
What Lies Ahead

Replay Transcript

David Ireland: Good afternoon. And thank you for joining us for our webinar today. What Lies Ahead: A Discourse on the Economy, the Employer Outlook and the State of the Union. I'm David Ireland, head of defined contribution at State Street Global Advisors. And I'm thrilled to be joined in this conversation today by Melissa Khan, head of US retirement policy at State Street and the honorable Mr. Speaker, John Boehner. And maybe just to kind of get us going to, to state the obvious, you know, we've witnessed an unprecedented year. I mean, we're personally for me the days, the weeks, the months, they're blurring together.

David Ireland: We're living through a global pandemic that continues to affect millions of lives around the world. And, you know, while we've had some great news in the last week with regard to potential vaccines and, you know, higher levels of efficacy than we had thought, addressing the resulting economic and social challenges that this crisis is leaving in its wake. It's sure to be a key focus in the coming year. Overlaid on top of this, we've also got a new president-elect. So, you know, specifically, well, I think we have a new president-elect, with more Americans voting than in any previous election. And it was an election that's been highlighted with an often bitter divide between political parties and across the nation. So as part of today's discussion, we're going to dig into the November results, what those results mean for our country, for our clients and employers, their participants, their employees, and frankly, the workplace retirement programs that we all collectively oversee.

David Ireland: So with that as a backdrop, we're happy that you could join us today for What Lies Ahead. So I'm going to start, Mr. Speaker with kind of a big picture question before we drill down into some of the policy issues. How did we get here to this current point? When the outcome of the election, to me, is that we've a very divided electorate who view the world, our country, our policy priorities, very differently. What does the outcome of the election tell you?

John Boehner: Well, let's go back to why, where the divide started, at least to some 25 years ago, with the advent of cable TV, talk radio, all of this tended to push or pull people into different corners. And then every social media platform known to man came along—Twitter, YouTube, go down the whole long list, which provided people with more and more information. Some of which was true, some of which really isn't quite accurate, but it tended to push and pull people into corners. Donald Trump's election in 2016 was a result of this big divide in the country. And he eked out an election victory in 2016. And then, obviously, the last four years with Donald Trump only added to the divide in the country with his behavior, if you will. And so, I told people before the election that I thought it was going to be close, and the polls were wrong in 2016. I felt that the race was much closer than what the polls were indicating throughout September and October. And so, I thought it would be a close race, but I have to tell you, it was a lot closer than I thought. I thought it was Joe Biden's to win. But frankly I thought he was going to win. Wouldn't be much of a contest, but it did turn out to be a lot closer than anybody thought. And what happened basically is a blue America got bluer and red America got redder. We had a record turnout of voters, many of whom went in and voted for president and turned around and left the ballot box—shocking to me, the number of people. And we don't really know the number yet, the number of people who actually voted for president and did not vote for anyone else on the ballot for the rest of all the other races. And so, it was a giant turnout operation on both parts. Eighty percent of people who voted for Donald Trump voted for him because they wanted him. Fifty percent of the people who voted for Joe Biden wanted Joe Biden, and the other 50% were voting against Donald Trump, which kind of really indicates how divided America really is. And I will have to say what surprised me is that the Republicans appear to have held onto control of the Senate. I thought it would come down to Georgia and, frankly, it is going to come down to Georgia. But the most surprising thing of the night was that House Republicans appear to be underway to gaining 12 seats. And so Nancy Pelosi is going to have a five or six seat majority come January, which is going to amplify the problems that exist within the Democrat party. Now we can talk about that a little bit more, but that gives you some background as to how we got to where we are and where we are.

Melissa Kahn: So, Mr. Speaker, first of all, thank you again for being with us. I want to pick up on one of the points that

you were making and that deals with the polling. I, like you, didn't trust the polls. The polls in 2016 clearly got it wrong. And all the pollsters said that they were fixing the problems from 2016 in 2020, and clearly that didn't happen. So, my question really is can we ever trust the polls again? And is it possible for them to fix the problems? And if not, do we just give up on them, or is there another system by which we can sort of predict how these races are going to go?

