

**Mask Off: The National Restaurant Association and American Hotel & Lodging Association Push ALEC Agenda to Block Minimum Wage Hikes and Earned Sick Days**

As momentum for paid sick days and a higher minimum wage builds in cities, counties, and states, powerful trade associations are joining forces with the American Legislative Exchange Council (ALEC) to try to crush these popular movements through a dual-pronged strategy of legislation and lawsuits.

The two dominant hospitality trade associations—the National Restaurant Association (NRA) and the American Hotel & Lodging Association (AHLA)—are closely linked at the local level. Many state restaurant and hotel groups are members of both and nationally the two groups work closely together to implement an ALEC- and corporate-driven agenda. Both trade groups are pushing state preemption measures to override local minimum wage and paid sick day laws. And both groups have also gone to court to stop progress.

In Trenton, New Jersey, for example, the local NRA filed suit to halt implementation of the paid sick days law approved by voters in November 2014. The AHLA has sued the city of Los Angeles—a city where 40% of hotel workers make a living below the poverty line—for daring to raise its minimum wage. Both the NRA and AHLA are working in Seattle to block implementation of a voter-approved minimum wage hike and in San Diego, where the city council passed an ordinance increasing wages and enacting paid sick days.

This year for the first time the two groups are combining forces for a joint federal lobbying day designed to “demonstrate the strength and prowess of the hospitality industry.” Their asks to their Capitol Hill allies will include keeping wages low and pressing for changes in the Affordable Care Act to help them avoid their obligations to their employees.

Below is a basic primer on these three organizations: ALEC, the NRA, and the AHLA.

**The American Legislative Exchange Council**

ALEC is an organization of right-wing state legislators—about a quarter of all state representatives in the country—and lobbyists for global corporations. ALEC is almost entirely funded by corporations, their trade groups, and CEO-driven foundations and the special interest groups they fund, including groups funded by David and Charles Koch.

At ALEC task force meetings, unelected corporate lobbyists and state legislators get an equal vote on “model legislation” that benefits ALEC’s corporate and industry funders. Its agenda extends into almost all areas of law, including bills that undermine environmental protections; promote school privatization; undercut health care reform; defund unions and undermine

earned sick day laws and other workplace reforms; and of course would cut corporate taxes and immunize them from suit in numerous ways. Over the last three years, more than 100 corporations, from BP to General Motors to Google, have dumped ALEC in the wake of public scrutiny of ALEC's role in pushing "Stand Your Ground" laws used to justify the shooting of Trayvon Martin, laws that make it harder for Americans to vote, and propaganda peddled by climate change deniers to thwart measures to address our climate.

### **The National Restaurant Association**

The National Restaurant Association is the trade association for the \$700 billion restaurant industry. It is an ALEC member, and it primarily represents the interests of big chains like Darden (Olive Garden) and McDonalds. The "other NRA" and its state chapters have been a major force in keeping the tipped wage at \$2.13 for more than two decades, in opposing numerous reforms—such as state and local paid sick days, minimum wage increases, and public health policy measures like nutritional menu labeling requirements and limitations on the marketing of junk food to children—and in pushing state "preemption" legislation.

The NRA has long been a supporter of ALEC's "Living Wage Preemption Act," a so-called "model" bill that is designed to stop local governments from boosting the federal minimum wage. In 2011, Wisconsin Governor Scott Walker signed a paid sick days preemption bill that was promoted by the state NRA. A few months later, an NRA executive shared that bill at ALEC's August 2011 annual meeting, and similar bills subsequently spread across the country, becoming law in seven other states. Although never officially adopted as a "model" ALEC bill, paid sick day preemption bills have in most states been sponsored by ALEC members.

### **The American Hotel and Lodging Association**

The American Hotel and Lodging Association, a trade association for the hotel industry, has grown increasingly aggressive in opposing economic justice initiatives, describing any state or local increase in the minimum wage (no matter how small) as "extreme."

AHLA Senior Executive Brian Crawford also presented at a "Local Minimum Wage" workshop in December at new ALEC offshoot dubbed the "American City County Exchange" (ACCE), where he urged "conservatives to launch populist campaigns against wage increases by adopting the mantra that higher pay hurts ordinary Americans." Crawford also detailed the hotel industry's efforts to fight and preempt "extreme wage measures" across the country, describing how AHLA worked with the NRA to pass minimum wage preemption in Connecticut and to halt a minimum wage increase in San Diego. He compared the industry's battle against local wage laws to a game of Whack-a-Mole: "We're trying to beat them down when they pop up."

The AHLA recently hired Troy Flanagan as their VP of state and local affairs. Flanagan is a lobbyist who previously represented the International Franchise Association at ALEC meetings. He also worked at Parquet Public Affairs, a Florida-based lobby shop for restaurants and retailers that actively opposes paid sick days and sets up front groups such as the "Worker Center Watch" to attack citizen groups like the Restaurant Opportunities Center United and the Coalition of Immokalee Workers.