

# [***Emails show how a right-wing group steers GOP leaders on major policy issues***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BK1-7FD1-JBSS-S3Y7-00000-00&context=1516831)

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**Body**

(CNN) &#8212; When Missouri Secretary of State Jay Ashcroft jumped into the state's gubernatorial race last year, the Republican vowed to tackle a slew of culture war issues, promising to fight the "woke ***politics***" of "left-wing" banks and touting how he used his position to enact a regulation targeting those financial firms.

Ashcroft also said candidates shouldn't focus on issues that let the one percent "force their beliefs on 99 percent of the population."

While Ashcroft positioned himself as a champion for working class voters, emails obtained by CNN and the progressive watchdog group Documented show that he was steered toward adopting his "anti-woke" investment regulation by a little-known, right-wing think tank with deep ties to conservative billionaires. The communications show that officials with the Foundation for Government Accountability suggested regulatory language to Ashcroft and even wrote an op-ed article that Ashcroft published in a national conservative magazine under his own name.

The emails not only reveal FGA's influence over Ashcroft, they offer a snapshot of the group's growing influence across the country, particularly in red states. And that influence can carry a high cost for workers and taxpayers.

The "anti-woke" investment measures have cost states hundreds of millions of dollars in additional investment fees and can lead to smaller returns for public employee retirement plans. One study [*estimated*](https://www.brookings.edu/articles/gas-guns-and-governments/) a 2021 Texas law would cost taxpayers up to $500 million in higher interest rates just on bonds sold in the first eight months after the law passed. Another study [*calculated*](https://cb9cdd3c-61f1-494f-94da-c77c057de62c.usrfiles.com/ugd/cb9cdd_c396240226ec4a428d0d5244c7fe48b4.pdf) that the law cost local governments $270 million a year in added fees, resulting in an annual $668 million in lost economic activity and thousands of full-time jobs.

Along with attacking "woke" investing, FGA has worked with legislators and elected officials to push for laws to deregulate child labor, stop Medicaid expansion and slash food stamps, among other initiatives. Since the 2020 presidential election, the group also has played a key role in the push to advance voting restrictions and other legislation pitched as promoting election integrity in Republican states - claiming more than 70 such policy wins across the country in [*2022 alone*](https://thefga.org/about-us/annual-reports/).

In Wyoming, a GOP state senator forwarded an FGA draft bill to Secretary of State Chuck Gray that would prohibit sending out unsolicited absentee ballot request forms. "This is great!" Gray enthusiastically replied. It sailed through the legislature before the state's Republican governor scuttled the measure, angering Gray. "The Governor just vetoed the absentee ballot request form bill. Very troubling," he wrote to an FGA contact in an email.

The group's communications with Ashcroft and Gray give a rare glimpse into how billionaire megadonors use think tanks like FGA to advance their causes out of public view. Federal tax laws allow such donors to channel millions of dollars anonymously, through nonprofit foundations, to activist organizations that lobby for and work behind the scenes to enact legislation that reflects partisan political goals.

Ashcroft didn't respond to queries from CNN. Gray emailed a statement that didn't respond to specific questions but read, in part, "I routinely ask for feedback from individuals and organizations to explore common-sense solutions to problems facing our state." He said that includes solutions aimed at "election integrity measures."

FGA enjoys tax-exempt status as a charitable organization. It received more than $44 million from six conservative foundations tied to billionaire donors from 2013 through 2022, the most recent year for which tax records are available. Those foundations also [*have financed*](https://www.nytimes.com/2023/05/08/us/politics/voting-laws-restrictions-republicans.html) much of the push to tighten voting laws and spread election disinformation across the country since the 2020 election.

But even though FGA's tax-exempt status requires it not to engage in [*"substantial*](https://www.irs.gov/charities-non-profits/lobbying#:~:text=In%20general%2C%20no%20organization%20may,loss%20of%20tax%2Dexempt%20status.)" lobbying, the group has closely coordinated with a variety of state officials and legislators to advance their causes.

Its push in Missouri shows how that approach works.

'Give this a 30-second glance over'

Last spring, before Missouri legislators considered bills to curb "woke" investing, FGA officials were already in frequent contact on the issue with at least two of the state's top officials - including Ashcroft.

Emails show the group strategized with the secretary of state's office for weeks leading up to Ashcroft [*proposing*](https://www.sos.mo.gov/CMSImages/AdRules/moreg/2023/v48n2Jan17/v48n2b.pdf) his own such rule last January. FGA later cited Missouri's rule as a model in a [*draft memo*](https://www.documentcloud.org/documents/24254503-fga-esg-sos-memo) titled, "What Secretaries of State Can Do to Challenge the Threat of ESG."

