally goes back into committee, right? This committee is going while he pulls me out to tell me this, he goes back in committee, vote comes and he goes green [NOTE- Green is a yes vote]. And his buddy sitting next to him, somebody who never votes with us as well, looks at him, what is going on, why is he going green, so he goes green as well. The bill passes, it gets out, it goes to the floor and he debated in favor of the bill. So not only did he not vote against it, he debated in favor of it. Now I've talked, I've gotten to know him after a while, and I said, "Why would you vote that?" And he goes "most of the time I didn't really know. If I didn't really know it was a pro-business issue, and I just didn't like it, I'd vote against it. But when you started pointing it out, then I was going to be for it." So, I mean, it just added accountability of them knowing we're watching was pretty critical for us, and it helped switch votes. I mean, we absolutely helped switch votes."

The Oklahoma Civil Justice Council

- 26:54- 27:46 "Oklahoma Civil Justice Council is not directly related to the Legislature, it's another project we wanted to point out. We're doing the same thing with Judges and we've caught a little bit of heat for it. It's a brand new project that Fred uh, has, uh, been spearheading, and has been pushing us to put together. And we're going to do the same job of evaluation system on Judges and all we're going to judge Judges on are, do they expand or contract liability for businesses, and their decisions. So we take a decision where the court is split, and it's only at the Supremes and the Court of Civil Appeals level, when there's a split decision and the decision, uh, and, and the vote is, does it expand or contract liability for businesses? It's just a simple evaluation tool.

 That's what the Civil Justice Council is, uh, going to do. We did the Supreme Court and... [Unidentified woman's statement is unclear.] Two. Two... [unclear] [Unidentified man, "It's not really a matter of passing, it's how they rate among the judges, it's a comparison between each other."] Yeah, so we've got some work to do there."
- 27:47- 28:25 "But part of the problem is we spend all of our time to recruit good business candidates, we get them elected, we get them educated, we get them to vote the right way on a bill, and then the bill goes to the Supreme Court and gets struck down. Well, so we kinda figured, well, we've got some work to do making sure that the business community and the elected, and the people that vote, understand who these Judges are, because guess what? Most of you would probably have probably gone in and voted for them as well, because it's on retention ballot and every time, what do they get, Fred, sixty percent of the vote? [Fred "Over."] Alm...eh, eh, sixty percent of the vote every time, no matter what. People just don't know, they don't know how to score them, they don't know what they've been doing, they're not exactly sure what those Judges have done, and all we're going to do is provide some criteria by which you do judges. So, that's what we're doing there."

The RIED Score

• **28:26 – 29:20** "So, again, this is the, *the RIED Score*, many of you have seen it. It lists who got what. A hundred is obviously the best score you can get, so this shows who some of the 2011 RIED recipient scores were, these were the perfect votes. It also shows who some of the worst were, so you can see very clearly if your legislator is on, uh, is on there. *I'll point out that the bottom on the right hand side, the bottom, the number 29, that's John Bennett.* He's the Representative from down in Sallisaw. He had a 29 out of a 100. He's a freshman Republican legislator, who had the worst anti-business voting record of anybody by far, wasn't even close. *And so again, we go back to party affiliation, we don't care what party you're from – we just care that you're voting for business. <i>And that you're voting to uh, you know, to move Oklahoma forward.* So he ended up number one on their list of bad legislators. He was also number one *on our list as well*, so it's pretty consistent. And uh, *we're going to point that out to his constituents this election cycle, too.*

Access to Information for Certain Members

- 29:21-30:08 "So, the Political Intelligence Report is how we're going to point out and how we're going to take that information and give it to our members uh, who are at a certain level of our organization and who can access the Political Intelligence Report. And for those of you who are involved in campaigns, or are hacks, or understand how that works, you gotta lotta guys, lotta gals coming to ya asking you for money, and we just want to arm you with information about are they doing what they're supposed to be doing up there, who else are they getting their money from, what does the district look like. So here's the breakdown of House District 1, it shows you the new district. It shows you uh, some demographic information on the district. It shows you how the Governor and the Lt. Governor, and the uh, the Senators have done there. So you get a Republican walks in and says "I can win this seat," and you look down here and say well, [unclear, possibly: "Mary Fallin didn't even win here, you're not gonna win there."] It gives you an objective criteria by which to judge whether or not you want to support them or not."
- 30:09 30:45 "It uh, shows you, uh, this graph here which we can zoom in on it, it shows you where they're also getting their money from. For us, if you see that big long, the big long line of the bulk of their money's coming from trial lawyers, well, then we know we have a problem, that that's not the kind of candidate we want to work with, uh, because they're not going to be pro-business, they're not going to be for tort reform, I mean, you know, it's just the way it goes. So, this information is, uh, has all been out there but there wasn't a place for it, so we put it pulled it all together and put it in the Political Intelligence Report, so that we can again arm businesses with information on who these folks are and what are they, who are they getting their money from, what is their political persuasion going to be."

