

MEMORANDUM

TO: Interested Parties

FROM: Workforce Fairness Institute (WFI)

RE: 2021 Virginia Gubernatorial Race: Youngkin Wins Against Labor Backed McAuliffe

DATE: November 3, 2021

With voters' decision about who to support in the Virginia gubernatorial election reached, this memo shows how issues surrounding labor policy at both the federal and state levels clearly impacted the conversation and will inform future political outcomes.

Throughout the election in Virginia, on parallel tracks, national Democrats advanced legislation, namely the Protecting the Right to Organize (PRO) Act, that would negatively impact the rights and protections of workers in the Commonwealth, as the gubernatorial candidates staked out very different positions on right-to-work. The conversation in the nation's capital coupled with the arguments playing out in the Old Dominion produced a dynamic that undermined labor's candidates and advocates.

STATE OF PLAY

On November 2, 2021, Virginia held off-year elections to determine control of the governor's office and the House of Delegates. In the gubernatorial race, former Democratic Governor Terry McAuliffe faced outsider Republican Glenn Youngkin. Early in the race, political prognosticators wondered aloud if anyone could defeat former Governor McAuliffe. Yet, going into Election Day, the race was statistically tied from a polling perspective, while some <a href="https://hong.nc.nih.gov/hong.nc.ni

Virginia is considered a <u>solid blue state</u> due to the increasing density of democratic-leaning voters in the Commonwealth's growing suburbs. Prior to Tuesday night, Republicans had not won statewide office for more than a decade when Governor Bob McDonnell defeated state Senator Creigh Deeds in the 2009 general election. However, off-year elections in the Old Dominion are subject to partisan swings and are often viewed as the first bellwether of the national political environment and how voters feel about the party in power after a presidential election. Additionally, the Commonwealth is also home to two <u>targeted</u> congressional races (VA-02 and VA-07), so any lessons that can be learned from the gubernatorial race will trickle down to campaigns in the Old Dominion, but also races across the country during the midterm elections next November.

After nearly 3.3 million Virginians cast their ballots, Republicans up and down the ballot emerged victorious on Election Night, winning control of the three statewide offices and three House of Delegates. The GOP ticket was able to increase Republican's hold in the rural portions of the Commonwealth, while winning back vote-rich areas, such as Virginia Beach, Chesapeake and Chesterfield County, and making inroads in suburban areas, such as Loudoun and Fairfax Counties.

ISSUE FRAMING

From the onset of the campaign, McAuliffe framed his candidacy much like President Biden did during the 2020 general election: as a steady, reliable and safe hand during a tumultuous time, highlighting his ties to the business community and his stewardship of Virginia's economy during his

previous tenure as governor. In contrast, former Carlyle Group CEO Glenn Youngkin pitched himself as an outsider businessman focused on changing the way things are done, cutting taxes and creating jobs, while representing families tired of the politics in Washington.

While much attention late in the campaign was correctly placed on the issue of education in both earned and paid efforts by Youngkin due to a debate line from McAuliffe, it is also noteworthy to examine how labor issues played in the race, namely the threat posed to Virginia's right-to-work law.

As the race evolved, Youngkin and Republicans repeatedly called into question McAuliffe's commitment to Virginia's small businesses, as opposed to Big Labor, when he equivocated on repealing Virginia's right-to-work law, while accepting millions from union leaders.

LABOR & THE OLD DOMINION

With labor groups invested heavily in the race in the Old Dominion, the Youngkin campaign seized on their attempted federalization of labor law and overturning the will of Old Dominion voters who supported right-to-work. During his campaign, Youngkin repeatedly highlighted labor issues in Virginia at the same time national Democrats were raising the visibility of labor issues at the federal level. As the campaign progressed, labor issues at the state and federal level both gained traction and became a point of distinction in the race.

