Responses to Questions for the Record House Committee on Administration Clyde Wayne Crews Jr. Fred L. Smith Jr. Fellow in Regulatory Studies, Competitive Enterprise Institute Submitted August 30, 2024

The hearing topic and questions for the record raise foundational issues concerning the legitimacy of lawmaking and the entities responsible for crafting those laws. It is important to emphasize to both the majority and minority that most matters do not constitute public policy questions; and even when they do, they typically fall under the jurisdiction of state or local governments and communities, rather than the federal government. Currently, much of what the Administrative State undertakes is not necessarily regulation that improves outcomes but rather acts as interventions that can hinder true regulatory discipline.

MAJORITY

Q1: Some of your testimonies referenced capacity building in Congress or the creation of new agencies. I believe force multipliers such as CBO, CRS, and GAO are extremely important. What could be done using existing agencies and authority within the Legislative Branch to address staff capacity and ensure complete oversight of the executive branch?

Even without creating a new agency like the Congressional Office of Regulatory Analysis (CORA), enhancing Congress's capacity to effectively oversee the executive branch is not only feasible but essential for accountable governance—especially while navigating a post-Chevron era where legislative clarity is crucial. Existing bodies such as the Congressional Budget Office (CBO), Congressional Research Service (CRS), and Government Accountability Office (GAO) can indeed serve as "force multipliers" whose capabilities can and should be leveraged and expanded.

Congress can strengthen its oversight by informally or formally broadening the mandates of these agencies to monitor executive actions and ensure they align with congressional intent—a mission on which both hearing witnesses and members largely agreed. Ideally, this would involve increased funding for personnel, enhanced data analytics capabilities, and the development of specialized roles for professionals with expertise in emerging fields where federal regulation, grounded in statute, is appropriate. Ideally, these funds would be reallocated from the executive agencies that are currently drafting questionable laws to Congress, the body constitutionally assigned that task. This shift should be guided by a healthy skepticism of coercive regulatory solutions that displace more effective competitive disciplines, as discussed in the primary testimony.

¹ See Dan Greenberg and Devin Watkins, "Constitutional Restoration: How to Rebuild the Separation of Powers," June 22, 2023, https://cei.org/studies/constitutional-restoration-how-to-rebuild-the-separation-of-powers/.

For instance, CRS could be tasked with conducting more in-depth inventories of regulations,² grants-in-aid,³ and guidance documents, as well as analyzing the effects of regulations on innovation and economic freedom. Similarly, GAO could intensify its audits of regulatory agencies and assessments of executive actions to ensure adherence to legislative intent, being vigilant against overreach. GAO's December 2023 survey of options for greater congressional oversight⁴ and its examinations of non-compliance with the Congressional Review Act⁵ are examples of the type of work to build upon.

Some might also maintain that the CBO could amplify dynamic scoring models to better capture indirect effects of not just budgetary measures but also proposed and existing regulations. Interagency collaboration (much like Administration's collaboration with other committees such as Judiciary and Oversight) would further amplify oversight capabilities and improve decision-making by merging legal analysis with practical evaluations of regulatory outcomes. These collaborations could also inform cumulative regulatory budgets to quantify burdens and maximize transparency.

Q1a: Could Congressional agencies absorb more tasks to help Congress be more efficient and empower greater oversight?

In testimony and other writings, I have advocated for dueling assessments of every regulation published officially. This would involve establishing an entity specifically chartered—unlike nearly the entire balance of the Administrative State—to argue against regulatory interventions and challenge claims of market failure as distinct from political failure, with the goal of relocating regulatory disciplines to the appropriate lower-level or private entities.⁶ Nevertheless, existing resources and offices can still be optimized to facilitate Congress's regulatory oversight goals (Bulleted below are recommendations for what those goals might be). It is important to anticipate some resistance from legacy bodies to the added workload, so the emphasis should be targeted expansion, supported by appropriate monetary resources, staff compensation and prestige tied to the effort. By enhancing the scope and depth of the work performed by agencies whose expertise, if not incentives, already positions them well to absorb additional responsibilities, Congress can exercise more effective oversight without necessarily creating new bureaucratic structures.