Bottom Line - Why Do We Do All This?

• 30:46 – 32:04 "So, the bottom line is, why do we do all this? Well, we do it because that's what our members charge us to do, but we do it because if we don't do it, who will? So, last, uh, last year, uh, the end of session, The Oklahoman wrote an editorial that we wish we could have taken credit 'cause it was so perfect, people blamed Jennifer, like she actually wrote it and got it put in the paper. But it was Chambers Irk Lawmakers by Representing Members, and it basically said, uh, in the first paragraph, "For reasons we can quite fathom, Chambers of Commerce," and they're talking particularly about us, "are being criticized for having the gall to represent in the political arena the best interest of their members." And then, this is the line that sums it up, "Labor unions have always represented in the political arena the best interests of their members." You know, why wouldn't the Chambers do it, essentially? Uh, and uh, you know, it says that uh, "move by the Chamber is said to be overtly political activity, not in keeping with the Chambers' mission." And then, really? That's exactly what our mission is - our mission is to engage up there at the Capitol to protect businesses from folks who are trying to vote in an, uh, anti-business way, or gonna do things that are help keep Oklahoma from moving forward. That's what we do. That's all we do at the State Chamber. So, uh, that was a real good pat on the back from, from them. And acknowledgement of, we're just doing exactly what our, what our members want us to do."

Mocking "Judges Should Be Impartial"

- 32:05 32:46 "And this is the last thing, on our judicial evaluation system, this was another editorial that was written, and basically, Representative Bennett, consistent theme if you're developing here, Representative Bennett came out and criticized us for having the gall to evaluate judges, and that is [C.W. assumes mocking voice] "Judges should be impartial", and all that, as if we shouldn't somehow judge them, and we shouldn't somehow put out information about what judges are doing. And again, I think this was, was this Tulsa World or the Oklahoman? This is Oklahoman. The Oklahoman came out and said that, you know, the rating system is not a Chamber of horrors, that it actually is needed, that voters need to be educated on what it is these legi, uh, these judges are doing and how are they voting on cases, so that we can arm you and you make the decision. We just want to give you the information to make the decision.
- 32:47 33:05 "So again, we felt pretty justified, that we're on the right track, doing what we're supposed to do, when uh, you know, one of the state's largest newspapers agrees with us that it's a good thing for openness, it's a good thing for information for voters. We're not telling you how to vote, we're just giving the information to make an objective evaluation. So, uh, that one was a, uh, was a, was a big winner for us."
- 33:06 33:38 "So, uh, again, our whole mission is to listen to you, our whole mission is to help you grow Oklahoma businesses and your business, uh, in the state of Oklahoma, and we really want to spend the next, you know, few minutes that we have together to hear from you about, what are some of the impediments, what are some of the things we need to be focusing on at the Capitol, uh, that are keeping Oklahoma behind, or keeping your business behind. And so, loved to, if you have any questions on anything we're doing, or you have anything you just kinda want to state out to us that you want us to be able to look into, we'd uh, we'd up be happy to hear about that."

Q & A

• 33:39 – 40:20 – Q and A – general question about education funding and teacher's union, etc. Answer includes reference to Barresi and the A, B, C, D and F scoring of school, career tech, and workforce training for corporations' needs, etc.

