

# Recover Stronger

## A Starting Point to Building An Economy That Works For All



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Americans are living in the midst of an unprecedented health and economic crisis. The COVID-19 pandemic is touching every aspect of our lives, changing how we live, work, and think about the future. Our response to this crisis will weigh heavily on how that future is shaped.

America will recover from this crisis, but we aim to make our country stronger. We can't double down on the policies of the past. Massive government spending has consistently failed to spur real recoveries, pushing us deeper into debt and concentrating benefits on the well-connected by perpetuating a broken system of cronyism and corporate welfare. Misguided protectionism intended to prioritize jobs for Americans ultimately diminishes prosperity, limits job creation, and closes America off to the world. Instead of progress, we get stagnation.

**A better way is possible.** To create an environment that allows the ideas of tomorrow to take shape, lawmakers should rethink their policy approach. With a focus on people, both now and future generations, we can create an economic environment that fosters innovation and empowers everyone – workers, entrepreneurs, and community leaders from all walks of life – to create products and services that improve their lives and the lives of others.

While not comprehensive, the principles and recommendations below are intended to offer lawmakers a starting point for a better path forward. They can help us navigate the challenges and opportunities on the horizon, so that we can get the economy going again and ensure we are prepared for any future crisis. This initial set of policy recommendations targets large sectors of the economy, including housing, health care, transportation, and more that desperately require modernization if we are to prosper. These policies will create new and diverse opportunities for the American people and ensure that we can respond quickly and effectively to future crises.

Simply put, they offer a new direction to Recover Stronger.

## Get the Economy Going

COVID-19 delivered a blow to our economy and millions of Americans are suffering with lost jobs and wages and uncertain futures. This unprecedented time demands an unprecedented economic recovery, spurred by the elimination of barriers that deny people opportunities and jobs in a thriving economy, and the ability to improve their lives.

### Get Goods and Services Moving Again

*Clear the way for people and businesses to safely and efficiently deliver goods and services as soon they are able and end policies that advance the interests of a few at the expense of many. This includes solutions like:*

- Reassess government-mandated shutdowns frequently and critically in order to reopen businesses – including healthcare services unrelated to COVID – as soon as it is safe to do so. Support the ramping up of testing efforts required to achieve this goal safely.
- Eliminate trade barriers that increase prices and limit the availability of goods, including medical supplies.

- Accelerate waivers, suspensions, and rescissions of travel, transportation, and regulations to make sure businesses can operate as freely as possible while still being safe.
- Limit liability for hospitals, charities, and businesses for COVID-related claims in order to allow them to operate and serve their communities in this unprecedented time of need without the threat of frivolous litigation.
- Empower patients affected by the crisis with more control over their health care by allowing more people to benefit from Health Savings Accounts (HSAs) that can be funded in new ways and used to pay for more things.

## **Jumpstart Private Investment in the Economy**

*Prioritize policies that create a pro-growth economic environment that is free from special interest favors so everyone has an opportunity to earn success. This includes solutions like:*

- Reform overly burdensome regulations to reduce unnecessary requirements – such as those related to permitting and financial markets – to provide greater liquidity and unleash private investment.
- Advance changes to the tax code that will make it more predictable and growth-oriented to create more opportunity for everyone.

## **Remove Unnecessary Barriers to Work**

*Technology has changed where and how we work. Our laws must change as well to give people the ability to innovate the workplace and create new opportunities for people to contribute and succeed. This includes solutions like:*

- Enact comprehensive occupational licensing reforms to reduce burdens on people seeking work and allow greater flexibility in types of employment (i.e., independent contractors).
- Lift restrictions on home-based businesses to give people more flexibility to work from anywhere.

## **Prepare for the Next Crisis**

The cost of the COVID crisis makes clear that our ability to respond to future crises requires that politicians get our fiscal houses in order. Reckless and misguided spending, deficits and debt, put us at risk today and future generations at risk tomorrow. Lawmakers must set priorities, rein in spending, and create more flexibility in our economy that allows more rapid responses to urgent needs.

## **Get Fiscal House in Order**

*Prioritize spending reforms that will safeguard future generations from unsustainable debt, protect the most vulnerable in our society, and encourage innovative ideas for addressing our nation's biggest problems. This includes solutions like:*

### **Medicaid Reform**

- Allow states to have more control over the program by moving to a block grant with a clearly defined and more accurate growth rate.

### **Social Security Reform**

- Enact reforms that will protect vulnerable Americans in retirement without bankrupting the country. These ideas include increasing the retirement age in line with modern career trends and life expectancy, adjusting benefits for high earners, and tying benefit increases to a more accurate inflation measure.

### **Medicare Reform**

- Embrace ideas that would modernize Medicare and give enrollees more choice, such as allowing Medicare enrollees to utilize HSAs, adjusting benefits to high earners, and bringing eligibility in line with Social Security.

## **Congressional Budget Process Reform**

- Enact a fiscal rule with a strong enforcement mechanism to better control discretionary spending over time.
- Increase scoring and reporting transparency from the Congressional Budget Office and Joint Committee on Taxation.
- Implement an auto-continuing resolution if the budget process stalls.

## **Defense Spending Reform**

- Implement a more restrained foreign policy and reduce defense spending by prioritizing our vital national interests over endless wars, and eliminate unnecessary costs through BRAC, acquisition reform, and other efficiencies.

## **State Governments:**

- Enact comprehensive pension reforms to put public pensions on a sustainable path without needing future federal bailouts.
- Strengthen rainy day funds by requiring adequate funding levels and strong limitations on use, i.e. only used in true emergencies.
- Stabilize state education systems and increase educational freedom.

## **Increase Flexibility in the Economy to Respond to Future Crises**

*Allow people to drive innovations and unleash solutions that address our nation's most serious challenges and threats. This includes solutions like:*

### **Federal Government:**

- Make permanent any waivers already instituted for regulations related to state diagnostic testing, telehealth, and hospital capacity.
- Allow for better diversification of medical supply chains and better preparation for future emergencies.
- Prioritize comprehensive regulatory reforms that reduce unnecessary burdens on workers, job creators, and entrepreneurs.

### **State Governments:**

- Adopt a red tape reduction programs across agencies with targeted reduction deadlines.
- Streamline medical regulations to improve health care.
- Allow for private unemployment insurance savings programs or accounts, which – when properly structured – would be individually owned by workers who would keep and build the balance during times of employment and make withdrawals during spells of unemployment.
- Unleash technological development, such as lowering regulatory barriers to broadband and satellite deployment, that will allow people to find faster, more innovative ways to solve problems and meet needs.
- Increase housing availability, flexibility, and affordability by eliminating harmful zoning and land use restrictions.