



AMERICANS *for* TAX REFORM

May 17, 2016

The Honorable Tom Price, M.D.
United States House of Representatives
100 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Price,

I write in support H.R. 4956, the End Executive Overreach Act, legislation to stop President Obama proposing and implementing new regulations while in his final months in office.

For the past seven years, the Obama administration has run riot, implementing countless regulations that cost taxpayers billions of dollars and created burdens for families, small business, and corporations alike. It is time Congress reasserts its power as a co-equal branch of government. They can do so by immediately passing this important legislation.

Immediately after passage, the End Executive Overreach Act would defund new regulations by eliminating access to any federal funds, fees, or other resources used for implementation. The legislation would also prohibit the administration from proposing any new executive orders or agency rules until President Obama is out of office on January 21, 2017.

According to the American Action Forum, in the first half of this year the administration has proposed or finalized regulations totaling more than \$85 billion in costs, and costing 44 million hours in compliance.

The End Executive Overreach Act is vital to halting this flurry of regulatory activity the administration is trying to complete before leaving office. These regulations include:

DoL Fiduciary Rule: In April, the Department of Labor released the final fiduciary rule, a regulation spanning more than a thousand pages that will curtail the ability of financial advisors to give advice to IRA and 401(k) holders. It is estimated that the rule will result in 7 million IRA holders being priced out of investment advice and between 300,000 and 400,000 fewer IRAs will be opened every year as a result of the rule. All told, this regulation could mean more than \$80 billion in lost savings.

Treasury Debt-Equity Regulations: Proposed under section 385 of the tax code, the debt-equity regulation grants the administration the authority to reclassify debt as equity for federal tax purposes. This regulation will likely affect every American business operating overseas and may have a chilling effect on investment. Implementing such a broadly encompassing regulation will cut off commonly used business management practices and make it even more difficult for American businesses to compete in the global economy.

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EPA Ozone Rule: Last year the EPA lowered the compliant level of ozone under the National Ambient Air Quality Standard (NAAQS) from 75 to 70 parts per billion (ppb). The EPA's own estimates show the tightened regulation would cost \$1.4 billion annually with little projected environmental benefits. The lowered standard comes as states are still working to implement the EPA's 2008 ozone standard of 75 ppb, which was just released in 2015, a delay of almost seven years. Once fully implemented, this new ozone standard will result in a significant economic burden to states and local communities and will see increased compliance issues and costs under the existing ozone regulation.

Passage of the End Executive Overreach Act will block the implementation of these, and many other damaging regulations by prohibiting the Administration from finalizing or proposing new regulations. All members of Congress should have no hesitation supporting and co-sponsoring this important legislation and fighting back against regulatory overreach.

Onward,

A handwritten signature in black ink, appearing to read 'G. Norquist', written in a cursive style.

Grover G. Norquist
President, Americans for Tax Reform