

## **BUSINESS CLIMATE**

### **TAXES**

The Partnership is committed to pro-growth tax policies that preserve America's global competitiveness, and it opposes tax increases that reduce businesses' ability to grow, invest and create jobs.

The Partnership is optimistic that recent tax reform will better allow the region to compete globally, attract foreign investment, allow American multi-national companies to repatriate previously offshored investments and increase capital for investments and job creation in the U.S., including Greater Des Moines (DSM).

That said, analysis shows it will likely have a negative impact on charitable giving. Expanding the charitable deduction to non-itemizers will protect against the unintended consequences that will fall on charitable organizations from the increased standard deduction. The Partnership supports a universal charitable deduction, which will unlock additional charitable giving and recognize the principal that all charitable gifts are analogous, regardless of whether they were given by a large or small donor. It recognizes the long-standing effectiveness of the charitable deduction in encouraging taxpayers to support their communities, build quality of life and strengthen civil society.

### **DEFICIT REDUCTION**

The Partnership supports the enactment of a credible long-term deficit reduction and balanced budget plan.

The current U.S. national debt has exceeded \$20.6 trillion, and budget deficits are projected well into the future. While The Partnership is hopeful that recently enacted tax reform will produce necessary economic growth, the increasing federal budget deficit remains a serious concern and should be methodically reduced through spending restraint and entitlement reform, in addition to increased economic growth. Addressing these challenges by enacting a credible budget plan will boost both short- and long-term economic confidence.

### **REGULATORY REFORM**

The Partnership supports initiatives aimed at reducing unnecessary regulatory burdens on the nation's industries, promoting economic growth and job creation and minimizing the impacts of government actions on small businesses.

# 2018 FEDERAL POLICY AGENDA

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Furthermore, efforts should be made to eliminate future unnecessary or overly burdensome regulations by amending the process by which these types of regulations have been created in the past.

Accordingly, The Partnership supports:

- Reforming the rule-making process to make it more transparent, effective and accountable.
- Requiring all federal agencies to ensure all existing and future federal regulations are carefully designed, promulgated and enforced to achieve the intended benefits while minimizing the regulatory burdens on small business, stemming from both individual regulatory mandates as well as the cumulative burdens imposed by additive regulations.
- Requiring environmental regulations to be based on sound science.
- Requiring economic and employment impacts of major rules be independently evaluated and disclosed to the public, thereby ensuring the costs of rules are clear from the beginning.
- Allowing affected members of the public to obtain independent review of agency actions.
- Providing for an up-or-down recorded vote by Congress for regulations deemed to have a major impact on jobs.
- Providing for independent periodic review of current regulations and sunseting those deemed ineffective or unnecessary.
- Strengthening the efforts of the U.S. Small Business Administration (SBA) Office of Advocacy to ensure the interests of small businesses are fully considered when agencies begin crafting new regulations.
- Legislation replacing single-director governance of the Consumer Financial Protection Bureau (CFPB) with a five-member commission. Prudential banking regulators should actively participate in the consumer protection rule-writing process and be mindful to not implement unnecessary requirements that could prevent community banks from serving important needs of customers.

## **INSURANCE REGULATION**

State-based insurance regulation has helped create the largest, most competitive insurance system in the world, including comprehensive consumer protections and the most transparent and inclusive procedures. In recognition of this, Congress reaffirmed the primacy of state regulation in the Dodd-Frank Wall Street Reform and Consumer Protection Act, even as a new Federal Insurance Office was created with the goal of strengthening the U.S. voice internationally. Unfortunately, instead of having a single, stronger united voice, the U.S. now has multiple competing voices that are often at odds, opening the door for competing regulatory systems to seek globalization of the standards at



# 2018 FEDERAL POLICY AGENDA

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the expense of U.S. consumers and competitiveness. Meanwhile, international bank regulators seek to impose global one-size-fits-all rules that are often inconsistent with proven effective state-based regulation. The U.S. voice in international discussions is often weakened because the U.S. Treasury and the Federal Reserve System (Fed) advocate positions different from the positions of experienced state regulators. Unfortunately, there is almost no transparency or accountability related to the activities of these international regulators and the U.S. representatives at these meetings.

The Partnership asks Congress to exercise oversight over the activities of federal agencies to ensure insurance regulatory powers remain reserved to the states. In addition, The Partnership asks Congress to support legislation to require more unity among U.S. international insurance representatives and to direct U.S. representatives to demand more transparency and accountability in international standard setting.

## **SMALL BUSINESS ASSISTANCE**

Small business is the backbone of the American economy, and the federal government should help drive innovation and create more jobs. Because entrepreneurship is the path to prosperity for many Americans, small disadvantaged businesses should be nurtured. Small businesses employ 50 percent of all private sector employees and have generated 60-to-80 percent of net new jobs annually during the last decade, according to the SBA.

The Partnership supports continued funding for:

- The SBA's efforts to provide technical and financial assistance and access to capital for small businesses.
- The Office of Small Business Development Center network.
- The Manufacturing Extension Program.
- The Minority Business Development Agency.
- The Small Business Investment Company Program.
- The State Small Business Credit Initiative.

Further, The Partnership supports streamlining the government procurement process and increasing business opportunities for the private sector in the federal market.