

## Overview: Fighting to Ensure 2016's Promises are Kept

Without major advances in policy in 2017, the earth-shattering results we witnessed at the ballot box in 2016 will mean next to nothing.

After all, the ultimate reason why you and I stay glued to the news cycle, constantly watch polls, and write checks during election years isn't for pure "sport." It's because we care deeply about policy – and ensuring individual liberty and free markets survive in America.

As you'll see from this Investor Impact Report, FreedomWorks hit the ground running while the smoke was still clearing from the 2016 elections to make sure 2017 is an incredible success.

With battles just beginning to rage in Congress, we have so much still to fight for. But as you'll see, FreedomWorks investors are already making an enormous impact in 2017.

And Congress is truly feeling our grassroots pressure.



Storming Congress Rally on March 15, 2017

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*The mission of FreedomWorks is to build, educate, and mobilize the largest network of activists advocating the principles of smaller government, lower taxes, free markets, personal liberty, and the rule of law.*



## Building and Educating the Grassroots

### Day of Action:

More than 700 FreedomWorks activists braved frigid temperatures, strong wind, and snow for a rally on March 15 in Upper Senate Park at the U.S. Capitol. Sens. Rand Paul (R-KY), Ted Cruz (R-TX), and Mike Lee (R-UT) and Reps. Mark Meadows (R-NC), Jim Jordan (R-OH), and Dave Brat (R-VA) spoke to the activists before they stormed into House and Senate offices building.

Nearly 700 activists – who, among other states, joined us from Georgia, North Carolina, Ohio, South Carolina, Tennessee, Virginia, and West Virginia – participated in the House and Senate office visits during the course of the day.

Activists from each state visited with their senators' and representative's offices, and in some cases, their actual member, to demand that they repeal ObamaCare quickly and completely. Activists also discussed other pressing issues, including tax reform, regulatory reform, and the confirmation of Judge Neil Gorsuch to the Supreme Court.

Nearly a dozen television cameras were on hand from news outlets like CNN, CSPAN, Fox News, CBS, One America News Network, and Showtime's *The Circus*. Several print outlets covered the event, including the *Financial Times*, *Town Hall*, *Bloomberg*, *Lifezette*, and the *Washington Examiner*.

## FreedomWorks in the News

### MOUNTAIN Xpress

2/28/17 - "Asheville Tea Party Joining FreedomWorks for Support Rally for Congressman Mark Meadows"

## 13 WLOS

"The Asheville Tea Party and a group called FreedomWorks organized the rally. Below is a press release from FreedomWorks:

"Congressman Mark Meadows has proven to be one of the most perseverant, steadfast fighters in DC for WE THE PEOPLE. He consistently takes on the establishment – both parties – to 'Drain The Swamp.'"



3/15/17 - "Hundreds of Tea Party Activists Brave Cold Winds to Demand Repeal of ObamaCare"

## LifeZette

3/15/17 - "Conservatives Brave Freezing Temps to Rally for 'Real Repeal'"



3/15/17 - "Tea Party Allies Rally on Capitol Hill for ObamaCare Repeal"



### Activists Quotes:

"What a GREAT EVENT! Still thawing out my toes. Please let Adam and everyone else at FreedomWorks who worked so hard know how much we appreciate them. We're ready to reinforce yesterday's actions with a Month of Action." - Carol - IL

"Well-organized event -- good job! The packets were great, along with the hats! And I was so impressed with the hardy grassroots in these frigid elements!" - Laurie - VA

"Awesome event. The speaker line up was outstanding, really motivating for the crowd before office visits. I really feel we were able to make an impact and push these members on repealing ObamaCare." - John - OH

"I enjoyed the event, experience, and meeting the people in my group. I would very much like to stay involved in future events as well as with FreedomWorks. I appreciate all the hard work you guys do." - Deborah - PA

### Month of Action:

Continuing the momentum from the Day of Action in Washington, D.C., FreedomWorks plans to host or sponsor more than 25 events in 15 states – including Ohio, Pennsylvania, and West Virginia – through the end of April. Our activists will visit the local offices of House and Senate members to either apply pressure for them to support a pro-growth agenda or to give those who need it positive reinforcement.

