2020 has been a ride, and it’s only half over. But our team of freedom fighters is stronger than ever—and it just keeps growing!

CF has made several new hires this year—including former intern and now Government Affairs Associate Ben Slate and former fellow and now Senior Policy Analyst Colleen Hroncich.

So much has happened while our team was working from home during the shutdown—sometimes we scrambled to react to the latest news, and sometimes we were making the news. Whichever the case, we proved that even a big emergency doesn’t mean free reign for big government: free-market fundamentals carried the day, and we’re proud of all we accomplished. Enjoy reading about our latest wins in the July/August issue!
In the past few months, Commonwealth Foundation’s reputation for sound principles and solid policies has allowed our message to achieve maximum impact. In the thick of crisis, state and national leaders have come to us for solutions.

In June, Vice President Mike Pence sought the collaboration of our Director of Western Pennsylvania, Lenny McAllister, to discuss inequality in education and criminal justice reform at a stop on his national listening tour. Lenny’s clear message for the vice president: “Justice means allowing parents to choose where their children attend school.”

After Speaker of the House Mike Turzai retired from the state legislature, legislative allies Bryan Cutler and Kerry Benninghoff were named Speaker of the House and Majority Leader, respectively. We’ve worked closely with both representatives on issues such as paycheck protection, school choice, fiscal responsibility, and welfare reform. We’ll continue to work closely with both to preserve lives and livelihoods as they prioritize getting Pennsylvania back on track after the economic shutdown.

This spring, Senator Pat Toomey contacted CF President & CEO Charles Mitchell for advice on his reopening proposal. Several CF policy positions were included in Sen. Toomey’s well-publicized reopening plan.

At a national moment when bipartisanship seems forever out of reach, Commonwealth Foundation has partnered with lawmakers who reached across the aisle to pass SB 637, a transformative occupational licensing reform that was introduced in May of last year. This bill establishes clear and transparent licensing standards for applicants with criminal records, considers only directly related or public risk crimes, and even grants licenses (with some restrictions) for those who received job training in state prisons.

Thanks to our consistent and compelling message, Commonwealth Foundation is building a coalition of decision-makers who want all Pennsylvanians to flourish. We make it a priority to build relationships with those who can turn our free-market principles into achievable policy reforms.

Vice President Pence and Lenny McAllister met with faith and community leaders in Penn Hills to discuss solutions to educational inequality.

CF VP Steve Bloom (center) moderates a panel discussion with House Minority Leader Jordan Harris (left) and now-Speaker Bryan Cutler (right) at Commonwealth Foundation’s 2019 staff retreat. Photo courtesy of Rep. Harris (@repharris).
Black lives do matter. Our nation would not be in turmoil if they did not. As a Minneapolis police officer crushed his neck with a knee and George Floyd used his final breath to cry out for his mother, we heard him—and felt his fear and anguish. Who among us, in our most desperate moments, does not look for someone to save us?

Today, the world sees a nation on fire, a house divided. But just as fire can destroy, so too can it illuminate. Americans are at our best when we reckon with ourselves, face difficult truths, and unite. We, as always, can save ourselves.

We did it in the civil rights era. An average of 80% of congressional Republicans and 61% of Democrats came together between 1957 and 1968 to pass civil rights legislation, bringing black Americans more fully into the promise of the Declaration of Independence. Out of the era’s strife came unity.

Those civil rights laws opened the door for hundreds of Black elected officials, from committeewoman to president of the United States. They inspired Black engineers, professors, doctors, lawyers, and Supreme Court justices. Blacks made collective power gains and helped lead the United States in succeeding decades.

But civil rights laws did not end racism. Fighting intentional acts of cruelty that exclude and dehumanize Blacks is our—and our children’s—life’s work. Many of the liberals who took over most major cities in the post–civil rights era, and many who remain in power there today, believed progressive economic policies would help combat that racism. Instead, they economically systematized it in too many instances.

Too many liberals believe the government knows what is best for people, especially if those people happen to be poor, lacking adequate education, or minorities. Their solution is an all-powerful bureaucratic state that can remove agency, create unjust systems, and undercut individual rights.

Black unemployment rates became, and remain, almost double that of whites. Why? Progressive welfare policies too often punish upward mobility, disincentivize marriage, and disproportionately help to mire too many Black Americans, especially women, in poverty.

Nowhere has the progressive worldview been more devastating to America’s minorities than in our government-run schools. In 2019, 82% of Black fourth-graders were not reading proficiently, despite record education funding. In Pennsylvania’s urban centers, achievement gaps continue to grow. Many of these children have found success only through school choice initiatives driven by conservatives, such as charter schools and scholarship programs that help families afford private education.

