



MATT ROSENDALE'S PRIORITIES TO  
**REIGNITE OUR ECONOMY**



A PLAN TO FOSTER  
**JOB CREATION AND INNOVATION**



## Fellow Montanans,

Our state, and our country, has never faced a challenge like the one we are confronted with today. COVID-19, and the ensuing shutdown sent shockwaves through our economy. The consequences have been devastating, and we are only beginning to see the full impact it's having on our economy.

Over the last few months, we've experienced economic carnage unlike any period in my lifetime. Many business owners had to make the difficult decision to tell loyal employees, that the paycheck that they were depending on wouldn't be coming. Countless others have been forced to close their doors for good, the flames of lifelong passions extinguished forever.

Even more tragically, some have lost their lives. It is painful to think of the life and human potential that this pandemic has taken from us. To those who lost a friend or a loved one, my heart goes out to you. I share your anguish and join in grieving for every member of our American family that's succumbed to the virus these past few months.

Despite these unprecedented challenges, I have been encouraged to see Montanans come together and help one another during these trying times. The outpouring of support for the needy and the vulnerable has been incredibly heartening. It is truly a reminder that in Montana, our communities are our strength, and that together there is no storm that we can't weather.

As our state enters the late phases of re-opening, we must reignite our economy and get Montanans safely back to work as soon as possible. To that end, I am very pleased that the Trump Administration has begun to provide much needed regulatory relief, loosening the government stranglehold on struggling businesses. We are already beginning to see the positive impact that it is having on our economy.

While this was a step in the right direction, there is still so much more to be done. Our recovery is being held back

by the vast web of onerous federal taxes and regulations on our families and businesses. The following plan includes proven policies that will get government out of the way to unleash economic growth and foster job creation and innovation in our state.

I spent my career running a small business, growing my family business from a small five agent real estate company into a full-service firm with four offices and 65 agents. I know that businesses create jobs, not government. I have experienced firsthand the crushing fist of government, have had to make difficult decisions to make budgets balance, and have felt the anxiety that comes with being responsible for putting food on the table for your employees.

This is the experience and perspective that I've brought to government. In the State Legislature and as your State Auditor, I have made it my mission to slash burdensome regulations, cut taxes on small businesses and families, and rein in out-of-control government spending. That's why I was twice named a "Champion of Business" by the Montana Chamber of Commerce.

As a successful businessman and experienced policymaker, I know that this plan will provide the support and flexibility that struggling businesses need right now. From regulatory relief at the largest scale ever seen, to creating a permanent tax structure that incentivizes economic investment, to responsibly harnessing our vast natural resources, to connecting our rural communities, this plan includes a wide array of policies that will remove barriers to job creation and get our economy back on track.

While the challenges facing our state and country are daunting, I remain steadfast in the belief that Montana's best days still lie ahead. Together, we will come back stronger than ever before, and usher in a renewed era of prosperity and opportunity for all.

Take care and God bless,

*Matt Rosendale*



## PROVIDING LONG-TERM REGULATORY RELIEF

When the COVID-19 pandemic began, the Trump Administration undertook an extensive effort to suspend regulations, easing regulatory burdens and allowing for flexibility at a time when many businesses were struggling. It is critical that Congress both finalize this work legislatively to provide certainty to businesses, and work to expand on the successes of the administration. A logical starting point for deregulatory efforts is to examine the regulations that were suspended during the COVID-19 pandemic. The vast majority of these regulations are unnecessary and create an undue burden on job creators. Following a review to ensure there are not public safety concerns that could be associated with removing them, many of these regulations should be permanently eliminated.

In this difficult time, it is also important that we give struggling businesses leeway when it comes to regulatory compliance and enforcement. Congress should pass legislation to shield businesses from enforcement actions on non-safety related regulations during our recovery, so long as the business makes a good-faith effort to comply. This will protect businesses from punitive enforcement actions and non-compliance penalties at a time when many are holding on by a thread. Congress should also pass into law the Trump Administration's "Regulatory Bill of Rights", which protects businesses from retroactive enforcement, outlines enforcement principles consistent with fairness and due process and ensures transparency and accountability from government agencies. This will

prevent gross abuses of bureaucratic authority, like the case of the Wyoming rancher who endured years of litigation and faced \$20 million in fines because the EPA mistakenly charged him with violating the Clean Water Act for creating a small livestock pond on his property.

Looking forward, we must expand on the Trump Administration's work to identify further regulations which inhibit job creation and economic growth—and suspend or repeal them entirely. Congress should set up a Regulatory Relief Commission to go through every single federal regulation with a fine-tooth comb, analyzing the costs and burdens associated with them as well as the perceived benefits. As the commission identifies unnecessary red tape, or overly burdensome or duplicative regulations, it would then send its recommendations on regulations to suspend or repeal to the President. If the President accepts these recommendations, they are forwarded to Congress to review. The regulations will then automatically be repealed after 45 days unless Congress passes a resolution of disapproval.