These events come at a crucial moment. The House and Senate will be in recess from April 10 through April 21, and members will return home to hear the concerns of constituents. If we hope to move the ball forward on fundamental tax reform and regulatory reform, our activists' engagement is vital to achieving the best outcomes.



## Federal Efforts

With a new Congress and a new President, early 2017 has already seen a flurry of political action as a new political reality takes hold in Washington, D.C.

Even before Inauguration Day, the new agenda for our new government's first 100 days was being planned out. FreedomWorks and our 5-million plus activists have been there every step of the way, fighting to ensure the promises made to the American people on the 2016 campaign trail are kept – starting with ensuring the right nominees are placed in key positions of power in Washington, D.C.



Senator Mike Lee (R-UT) rallying the crowd on March 15th.

## Winning Key Confirmation Fights

FreedomWorks' first major goal for 2017 was ensuring the confirmations of three of President Donald Trump's best nominees for key federal posts in Washington, D.C. as described below.

### Scott Pruitt's Nomination to Lead the EPA

As Oklahoma attorney general, Scott Pruitt has been a longtime ally of FreedomWorks and someone our donors and activists know well.

His nomination to serve as the administrator of the Environmental Protection Agency (EPA), after years of regulatory overreach by this particular agency, represented a turning point in the fight against the regulatory state.

But we knew that confirming Mr. Pruitt wouldn't be easy. And it was going to be up to our activist community to get the job done.

Since the beginning of this campaign, which was launched right after Mr. Pruitt's nomination was announced, we drove more than 55,000 contacts

– including phone calls and emails – through our activist community in support of Pruitt's confirmation.

Our goal was to put pressure on both Republican and Democrat senators in their home states to support Attorney General Pruitt to lead the EPA – sponsoring or hosting nearly 20 events in states like Florida, North Carolina, Ohio, and Virginia.

The good news is the campaign to confirm Pruitt to lead the EPA was a success.

On February 17, the Senate confirmed his nomination, with two of our 2018 primary targets – Sen. Joe Manchin (D-WV) and Senator Heidi Heitkamp (D-ND) – voting for his confirmation.



Former Oklahoma A.G. Scott Pruitt confirmed as head of EPA.

## FreedomWorks in the News



**REALCLEAR ENERGY OP-ED:**  
1/6/17 - "The Case for Scott Pruitt to Lead the EPA," By Adam Brandon, FreedomWorks President

**E&E NEWS - 1/12/17**

"FreedomWorks also said this week that it has driven thousands of contacts to the Senate from its grass-roots members in support of the Oklahoma attorney general's nomination . . . FreedomWorks has also said that it will 'key vote' Senate committee and floor votes on Pruitt's confirmation for its congressional scorecard."

**REUTERS - 1/18/17**

"Freedom Works launched a push this month to urge lawmakers to support Pruitt's nomination because he will work to undo the agency's rules targeting carbon and methane pollution from power plants, autos and oil and gas infrastructure."

## Mick Mulvaney's Nomination to Lead the White House Office of Management and Budget



Former U.S. Rep. Mick Mulvaney (R-SC)

When we first heard the news that another longtime FreedomWorks ally, U.S. Rep. Mick Mulvaney (R-SC) was being considered for the White House's Office of Management and Budget (OMB), we couldn't have been more excited.

As a Member of Congress, Rep. Mulvaney was a member of the House Freedom Caucus and held a 95 percent lifetime score with FreedomWorks. He was an ideal candidate for this crucial White House post, which – among other responsibilities – develops President Trump's budget and reviews all major regulations from cabinet departments and federal agencies.

Sadly, Mr. Mulvaney's nomination was quickly met with opposition by some in the Republican ranks who've grown used to the big spending status quo in Washington, D.C.

After Sen. John McCain (R-AZ) suggested that he would vote against Mr. Mulvaney's confirmation to the OMB, FreedomWorks rallied its activist community and drove nearly 74,000 contacts to Sen. McCain's office.

These contacts consumed more than 110 hours of Sen. McCain's staffers' time in just three afternoons. While Sen. McCain did vote against Mulvaney's confirmation, other Republican senators – who had publicly suggested that they were considering voting against Mulvaney – ultimately decided they didn't want to face the wrath of our supporters, and wound up voting to confirm him.