An inadequate education is the start of the “school-to-prison” pipeline that has devastated so many minority lives for decades. Yet progressives and their unwavering allies, the teachers’ unions, protect this failing system from reform at nearly any cost.

These policies have helped create a larger disparity between Black and white incarceration rates today than existed in the 1960s.

Progressives’ fealty to labor unions, sealed by millions of dollars in political contributions, has kept bad cops on the streets and bad teachers in the classroom—with brutal consequences.

Before checking privilege, progressives should check their results.

Over the past decade, the right began—and continues—this reckoning. We once embraced a “tough on crime” mentality that led to over-incarceration. Our policies delivered neither safety nor justice, and infringed on individual liberty, especially for Black Americans. We recognized our mistakes and worked to fix them.

Joined by progressives such as Van Jones, who conceded the right has been “the leader on this issue of [criminal justice] reform,” we have brought about transformative change. In Pennsylvania, we have decreased the prison population and crime while also passing the nation’s first Clean Slate Act and two phases of criminal justice reform.

But instead of rethinking their policies and finding ways to join with the right on real reforms, liberal leaders cloaked themselves in the mantle of racial sensitivity—literally. Even The New Yorker called out congressional Democrats for their kente cloth virtue-signaling. Said Doreen St. Felix: “[I]t felt not just misguided but like an outright mockery. The theatrics ... happened to underscore the problem with the reformist legislation ... which, like the kente stoles themselves, is largely symbolic.”

It’s time for action, not photo ops. America is at her best when we forge unity through difficult times. But if we believe every life has value and that all people deserve access to the American dream, we must accept that it is our results, not our intentions, that matter. Now is the time for an honest reckoning.
WHILE NOBODY WAS LOOKING, HARRISBURG QUIETLY SPENT $26 BILLION

By Nathan Benefield, Vice President and Chief Operations Officer

During the coronavirus shutdown, Pennsylvania’s government faced a crisis of leadership and transparency. Governor Wolf’s heavy-handed response caught workers, families, and small business owners off guard—and his rejection of any input and lack of transparency created a second crisis, an economic one.

Because of COVID-19 and Wolf’s actions, more than 2 million workers have filed for unemployment benefits, 60% of small businesses report being on the verge of failure, tax deadlines have been pushed back, and Pennsylvania’s unemployment rate reached its highest since the Great Depression.

State lawmakers have rightly focused efforts on getting Pennsylvania back on track. With such unpredictability surrounding the economy and government revenues, they postponed action on the full state budget. Instead, at the end of May, lawmakers passed and Wolf signed a partial “stopgap” budget.

While that action has kept the government functioning and given lawmakers more information regarding a spending plan, it also delayed necessary tough decisions—likely until after the next election, which conveniently protects lawmakers from accountability. This could mean tax increases are looming for working families and small businesses that are already suffering.

Pennsylvania must tighten its belt at some point to avoid massive tax increases. As it stands, we’ll already have to fight a battle over solvency in a few months—so the sooner lawmakers start working toward bipartisan solutions, the better.

For starters, our state has been shifting more and more tax revenue into various accounts in the “shadow budget” for years. Now would be an opportune time to curtail this practice—moving spending and surpluses back into the general fund, where lawmakers have more oversight and can prioritize the spending of all state dollars.

Likewise, lawmakers should move now to end the government-run liquor monopoly. The state-run liquor stores, a relic of Prohibition, utterly failed Pennsylvanians during this crisis, with an embarrassing series of debacles that turned residents into bootleggers and cost the state millions in lost revenue.

House Bill 2547, by Rep. Timothy O’Neal (R-Washington), would not only get government out of the booze business but would also generate much-needed additional revenue to the state during a budget shortfall. This is exactly what 70% of Pennsylvania voters demand, according to polling after the shutdown.

There are many bipartisan reforms the state needs to adopt over the coming months. The Taxpayer Protection Act would put state spending growth on a sustainable track, preventing spending excesses while allowing the state to build up its rainy-day fund. At present, our rainy-day fund has enough reserves to cover only 3.7 days of state government spending, barely making a dent in the budget shortfall.

Lastly, lawmakers must use this time to provide educational options for families. While state and federal funds have been doled out to businesses, hospitals, nursing homes, colleges, and school districts, this hasn’t helped the students who were short-changed when schools shut down for weeks on end.

Government institutions have gotten more than their fair share. Now it’s time to support parents who paid out-of-pocket for several months for their children’s education, on top of the tax money that funded shuttered schools.

