

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

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PRESIDENT AND
CHIEF EXECUTIVE OFFICER

1615 H STREET, NW
WASHINGTON, DC 20062-2000

September 5, 2011

**OPEN LETTER TO CONGRESS
AND THE PRESIDENT OF THE UNITED STATES**

The most immediate priority facing our nation is to create jobs for the 25 million Americans who are unemployed, underemployed, or have simply given up looking for work.

To create jobs, we must enact policies that promote and sustain stronger economic growth. We must also address extraordinary fiscal and competitive challenges that are smothering growth and driving away jobs. At the same time, there are specific steps Congress and the administration can take *right now* to spur faster job growth in America's private sector without adding to the deficit. We are seeking your action in the following areas:

1. EXPAND TRADE AND GLOBAL COMMERCE

You have the tools in your hands to quickly open new markets for American businesses and create new jobs for American workers. Please use them!

- **Pass the three pending free trade agreements (FTAs).** Implementing FTAs with Colombia, South Korea, and Panama would prevent the loss of 380,000 jobs to our foreign competitors and create hundreds of thousands of new jobs in the United States. The U.S.-South Korea FTA alone has the potential to create as many as 280,000 new jobs.
- **Complete export control reforms.** The administration can enact nearly all of its proposed export control changes without legislation. Complete this task now, and U.S. businesses can expand exports and

create good-paying jobs without jeopardizing national security. One study found that modernizing U.S. export controls could create as many as 340,000 new jobs.

- **Spur American exports to Asia and Europe.** Swiftly complete a Trans-Pacific Partnership agreement to expand U.S. exports to rapidly growing Asian economies. Initiate talks with the European Union to eliminate all tariffs on goods trade as a first step toward a broader free trade pact with our largest commercial partner.
- **Protect intellectual property.** IP-intensive industries support 19 million American jobs. Congress can take immediate steps to safeguard these jobs and create new ones by passing a patent reform bill as well as legislation to shut down foreign rogue websites. These websites are stealing sales from American companies by violating trademarks and copyrights.

2. PRODUCE MORE AMERICAN ENERGY

Let American energy workers and businesses responsibly develop all sources of domestic energy immediately. This will not only create jobs but will generate new government revenues, protect our energy security, and release us from the grip of some unfriendly governments.

- **Open offshore resources.** Almost 190,000 new jobs could be created by 2013 if permitting in the Gulf of Mexico for offshore development returned to pre-moratorium levels. In Alaska, opening up energy production off the coast would create 54,700 jobs.
- **Expand access on federal lands.** By expanding oil and gas exploration on federal lands, we could create 530,000 jobs, reduce imports by 44% by 2025, and increase government revenues by \$206 billion.
- **Promote development of natural gas.** Expanding the development of the nation's massive shale gas deposits would create hundreds of thousands of jobs and help bring manufacturing back to the United

States, especially in the chemicals and steel industries. By 2020, natural gas production in Western Pennsylvania alone could create 116,000 new jobs, generate more than \$2 billion in government revenues, and add \$20 billion to the region's economy.

- **Approve the Keystone XL pipeline.** Construction of the Keystone XL oil pipeline connecting Canada to U.S. refineries in Texas would support 250,000 jobs, boost investment in the United States by \$20 billion, and generate government revenues totaling \$585 million.

3. SPEED UP INFRASTRUCTURE PROJECTS

Government at all levels is standing in the way of badly needed improvements in the nation's infrastructure. Hundreds of clean and traditional energy projects have been held up by Not In My Backyard (NIMBY) delays. We can strengthen our economy, clean the air, and save lives while putting hundreds of thousands of Americans to work.

- **Pass core transportation bills.** Reauthorizing the surface transportation, aviation, and water resources programs—using, in part, revenues already coming in from user fees—would enable states and communities to plan projects, hire employees, and prevent devastating layoffs of existing workers. Reauthorizing the FAA alone would help keep 70,000 workers on the job.
- **Remove documented obstacles to 351 green and traditional energy projects.** The U.S. Chamber has identified 351 energy projects, including many renewable projects, which have been sidetracked by government regulations, zoning restrictions, anti-growth advocates, and lawsuits. (For a complete list, visit www.ProjectNoProject.com.) Completing all of these projects could create 1.9 million jobs annually over seven years of construction and boost our national economy over time by \$1.1 trillion. Working with state and local governments, Congress and the administration should lead a nationwide effort to remove the obstacles that are blocking these needed projects.

- **Remove impediments to private capital.** By removing regulatory roadblocks and embracing innovative financing approaches, we can unlock an estimated \$250 billion in global capital which, if welcomed and invested here in the United States and leveraged with government investment, could create up to 1.9 million jobs over 10 years.
- **Fully implement the Energy Savings Performance Contracts (ESPC) Program.** Under ESPC, the private sector finances projects that make federal buildings more energy efficient. Participating firms are paid back out of the energy savings over the life of the contract—at no net cost to the government. The president should issue an executive order requiring the Department of Energy to make this program a priority. Full and faster implementation could create 35,000 jobs a year, save energy, and reduce government costs.