## FreedomWorks in the News

### POLITICO

1/27/17 - "The tea party-aligned group FreedomWorks is launching a six-figure attack ad campaign against Sen. John McCain over his tough questioning of President Donald Trump's nominee for budget chief."



2/14/17 - "Sen. McCain's opposition to President Trump's pick is another action that shows he stands against responsible federal spending levels," FreedomWorks CEO Adam Brandon said in a statement. "He seems perfectly happy to continue spending money we don't have and continue raising the debt ceiling. He continues his career betraying conservatives."

## Judge Neil Gorsuch's Nomination to the U.S. Supreme Court

The death of Justice Antonin Scalia in February 2016 was easily one of the biggest issues of the entire 2016 presidential race, with millions of Americans voting for Donald Trump for President almost solely to keep the Supreme Court from decades of liberal domination.



Thanks to our supporters, FreedomWorks' effort to protect Justice Scalia's constitutionalist legacy

FreedomWorks generated  

**1.7 million**  
 contacts to stop confirmation of Merrick Garland – and save the Supreme Court

throughout 2016 – by blocking Merrick Garland’s nomination to the U.S. Supreme Court – proved successful. But it wasn’t easy.

Our community drove nearly 1.7 million messages to Senate Republicans and Democrats to apply pressure to not hold hearings or votes on President Barack Obama’s Supreme Court nominee.

With the nomination of Judge Gorsuch, all that work paid off.

Just hours before President Trump announced his Supreme Court nominee, FreedomWorks spoke with Sen. Mike Lee (R-UT), who sits on the Senate Judiciary Committee, about the importance of confirming a conservative to the High Court and what a nominee could expect during the confirmation process.

After President Trump nominated Judge Neil Gorsuch to fill Justice Scalia’s seat, Sen. Lee joined us once again to discuss Judge Gorsuch’s legal background and his constitutionalist judicial philosophy.

Judge Gorsuch is a home run pick for the Supreme Court to fill the shoes of Justice Scalia. Since his nomination was announced, FreedomWorks drove more than 138,000 contacts to support Judge Gorsuch’s confirmation to the Supreme Court.




**FreedomWorks in the News**

WASHINGTON  
**Examiner**

OP-ED: “Tell Senate Democrats that Neil Gorsuch is a Great Fit for Scalia’s Seat” By Jason Pye, FreedomWorks Director of Public Policy and Legislative Affairs

### Repealing ObamaCare



Repealing ObamaCare has been one of the highest institutional priorities for FreedomWorks since it became law on March 23, 2010.

It’s clearly a winning issue Republicans rode to big victories in 2014 and 2016 as the law’s impact on Americans began to snowball.

In 2016, congressional Republicans laid the groundwork for repeal by passing a repeal bill using the reconciliation process, which avoids the use of a Senate filibuster.

This would have eliminated most of the worst parts of the law had it been signed into law by President Obama.

Shortly after President Obama’s veto, Speaker Paul Ryan stated: “We have shown now that there is a clear path to repealing ObamaCare without 60 votes in the Senate. So, next year, if we’re sending this bill to a Republican president, it will get signed into law.”

FreedomWorks – like many Americans – sincerely hoped they were telling the truth.

After all, ObamaCare is a disaster. Health insurance premiums went up by an average of 25 percent in 2017 alone, Aetna’s CEO has said ObamaCare markets are in a death spiral, and one-third of counties have only one health insurance provider.

Initially, it appeared Congressional Republicans would keep their promise as they pledged to make the repeal of ObamaCare their first order of business when the 115th Congress began on January 3.

Unfortunately, House Republican Leadership moved slowly – even keeping the language they were crafting secret from many House and Senate Members, the media and the American people.

In order to put pressure on leadership to adopt a strong reform, FreedomWorks hosted a January 25 briefing on ObamaCare repeal and replace for congressional staffers.

Twenty staffers from 14 offices attended the briefing. Offices represented included Reps. Mark Meadows (R-NC), Jim Jordan (R-OH), Warren Davidson (R-OH), Mark Walker (R-OH), and Jeb Hensarling (R-TX).