“Back on Track” education scholarship accounts (ESAs) are a proposal to aid parents with a $2,000 stimulus check that sets their kids up for success, regardless of their school’s quarantine response. According to polling from just a few months ago, the concept of ESAs is supported by 73% of Pennsylvanians. Federal aid funds have now made this proposal a commonsense option.

Wolf campaigned on the slogan of jobs that pay, government that works, and schools that teach. As a result of his actions over the past few months, however, millions of Pennsylvanians have none of those. By enacting a stop-gap budget that deferred tough decisions, lawmakers have taken a risky course—but there will still be an opportunity after the election to help businesses provide jobs again, restore government accountability, and let kids learn. ■
Will Pennsylvanians trust Wolf to have their best interests at heart going forward? Or will they perceive this as another case of politicized decision-making by corrupt elites?

It’s hard to fault their suspicions.

Dramatic emergency orders, though understandable in a crisis, are really just new laws that all must follow or face the consequences. Except nobody votes on them and few, if any, understand them.

Wolf should take this legislative pushback as an opportunity for a course correction. If he continues to govern in darkness, he’ll undermine his authority and risk that his next directives will be met with suspicion rather than acceptance.

Jennifer Stefano, Vice President and Chief Innovation Officer
*The Hill*, 4/17/2020

Could it be Pennsylvania’s COVID response is being driven more by political science than by actual science? We’d love to know, but Dr. Wolf (PhD, Political Science) isn’t answering questions.

We do know that in implementing his shutdown order, he did not consult with the business community directly to determine life-sustaining products or services, thereby cutting off critical supply chains. How do we know he’s consulting with trained medical experts or critical businesses in planning to re-open Pennsylvania?

We don’t. Instead, Gov. Wolf asks Pennsylvanians to blindly trust him.

Matthew J. Brouillette, Founder, President, and CEO of Commonwealth Partners Chamber of Entrepreneurs
*The Pottstown Mercury*, 4/28/2020
Almost half of young Americans today would prefer socialism in the United States—even a misunderstood socialism—over the current system, while another third of those in Generation X and the baby boomers concur.

Parents are watching their adult children make less money than they did at the same stages of their careers, leading many to believe that the essence of the American Dream—that their children would do better than they did—is being lost.

Yet, despite all this, there is a truth that remains: the recommitment to the highest tenets of our Constitution and its defense of civil rights for all Americans is the most prudent thing that we can do as a nation right now. It is the surest way to quell the tensions, heal the nation, and uplift our posterity toward a better quality of life through common equality.

By keeping citizens in the dark, Wolf has forced Pennsylvanians to question the motives behind his every decision. Transparency is never optional—not even during a crisis.

But instead of coming clean, Wolf has called those questioning his policies “cowards” and “deserters” and threatened to withhold federal stimulus money from counties that don’t comply with his shutdown order.

Fortunately, state lawmakers are showing no signs of caving. They immediately pushed back, sending the governor another sheaf of reopening bills. Pennsylvania is showing precisely how citizens and their elected representatives can fill the leadership vacuum under a governor who has jettisoned any pretense of transparency and strayed far from his stated goals.
The coronavirus crisis has taught us many important lessons, but here is perhaps the most important of all: Our medical professionals need more support. They need additional resources and flexibility to do their jobs effectively. We must empower them to meet any challenge that comes their way, both now and in the future.

What does flexibility look like? Taking advantage of technological advances, such as telemedicine, would allow doctors to serve patients remotely. Telemedicine leverages the internet and video calls to increase access to care and reduce costs, boosting patient satisfaction at the same time. And for hazards like COVID-19, it is a vital component in slowing the spread of infection.

Pennsylvania is one of only eight states without a comprehensive legal structure governing telemedicine. That prevents providers from fully investing in the service and offering the savings and convenience of telemedicine to patients. Unfortunately, a legislative attempt to provide such a framework—Senate Bill 857—was vetoed last month by Governor Tom Wolf.

While the telemedicine bill represented a huge potential step forward for Pennsylvania’s health care sector, this isn’t the end of the road. Wolf and state legislators should work together to prioritize patients over politics and hammer out an effective comprehensive telemedicine reform now.

Beyond telemedicine, there is still more to be done to relieve medical professionals who are stretched too thin, specifically primary care providers. In Pennsylvania, there are almost 1,000 potential patients for every primary care provider. Empowering additional professionals to meet this demand will set up existing providers to succeed—without demanding inhumane sacrifice and unending work hours—and significantly bolster the medical workforce.

Thankfully, Pennsylvania has already taken some important steps to allow more care providers to do what they do best—and that should be applauded. Policymakers lifted restrictions on the number of hospitals in which a physician can practice, expanded access to telemedicine, allowed out-of-state health professionals to practice in Pennsylvania, and empowered pharmacists with greater flexibility to serve those in need.