² Maeve P. Carey, Methods of Estimating the Total Cost of Federal Regulations, Congressional Research Service, January 21, 2016, https://sgp.fas.org/crs/misc/R44348.pdf.

³ "A Constitutional Amendment Banning Subsidies, Grants And Loan Guarantees," *Forbes*, April 30, 2024, https://www.forbes.com/sites/waynecrews/2024/04/29/a-constitutional-amendment-banning-subsidies-grants-and-loan-guarantees/.

⁴ Government Accountability Office, Enhancing Congressional Oversight of Rulemaking and Establishing an Office of Legal Counsel, December 2023, https://www.gao.gov/assets/d24105870.pdf.

⁵ For example, GAO, "OMB Should Work with Agencies to Improve Congressional Review Act Compliance during and at the End of Presidents' Terms," March 2018, https://www.gao.gov/assets/gao-18-183.pdf.

⁶ Crews, "Congress Should Charter An "Office Of No" To Counter Federal Overregulation," Forbes, October 25, 2021, https://www.forbes.com/sites/waynecrews/2021/10/25/congress-should-charter-an-office-of-no-to-counter-federal-overregulation/?sh=7fc70d9c4928.

Specialized task forces within legislative agencies, similar to the now defunct Trump-era task forces within executive agencies themselves, could address disregard for regulatory oversight requirements, manage the proliferation of agency guidance documents, take pre-emptive steps to prevent the political exploitation of future economic shocks, and, as reiterated in testimony, address Congress's own disregard for enumerated powers that propel the administrative state. Incremental results from these task forces could inform deliberations over whether to make permanent structural changes within existing regulatory review offices or to establish new ones, such as a CORA.

Whatever course of action is taken will require committed idealists. As Jim Tozzi of the Center for Regulatory Effectiveness noted regarding OMB's central regulatory review: "Centralized regulatory review would not have survived for nearly a half century without a cadre, however small, of individuals who were willing to place their career on the line because the mere existence of centralized regulatory review was at that time repugnant to a number of the leaders of the Administrative State who frequently advocated retaliatory measures." That model has now been weakened by Biden's E.O. 14,094 Modernizing Regulatory Review and the consequent rewrite of Circular A-4 guidance to agencies on regulatory analysis, which prioritizes the pursuit of progressive regulatory ends—such as net-zero energy, equity, "competition policy" and the "care economy"—over a watchdog role. While rigorous central OMB review did not survive, it lasted as long as it did because of that early commitment. Similar energy will be needed for the next, more Congress-centric phase that restores lawmaking to its Article I foundation, ultimately achieving congressional approval for costly or controversial rules.

Here are non-exhaustive steps for the new force multipliers to take:

- Energize the oversight hearing process.
- Encourage formal rulemakings with quasi-judicial proceedings as authorized under the Administrative Procedure Act for selected significant rules, rather than relying on notice-and-comment regulation.
- Limit agencies' rulemaking to what they have announced in the Unified Agenda.
- Collaborate with other committees to abolish unnecessary agencies. 11
- Reinforce congressional efforts to enforce existing regulatory oversight laws. This includes confronting OMB on chronically late cost benefit reports, ¹² restoring the Regulatory Right-to-Know Act's requirement for an aggregate regulatory cost estimate (even the default 10-

⁷ Executive Order 13777, Enforcing the Regulatory Reform Agenda, February 24, 2017, https://www.govinfo.gov/content/pkg/FR-2017-03-01/pdf/2017-04107.pdf.

⁸ Congress Must Prevent a Progressive OMB Rewrite of 'Circular A-4' Guidance on Preparation of Regulatory Impact Analyses (May 1, 2023). Available at SSRN: https://ssrn.com/abstract=4434081 or http://dx.doi.org/10.2139/ssrn.4434081.

⁹ Crews Jr., Clyde Wayne, Framing an 'Abuse-of-Crisis Prevention Act' to Confine the Federal Government (September 15, 2022).