Jason Pye, Director of Legislative Affairs and Michael Cannon, the Cato Institute’s Director of Health Policy Studies, discussing healthcare reform on Capitol Hill.

The panel featured Michael Cannon, Director of Health Policy Studies for the Cato Institute, and Dr. C.L. Gray, a practicing physician and President of Physicians for Reform.

Cannon and Dr. Gray discussed the problems with ObamaCare and policy ideas that would improve the American health care system. Cannon also detailed the need for Congress to repeal as much of ObamaCare as possible through reconciliation, including the rules promulgated by federal departments and agencies, to avoid a “race to the bottom” in state health insurance markets.

In addition to this briefing, FreedomWorks also decided to plant its flag on a patient-centered alternative to ObamaCare introduced by Sen. Rand Paul (R-KY) and Rep. Mark Sanford (R-SC) entitled the ObamaCare Replacement Act (S. 222/H.R. 1072).

The ObamaCare Replacement Act, which has been endorsed by the House Freedom Caucus, would repeal ObamaCare and its costly regulations.

It would also create large HSAs, out of which people can pay their insurance premiums, and allow individuals to get the same tax deduction for insurance coverage that employers receive.

Sadly, the reform ultimately introduced by the Republican leadership took few cues from this bill.

In March, House Republican leadership rolled out their ObamaCare repeal and replace plan, the American Health Care Act.

While the American Health Care Act did repeal or delay most of ObamaCare’s taxes, it would have repealed its costly tax and cost-sharing subsidies only to replace them with another set of costly tax and cost-sharing subsidies. It also left open the possibility of keeping Medicaid expansion because the date for repeal was set so far into the future.



FreedomWorks President Adam Brandon participates in a conservative roundtable in the Oval Office with President Donald Trump.

FreedomWorks President Adam Brandon had several meetings with administration officials including Health and Human Services Commissioner Tom Price, Vice President Mike Pence, and President Donald Trump.

We also engaged heavily by mobilizing our grassroots activist community to support the House Freedom Caucus’ effort to fully repeal the 2010 law and replace it with Sen. Paul and Rep. Sanford’s ObamaCare Replacement Act.

FreedomWorks’ community has driven nearly

65,000 contacts to Congress through emails, phone calls, and tweets for this effort and demanded that congressional Republicans keep their promises to repeal ObamaCare.

As the initial March 23 House vote on “ObamaCare-lite” approached, FreedomWorks was forced to oppose the bill, mobilizing our activists to ensure Members of Congress stood strong in their opposition and force much-needed reforms.

When the bill was finally pulled from receiving a vote, it was clear the House Freedom Caucus could not be railroaded and – if Republicans are to keep their promises to repeal ObamaCare – House conservatives must have a voice.

This fight is certainly not over. ObamaCare’s death-spiral has not suddenly stopped.

The more pressure FreedomWorks’ activists can continue to bring to the table, the more likely ObamaCare is repealed and replaced with true free market reforms.

## Fundamental Tax Reform

Regardless of how the battle over ObamaCare’s repeal and replacement turns out, FreedomWorks has been working nonstop behind the scenes for fundamental, pro-growth tax reform.

Tax reform, which is a central part of our *Freedom Agenda*, has long been an institutional goal of FreedomWorks, and the effort in this Congress is a once in a generation opportunity for our activist community.

In early January, FreedomWorks President Adam Brandon and Director of Public Policy Jason Pye met with House Ways and Means Committee Chairman Kevin Brady (R-TX) and committee staff to discuss fundamental tax reform and our interest in advancing the discussion.

As has been publicly discussed and acknowledged to FreedomWorks in the meeting with Chairman Brady, House Republicans plan to use reconciliation to enact tax reform.

Chairman Brady also spoke with FreedomWorks board members about the House Republican tax reform plan in early March.

Adam and Jason have spent hours discussing fundamental tax reform with House conservatives, such as members of the House Freedom Caucus.

We’re also promoting the issue in other ways, such as to our Facebook community. Steve Moore, FreedomWorks national spokesman, kicked off the education and promotion of fundamental tax reform in a Facebook live stream on January 26.