Chad Warmington - Things That Just Don't Matter - Tax Cuts and All That Stuff

• 40:21 – 40:58 [Regarding career tech training for corporations needs] - "We're still trying to get our heads around how to make that a big push. *Uh, and for us, you know, political guys, you know, a lot of times we, you know, the legislature spends a lot of time talking about things that just don't matter - I mean, they want to talk about tax cuts and all that stuff. Well, tax cuts are great for people who have jobs. If there aren't even jobs, why don't we worry about getting people into the jobs first, before we worry about the tax cuts, you know? So we're going to have to figure out, working with Gwendolyn, about how to help, uh, refocus maybe the legislators' attention on things that are actually going to create jobs, versus worrying about tax cuts and tax credits and stuff like that. Those are worth, important issues, but, and they're people who say that jobs are important, too."

Fred Morgan -

• 40:59 – 41:29 "There are business people who are saying, "Why are you involved in education? It's not important." And we say "We absolutely disagree with you." This workforce issue is becoming a serious, it is a serious, beyond becoming, it is a serious issue. And the only way you fix that is by fixing the education system. And it's an issue on recruitment for businesses in the state as well. But it's a huge issue, and we're hearing about it, we know about it, and so we think, if business isn't engaged in education issues, they're making a huge mistake because that's the workers of the future."

Chad Warmington: Government, Industry, and Career Tech - The Model We Need to Use Everywhere

- 41:30 -42:21 "And I'll tell you one last example, one, don't know if you were paying attention, Stillwater recently announced, they had a big Mercury Marine plant that closed there, uh, and they just announced last week, they've got an aerospace company's that's coming to take half of that building. Great for Stillwater. But one of the interesting things they did, as part of their incentive package, is a career tech in Stillwater agreed to specifically, and create a specialized program to train people to do the work that they do at this new aerospace plant. Well, that's the model we need to be using everywhere. You talk about business incentives, that's a pretty darn good incentive. And that's a great investment for the state. Uh, you, we put that money into the training for that employee, they can go to work there, but if, I mean, if there's more work elsewhere that that skill is going to be transferrable to a lot of other places. So, it's not like giving cash and hoping it works, virtually training them, then they can go do work, then guess what then they do? They pay taxes, generate revenue for the state, and [unclear] do the other things we [?] want to do."
- 42:22 -42:39 "So, we've been talking to [unclear] up there about, uh, I talked to them the other day about, how do we recreate what you did and that incentive package, to get career tech involved with training, and the incentive to get them into [unclear] school. So, there's some things we can do that we just need to get the right people around the table to talk about that."
- **42:40 43:27** Q & A Question about skilled jobs, recruiting businesses versus recruiting skilled people to OK. Is there anything in the works to entice skilled people to come to OK?

Fred Morgan - Reinstating the Aerospace Tax Credit

43:28 -45:11 "I'll give you a good example of what we did last year, and actually we're working on for a couple of years, is because of the budget crisis, uh, one of the, one of the big needs and has been for [unclear] years [unclear] and that's been, and Chad and I were made aware of that when we were working in the legislature, and they came to us and said, look we have a good industry, with good jobs, these jobs pay 70 or 80,000 dollars a year or more, and we can't find qualified engineers. So the legislature enacted an engineering tax incentive program. Uh, and it was for both the employer and for the company to get people to come here and we have a great, we have a great place to shop - uh, Wichita, Kansas. Uh, they've got a great aerospace industry, but it's struggling, and it's declining, and if we've got the right incentives in place, we can go up there and get those people. And it's not such a culture shock either, to move from Wichita to Oklahoma. And so, uh, so we passed a bill and it was working, and then because of the budget crisis they decided to put a moratorium on it because it was money going out of the treasury. So we were asked to step back in and see if we can get them to re-<mark>instate that aerospace tax credit. And that's what we did.</mark> And we got it. But yes, <mark>targeted items like that I</mark> think are going to be much better, and they're probably the future of where the legislature's efforts need to **go,** instead of this broad base, we're going to have to really be strategic, like on the career tech question. You gotta really say what are, what are our needs, what do we need, **not just providing an education in general,** but let's focus on what our business, and what our job needs are, and then fill that with qualified people. But yeah, it's a problem, and like I said earlier, it's not, this qualified worker is not just an Oklahoma problem, it's, it's, I mean, it's an American problem."

The meeting continued for several more minutes. The entire audio is available online at www.truthinfocus.org/radio/america_in_the_balance.php. Show dated July 17, 2012.