¹⁰ Jim Tozzi, "OIRA's Lineage and Enforcement Responsibilities," Center for Regulatory Effectiveness. December 30, 2017. http://www.thecre.com/forum8/?p=1475.

¹¹ "Spiraling Debt Demands Bipartisan Mobilization To Terminate Federal Departments And Agencies," *Forbes*, February 20, 2024, https://www.forbes.com/sites/waynecrews/2024/02/20/spiraling-debt-demands-bipartisan-mobilization-to-terminate-federal-departments-and-agencies/.

¹² https://www.forbes.com/sites/waynecrews/2023/01/02/118th-congress-should-confront-biden-administration-on-overdue-regulatory-cost-benefit-reports/.

- year lookbacks have disappeared), and ensuring compliance with the Congressional Review Act (CRA), preferably on a clear and accessible landing page.
- Assess the regulatory implications of hundreds of billions in subsidies, loan guarantees, public-private partnerships, state grants-in-aid, and the increasing influence of the contracting and procurement state. These channels increasingly launder regulation, effectuating policy transformations without the courtesy of even a normal notice-and-comment rule.
- Resurrect portals for guidance documents, memoranda, notices and other decrees and inventory them thoroughly¹³
- Assure that agencies affirm statutory authorization for regulations.¹⁴
- Address the abuse of emergency declarations by the executive branch.
- Initiate an aggressive Enumerated Powers Project. More urgent than addressing rampant over-delegation is Congress's own disregard for enumerated powers, as seen in costly regulatory enactments like the CARES Act and recent inflation, jobs, and CHIPS and Science laws. Recent regulatory forays for which blame cannot be ascribed to agencies include the TikTok ban, bills to regulate swipe fees, 15 and measures substituting for parents in kids' online safety. 16 Reforming the Administrative State will mean little if Congress one-ups the bureaucracy as a regulator, especially in today's environment, where progressives seek custodial oversight over the ordinary affairs and responsibilities of capable adults.

MINORITY

Q1: You advocated for sunsetting regulations, but many regulations protect public health, safety, and the environment. How do you propose balancing the need for regulatory stability with your desire for automatic legislative expirations?

Whether or not regulations actually protect or achieve their purported goals is a key question that the sunsetting process seeks to assess and validate. If regulations effectively protect better than the alternatives, Congress can simply extend their requirements. The proposal to sunset regulations is not about undermining necessary protections but about ensuring that regulations remain relevant, efficient, and are in fact the best means of achieving declared ends. Sunsetting is particularly important in today's environment, where openly stated progressive transformations ¹⁷ are leading the bureaucracy to write rules that protect itself ¹⁸ while expanding dozens or even

¹³ "Once-Promising Guidance Document Disclosures Are Stagnating Under Biden: Inventory and Observations," Forbes, November 21, 2023, https://www.forbes.com/sites/waynecrews/2023/09/07/once-promising-guidance-document-disclosures-are-stagnating-under-biden-inventory-and-observations/.

¹⁴ Daren Bakst, "Congress, Not Agencies, Should Answer Major Policy Questions: A legislative blueprint for restoring representative government, Competitive Enterprise Institute, July 2024, https://cei.org/wp-content/uploads/2024/07/Congress Not Agencies Should Answer Major Policy Questions.pdf..

¹⁵ Caroline Melear, "The Credit Card Competition Act Would Shrink Card Security," *RealClearMarkets*, August 1, 2024.

https://www.realclearmarkets.com/articles/2024/08/01/the_credit_card_competition_act_would_shrink_card_security_1048667.html.

¹⁶ Jessica Melugin, "KOSA is a Poor Substitute for Parenting, Washington Times, July 23, 2024, https://cei.org/opeds-articles/kosa-is-a-poor-substitute-for-parenting/.

¹⁷ White House, The Build Back Better Framework, https://www.whitehouse.gov/build-back-better/.