ESG refers to a financial strategy that considers the environmental, social and governance effects of an investment, rather than solely the potential profit. Dubbed "woke investing" by its critics on the right, it has become a wedge issue in modern culture wars. Conservative activist groups have gotten lawmakers and officials in 17 states to pass investment laws to protect fossil fuel companies and gun manufacturers who might be hurt by ESG considerations. FGA has characterized the fight to stop ESG in existential terms, calling it a "far-left" plot to advance a climate and social justice agenda outside the ballot box.

Ashcroft's rule in Missouri required financial advisers and institutions to obtain written consent from clients to purchase or sell investments based on social or non-financial objectives, such as combating or considering the impact of climate change. Ashcroft said the rule was intended to [*serve as a template*](https://www.sos.mo.gov/default.aspx?PageId=10283) for the state legislature, where Republicans held large majorities in both chambers.

But at the legislature, business interests like the Missouri Chamber of Commerce [*pushed back*](https://kcbeacon.org/stories/2023/02/02/missouri-esg-legislation/) hard, and lawmakers failed to pass any anti-ESG bills. Meanwhile, Ashcroft's collaboration with FGA carried on. The group even [*drafted and sent an op-ed*](https://www.documentcloud.org/documents/24254378-ashcroft_oped) to his staff. It criticized President Joe Biden's [*veto*](https://www.reuters.com/business/sustainable-business/biden-vetoes-resolution-block-labor-dept-rule-esg-investing-2023-03-20/#:~:text=WASHINGTON%2C%20March%2020%20(Reuters),first%20veto%20of%20his%20presidency.) of a GOP bill in Congress that would have prevented pension fund managers from considering factors like climate change in investment decisions, emails to Ashcroft's office show. That op-ed was submitted nearly verbatim to the National Review, a leading conservative magazine.

"Here's the full edited version National Review sent to me, if Jay wants to give this a 30-second glance over," an FGA official wrote to an Ashcroft staffer. The piece [*was published*](https://www.nationalreview.com/2023/03/how-states-can-fight-bidens-esg-veto-and-protect-investors/) under Ashcroft's byline the next day. He then [*promoted the article*](https://twitter.com/JayAshcroftMO/status/1641053216921067521) as part of his efforts to fight what he called "woke ***politics***."

A week later, he [*announced*](https://www.kansascity.com/news/politics-government/article274012385.html) his candidacy for governor and has made fighting "woke ***politics***" a major theme of his campaign.

Ashcroft said his rule is intended to protect investors, and that ESG policies can threaten people's retirement money. However, [*nonpartisan*](https://www.brookings.edu/articles/gas-guns-and-governments/)[*studies*](https://knowledge.wharton.upenn.edu/podcast/knowledge-at-wharton-podcast/texas-fought-against-esg-heres-what-it-cost/) have concluded that anti-ESG policies adopted in Texas drove up the cost to taxpayers of bond issuances by up to $500 million in less than a year. In [*Kansas*](https://www.institutionalinvestor.com/article/2bstry3hba83a8f02m77k/culture/kansas-pension-says-new-anti-esg-bill-could-cost-3-6-billion-in-returns), [*Indiana*](https://www.reuters.com/business/sustainable-business/anti-esg-bill-could-cut-indiana-pension-returns-by-67-bln-analysis-2023-02-07/) and [*elsewhere*](https://econsultsolutions.com/esg-boycott-legislation-municipal-bond-impact/), anti-ESG bills were gutted after studies suggested they could cost state pension plans billions of dollars by restricting investment options.

Paying more for bonds can force governments to seek revenue elsewhere - such as raising taxes or cutting public services, said Daniel Garrett, a University of Pennsylvania finance professor who co-authored a [*Brookings Institution study*](https://www.brookings.edu/articles/gas-guns-and-governments/) that looked at Texas. Similarly, lower returns for state pension funds can pose risks for workers and retirees.

"If the returns fall, that money comes from somewhere," said Garrett. "It's not just magic."

Heritage fellow says ESG worse than communism

In late 2022, Missouri's then-treasurer, Scott Fitzpatrick, [*pulled $500 million*](https://treasurer.mo.gov/newsroom/news-and-events-item?pr=80669a5f-5c6b-491f-a0f0-6abe4c012604) in state pension funds from BlackRock, the world's [*largest asset manager*](https://www.cnn.com/2024/01/09/investing/blackrock-cuts-600-jobs/index.html). He [*accused*](https://treasurer.mo.gov/newsroom/news-and-events-item?pr=045f873a-7bdf-4029-82fd-1fa30b7cc883) BlackRock of forcing Exxon to cut oil and gas production by helping elect "climate radicals" onto its board. Florida pulled $2 billion from BlackRock two months after Missouri.

