Information Request

Dear Transitional Health Services of Fremont & Richard McWilliams:

We write to request information.

As you know, the Tax Cuts and Jobs Act was enacted last year with the promise that the permanent tax cuts for corporations would raise wages and prevent the offshoring of jobs. President Trump promised that the decrease in the statutory corporate tax rate will "give the typical American household a $4,000 pay raise."[1] His Council for Economic Advisors reported that this permanent $4,000 raise is a conservative number and that the raise may be as high as $9,000.[2] These numbers were repeated by members of Congress throughout the legislative process on this bill.[3] Job promises were also made to pass the bill. Speaker Ryan asserted that the bill "prevents American jobs, headquarters, and research from moving overseas."[4]

These statements set forth a clear legislative intent for the Tax Cuts and Jobs Act: the corporate tax cut was meant to trickle down to workers' paychecks and bring jobs back to the United States. This tax money was not meant to enrich executives and shareholders, per the bill's proponents.

We should work together to effectuate these intents. Raising the quality of our jobs and the quality of care delivered to skilled nursing facility residents are central concerns of our union and the employees we represent, and we are deeply concerned that these promises will be forgotten unless we bargain for them.

In preparation for such bargaining to ensure the tax cut raises wages, we need to understand the total benefit from the tax legislation inuring to our facility and its related entities; the extent to which that benefit is reserved or not to increase workers' wages, or create jobs; the extent to which that money has already been diverted or is planned to be diverted to anything other than raising wages or increasing employment for American workers, particularly those within our represented bargaining units.

As was covered recently in the New York Times[5], we know that nearly three quarters of the skilled nursing facilities in the United States have business dealings with related entities, and in 2015 those dealings resulted in over $11 billion in spending. We therefore request the following information, for Transitional Health Services of Fremont, Consulate Health Care, as well as any related parties doing business with our facility:

1. To Understand Where this Tax Money Is and Where It Is Going

a. Please provide the estimated gains to the facility, Consulate Health Care and its subsidiaries and affiliates from the Tax Cuts and Jobs Act over each of the next five years.

b. Please provide the amount of planned capital investment in the United States over each of the next five years, and any documentation showing the extent to which this planned capital investment has changed since passage of the Tax Cuts and Jobs Act.

c. Please provide a headcount of jobs, by job title, which will be created in the United States over each of the next five years.

d. Please provide an accounting of the amount of any work contracted out domestically which is substantially similar to work performed by bargaining unit employees, and the amount of such work which will be returned to bargaining unit employees over each of the next five years.

e. Please provide the total compensation for executives for the year before and the current year after passage of the Tax Cuts and Jobs Act.

f. Please provide copies of your Fourth Quarter 2017 and First Quarter 2018 financial reports.

g. Please provide the amount spent on lobbying or public relations campaigns, including contributions to other entities engaging in such, in support of the Tax Cuts and Jobs Act or its underlying policies in general, since January 1, 2017.

Please have the information returned to SEIU Healthcare MI by April 16, 2018. If you have any questions, please contact Andrea Acevedo at [redacted]

Sincerely,

Andrea Acevedo

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[1] http://www.breitbart.com/big-government/2017/10/11/donald-trump-tax-reform-likely-gives-typical-american-household-4000-pay-raise/
[2] https://www.whitehouse.gov/the-press-office/2017/10/16/cea-report-corporate-tax-reform-and-wages-%E2%80%93-theory-and-evidence
[3] See, e.g., 163 Cong. Rec. S7873, H8244, S7518-19, S7535, S6990, S6443 (2017); Speaker Ryan Press Office, "New Report: Tax Reform Will Raise Wages by $4,000 on Average," (October 16, 2017), available at https://www.speaker.gov/general/new-report-tax-reform-will-raise-wages-least-4000-average;
[4] https://www.speaker.gov/general/policy-highlights-tax-cuts-and-jobs-act
[5] https://www.nytimes.com/2018/01/02/business/nursing-homes-care-corporate.html