¹⁸ Jonathan Swan, Charlie Savage and Maggie Haberman, "Biden Administration Aims to Trump-Proof the Federal Work Force," New York Times, September 15, 2023, https://www.nytimes.com/2023/09/15/us/politics/trump-biden-schedule-f.html.

hundreds of offices focused on equity pursuits, ¹⁹ AI, ²⁰ and supply chains. ²¹ As a counterbalance, sunsetting allows for periodic reassessment and recalibration, aligning rules with current realities, including technological advancements and the decay of market failure rationales for intervention.

To maintain stability, Congress can implement a tiered review process where essential regulations—particularly those related to health, safety, and the environment—undergo rigorous evaluation for relevance or redundancy before expiration. A structured sunsetting framework can address concerns while still eliminating or streamlining outdated requirements that hinder innovation. During the transition to sunsetting norms, regulations addressing fundamental public health, safety, and environmental issues could be assigned longer review cycles, incorporating stakeholder input to assess scientific data, technological progress, and economic impacts, while less critical or rapidly evolving areas might have shorter cycles. New rules not part of the transition could have shorter timeframes, with a default mechanism allowing expired regulations to be temporarily extended during ongoing reviews—provided this is not abused. Ideally, Congress would approve new agency rules in conformity with broader calls for congressional accountability, such as those proposed in the REINS Act discussed during the hearing. Sunsetting can encourage continuous dialogue between regulators and stakeholders, fostering an environment where regulatory discipline occurs in the right place, which may not necessarily be the federal bureaucracy.

Q2: You claimed in your testimony that the expertise necessary for complex regulation often doesn't reside in agencies, but, rather, the private sector.

Q2a: Do corporations owe a fiduciary duty to their shareholders or the general public?

Corporations owe a fiduciary duty to their shareholders, focusing on maximizing value and ensuring the company's long-term viability as established under corporate law.²² However, other duties apply to interactions with various stakeholders as fiduciary responsibility increasingly intersects with broader societal considerations, driven by evolving market dynamics and consumer expectations. In today's interconnected economy, corporate success is often tied to sustainable and socially responsible practices, as demanded by civil society rather than government.

¹⁹ "Biden's Whole-of-Government Equity Agenda Precludes Limited Government," Competitive Enterprise Institute, March 14, 2022, https://cei.org/blog/bidens-whole-of-government-equity-agenda-precludes-limited-government/.
²⁰ Artificial Intelligence Model Legislation and Bill of Rights Regulating Government —Not Private Competitive Enterprise (May 1, 2024). Available at SSRN: https://ssrn.com/abstract=4814347 or https://ssrn.com/abstract=4814347 or https://ssrn.com/abstract=4814347.

²¹ "Breaking Links? Pondering The New White House Council On Supply Chain Resilience," *Forbes*, December 4, 2023, https://www.forbes.com/sites/waynecrews/2023/12/04/breaking-links-pondering-the-new-white-house-council-on-supply-chain-resilience/.

²² David Henderson, *The Role of Business in the Modern World: Progress, Pressures, and Prospects for the Market Economy*, Institute of Economic Affairs, 2004, https://cei.org/wp-content/uploads/2010/10/David-Henderson-The-Role-of-Business-in-the-Modern-World-Progress-Pressures-and-Prospects-for-the-Market-Economy.pdf.

Companies recognize that addressing public concerns—such as environmental stewardship, ethical labor practices, and community engagement—can enhance their reputation, customer loyalty, and ultimately, shareholder value. Companies do not operate in a vacuum and, as stressed at the hearing, are "regulated" not merely by administrative agencies but by consumers, the media, upstream business suppliers, downstream business customers, Wall Street, and the broader marketplace for corporate control and governance that displaces bad management. The question, as CEI founder Fred L. Smith Jr. often puts it, is not whether regulation happens, but whether it consists of political discipline or competitive discipline.

While self-regulation is a misnomer in this context—since companies do not actually enjoy that option in competitive enterprise in a rule-of-law framework—it is true that industries frequently develop best practices and standards through collaborative efforts that can exceed government regulations, such as the tech sector's guidelines on data privacy and security, supply chain stability, and sourcing. Thus, while the legal fiduciary duty is to shareholders, practical and strategic considerations motivate corporations to act in ways that also benefit the broader public. This approach should be encouraged by officialdom rather than replaced by it.