"Kneecapping domestic energy production is a disaster waiting to happen," Fitzpatrick, who is now the state auditor, told CNN in an interview. "Any policy that essentially seeks to drive up the cost of energy is going to affect the people of Missouri and it's going to hit the poor people hardest."

But there's little, if any, evidence of such kneecapping. The three "radicals" BlackRock voted to put on Exxon's board consisted of two former oil company executives and a former US assistant Secretary of Energy. And while Exxon did [*cut production*](https://www.statista.com/statistics/1032515/exxonmobil-net-liquids-production-worldwide/) in 2021, it did so for the same reason as other oil companies worldwide - because of huge drops in consumer demand during the Covid-19 pandemic.

Fitzpatrick told CNN that he, too, met with FGA officials to discuss the issue - and engaged with FGA allies such as the American Legislative Exchange Council (ALEC) and the Heritage Foundation. Both groups have produced model anti-ESG bills and held events to persuade lawmakers to take up the "anti-woke" corporate fight. Fitzpatrick said he heard from Heritage fellow Andy Puzder, the former Carls Jr. CEO, "who speaks very well about the issue and whose message I agree with."

Puzder has promoted fighting these investment policies in various venues, including at a December 2022 legislative exchange council meeting in Washington. He told lawmakers that "ESG investing is socialism in sheep's clothing," according to [*a recording*](https://www.wbur.org/hereandnow/2023/03/22/esg-investing-fossil-fuels) first reported by the Boston public-radio station WBUR. "The challenge of your generation is ESG investing, and it's more insidious than communism or the Nazis."

Wisconsin state Rep. Kristina Shelton, a Democrat, remembers that meeting well, because none of the lawmakers seemed to know what ESG was or what Puzder was talking about.

"You could see all the attendees pull out their phones to Google what it was," she said. "You could see in real time them being spoon-fed issues."

An ALEC spokesperson confirmed that a [*model bill*](https://alec.org/model-policy/state-government-employee-retirement-protection-act/) aimed at preventing state pension funds from considering "environmental, social, political or other "non-pecuniary" considerations "is official ALEC model policy." A Heritage Foundation spokesperson, in an email, said "we are extremely proud of our anti-ESG work and we are grateful to Mr. Puzder and everyone in the conservative movement who is standing firm in this fight."

Missouri's legislature considered more than a dozen anti-ESG bills last year, including drafts along the lines of models promoted by FGA, Heritage and ALEC.

When none passed, Ashcroft was ready.

His industry-wide written-consent rule [*took effect*](https://www.reuters.com/sustainability/sustainable-finance-reporting/new-anti-esg-rule-missouri-offers-us-republicans-another-path-away-wokeness-2023-07-10/) in June, placing Missouri squarely at the forefront of one of several burgeoning campaigns on the right where FGA has been instrumental.

While FGA accomplished its policy goal in Missouri, the backlash was swift. A Wall Street trade group sued to block Ashcroft's regulation and taxpayers are footing the bill for his defense at the tune of an estimated $1.2 million.

FGA notches wins with weakened child labor laws

FGA's lobbying group, The Opportunity Solutions Project, spearheads its efforts at the state level. Together, they have at least 65 registered lobbyists who advocate and testify on behalf of FGA's policies in 25 states, according to a 2023 tally compiled by Documented.

One policy they've promoted with surprising success is in rolling back child labor laws. On its website, FGA [*dismisses protections*](https://thefga.org/one-pagers/let-our-youth-thrive-remove-unnecessary-work-permit-requirements/) put in place to protect teenage workers from night shifts, excessive hours or dangerous environments as undermining "parents' rights." FGA founder Tarren Bragdon [*has defended*](https://www.wsj.com/articles/antifamily-democrats-peddle-a-child-labor-lie-parental-rights-florida-47da84eb) his organization's work by saying, "we believe parents should decide what's best for their children."

The group drafted a far-reaching bill in Arkansas, which eliminated work permits and age verification for workers younger than 16 years old, the bill's sponsor, GOP state Rep. Rebecca Burkes, [*said*](https://www.nwaonline.com/news/2023/mar/02/arkansas-nwstate-capitol-news-in-brief-senate-panel/) in a Senate hearing. Burkes represents a district in northwestern Arkansas where Tyson Foods Inc. and George's Inc., two of the country's largest chicken processors, are headquartered. It's also where US Department of Labor investigators, as part of a multi-state probe, [*found children*](https://www.dol.gov/newsroom/releases/whd/whd20230217-1) as young as 13 working night shifts for a sanitation contractor at plants run by Tyson and George's Inc., and other meat or poultry companies. George's Inc. did not respond to queries from CNN. A Tyson representative declined comment.