John Boehner: Well, the polling problems go to the assumptions that the pollsters make before they even begin to poll, and where I think they really lost it, is what's the partisan makeup of the country? Twice a month, Gallup, which is the longest running national poll, measures this twice every month. And somewhere between one and a half to two, about one and a half percent, lean toward the Democrat side versus the Republican side. But then all of these pollsters had an 8 to 10% Democrat advantage in their polling. In other words, they would pool and actually survey 8 to 10% more Democrats than Republicans. And as a result, all these polls were off 8 to 10%. And so that's the biggest problem, but I think polling in itself is—the way they've done it over the last 50 years—just doesn't work, and not in today's environment. They don't have enough cellphone numbers; people don't use landlines. They need to contact people in more ways than what they'd been willing to do. And, if I think there's a place for artificial intelligence to replace an old industry, it would be polling. I think because through artificial intelligence, they could develop a better sense of what the electorate is doing than any pollster could ever do.

David Ireland: Yeah, that's interesting. And I guess the other area that's taken a lot of heat this election has been the whole idea of the electoral college, right? I mean, we talk about kind of the record turnout. We talk about in 2016, Hillary Clinton carrying the majority, and in this instance, Biden carrying the majority. I'd be curious to get your thoughts in terms of the Electoral College. Because they ultimately decide the final outcome, and is this a system that's durable that should be with us for the long-term, or is it something that's kind of past its time?

John Boehner: Well, know that the Electoral College was one of the more enlightened parts of our Constitution, and understand that it *is* part of the Constitution, and the Constitution is not going to get changed. And we're going to have the Electoral College for as long as anybody on this phone call is going to be around. I can assure you of that. And I think what they were concerned about when they wrote the Constitution was that you had New York and Massachusetts which were pretty big states, considering the other 11 states at the time. And they didn't want one state to dominate in terms of who was going to elect the presidents. And so they came up with the Electoral College. And if you look at the map across the country, you'll see that almost all of Biden's electoral votes came from the east coast, the west coast and the upper Midwest.

John Boehner: And then you see that sea of red in the middle are all the smaller states and some of the industrial States. And it actually proves why the founders were correct, that these days if you're a Democrat, you can run up the vote in New York and Massachusetts, in Connecticut, you can run up to vote in California, Washington, Oregon. And you can ignore basically the rest of the country, which is exactly what the founders did not want to happen. And so to change the Constitution, you have to have a two-thirds vote of the House, a two-thirds vote of the Senate, and then 38 states have to ratify that change. Trust me, that is never going to happen. So, it's there for a reason. And the reason is, pretty plain to see as we talk today.

David Ireland: Yeah, it's interesting. You mentioned that middle part of the country, and we can kind of go back to the polling and the pundits and how everyone got this one, so, so wrong. I mean, the popularity of Donald Trump that we saw within certain segments was just overwhelming. Curious to kind of get your thoughts in terms of is the Republican Party now kind of the party of Donald Trump, or is it something that more mainstream conservative Republicans like yourself can take back? And if so, how does that happen?

John Boehner: Yeah, I'm a Republican, I'm a conservative Republican, but I'm not crazy, for God's sake. All right? And now we have this Donald Trump Republican Party. And, you know, even when he finally vacates the White House, it doesn't sound like he is going to go away. Trump and his son-in-law and his son, and the daughter, they've got a brand. And so, I don't know where this Republican Party is going. You know, the five years I spent as speaker of the house, my No. 1 focus was on doing something about our spending problem. You know for about 65 of the last 70 years, we've spent

more than what we've brought in. You can't do this in your home, you can't do it in your business, and your government can't do it either. And this year, obviously, with the virus, we've seen record deficit spending. But at some point, you gotta pay the bills. And the Republican Party over the last five years has totally forgotten one of the mainstays of being a conservative and that is having some fiscal responsibility.

John Boehner: So, it's going to be fascinating to me to see what happens in 2024 because the candidate is going to have to be able to hold basically the Trump coalition together, and then be able to reach beyond that. You know, Joe Biden won because, unlike 2016, he's not Hillary Clinton. There were a lot of people who, at the end, in spite of all Trump's flaws, could not find a way to vote for Hillary Clinton. And so they voted for Trump. But you know, Joe Biden's a good guy. And at the end of the day, it's the reason, frankly, he won. And I think the strategy of hanging around in his basement for most of the year paid big dividends. Somebody passed on an old adage to me a long time ago that I've never forgotten. And that is you can't get in trouble for something you don't say. Joe didn't have to say much. And he didn't.