Q2b: Absent government regulation, would corporations be required by law to refrain from discharging pollutants into rivers, lakes, and oceans of the United States?

Various environmental laws, rather than solely regulations, prohibit these violations, and in this hearing, the emphasis has been on Congress, rather than agencies, making primary law. In addition, property rights and foundational common law legal frameworks—such as nuisance, trespass, negligence, and torts—have historically governed disputes over pollution, prohibiting such behaviors and holding entities accountable for harm. For instance, if a corporation discharges pollutants that contaminate a water source, downstream property owners can file lawsuits claiming damages and seek injunctions to halt the harmful activity. The question, again, is not whether regulation is necessary but rather its proper source and how it is structured to protect against environmental degradation—which often affects governmental commons more than private resources—and to safeguard economic growth.

In the previous query, we noted the competitive disciplines that can be more potent than regulation, which may be undermined by corporate rent-seeking. For example, the marketplace is constantly engaged in reducing carbon intensity and waste streams, which are expensive to ignore. Such corrective pressures, particularly from investors, play significant roles in deterring harmful practices and unsustainable, short-sighted operations. Where regulatory approaches are deemed necessary, they should be tempered by the disciplines discussed in this hearing and otherwise noted in this response to QFRs: disciplines that are evidence-based, proportionate, and flexible, advancing protections while allowing for innovation and economic growth. Questions like this one from the minority tend to overlook the government's own role in environmental degradation, such as 20th-century dam building, wind-turbine downsides, chemical waste streams generated by coercive net-zero policies, the detrimental effects of ethanol policies on food supplies, and the harmful effects of overregulation, such as reducing energy reliability and

²³ For example see Desrochers, Pierre. "Eco-Industrial Parks: The Case for Private Planning." The Independent Review, vol. 5, no. 3, 2001, pp. 345–70. JSTOR, http://www.jstor.org/stable/24562610. Accessed 29 Aug. 2024.

exacerbating energy poverty.²⁴ Rather than the private sector being the sole source of harm, as implied in the question, governments are prone to enabling corporate rent-seeking²⁵ and indemnifying companies from liability in various settings, from nuclear power to the overextension of credit.²⁶

Q2c: Absent government regulation, would corporations be permitted to discriminate against individuals with disabilities in places of public accommodation?

The requirement for public accommodation is rooted in bipartisan law, such as the Americans with Disabilities Act (ADA), rather than solely agency regulation. This distinction regarding the proper source of rulemaking has been a central point of this hearing's discussion. Discrimination against individuals with disabilities is unacceptable, and many businesses recognize that providing accessible and inclusive services is both morally right and beneficial. Alongside the ADA, legal protections against discrimination rely on a combination of constitutional principles, state laws, common law precedents, and local accommodations.

However, the broader point is that the private sector often leads in developing inclusive practices that go beyond mere compliance, driven by market incentives to attract and retain customers, as well as societal norms and public expectations that strongly discourage discriminatory practices. As noted earlier in the pollution context, these private sector efforts can surpass agency regulatory or even legislative requirements. Companies engaging in discrimination risk significant reputational damage, economic losses, and potential civil liabilities. With the advances in service to the public brought about by computing, transportation, AI, and other innovations, policymakers should acknowledge the predominance of private sector initiatives in serving individuals with disabilities, their own secondary role, and encourage ongoing proactive and voluntary efforts by businesses to promote inclusivity and accessibility.

²⁴ Thomas Catenacci, "Biden EPA Rules Will Cause Blackouts for Millions of Americans, Study Warns," Free Beacon, June 12, 2024, https://freebeacon.com/biden-administration/biden-epa-rules-will-cause-blackouts-for-millions-of-americans-study-warns/.

²⁵ "Cataloging Regulatory Costs of Cronyism and Rent-Seeking in a Self-Interested Administrative State," Competitive Enterprise Institute, August 19, 2019, https://cei.org/blog/cataloging-regulatory-costs-of-cronyism-and-rent-seeking-in-a-self-interested-administrative-state/.