4. WELCOME TOURISTS AND BUSINESS VISITORS TO THE UNITED STATES

Travel and tourism is a small business-centered sector that already accounts for \$700 billion in revenues and 7.4 million American jobs. Spending by foreign tourists counts as U.S. exports and helps our balance of trade. When business visitors come here for conferences, training, and trade shows and to buy our products, they strengthen America’s role as the center of innovation and global commerce. We have an opportunity to create new jobs, spur consumer spending, and generate more revenues for government at all levels.

- **Remove the hassle factor.** Now is the time to make travel to the United States more convenient and welcoming. We must expand the visa waiver program and reform and streamline the visa application process to ensure a consistent, predictable, fair, and timely process without compromising security. We should implement trusted travelers programs that speed through low-risk travelers who submit to a comprehensive screening and pay a fee. Wait times at customs should not exceed 30 minutes.

- **Promote American destinations.** Congress and the administration should work aggressively to achieve the full potential of the Travel Promotion Act—a private-public partnership requiring no U.S. taxpayer funds—to promote America as a travel destination abroad. *We can create 1.3 million American jobs by 2020 just by restoring the U.S. share of the travel market to its 2000 level.* The United States is the greatest destination in the world, but the world needs to know that.

5. SPEED UP PERMITS AND PROVIDE REGULATORY CERTAINTY AND RELIEF

Small and large businesses alike have cited regulatory burdens, the excessive litigation that regulations spawn, and fears about what government regulators will do to them next as among the most significant obstacles to new hiring. Immediate regulatory relief is required in order to begin moving \$1 trillion–\$2 trillion in accumulated private capital off of the sidelines and into business expansion.

- **Streamline and expedite the permitting process.** The administration should limit environmental reviews to 6 months; forgo reviews when no significant environmental impact is expected; prevent duplicative reviews by the state and federal governments; and, when multiple agencies are involved, appoint a lead agency to coordinate actions and move things along. Accelerating the permitting process would quickly mobilize economic activity, construction, and hiring from one end of our country to the other.
- **Provide regulatory relief and reform.** The president should issue an executive order directing agencies not to issue any *discretionary* regulations that would have a substantial economic impact—until our rates of GDP and employment growth have substantially improved. This would not impact regulations mandated by Congress or delay permits. It would, instead, provide more certainty to a business community that is hesitant to invest and hire. Furthermore, the White House should insist that agencies fully and faithfully implement existing requirements, such as cost-benefit analyses, sound science, and quality data. Congress has responsibilities as well—to invoke the

Congressional Review Act when necessary; pass legislation requiring an up-or-down vote before new major rules can take effect; and mandate a higher standard of proof to justify regulations with a major impact on economic growth and jobs.

6. PASS TAX INCENTIVES THAT CREATE JOBS WHILE INCREASING REVENUES

Comprehensive pro-growth tax reform must be a key deliverable of the Joint Select Committee on Deficit Reduction. Lawmakers and the administration can begin delivering now by swiftly enacting tax measures that stimulate business expansion and jobs without adding to the deficit.

- **Implement a repatriation holiday.** By reducing the tax rate for a specified period of time on profits earned and accumulated overseas, U.S. multinationals could be encouraged to bring as much as \$1.2 trillion back to the American economy. A new study suggests that such a move could help create 2.9 million jobs over the course of 8 quarters of implementation.
- **Create a corporate capital gains tax window.** Congress should temporarily reduce the tax rate that companies pay on the sale of capital assets, such as property and stock. A reduced rate would increase economic efficiency, free up capital for investment and jobs, and generate revenue for the government that it might not otherwise collect.

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Your timely action on these and other ideas would significantly ease uncertainty, get existing capital off the sidelines, spur business and consumer activity, and create American jobs.

These proposals do not diminish the need to act on an array of other critical challenges to our economy. For example, we must restore the health of our housing market by allowing the foreclosure process to proceed. The sooner

we allow the market to take its corrective course, the faster this key sector will recover and start building and hiring once again.

We must address, without further delay, the need to substantially reform our education, immigration, health care, capital markets, and legal systems. And as the Chamber wrote in our recent letter to members of the Joint Select Committee on Deficit Reduction, it is imperative that Congress and the administration agree on a bold plan to rein in government deficits and debt by reforming entitlement programs, overhauling the tax code, and controlling runaway federal spending.

Time and time again, Americans have heard Congress and the administration declare that creating jobs must be the nation's highest priority. If you are serious, then we ask you to enact policies aimed at growing the private sector, not at growing the government. Millions of American entrepreneurs and businesses large and small are ready to act if you act. Give them the freedom to do what they do best and the certainty that their hard work and responsible efforts will be rewarded and not punished. Then, you will see the American business community achieve extraordinary things for this great country.

To spur action, the Chamber is strongly promoting our job creation ideas to state and local chambers, industry associations, the 3 million businesses that comprise the Chamber federation, and to the American people. We are urging them to tell you directly about economic conditions in their communities and how these proposals and others could help create jobs for the citizens you represent.

We stand ready to work with both parties in Congress, with the administration, and with all economic stakeholders to revitalize the American Dream by putting Americans back to work.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Andrew". The signature is fluid and cursive, with a long horizontal stroke at the end.