Melissa Kahn: That's very true. That's very true. So, I want to dig a little bit deeper into the future of the Republican Party. I recently was on a webinar and I heard two millennial researchers, Tara McGowan, who is a Democratic millennial researcher and Kristen Soltis Anderson, who is a researcher for the Republican Party. And she's even written a book about this. They both seem to agree that the vast majority of millennials and Gen Z are much more liberal than their parents or their grandparents. And they tend to be more, if you will, Democratic in their leanings. So you couple that with what we've seen in this election about the demographic shifts, Georgia being a perfect example, Arizona being another example. Texas and North Carolina obviously didn't flip to be blue, but they're getting more purple, if you will. So given that, what do you think, you know, building on what you were saying before in terms of, and I am curious who you do think will emerge if it will be Donald Trump or, or another Republican in 2024, because he is clearly indicating he might run again, but what does the Republican party—your party—need to do to appeal to young voters?

John Boehner: Well, listen, a lot of young voters tend to be more liberal until they get into their 30s and begin to have families and thinking about values and thinking about paying taxes and become, frankly, more conservative over time. It hasn't changed in a long, long time, certainly not in my political career. But we made gains. The Republicans made gains with Latinos and Blacks in this last election. But the changing demographics of America are something that the Republican Party, and they acknowledge it exists, but they haven't done quite enough, in my view, to reach out to minority groups in America. One of my second greatest disappointments as speaker was not coming to an agreement with Barack Obama on a broad immigration reform plan. I thought Republicans should have fingerprints all over immigration reform to show immigrants that we were serious about it and that we cared about. And so even though we've done better, the Republicans are gonna have to start doing a lot better with women, with minorities and the immigrant community.

Melissa Kahn: So, just on that other question that I was sort of raising, I mean, you sort of went around the question of who might be the Republican nominee. I mean, do you think that Donald Trump will come back? Do you think if he does, that he's the one to beat that really no Republican is going to be able to beat him in 2024 for the nomination? Or do you think that there is somebody who does stand a chance?

John Boehner: Well, trying to get me to predict what Donald Trump will or won't do at any one moment in time, is impossible to do because, hell, it's Donald Trump, for God's sake. You can't predict what he's going to do, but you know, my guess is if Trump decides he wants to run in 2024, everyone else is going to have a very difficult time trying to beat him. When you look at what he did in this last election, they'd have a hard time defeating Donald Trump. But if it's not, if he doesn't run, you know, you've got Mike Pence, a vice-president probably going to be in this, Nikki Haley, you know, Mike Pompeo could be out there. But the person I keep my eye on is Kristi Noem, the governor of South Dakota. She's smart, she's attractive. And she's somebody I'd just keep an eye on because I think she's going to have fairly broad appeal. But you know, that's a long time off. We're no—this one's not finished yet.

Melissa Kahn: Yeah. That's so true. Although I did see something today in the paper about "It's only 1200 days until the next election." I was like, oh my God, seriously.

David Ireland: That's like SEC football down South, right? After that ballgame, start talking about the next season.

Melissa Kahn: Oh my gosh. So let's switch gears to talk about policy a little bit, picking up on a lot of what you were saying, Mr. Speaker, before about how the Republicans did make gains in the House. It's likely that they will retain control in the Senate. So there was no blue wave. Most people say that Mr. Biden did not get any kind of mandate for really broad change in terms of a progressive agenda. So where do you see his top agenda items being, and where do you think that he and a Republican Senate can come together? What types of issues do you think can move forward from a legislative point of view?

John Boehner: Well, you know, we do have a divided government. I have to say that a divided government has probably done more to help America than America realizes. And that's because when we have had divided governments, if you look back through our election cycles, America leans a little left and four years later or eight years later, it leans a little right. Our system of government is fairly resilient. And there's not big shifts. We had a big shift in '09 and '10, in Barack Obama's first two years and Democrats had big control, and you know, they kind of overplayed their hand, and they've been paying for it ever since. And so, I think that Biden has an opportunity here. And so do Republicans, to find common ground between the White House and the Congress on, you know, things like corona relief. To some extent, I think there's going to be a large infrastructure bill, a place that tends to draw bipartisan support.