In Missouri, FGA drafted legislation to strip child workplace protections, according to an April 2023 [*Washington Post report*](https://www.washingtonpost.com/business/2023/04/23/child-labor-lobbying-fga/), citing emails exchanged between an Opportunity Solutions Project lobbyist and a state senator's chief of staff.

FGA also worked to loosen child labor laws in Iowa, which [*passed a bill*](https://www.cnn.com/2023/05/03/politics/iowa-child-labor-bill-passes/index.html) last spring allowing minors as young as 14 years old to work night shifts. The US Department of Labor has said Iowa's new law [*violates*](https://www.senate.iowa.gov/democrats/wp-content/uploads/2023/08/DOL-Letter-082423.pdf) federal law by allowing 16 and 17-year-olds to operate dangerous power-driven machines, engage in heavy manufacturing, and work in demolition.

'Our primary audience is those policymakers'

In a podcast interview last summer, Bragdon was open about who his organization targets.

"Our primary audience is those policymakers rather than activists or students or members of the general public," said Bragdon, who started the Florida-based organization in 2011.

He made those comments on [*The Daily Signal*](https://www.dailysignal.com/daily-signal/), a conservative news site run by The Heritage Foundation. FGA, as Bragdon described, was not fighting culture wars at the grassroots level - its work was more discreet. That low public profile has served the group well.

FGA hosts Republican lawmakers at social events and at conferences, where it organizes panels around its priority issues. For instance, the opening day itinerary from FGA's September 2022 Western Alliance [*conference*](https://www.documentcloud.org/documents/23777338-azsenate_billsponsors_sept2022march2023_targetdomaincomms#document/p33/a2402009) in Park City, Utah, featured panels on election security, ESG and combating unemployment insurance fraud.

It's the type of influence peddling that has become part of a well-worn playbook for dark money organizations with deep pockets, said Sarah Bryner, research director at the nonpartisan campaign finance group OpenSecrets.

"Strategically, it's a lot easier ... to engage your policy plan this way because you don't need to try and get real people to sign on," said Bryner. "You just need a few well-funded people. And is that problematic for democracy? Absolutely."

In an email, an FGA spokesperson did not address questions submitted by CNN but provided links to the organization's website highlighting its policy platform on ESG, election integrity and child labor.

FGA joins groups prepping for potential Trump return

FGA's growing stature within Republican ***politics*** was evident on-stage recently at an [*event*](https://thefloridachannel.org/videos/1-29-24-governors-press-conference-on-constitutional-reforms/) with Florida Governor Ron DeSantis barely a week after he dropped his 2024 presidential bid.

Bragdon, the group's founder, joined DeSantis and Florida House Speaker Paul Renner to call for four constitutional amendments, including requiring a federal balanced budget and term limits for members of Congress.

"Our nation's heartbeat is not in the halls of federal power, but it's in the spirit of our people and the legacy of our states," said Bragdon, standing behind a podium with a "Hold Washington Accountable" placard.

FGA is part of a constellation of conservative groups that have laid out a [*roadmap*](https://www.cnn.com/2023/11/16/politics/trump-agenda-second-term/index.html) for a more aggressive Trump White House, should he return to power next year. Project 2025, published by The Heritage Foundation, is a massive [*900-page policy book*](https://thf_media.s3.amazonaws.com/project2025/2025_MandateForLeadership_FULL.pdf) that calls for removing tens of thousands of civil servants; gutting the FBI; weaponizing the Justice Department; breaking up the Department of Education; and vastly expanding detention camps for undocumented immigrants, amid myriad other moves.

FGA also continues its push at the state level across the country to enact its policy priorities.

Take the ongoing efforts to stop ESG. Legislatures in 24 states will consider at least 118 Republican anti-ESG bills this year, according to an analysis by Pleaides Strategy; many of those bills are based on models from FGA or its allies.

Such measures, said Wisconsin's Rep. Shelton, are disconnected from the average voter's concerns.

"They are funded by very wealthy donors who are interested in perpetuating the culture war for their own benefit," Shelton told CNN. "They are creating the crises they want to address through legislation, not the crises that everyday people want them to address."

By Daniel Medina and Bob Ortega, CNN

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