²⁶ "Vast Regulatory Costs of Top-Down National Plans, Agendas, and Legislative Schemes," Competitive Enterprise Institute, October 2, 2019, https://cei.org/blog/vast-regulatory-costs-of-top-down-national-plans-agendas-and-legislative-schemes/; and see "Return of the Housing Godzillas: Freddie Mac and its Biden regulator want to guarantee second mortgages. What could possibly go wrong?" Wall Street Journal, May 5, 2024, https://www.wsj.com/articles/return-of-the-housing-godzillas-fannie-freddie-biden-second-mortgages-f7ac7d77?mod=hp_opin_pos_1">https://cei.org/blog/vast-regulatory-costs-of-top-down-national-plans-agendas-and-legislative-schemes/; and see "Return of the Housing Godzillas: Freddie Mac and its Biden regulator want to guarantee second mortgages. What could possibly go wrong?" Wall Street Journal, May 5, 2024, https://www.wsj.com/articles/return-of-the-housing-godzillas-fannie-freddie-biden-second-mortgages-f7ac7d77?mod=hp_opin_pos_1">https://cei.org/blog/vast-regulatory-costs-of-top-down-national-plans-agendas-and-legislative-schemes/;

Much of the credit for accommodations for the disabled and needy belongs to innovators and entrepreneurs rather than the government. In 2020, many citizen heroes stepped up to aid families, friends, and neighbors without government interference. Businesses like Uber Eats waived delivery fees for independent restaurants, and Airbnb hosts offered lodging to doctors, nurses, and other frontline personnel. ²⁷ The National Association of Manufacturers rightly praised its members, noting, "Once again, manufacturers have been on the front lines throughout the COVID-19 crisis, providing the equipment and products to keep our country safe, healthy, and fed."²⁸ This is the character that public policy should inspire: treating individuals with dignity and as sovereign beings and fostering their efforts to prepare and care for themselves and others. By contrast, the current administration's regulatory agenda seems to foster dependency among the able-bodied, as evidenced by initiatives like the reset, Build Back Better, equity, care economy, Medicare for All, Green New Deal, and other official pursuits. Recent actions, such as the student loan forgiveness campaign at the expense of the general public and housing market interventions,²⁹ and the Surgeon General's campaign to turn ordinary parenting into a public health issue, ³⁰ further reflect this trend. This approach is emblematic of the broader issue that most matters are not public policy issues and that excessive governance by federal guidance and policy statements risks Washington tripping over its own conflicting industrial and social policies.³¹ This underscores the importance of congressional oversight, as discussed in this hearing. New wealth redistribution schemes will come with intolerable controls on both payers and recipients, but will primarily benefit administrators and consultants.

In response to the lead-in framing implying agency expertise, the preceding discussion makes it appropriate and fair to question how the Administrative State acts as an impediment to effective regulation. Agencies are often prone to misdiagnosing political failures as market failures and then implementing counterproductive policies. Regulation requires disciplines beyond administrative bodies, and in many instances, agencies cannot perform cost-benefit analyses of their actions when their very presence constitutes a cost.

Expertise often entails capabilities far different from what agencies provide, and their fundamental lack of expertise can render their actions and agendas questionable.³²

²

²⁷ Frontline Stays for Covid-19 Responders, https://www.airbnb.com/d/covid19relief.

²⁸ Letter to the Honorable James Comer, Ranking Member, Committee on Oversight and Reform, Examination of Recent Trends in Regulation and Regulatory Reform, National Association of Manufacturers, November 2, 2020, https://documents.nam.org/tax/NAM_Response_HOGR_Comer_Reg_Reform_Letter_11022020.pdf.

²⁹ For example see White House, Fact Sheet: The President's Budget Cuts Housing Costs, Boosts Supply, and Expands Access to Affordable Housing, March 11, 2024, https://www.hitehouse.gov/briefing-room/statements-releases/2024/03/11/fact-sheet-the-presidents-budget-cuts-housing-costs-boosts-supply-and-expands-access-to-affordable-housing/; and see "Biden Wants to Give 500,000 Americans Money to Buy Homes," https://www.newsweek.com/biden-wants-give-500000-americans-money-buy-homes-1850587.
https://www.hbs.gov/sites/default/files/parents-under-pressure.pdf.