John Boehner: Those are probably the first two big things, I think on the Biden agenda. Joe Biden, and myself and Mitch McConnell worked out more deals together during the Obama years than you can imagine. You know, Obama wasn't much of a negotiator and didn't really get along with Mitch McConnell at all. And he got along fairly well with me, but Joe Biden was the negotiator, if you will, on behalf of the Obama administration. And Joe and Mitch McConnell have a long relationship, they respect each other. And I suspect they're going to find a way to find some common ground on a few things, but most of what's going to happen in the Biden administration, I think can happen by executive order. And we saw this in the Obama administration. We've seen a lot of it in the Trump administration, and I think we're going to see a lot of it in the Biden administration, especially when it comes to rolling back a lot of the deregulatory efforts that the Trump administration pursued over the last four years. And I expect from what I'm picking up, they're going to do it pretty rapidly in terms of rolling back a lot of those deregulatory efforts. But, they'll find a way to get through here. The bigger fight that you're all going to see is a fight between the progressive Democrats and the regular Democrats. It's manifesting itself now. They've been going after Pelosi back and forth over the last couple of weeks. A lot of criticism of some of the names being floated by the Biden administration in terms of the people they want to put in the positions. And this is going to play out, I think, in a pretty big, ugly way here over the next three, four, five, six months until they find some way to, hopefully, find some way to get along with each other.

John Boehner: But the Republican Party went through this in 2012 and 2014 with the Tea Party and the Freedom Caucus, who I call the knuckleheads. I had to manage my way through that. Pelosi's going to have to manage her way through it. And so is Joe Biden. It's a pretty big, serious fight. And the moderate Democrats are upset with all the noise out of the liberals: defund the police, the Green New Deal, you know, in the long list of things that AOC and her squad talk about. That's not who Joe Biden is. And so, Joe Biden's going to have to throw them a couple bones when it comes to building his administration. But, by and large, Joe Biden's gonna have pretty solid down-to-earth people, I think, in his administration.

Melissa Kahn: So, Dave, before we move to the next question, one of the questions that we did get from the audience so far is about the cabinet. And so, I'm curious, who do you think is going to get the most pushback, if you will, for being too progressive from the Senate in terms of appointment?

John Boehner: Well, you heard all this talk before the election about Elizabeth Warren wanting to be the treasury secretary and Bernie Sanders wanting to be the labor secretary. Well, one, Joe Biden wants no part of that, and two, they're Democrat senators, and they live in states that have Republican governors who are going to appoint a Republican to take their place. And so, Joe's going to have an out with most of the members of Congress. Pelosi's got a narrow majority. You know, it takes six to nine months to replace a House member because no one gets appointed. Everyone

has to be elected. And if you take a House member, you have to have a special election. And so Cedric Richmond apparently was going to the administration, but he might be the only one here for quite a while. And I expect no Democrat senators to end up in the administration. But it's too early to start predicting who might, who these choices might be, but they're going to be pretty solid choices in my view, because secondly, they have to be approved. These nominations have to be approved by a Republican Senate, and while Joe Biden won the election, we're probably gonna give him the benefit of the doubt about most of these. But, you know, I don't think Elizabeth Warren, even if she were nominated to be treasury secretary, I don't think the votes clearly aren't there in the Republican caucus in the Senate to do that.

David Ireland: Maybe sticking on this theme though of Biden and priorities. I'd love to get your thoughts, Mr. Speaker, on stimulus. I mean, I think that one of his top priorities coming in is going to be to do whatever he can to address the COVID, the global pandemic, and that's partly vaccines, rapid testing, but a big piece is also going to be some forms of stimulus to keep the economy moving. Is that something that you could foresee happening prior, from a lame duck perspective, or is it something that we need to wait until next year and love to get your thoughts as well in terms of just the size and magnitude?

John Boehner: Well, if you've watched what went on during the fall, with this latest effort at a corona stimulus bill, there was a serious effort in September to try to see if they couldn't come to some agreement. But as I said in September, it was just not going to happen, and it didn't happen because Pelosi wouldn't let any bill go through that might benefit Donald Trump's election. And so, we get past the election, Pelosi's got her own problems getting herself reelected as speaker. McConnell's focused in on Georgia. And I don't see, I just don't see how they come to any agreement on corona before the end of the year, unless, unless they add, they come to an agreement on, you know, 300, 500, a billion dollars' worth of relief, whether it's the PPP program or some other cats and dogs that could be added to the fiscal year-end spending bill that should have been in place October 1st, but there's going to be a big effort to get that in place for the next fiscal year. And funding runs out for the government on December the 11th. So there's something that could happen in that context, but even there, I've got my doubts. I think the bigger issue is going to be next year, after the inauguration, where McConnell, Biden, Pelosi, come to some agreement on, on some size of the bill. It's pretty clear to me that a lot of money going to state and local governments is probably not going to happen. Maybe some, but not a whole lot, but there's probably going to be more help for hospitals in there, you know, other cats and dogs. Certainly money for a PPP program extension, but beyond that, who knows, but I would look for it next year.