For example:

- In February, the PRO Act was <u>introduced</u> in the U.S. House of Representatives and Senate. Former Governor McAuliffe also began receiving and accepting the <u>endorsements</u> of unions and labor interest groups.
- The PRO Act contains several provisions that would hurt Virginia workers and businesses including:
 - Eliminating workers' right to choose whether or not to be represented by a union through secret ballot elections;
 - o Limiting the ability of businesses to use and individuals to work as independent contractors by implementing an "ABC test" to determine independent contractor status;
 - o Jeopardizing the franchise industry by expanding the "joint-employer" rule;
 - O Threatening supply chains by enabling secondary boycotts that allow unions to expand a labor dispute with one employer to other businesses and consumers; and
 - o Repealing right-to-work laws, such as the statute in Virginia, stripping workers of their right to choose whether or not to be represented by a union.
- In March, the PRO Act <u>passed</u> the House of Representatives by a 225 to 206 vote, including Representatives Spanberger (VA-07) and Luria (VA-02).
- In April, labor issues were brought to the fore of the Virginia gubernatorial election when former Governor McAuliffe shifted on right-to-work when he said, on video, that he would sign a repeal of Virginia's law if it came to his desk as governor. In the same month, organized labor groups began spending millions of dollars on a paid media campaign in Virginia and

other targeted states, calling on holdout senators, including Virginia's Mark Warner, who previously served as governor and supported right-to-work, to support the PRO Act.

- To counter organized labor's tactics, WFI launched its campaign focused on Senator Warner and continued to elevate the PRO Act's impact on Virginia workers and small businesses throughout the summer and into the fall.
- In May, Senator Warner <u>announced</u> at a press availability that he was not supporting the PRO Act, depriving labor of key vote and preventing the PRO Act from receiving a floor vote. In response, union bosses ramped up their pressure campaign, including showing up at the <u>home</u> of Senator Warner. In the governor's race, after securing his party's nomination, Youngkin <u>touted</u> his support for Virginia's right-to-work law to contrast himself against former McAuliffe.
 - WFI commenced its digital advertising campaign in the Commonwealth, highlighting that the PRO Act would repeal Virginia's right-to-work law and hurt the Old Dominion's economy.
- Youngkin also <u>began</u> pointing out McAuliffe's shift on right-to-work during television appearances in late spring and early summer.
- In July, McAuliffe raised more than \$2 million from unions, representing nearly 30 percent of his total fundraising during that quarter. Simultaneously, labor groups held a week of action in support of the PRO Act, holding rallies across the country and generating millions of dollars in earned media.
- In August, WFI aired television ads in Virginia highlighting the negative impact that employees and employers would face if the PRO Act became law.
- In September, during a televised gubernatorial <u>debate</u>, Youngkin criticized McAuliffe for supporting a right-to-work repeal and called it a "death knell" for Virginia businesses. At the same time, national Democrats <u>added</u> PRO Act provisions into the budget reconciliation bill.
- In October, the supply chain crisis escalated and <u>business groups</u> demanded that the PRO Act provisions be removed from the budget reconciliation bill, which resulted in labor issues and unions gaining even more <u>national attention</u>. This unfolded as Youngkin continued deploying right-to-work messaging, calling its repeal the <u>biggest economic threat</u> to Virginia.
- And in November, in the final days of the campaign, Youngkin closed out his campaign using right-to-work in his stump speech to contrast his belief in individual freedoms versus the government control McAuliffe supported.

CONCLUSION

The Virginia gubernatorial election serves as a warning to national Democrats portraying themselves as middle of the road, good for the economy, allies of small business and sympathetic to the concerns of families over the rising costs of everyday goods. Simply stated, supporting legislation on Capitol Hill that threatens protections for employees and employers comes at a political cost.

Due to McAuliffe's support for undoing the state's right-to-work protections, the Youngkin campaign effectively caused voters in the Commonwealth to question McAuliffe's economic bona fides, as well as his understanding of the issues workers and small businesses faced as they came out of the pandemic.

Going into 2022, with Republicans holding an <u>18-point advantage</u> on the economy, national Democrats stand to lose even more ground with swing voters during the midterms due to their support for the PRO Act, which eliminates right-to-work protections. It also opens PRO Act supporters to the criticism of standing with special interests as opposed to families, many of whom reside in the same suburban communities that will determine the majority coming out of the midterms, just as they did in this year's Virginia gubernatorial election.

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