³¹ See for example Matt Cole and Chris Nicholson, "DEI Killed the CHIPS Act," The Hill, March 7, 2024, https://thehill.com/opinion/4517470-dei-killed-the-chips-act/.

³² "If Federal Regulators Aren't Experts, The Entire Administrative State Is Suspect," *Forbes*, July 10, 2019, https://www.forbes.com/sites/waynecrews/2019/07/10/if-federal-regulators-arent-experts-the-entire-administrative-state-is-suspect/.

Administrative errors are compounding, including issues like air traffic control lapses,³³ commercial space flight regulatory tangles keeping rockets grounded,³⁴ ill-advised AI "Blueprints," federally funded censorship of speech when dissent should be protected,³⁵ interference with market-clearing prices aggravating shortages in the name of combating inflation and "junk fees,"³⁶ and ignoring the potential causal effects of regulation on income inequality.³⁷ These federal interventions only scratch the surface.³⁸ Regulators often worsen situations rather than improve them and disrupt the emergence of true expertise sufficiently to warrant Congressional intervention beyond mere sunsetting.

The primary emphasis of the minority's line of questioning is on expertise. The private sector's expertise is invaluable not only in informing and shaping new products, services, and technologies, but also in the developing of disciplinary and risk management innovations. These can be stifled by intervention and rent-seeking. Government should focus on enabling a rule-of-law framework within which businesses can thrive rather than micromanaging through prescriptive regulations that lag behind technological and economic change. This is the federal role that serves stakeholder interests.

In conclusion, the key takeaway for the Committee is that the Biden administration's relentless centralization is diminishing citizens' ability to escape suspect federal programs or avoid funding them. This erosion of federalism and the blurring of federal versus state/local responsibilities are matched by the troubling fusion between the federal government and well-positioned private businesses. This fusion of spending and regulation defines modern policymaking, and addressing it is crucial. This is why the Committee on Administration's renewed focus on congressional oversight of the Administrative State is so important.

³³ Sydney Ember and Emily Steel, "How a Series of Air Traffic Control Lapses Nearly Killed 131 People," *New York Times*, October 11, 2023, https://www.nytimes.com/2023/10/11/business/air-traffic-control-austin-airport-fedex-southwest.html.

³⁴ Rockets and Regulation: Injecting Agility into U.S. Space Industry Oversight, Deloitte, July 15, 2024, https://www2.deloitte.com/us/en/insights/industry/public-sector/the-changing-landscape-of-space-law.html.

³⁵ Allum Bokhari, Censorship Industry: GARM Members Receive Billions in Federal Contracts, Foundation for Freedom Online, August 1, 2024, https://foundationforfreedomonline.com/censorship-industry-garm-members-receive-billions-in-federal-contracts.

³⁶ White House, Fact Sheet, President Biden Announces New Actions to Lower Costs for Americans by Fighting Corporate Rip-Offs, March 5, 2024, https://www.whitehouse.gov/briefing-room/statements-releases/2024/03/05/fact-sheet-president-biden-announces-new-actions-to-lower-costs-for-americans-by-fighting-corporate-rip-offs/; and see Jody Godoy, "U.S. Targets Surging Grocery Prices in Latest Probe, *Yahoo! Finance*, August 1, 2024, https://finance.yahoo.com/news/us-targets-surging-grocery-prices-205155399.html.

³⁷ Sanchari Choudhury, "The Causal Effect of Regulation on Income Inequality Across the U.S. States, *European Journal of Political Economy*, Volume 80, 2023, https://doi.org/10.1016/j.ejpoleco.2023.102471. (https://www.sciencedirect.com/science/article/pii/S0176268023001155).

³⁸ Clyde Wayne Crews Jr., *Ten Thousand Commandments*, Competitive Enterprise Institute, 2024 Edition, https://cei.org/wp-content/uploads/2024/07/10K 2024 v5 for Rich 1.pdf.