Melissa Kahn: So let's turn to health care. You know, health care has been one of the major issues in so many of the past elections, both at the presidential election level and also during the midterms. And I think that was one of the things that helped get the Democrats the majority in the House back in, well in, whenever.

John Boehner: 2018.

Melissa Kahn: Yeah. So now, the Supreme Court just heard the challenge to the Affordable Care Act, and before they heard it, I think people were thinking that they might strike it down, or there was that concern that they would, but from the questions that some of the justices were asking, it sounds like even if they strike down the individual mandate, that they may be able to believe that it can be severed and that they can save the rest of the law. So I'm curious about your view of the Supreme Court and where they might come down. And that is going to be, I believe, and I'd like your view on this, as one of the key issues that the Biden administration is going to try and push forward on. President-elect Biden talked a lot about it during the campaign, how he wants to build on Obamacare. To your earlier point, Mr. Speaker, I don't think that we're going to get something like clearly not Medicare for all. And probably, I think it'll be a tough lift, although I want your view on this, of even the Medicare buy-in. So where do we go with health care? Where do you think the Supreme Court is going to go? And if there isn't change now, do you think that that will continue to be a big issue in the midterm elections?

John Boehner: Well, it's a very important issue, and frankly, it's a very politicized issue that is typical American politics. Now listen, there's health insurance, and then there's health care. Every American is entitled to health care. Every American gets health care. Every provider has to provide health care, regardless of whether you've got coverage or not. The issue is self-insurance and, you know, I didn't support Obamacare because it wasn't about getting any more health

insurance to people as much as it was about the federal government taking control of the whole healthcare delivery system and writing every rule and regulation about the healthcare system. All the insurance companies are all now for covering people with pre-existing conditions. This was one of these election issues that keep being brought up, but it's total nonsense. There's not anybody in the Congress who is opposed to making sure that people with pre-existing conditions can't get health insurance, not a one. And so if, in fact, they strike down part of the law, dealing with pre-existing conditions or surprise billing, I would think there would be a pretty quick agreement between the White House, the House and the Senate, on restoring those provisions. You know, Obamacare doesn't work as well as anybody wanted it to work. But it's there, it's the law of the land, and to change it is going to require a three-way agreement between Pelosi and McConnell and the Biden administration, which is just not likely to happen. I just don't see much happening on this front, other than around those issues. Other than the third issue would then be drug pricing, which is another political issue that both sides want to throw around. It's easy rhetoric from politicians on both sides of the aisle to use it. But there's a reason why we've got the best healthcare delivery system in the world. And it's also pretty clear why we've got the best therapeutics in the world because we reward people who would take the risk to invest in research and develop these drugs that keep people living a longer, healthier life.

David Ireland: Maybe the other, you know, just since we're on kind of the, all of the points of interest in terms of health care and stimulus and the other one that comes up all the time is taxes, right? And, you know, Biden ran on a platform of lowering taxes for, or keeping them flat, for middle to lower class and rolling back some of the tax cuts on the wealthy and the corporations. Is that something that, given kind of where the Senate is playing out or potentially playing out, that is there going to be any action on taxes? And let's say that the Republicans hold onto the Senate, is there anything that the Biden administration could come out with that the Republicans might be willing to negotiate on? Curious, maybe Speaker Boehner, what your thoughts are, and then, Melissa, if you had anything that you wanted to share on that as well?

John Boehner: Well, you know, Joe, during the campaign, had to have, you know, a position on raising taxes because that's what Democrats like to do and he had to be for it. But there's no major changes going to happen on taxes, period. It's just, the numbers aren't there. And I don't even know how you get a bill out of the House, much less the Senate. And so, no major changes when it comes to taxes. Now, when you got an infrastructure bill, you could be talking about a gas tax increase or something like that. Retirement security was a bipartisan effort that came out of the House that would tweak the tax field when it came to putting money aside for your retirement. You know, there's a few places where they could come to an agreement, but there's not going to be an increase in the corporate tax rate. And there's not going to be an increase in individual rates, period.

Melissa Kahn: So of course I agree with everything that the speaker said. But you know, there has been talk about changes to the tax code with regard to retirement and equalizing the benefits for lower and middle income individuals with higher income individuals. And I think that that got a lot of play during the campaign in terms of changing the tax deferral of 401(k) plans to a tax credit, or somehow reducing the benefits for highly compensated, either in the limits, the compensation limits or the benefits. I think it's very unlikely, to the speaker's point, that that's gonna happen. I think the only viable thing that could happen and it is included in a bill that was just recently introduced by the chairman and ranking member of the Ways and Means Committee is this idea of increasing the saver's credit for lower income individuals. So that's really, I think the only thing that will sort of, a little bit, equalize the tax treatment, but other than that, I don't think there's going to be anything radical that happens in the retirement area.