It is also far past time we passed the REINS Act, which would rein in the power of unelected bureaucrats and the administrative state. The REINS Act would expand the Congressional Review Act, which allows Congress to pass resolutions of disapproval to override regulations promulgated by the executive branch. This legislation would require that any "major" regulation, which is determined using its economic impact, receive affirmative approval from Congress before it is allowed to take effect. After Congress is notified, if 90 days pass and they do not pass a joint resolution of approval, the proposed regulation will be rejected and would not go into effect.





## UNLEASHING INVESTMENT IN AMERICAN BUSINESS

Under the U.S. tax structure, businesses are traditionally forced to account for their capital investments using asset depreciation, an accounting practice where the company writes off the cost of an investment for tax purposes incrementally over many years. Companies have had to write off an investment over the useful life of an asset, rather than when the actual cost of the investment is incurred. This acts as a clear disincentive for business investment, artificially inflates companies' income for tax purposes, and especially penalizes businesses who make large-scale capital investments. The Tax Cuts & Jobs Act made progress on this, allowing for the costs of many short-lived assets to be fully and immediately expensed for tax purposes. However, this reform falls short in that it leaves out many large-scale, long-term assets like factories, and is set to begin to sunset in the next couple of years. Allowing this provision to expire would be disastrous for our economy.

Congress must act preemptively and allow for full and immediate expensing for all business investments, including long-term investments like structures. Making this a permanent feature of the tax code would allow businesses to fully deduct business investments from their

tax liability the year the investment is made, simplifying accounting for small businesses and creating an incredible incentive for immediate, large-scale business investment in the American economy. Studies have shown that this simple and permanent change in how we treat business investment for tax purposes, would dramatically increase investment in U.S. businesses and fuel economic growth, job creation, and wage growth. This would be a huge boost to our economic recovery and would be especially beneficial for industries which require intensive capital investment, such as our agriculture industry, which is the backbone of our state.

Another important benefit of this policy would be to incentivize businesses to bring their manufacturing and production plants and factories back to the United States. The COVID-19 pandemic has exposed that the United States' supply chain is far too dependent on unreliable nations like China, especially for essential goods like pharmaceuticals, medical supplies and equipment, and food. This poses a threat to our ability to respond to a future crisis. Allowing businesses to fully write off their investments, along with the other pro-growth policies in this plan, would create a significantly more favorable business climate and lead to companies in these industries, among others, deciding to come back to America to build new factories and buildings.

## **CREATING A PERMANENT PRO-GROWTH TAXCODE**

The Tax Cuts & Jobs Act has increased take home pay for the vast majority of Americans and made the U.S. a much easier place to do business. However, in order for the legislation to comply with budgeting constraints under the budget reconciliation process through which it was passed, many of the key provisions in the bill had to sunset or include an expiration date. If Congress does not act, many key tax cuts and expanded tax deductions and credits will expire over the next several years, which would create a massive tax increase on Montana's middle-class families and small businesses. Especially at a time where our economy is already fragile and we are beginning our recovery, the impact of this would be devastating. It is important that Congress make the Tax Cuts & Jobs Act permanent, extending these important provisions indefinitely. This would provide certainty to families and businesses, allowing for long-term planning and spurring immediate investment and spending in our economy.

## **PROTECTING BUSINESSES FROM PANDEMIC LIABILITY**

As businesses across the country begin to re-open, many business owners—especially small business owners—fear that they will be subject to lawsuits from employees or customers if they contract COVID-19 and believe the transmission occurred on-site. These fears are preventing many businesses from re-opening or increasing their capacity despite state and local government health guidelines that allow various stages of re-opening. Congress must pass legislation to formally shield businesses, churches, schools, and nonprofits from liability related to virus transmission during a pandemic or declared public health emergency, so long as they comply with federal, state, and local safety guidelines. Innocent business owners should not be punished for the decisions of public health officials and policymakers, and it is critical to our economic recovery that they are provided certainty to re-open and expand their capacity in accordance with applicable guidelines.

## **INCENTIVIZING WORK OVER WELFARE**

One major flaw of the CARES Act is the expansion of unemployment benefits by the federal government. The bill provides an extra \$600 per week to supplement state benefits. This resulted in many individuals making

more money from welfare than they did working. There are reports across the country of businesses having trouble rehiring employees because their take-home pay would actually decrease by returning to work. Incentivizing welfare over work will lead to more long-term unemployment enrollment and is a significant barrier to restoring our economy and getting Americans back to work. A Congressional Budget Office analysis found that extending these benefits will result in 5 out of every 6 people who receive unemployment benefits making more by remaining jobless than they could expect to make going back to work. It is critical that Congress decline to renew these supplemental payments when they expire on July 31st and ensure that cumulative benefits moving forward do not exceed an individual's normal income.

