

REIGNITING THE ECONOMY AND RESTORING JOBS THROUGH REGULATORY RELIEF

“Americans across party lines strongly support bold regulatory reforms, and we urge President Trump and Congress to listen to Americans and get out of the way of business to best reignite the economy.”

DAVID McINTOSH

PRESIDENT, CLUB FOR GROWTH

SUMMARY

Immediate relief from the costs of Federal regulations will enable small, medium and large businesses to rapidly recover and reduce unemployment. Congress and the Trump Administration should make this a priority by granting the authority to suspend or reduce Federal regulations and paperwork requirements. In addition, the President should issue an Executive Order to suspend penalties for regulatory violations where the person has made a good faith effort to comply. When regulations are restored or new regulations that impose costs are adopted, the public should have opportunity to provide input through notice and comment procedures and Congress should vote up or down on these regulations before they go into effect.

REGULATORY BURDEN

Even before the Coronavirus epidemic, it was understood that Federal Regulations impose a staggering burden on the economy and reduce the number of jobs that American businesses create. In 2019, the total cost of Federal Regulation was estimated to be \$1.9 trillion. For small businesses, who create most of the new jobs in the US, the cost per employee averages out to be \$15,003 (calculation based on data from the SBA). By reducing unnecessary paperwork, permitting requirements, and other regulations that add costs or slow economic growth and job creation, the Congress and Administrative agencies can greatly accelerate the recovery, allowing businesses to create more jobs, and restore full employment rates.

SPECIFIC PROPOSALS:

1. Congress should immediately pass legislation providing for all Administrative agencies to waive any Federal Regulation that imposes a burden on American businesses, charities, educational institutions, and other employers.
 - I. In order to expedite the economic recovery, the legislation creates a means for the Administration to immediately suspend all regulations when doing so reduces costs, assists in economic recovery or increases private sector employment opportunities in the US.
 - II. Every Administrative agency shall be required within in one month to identify and suspend significant regulations that will reduce cost -- both compliance costs and economic costs, assist in economic recovery, or increase employment in the American economy.
 - III. Upon approval by the President, such regulations (except those needed to protect human health and safety) shall be suspended until the President and Congress determine that the suspension is no longer needed to provide relief from the economic crisis.
 - IV. Notice and Comment and other APA provisions shall not apply to the suspension of the regulations but shall apply to the re-establishment of the regulations.
2. Congress should include in the legislation procedures for reinstating suspended regulations and any subsequent regulations that impose net costs on the economy. These procedures should include APA notice and comment, as well as approval by Act of Congress signed by the President.
3. The President should issue an Executive Order pursuant to his duty in Article II requiring each Administrative Agency to suspend all civil and criminal penalties for any violation of Federal regulations when the person has made a good faith effort to comply. The Executive Order should apply to all agencies, including the so-called "Independent" Agencies.
4. The Federal Government should simplify the permitting process for infrastructure projects, removing some environmental review requirements that can take years to complete, and allowing new infrastructure projects to pay competitive, market-set wages so that they can employ the maximum number of people.

CLUB FOR GROWTH CORONAVIRUS REGULATORY REFORM POLLING

- 66% Support and 34% Oppose Congress giving President Trump the authority to waive costly regulatory requirements on American businesses in order to speed the economic recovery from the coronavirus epidemic. This has the support of 91% of Republicans, 62% of Independents, and 45% of Democrats.
- 74% Support and 26% Oppose the federal government simplifying the permitting process for infrastructure projects, removing some environmental review requirements that can take years to complete, and allowing new infrastructure projects to pay competitive, market-set wages so that they can employ the maximum number of people. This has the support of majorities of every party; 90% Republicans, 69% of Independents, and 64% of Democrats

Polling Methodology - WPAi conducted an online poll of n = 1,000 likely voters in nationwide. Interviews were conducted based on a sample selected from an online panel which has been matched to the voter file to ensure all responses are from actual voters. A random sample of this size has a margin of error of +3.1%.