Melissa Kahn: So, Mr. Speaker, you know, it's one topic that didn't get talked about much at all in the campaign, as it has, especially in other campaigns, but there were some political ads, as you know, both you and I have homes in Florida. And so we saw a lot of the political ads during this campaign, but one topic that really didn't get a lot of attention until then was Social Security. And the clock is ticking, as all of us in the baby boom generation and beyond, are getting close to retirement. And the generations behind us are not able to necessarily support Social Security as it is today. So do you think that this is an issue that is going to get any attention in the next four years, or do you think that Congress and the administration, whatever administration it is, will wait until the last, the 11th hour, to tackle that. And if you do think that something can happen, what do you think they could agree on?

John Boehner: Well, Social Security would be the easiest of the entitlement programs to fix. It's just a matter of dials: dialing up revenue, making equalization changes, if you will, in terms of who gets how much and when people are allowed to get it. It's frankly, it's just a matter of dials that you get to turn, and it certainly needs to be addressed. Everybody knows it needs to be addressed. Democrats, frankly Republicans are just as bad when it comes to dealing with these entitlement programs and especially Social Security. They just, nobody wants to touch this thing. But you know, at some point, it has to be touched, and it was last touched in a real way back in 1983. And it needs a tune-up. We've got big problems coming, everybody knows they're coming, but that doesn't mean they're ready to deal with it. And so, you know, as part of some bigger deals, you know, we might get some adults to stand up and realize that we've got to do something about this, and the sooner we begin to make these changes, the easier it's going to be to actually pull this thing off, but I wouldn't be holding my breath here. I just wouldn't be holding my breath that either party has really got the guts to stand up and take it on.

David Ireland: It is discouraging. And it leads us back to one of the questions. It seems our listeners are very focused on the long term. So we've got, in addition to, a question is, is Don Jr. a possible candidate for 2024? There's also a question with regards to does the sharp divide between the two parties give room for a moderate party in the middle, which I think probably many of us would embrace, but curious to get your thoughts on more of those kinds of 2024 questions.

John Boehner: Well, you know, Don Jr. probably, in his own mind, thinks he'd be a great president, just like his dad. But just because you feel like that in your own mind doesn't mean you're going to get elected. So I don't see him as much of a contender, but the rest of your question was about ...? Remind me.

David Ireland: Is there room for a middle ground in terms of a more moderate party to emerge?

John Boehner: Well, America has benefited from primarily being a two-party system, and that's what we have. And because we have a two-party system, both parties have done a pretty good job of working together to make it impossible for third parties to have much of a chance. I'll give you an example. In Ohio, I'm running for Congress. I need, as a Republican, I need 50 signatures to get my name on the ballot. If I'm a Democrat, I need 50 signatures to get my name on the ballot. If I'm an independent or some other oddball party, I need 1800 signatures to get on the ballot. Right? So, they made it pretty difficult—both parties working together—for a real third party to emerge. What really needs to happen is that we need to get more Americans engaged in the primary process.

John Boehner: The primary process, on the Republican side, tended to favor conservatives on the Democrat side, tended to favor liberals. And as a result, you know, Republicans have done pretty well over the last 50 years. But if more people were to engage in the primary system on the Democrat side and on the Republican side, you could end up with more moderate candidates actually running against each other for the highest office in the land, but getting people to show up and vote in a primary is very difficult to do.

David Ireland: Yeah. Agreed, agreed. Melissa, I don't know if you have anything you want to add into that, and if not, you know, I think it would be kind of interesting to spend a few minutes talking about private retirement plans, which, you know, a lot of our audience is very interested in and, you know, Mr. Speaker is the former chairman of the House Education and Labor Committee.

David Ireland: You were both instrumental in drafting and passing the Pension Protection Act of 2006, which is, from a defined contribution standpoint and the use of the QDIA and the growth of target date funds, it's been one of the pieces of legislation that's changed our business for the good of any that I can remember. But it also, you know, it took 13 years to get another major retirement bill enacted, more recently this past December with the SECURE Act. So given that retirement legislation is one of the rare areas of just bipartisan areas of Congress, we see kind of with the SECURE, the support from Chairman Richie Neal and ranking member Brady, what do you think that the chances of passing a SECURE 2.0 Act, are going into next year and, Melissa, I know you're super close to this as well?