Safe innovations can expand Pennsylvania’s capacity to defend against a health crisis—and we should seek such opportunities wherever they arise. These policies aren’t about politics—they’re about keeping our citizens safe and healthy.

HOW TO BOLSTER THE STATE’S HEALTH CARE WORKFORCE

By Stephen Bloom, Vice President
Time is of the essence.

Pennsylvania kids have now missed nearly three months of school. Education Week surveyed teachers in early May and found only 37% interact with their students at least once a day. Not surprisingly, 82% said their students’ engagement is lower than before the closures. Many of these kids were already behind academically. A new school year will be here before we know it; we have to act urgently to help kids get back on track.

This pandemic has shown with crystal clarity the need to drop our system-focused approach to education. Too many kids are falling behind in normal times. With the disruption in their lives from coronavirus shutdowns, the situation has been sharply exacerbated. Moreover, a recent USA Today poll found nearly 60% of parents are considering keeping their kids home in the fall if schools re-open. We need a solution targeted to students.

Back on Track Education Scholarship Accounts (ESAs) are that solution. Every child is unique, so no system-oriented solution will meet their needs. Back on Track ESAs, in contrast, will enable parents to get their children the specific help they require.

What is a Back on Track ESA? It is a restricted-use account funded with a portion of the money Pennsylvania has received through the CARES Act (the federal Coronavirus Aid, Relief, and Economic Security Act). Like electronic benefits transfer (EBT) cards for food stamps or health savings accounts (HSAs), funds in Back on Track ESAs could only be used for approved purchases—things like tuition, online classes, curriculum, tutoring, and services for students with special needs. In other words, they can be used for the K-12 academic needs of individual kids throughout Pennsylvania.

Recent polling shows 73% of Pennsylvanians support ESAs—and the poll was conducted before schools were closed due to COVID-19. Now that education has been disrupted and families across the state are desperate for help, it’s likely even more Pennsylvanians would support Back on Track ESAs. While the accounts would cover only a fraction of that need, it’s better than the complete absence of support many parents are currently receiving.

Taxpayers throughout the state have asked if they’ll receive a tax rebate due to school closures. Other sectors of the economy are offering refunds to account for COVID-19-related service interruptions. Many colleges are offering partial refunds to students for room and board and other fees. Auto insurance companies are reimbursing customers because car accidents are down. Attorney General Josh Shapiro has even threatened $1,000–$3,000 fines to gyms that continue charging fees for services they can’t provide.

Education funds are meant to educate Pennsylvania kids—and that needs to happen even if schools are closed. While Back on Track ESAs aren’t a refund, they have a similar impact by providing parents funds to deal with new at-home learning expenses.

The current system isn’t equipped to deal with the coronavirus disruptions and learning loss. With Back on Track ESAs, we can help each individual student get the help they need.
Liquor, wine, and beer aren’t necessary grocery items, but you’d never know that watching millions of Pennsylvanians rush the state’s liquor stores on the eve of Governor Wolf’s sudden coronavirus lockdown. Nobody wanted to be trapped in quarantine without a bottle of their favorite libation—and unlike most states, the state government holds the keys to the liquor cabinet.

Pennsylvania is one of just 17 unlucky states where the government has a monopoly on the sale and distribution of alcoholic beverages. The day before the shutdown, the state-owned Fine Wine and Good Spirits chain did nearly $30 million in sales—the highest single-day record in 12 years. But this run on booze shouldn’t come as any surprise. Pennsylvanians who want to consume alcohol are used to planning ahead and jumping through hoops for a cocktail. Traveling across state lines to purchase alcohol—bootlegging, as some might call it—is illegal in Pennsylvania and yet extremely commonplace. A 2010 study showed that nearly a quarter—23.6%—of Pennsylvanians’ wine purchases were made out-of-state. And a 2011 survey found that 45% of residents in Philadelphia and the surrounding area sought out better liquor prices beyond state borders. The estimated sales and tax revenue lost from this border bleed in southeastern Pennsylvania alone amounts to $220 million.

Unsurprisingly, the bootlegging problem got worse once the governor closed all liquor stores. Pennsylvanians traveled in droves to neighboring states like West Virginia, Delaware, and Ohio, all places where residents could still purchase alcohol. No one knows how many of these states made off the out-of-towners before they started screening out Pennsylvania customers as a way to discourage nonessential travel during the global pandemic.