FreedomWorks will continue to educate our activist community as Congress approaches additional legislative action.

## Supporting House Fiscal Conservatives

As FreedomWorks predicted before the November elections took place, House fiscal conservatives are going to play a key role in the success or failure of the new administration’s signature initiatives.

Our goal is to ensure they have the support they need to take strong stands for principle – even if it means continuing to oppose their own party leadership’s main objectives and taking heat in the press.

Supporting House conservatives’ efforts has been one of our main priorities.

## Mobilizing Through Social Media

FreedomWorks continues to leverage its Facebook page, which – thanks to the work of our digital team and our generous supporters – has more than 4.8 million followers.

Through our social media efforts, one of our top goals is to publicly recognize key fiscal conservatives in Congress and highlight their work on legislative issues that promote limited government, less taxes, and personal freedom.



Rep. Dave Brat (R-VA)

**Rep. Dave Brat on Regulatory Reform and ObamaCare Repeal:** FreedomWorks’ first live stream of the year was on January 9 with Rep. Dave Brat (R-VA), who gave us an update on House efforts to reform the regulatory state and restore Article I of the Constitution. He also gave us an early look into the effort to repeal ObamaCare. The live stream received more than 55,000 views.



Rep. Ron DeSantis (R-FL)

**Rep. Ron DeSantis on His Constitutional Amendment for Term Limits:** Rep. Ron DeSantis (R-FL) was FreedomWorks’ Member of the Month for January. On January 10, Rep. DeSantis joined us to talk about his constitutional amendment, H.J.Res. 6, to provide for term limits for Members of Congress. More than 45,400 viewers watched the live stream.

**Rep. Warren Davidson Wants to Drain the Swamp:** On February 2, Rep. Warren Davidson (R-OH) introduced the Drain the Swamp Act, H.R. 826, which requires the heads of executive agencies to develop and implement relocation plans to move executive agencies outside of the Washington, D.C. metropolitan area. More than 35,000 people watched the live stream on FreedomWorks’ Facebook page.



Rep. Warren Davidson (R-OH) with Jason Pye, Director of Legislative Affairs

**Rep. Barry Loudermilk on the MERIT Act:** Rep. Barry Loudermilk (R-GA) spoke about his bill, Modern Employment Reform, Improvement, and Transformation (MERIT) Act, H.R. 559, with FreedomWorks on February 8. The MERIT Act was FreedomWorks’ Bill of the Month for February. The bill would make it easier to remove federal employees based on poor performance or misconduct. The live stream received nearly 40,000 views.

**Rep. Marsha Blackburn Gives an ObamaCare Update:** A member of the House Energy and Commerce Committee, one of the two committees of jurisdiction over ObamaCare repeal and replacement, Rep. Marsha Blackburn (R-TN) gave FreedomWorks’ community an update on the committee’s effort on February 15. She also talked about out of control federal spending. The live stream with Rep. Blackburn received nearly 30,000 views.



Rep. Marsha Blackburn (R-TN)

**Rep. Rod Blum on Government Accountability:** FreedomWorks’ Member of the Month for February, Rep. Rod Blum (R-IA), sat down with us on March 9 to discuss his efforts to clean up Washington and hold Congress accountable. More than 35,000 viewed the live stream.



Rep. Rod Blum (R-IA)

**Rep. Gary Palmer Promotes the Agency**

**Accountability Act:** Rep. Gary Palmer (R-AL) joined FreedomWorks on March 20 to talk about the Agency Accountability Act, H.R. 850. This bill would require federal agencies to send funds collected through fines, fees, and settlements to the Treasury's general fund. This takes yet another step toward restoring Congress' Article I authority.



Rep. Gary Palmer (R-AL)

**Rep. Mark Sanford on the ObamaCare**

**Replacement Act:** Rep. Mark Sanford (R-SC) gave FreedomWorks an update on ObamaCare repeal efforts in the House and detailed his bill, the ObamaCare Replacement Act, H.R. 1072, which is the House companion to Sen. Rand Paul's (R-KY) bill.