John Boehner: You go first, Melissa. This is your expertise here.

Melissa Kahn: You're too modest since you really did, you were the architect of the PPA. So obviously we worked very closely with Chairman Neil and ranking member Brady, as well as senators Portman and Cardin. I mean, we really do have some great champions on retirement still in Congress. We were sorry when the speaker left because he was one of our go-to people. But I think that as long as Chairman Neil is going to be the committee chair, again, one of his top priorities is retirement. He has vowed to have hearings on the new, what we're calling SECURE 2.0. I think there's a lot of priorities, the speaker was talking to earlier, that have to be addressed first. The pandemic is going to take up a lot of energy early on. Infrastructure is going to be something they focus on pretty quickly, and then all of the executive orders that the speaker alluded to. So I think it's on the agenda, but I don't think it's going to be necessarily a top priority, but I'm hopeful that we will get something done in this next session of Congress. So whether it's next year or the year after, I'm hopeful that we will get more legislation in this area. So Mr. Speaker, I don't know what your thoughts are on that.

John Boehner: Well, this was one of those areas where both parties could demonstrate to the country that they can get along and get things done. And so, I actually think that there's a reasonably good chance that this could happen. And it's primarily because you've got Brady and Neal who get along well. They've all, we've all worked with Portman and Cardin over in the Senate over the years to move a retirement legislation. And so you've got a bipartisan group of members who have focused in on these retirement issues, who know these issues inside and out, and it's something that can happen. So if it can happen, why not? So I think I'd be a bit optimistic about this, but understand I was born with a glass half full. I'm a pretty optimistic guy by nature, and if I hadn't been, I sure as hell wouldn't have ever ended up in politics or ended up as speaker.

Melissa Kahn: So is that glass half full with merlot?

John Boehner: Not yet, but pretty soon.

Melissa Kahn: It's almost happy hour time.

David Ireland: Hey Melissa, maybe just, you know, given your area of expertise and policy. I mean, one thing that I think is super relevant to the folks on this call is just everything that's happened is what happens out of labor, right? And especially if we're going to be kind of coming into a bit more of a mix, with Democrats carrying the presidency and the House, but not the Senate, less is going to be enacted through legislation. And I guess that that would probably increase the importance of the Department of Labor. And as we saw in 2019 and just the last few months of this year, the Department of Labor has just been acting kind of furiously in terms of the private equity letter that came out, the ESG ruling. I'd love to get your thoughts in terms of, I mean Biden has campaigned with passion, with regards to the environment. What do we see in terms of action there? Do we see that ESG letter getting rolled back, is there a non-enforcement action that comes out? How does it play out?

Melissa Kahn: All those things. So yeah, you raise a good point, Dave. The department has been acting fast and furious on a lot of regulatory projects over the course of the year implementing SECURE, for sure. Then let's not forget that back in March in response to the pandemic, we had the CARES Act, and there were a number of provisions in there that dealt with retirement plans. So they and the Treasury Department have been acting as quickly as possible to get a lot of this guidance out. But I think that the retirement community was, I wouldn't say taken by surprise, but it was not foreseen that we would see guidance both on private equity in terms of sub-regulatory guidance as well as the ESG regulation and proxy voting regulation. And I think that those areas are where we're going to see somewhat immediate action from a Biden administration. I think that the ESG reg is now final. It will become effective January 12th of next year. And as a result, it will be before the new administration comes in. So I think that what we'll see is the Biden administration putting in some sort of non-enforcement policy, and then they're going to review that regulation and see if they want to either pull it back in, in its entirety by proposing a new regulation or making some revisions to it. So anybody who's considering putting any kind of ESG fund into their defined contribution plan should hold out some hope to the speaker's point, glass half full. I'm pretty optimistic that that will be the final say on ESG. We haven't seen the final proxy voting rule, but my guess is that they probably will have a similar reaction to that and that they'll pull that back in some way.

Melissa Kahn: So those are the areas that, and also, and I know the speaker is very familiar with this because he lived through this in his own bill, but investment advice and who is a fiduciary with regard to retirement plans has been a huge issue for quite some time now. The Obama administration came out with a regulation. It was ultimately pulled back by the fifth circuit court of appeals. I think that's another area where the Biden administration will probably want to issue some sort of guidance to, if they can, put some parts of the Obama administration rule back into effect.