Unsurprisingly, the bootlegging problem got worse once the governor closed all liquor stores. Pennsylvanians traveled in droves to neighboring states like West Virginia, Delaware, and Ohio, all places where residents could still purchase alcohol. No one knows how many of these states made off the out-of-towners before they started screening out Pennsylvania customers as a way to discourage nonessential travel during the global pandemic.

Loath to sacrifice state revenue, the Pennsylvania Liquor Control Board (PLCB) has attempted to offer online sales and curbside pickup at select locations to lure back some customers, but the incompetence of these attempts has been a comedy of errors. The PLCB website crashed numerous times and was eventually forced to use a lottery to allocate access to purchases. The upshot? Unless you’re willing to hack your browser and virtually cut in line, you’re likely to get a “We’re Sorry…” error message.

Again, nobody is arguing that booze is necessary to survival, but making sure taxpayers get their money’s worth is necessary to public trust in our state government. The lack of adequate service is outrageous, given the fact that the PLCB exists as a form of taxation—raking in nearly $3 billion in yearly revenue thanks to its monopoly. Despite its privileged market position, however, the PLCB remains $1 billion in the red.

The pandemic has provided us with proof—Pennsylvania’s liquor market is in dire need of privatization and has been for decades. Along with streamlined service, privatization will increase sales tax revenue and eliminate the administrative cost of the PLCB.

Luckily, privatization could be just around the corner. New, post-coronavirus polling shows that 70% of Pennsylvania voters are demanding privately-owned stores, and a new legislative reform has been proposed by Rep. Timothy O’Neal (R-Washington). House Bill 2547 will privatize all liquor stores in Pennsylvania and end the PLCB, as was proposed in the 2015 plan that was vetoed by Wolf. The compromise following that legislation legalized beer and wine sales in grocery stores—now Rep. O’Neal’s bill will finish the job and end Pennsylvania’s outdated regulations on liquor.

Other states have achieved phenomenal results by similar means. When Washington introduced competition into its adult beverage market in 2012, for example, the results were favorable for consumers. Store access improved, and consumers were more satisfied with service and prices. Residents of the Keystone State deserve those same benefits.

The PLCB is a dinosaur compared to the private sector—and the coronavirus shutdown hit it like a meteor. The crisis showed America that no state should suffer under Prohibition-era liquor policies. Lawmakers should pass House Bill 2547 and rehabilitate Pennsylvania’s reputation by shattering the state’s monopoly and letting entrepreneurs thrive.
AMERICANS FOR FAIR TREATMENT EXPANDS EXECUTIVE TEAM WITH TWO NEW HIRES

Americans for Fair Treatment (AFFT), an allied organization fighting for the rights of public-sector workers, has brought on a new CEO: David Osborne. David’s name might be familiar to you: He’s an attorney and the former president and general counsel of the public-interest law firm the Fairness Center. In his new role, David will continue to forge relationships with workers across the state, including those who wish to vindicate their constitutional rights through litigation.

“At AFFT, it’s all about building strong relationships and sticking together to ensure every worker is treated fairly,” David says. “Many of our members were promised a strong community by their public-sector union but instead faced coercion, deception, and the sorts of practices that end relationships.”

David is a member of the Pennsylvania, Connecticut, and Florida state bars and has been admitted to the United States Supreme Court, Third Circuit, and district courts in Pennsylvania. He has a stellar record defending workers from public-sector unions’ manipulation and is excited to use both his legal and his leadership expertise to bolster AFFT’s mission.

AFFT has also hired Elisabeth Kines, a free-market advocate with over a decade of experience as a marketing executive in the Los Angeles recording industry. Elisabeth is AFFT’s new national executive director. She will be headquartered in Washington, DC, where she can take AFFT’s Pennsylvania work to the next level by building relationships with advocates from across the country.

Since its inception, AFFT has become a national leader in labor reform, and its model in Pennsylvania is already being adopted in other states. National groups have also sought AFFT’s expertise to raise the bar in public-sector union reform—and Elisabeth will drive an even stronger national presence.

Elisabeth is enthusiastic about the impact of AFFT’s work and her role in enhancing it: “I know how hard America’s teachers, first responders, and municipal and state employees work to sustain our communities, so I’m thrilled to stand in support of their constitutional rights at this crucial time of change for our nation.”

David and Elisabeth predict a bright future for public-sector workers in Pennsylvania, and they’re grateful for the outpouring of support that has made AFFT’s work possible. Keep an eye on what they’ll do next: create a one-of-a-kind community standing in solidarity for workers’ First Amendment rights!
In May, Commonwealth Foundation staff, along with their children, wrote cards to Pennsylvania seniors quarantined in nursing homes. If you know of someone that could use a card to cheer them up, email dmt@commonwealthfoundation.org.