Rep. Mark Sanford (R-SC)

**Member of the Month**

**January: Rep. Ron DeSantis (R-FL)**

FreedomWorks proudly named Rep. Ron DeSantis (R-FL) as its Member of the Month for January 2017. Rep. DeSantis has diligently advocated for lower taxes and free markets and has also worked to decrease the role of the federal government.

In 2016, FreedomWorks launched a campaign of support after Rep. DeSantis called for the impeachment of the Internal Revenue Service's (IRS) Commissioner John Koskinen. As a member of the Oversight and Government Reform Committee, Rep. DeSantis continually fights to keep members of Congress and other government offices accountable.

Another issue on which Rep. DeSantis has been very vocal is the repeal of ObamaCare. He introduced a bill, H.R.1953, the No Exemption for Washington from Obamacare Act, which amends the Patient Protection and Affordable Care Act to extend the requirement for participation in a health insurance exchange to the President, Vice President, Executive Branch political appointees, and employees of Congressional Committees and Leadership Offices of Congress. Currently, this requirement only applies to Members of Congress and their staff.



Rep. Ron DeSantis (R-FL) was our January Congressman of the month.

**February: Rep. Rod Blum (R-IA)**

FreedomWorks recognized Rep. Rod Blum as its Member of the Month for February 2017. Rep. Blum has been the independent voice for Iowa's 1st Congressional District since January 2015. As a member of the House Freedom Caucus, Blum remains true to the conservative stances on which he campaigned.

This session, Rep. Blum will continue serving on the House Oversight and Government Reform Committee and recently announced he will serve as chairman of the Subcommittee on Agriculture, Energy, and Trade as a new member of the Small Business Committee. His focus is on cutting taxes, regulations, and exposing wasteful spending in Washington. He is one of the few members who has remained committed to their promise of limiting the federal powers by maintaining a strong stance in favor of enacting term limits for Congress.

He has upheld his fiscally conservative promise throughout his time in Congress. From voting "no" against the \$1.1 trillion omnibus spending bill back in 2015, to the introduction of his bill, H.R. 4476, the Fiscal Responsibility Act, which would cut the pay of Congress each year the federal government fails to balance the budget. He's even offered legislation to prohibit taxpayer dollars from being used to pay for first-class air travel for Members of the House, surely riling many of his congressional colleagues.



Rep. Rod Blum (R-IA) remains true to his word.

**March: Rep. Andy Biggs (R-AZ)**

Rep. Andy Biggs was named as FreedomWorks' Member of the Month for March. Rep. Biggs, who is in his first term, sits on the House Judiciary Committee and was chosen to head the Environmental subcommittee within the Science, Space and Technology Committee in the 115th Congress.

Even though he has been in Congress for a short time, he has used that time to advocate for individual liberty and federalism.

In one of his very first actions in Congress, Rep. Biggs introduced two amendments to the Regulations

from the Executive In Need of Scrutiny (REINS) Act, H.R. 26. The amendments to the REINS Act – one of FreedomWorks' main priorities for the new Congress – would have only made this good bill better.

The first amendment defined all rules submitted by the Environmental Protection Agency (EPA) as major rules, which would have subjected them to Congressional approval under the REINS Act. The second amendment lowered the definition of a major rule from an annual economic impact of \$100 million or more to \$50 million or more. The amendments, however, were not allowed by the House Rules Committee.

Rep. Biggs also introduced the Right to Try Act, H.R. 878. This bill would give terminally ill patients access to potentially lifesaving drugs. The right to try is a right to life and this bill would allow patients access to medication and treatments that have not passed the final stages of the FDA testing process.



Rep. Andy Biggs (R-AZ) is a conservative freshman.



## Looking Ahead

The Washington, D.C. “swamp” is fighting back like never before.

But if we are going to reignite American liberty and prosperity, they must be defeated.

Congress simply must deliver the promises they made to the American people on ObamaCare repeal, tax reform, and regulatory reform.

With your support, FreedomWorks will continue to loudly and clearly argue against the status quo – and against the cancerous idea that government holds the solutions to the problems we face as a nation.

As a FreedomWorks investor, you understand that we must never allow the light of freedom to be snuffed out.

Thank you for all you’ve enabled us to accomplish over the past few months – and for all you will continue to do as we prepare to turn our focus to the many fights ahead.

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