John Boehner: I agree. I agree with Melissa's comments entirely. Because there's not going to be a lot of legislating, a lot that Biden can't get through the Congress, he's gonna try to do it through executive orders and through the regulatory agencies and your, all of our big labor was heavily behind Biden, as you would expect. And, big labor is never bashful about securing their place at the table after the election that they won. And so, you'll see a very aggressive Department of Labor, mostly, at least early on, focusing in on making it easier for unions to organize non-union employees and a dual employer issue will be front and center. But these issues that Melissa is talking about are clearly going to be right in their crosshairs.

John Boehner: It's just the things that Democrats think they need to do, the Republicans don't think they need to do, which brings me to a point that I should have mentioned earlier. The Green New Deal is not going to happen legislatively, but Joe Biden's going to do everything he can through the agencies and frankly, all the agencies, to move toward parts of the Green New Deal. And to the extent that that affects retirement plans, I've got to believe that the Department of Labor is going to be under some pressure to deal with this in some way. And it's just something you have to keep in the back of your mind, because, trust me, it's coming.

Melissa Kahn: We have a *lot* of questions in the Q&A box. Dave, should we take some of them now?

David Ireland: Yeah, go ahead, pick a couple, but I also want to be cognizant of the time, but yeah.

Melissa Kahn: Well, first of all, someone is asking me because, and I'm curious about the answer too, because I think it actually is already out. When is your book going to be published?

John Boehner: It comes out on April 13th. The title is "On The House." There's a picture of me in a suit and tie holding a glass of wine with an ashtray right next to it. And I will tell you this: It will be entertaining. You'll like it.

Melissa Kahn: I cannot wait to read it. It will be, it will be read the first day it comes out. Okay. Here's another one. So given the outgoing president's continuing to spread lies and conspiracies (I'm just reading it) about the outcome of the election, is this a grave precedent in your view or an anomaly?

John Boehner: Oh, I think it's an anomaly. It's an unfortunate anomaly. This is just bizarre behavior, but, you know, it's Donald Trump. I don't know why anybody would be surprised that he's acting the way he is, but he is. And it's unfortunate.

Melissa Kahn: Dave, you want to do one?

David Ireland: Sure. Yeah. There was another question just to get your opinion on Will Heard, who one of the attendees feels like was a great addition to the GOP caucus.

John Boehner: He's a great member, a really great member who decided not to run again. And we'll see his name somewhere along the way. I'm not sure where, but there's no doubt we're going to see it. And God bless him. He'll do well.

David Ireland: Another interesting one that I'm kind of curious about: Will Trump continue to have a strong influence on Congress, and how will McConnell navigate that?

John Boehner: Well, if he remains active, which to some extent I suspect he will, it's going to be tricky for Republicans to navigate, but my guess is that the members are gonna do what they think they have to do and move on, not pay a whole lot of attention to the outside noise. I don't expect it would have a great big influence on them.

Melissa Kahn: Even if he starts his own media company, which he's threatening to do?

John Boehner: Fine, fine, blah, blah, blah, blah, blah.

Melissa Kahn: All right. Here's another interesting one. What are the prospects with the Biden administration of passing legislation like they have in Europe protecting online privacy rights?

John Boehner: Well, you know, the privacy issue has been around for about 15 years now, and Congress has been anxious to do something, except they can't quite figure out what to do. The Europeans have put in some pretty strict privacy provisions through the European Union that, frankly, I don't think would ever pass in the US. If the Congress could ever figure out what to do, something would happen, but in 15 years they haven't figured out just exactly what to do, and so they've done nothing. My guess is there's a pretty good chance that we're going to have nothing.

David Ireland: Well, I'm watching the clock here, and we're coming up on the hour, and I want to be considerate of everyone's time. I think I'm going to take just this opportunity to first, thank you, Speaker Boehner for joining, for participating. Thank you, Melissa. I think we've covered a ton of ground here. Hopefully we've answered a number of questions versus raising more questions, or I think we did maybe a little bit of both, but really appreciate the time and the energy and the candor in terms of all the answers and the dialogue. And then I just wanted to also thank all of our clients, everybody that called in and spent their time, their precious time with us today. We appreciate the business, the partnership, and the trust that you put in us in and in State Street Global Advisors. So thank you very much for that. Wishing everyone a safe and healthy holiday, and thanks very much for calling in and joining us today.

John Boehner: Thanks David, Thanks Melissa.

Melissa Kahn: Thank you, Mr. Speaker, thanks David ...

David Ireland: Thanks, Mr. Speaker.

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EXP: December 31, 2021