## **REINING IN GOVERNMENT SPENDING**

Our national debt now exceeds \$26.5 trillion and equates to over \$213,000 per American taxpayer. This is an imminent crisis and a threat to our national security. If we don't take action now, interest payments on the debt will continue to grow and impact the federal government's ability to fund essential services. Moreover, when debt begins to reach such unsustainable levels, it begins to have a negative impact on our economy, the value of our currency, and our national security. Growing debt can act as a significant drag on our long-term economic growth and decrease the average income for Americans. Deficit reduction on the other hand, can have the inverse effect and be a boon to economic growth and wage growth. It is time that we begin focusing on deficit and debt reduction, to ensure Washington's spending problem does not slow our economic recovery and saddle future generations with crushing debt payments.

We are in this position, not because we tax our citizens too little, but because we spend far beyond our limits. It's clear that career politicians in Congress are not interested in cutting spending and living within our means. It takes electing strong conservative leaders with the political will to go through the budget line-by-line and eliminate the unnecessary spending and rampant government waste. But with the deficit ballooning to such unsustainable levels, it will take more than eliminating waste, fraud, and abuse, to get our financial house in order. Many politicians don't have the will to make difficult, and likely unpopular, decisions to cut spending. We need a Balanced Budget Amendment to the U.S. Constitution to force Washington to live within its means.





## DEVELOPING OUR NATURAL RESOURCES

Montana is home to a wealth of natural resources, but there are significant federal restrictions that are keeping our abundant resources inaccessible. It is important that we protect our natural treasures and environmentally sensitive areas, as our national parks and public spaces are critical to our way of life and the continued vitality of our tourism industry. However, protecting environmentally sensitive areas and developing our natural resources are not mutually exclusive. Allowing our state to responsibly harness our resources would be a huge boon to our economic recovery and create thousands of good paying jobs for Montanans.

After 8 years of environmental extremism under the Obama Administration, President Trump has rightly begun rolling back onerous Obama-era rules to restore responsible land management and allow for the development our vast mineral and energy resources. Contrary to what you hear from radical environmentalists, responsible management includes facilitating greater local input, allowing regular logging and harvesting of

timber, and effectively managing for fire mitigation. It is critical we pass legislation to enable this to occur on federally managed lands to prevent devastating wildfires from ravaging our state, harming the environment, property owners, and our tourism industry. Better management also has the added benefit of helping our state's timber industry, which has been decimated by the overly burdensome federal restrictions placed on timber harvesting, duplicative and unnecessary regulations, and an onerous permitting process that enables extreme activist groups to litigate these projects to death.

Congress must also build on the work of the Trump Administration to end the progressive crusade against traditional energy and rein in the EPA to prevent abuse by future administrations. Congress should pass sweeping legislation to expedite environmental reviews and permitting, permanently repeal EPA rules and regulations which favor economically unviable forms of energy and unnecessarily harm traditional energy production (including clean coal, oil and natural gas), require congressional approval for additional environmental rules which unfairly try to pick winners and losers in the energy marketplace, and allow for further mineral and energy extraction on federally managed lands, where appropriate.

## CONNECTING RURAL COMMUNITIES

The COVID-19 pandemic has shown that broadband connectivity is essential to engaging in our increasingly cyber economy. Unfortunately, many of Montana's rural communities still lack the infrastructure to provide fast and reliable internet access to consumers. Currently, there are many barriers at both the federal and state levels to the entry and deployment of fixed wireless and broadband technologies. It is important that we remove these barriers to the development of internet infrastructure to increase access in our rural communities and end the digital divide. Congress should accelerate the application process and decrease deployment costs imposed by the FCC for wireless and broadband technologies.

It is also important that the federal government collaborate with state and local governments to reduce or eliminate right-of-way fees, to share and map connectivity data, and to streamline grant programs. Government at all levels must also work with ISPs when constructing roads or other public works projects, to allow internet infrastructure like fiber-optic cable, to be placed upon initial construction rather than necessitating re-digging. These policies, in addition to the FCC's enhanced 5G and rural broadband initiatives under the leadership of FCC Chairman Ajit Pai, will allow for more competition and will expand access to connect consumers in rural communities to our broader economy and allow for increased economic activity.

But more than economic activity, broadband touches everything we do. Expanding rural broadband would

significantly increase access to telehealth services in rural communities, which would decrease costs for underserved patients and rural hospitals—and save lives. Access to broadband in our rural communities will also help to close the achievement gap that exists in education. In our education system today, access to the internet is critical to learning, and needed to research and complete homework assignments and study for tests. Test scores for students in households without access to broadband lag behind those of their peers, which can unfortunately lead to fewer continuing educational and career opportunities for many rural students.

For the agriculture industry, rural access to broadband and wireless technologies would allow farmers to modernize and improve numerous aspects of their business. This would enable them to use or expand the use of “precision farming”, allowing farmers to use data and connectivity to more effectively plant and tend to crops, manage water use and irrigation, and boost crop yields. This would help to level the playing field and allow rural and family farms to compete more effectively and take advantage of the technology and data that large agricultural corporations already have access to. This would also expand broader market access for farmers and ranchers, allowing them to source supplies more affordably, find new customers, and buy and sell their products online. The ability to harness this modern approach to agriculture would be huge for Montana's agriculture industries and would benefit our state's entire economy.



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