



WASHINGTON, D.C.

MARY BONO MAGK
MEMBER OF CONGRESS
CALIFORNIA

January 26, 2011

The Honorable Barack Obama
President of the United States of America
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

Like many Americans, I was encouraged by the tone of your State of the Union address last night and your commitment to issues that are very important to me and the people I represent. But it would be a serious mistake to “double down” on past failures.

Simply put, we have a unique opportunity to make “Made in America” matter again. If you are truly serious about creating the kind of positive legislative and regulatory environment needed to create new jobs – as well as to bring jobs back to the United States from abroad – there are some common-sense steps that we should take right now. As the new Chairman of the House Subcommittee on Commerce, Manufacturing and Trade, which has jurisdiction over interstate and foreign commerce, I am prepared to do my part.

But, Mr. President, job creation has to be more than a campaign slogan or a “feel good” sound bite. And, clearly, the answer isn’t another big government spending spree – especially at a time when the national debt is spiraling out of control. In fact, the quickest, simplest and smartest way to get Americans working again is to cut the red tape that has tied one hand behind our back as a nation for too many years now.

After a record 20 straight months of unemployment above 9 percent, it’s time to finally free American innovation and ingenuity, long held hostage by a regulatory regime which is as great a threat to our prosperity as any foreign regime. Today, U.S. businesses are holding tight onto more than \$1.8 trillion in cash reserves. Let’s give them a reason to invest that money in America’s future. Mr. President, here’s a roadmap for getting started:

- **Ensure regulatory fairness.** The Code of Federal Regulations is 150,000 pages long, or approximately 41.5 million words. The U.S. Constitution, the supreme law of our land, is only 4,618 words – including signatures! Rules and regulations imposed by Washington cost Americans more than \$1.75 trillion each year (about \$15,500 per household), which is even more than we pay in federal income taxes. Enough is enough. Moving forward we should do three things immediately: 1) Mandate a top-to-bottom review of all

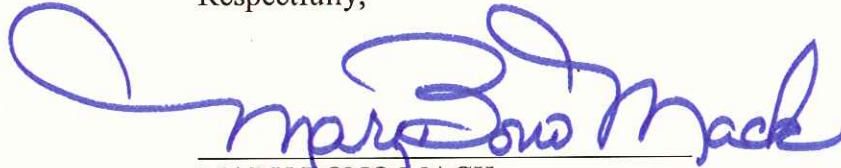
regulations, scrubbing every outdated and senseless regulatory requirement off the books; 2) Place a moratorium on any job-killing regulations and establish a more fair and transparent review process; 3) Require Congressional approval for all major rules and regulations imposing significant new costs on the economy.

- **Make intellectual property protection a top priority.** By most estimates, the theft of U.S. intellectual property costs our economy hundreds of billions of dollars a year, but the real damage – both in terms of lost jobs and stalled progress – is impossible to calculate. Most sinister, this is deflating to our nation’s entrepreneurial spirit and psyche. I know all too well; my own home state of California has been particularly hard hit by this growing problem. Simply put, our nation’s economy cannot thrive in a world of “no cost” competitors.
- **Incentivize and reward innovation.** According to a recent report by the Information Technology and Innovation Foundation, the United States ranked sixth among 40 nations in “innovation-based competitiveness.” But here’s the rub: we were dead last in progress made over the past decade. Dead last. There are smart ways to use the U.S. Tax Code and patent laws to reward companies that create new jobs and keep those jobs here in America.
- **Open more foreign markets to U.S. products.** Let’s work to put Americans back to work. We simply can’t sit on the sidelines while other nations sign free trade agreements and gain a foothold in promising, new markets. Long-stalled trade promotion agreements with South Korea, Colombia and Panama should move forward quickly. Years of lost opportunities have only resulted in thousands of lost jobs. It’s time to quit playing politics with our trade policies.
- **Embrace vigorous oversight of new laws and agencies.** Aggressive oversight doesn’t have to be a political parlor game. Rather, we should see these as beneficial opportunities to “get it right.” Americans want – and deserve – our best efforts. Oversight hearings, which my subcommittee will be holding soon, are a unique opportunity to see what’s working and what’s not. And, at the end of the day, we must have the political courage to embrace change that’s not always popular but necessary.
- **Make “insourcing” in vogue.** Frankly, I am tired of hearing people say, “The jobs are gone, and they are not coming back.” Outsourcing is not a one way street. By providing a stable and predictable regulatory framework, by protecting intellectual property, by incentivizing and rewarding innovation and by opening more foreign markets to our products, we not only can end the exodus of jobs overseas, but also begin the process of bringing some of those jobs back home to America. In fact, it has already started. General Electric, General Motors, Ford, Boeing, Delta Airlines, Master Lock and Caterpillar are just a few of the companies that are embracing “insourcing.” They should be applauded and other U.S. companies encouraged to follow their lead.

So what should be our very first step? Permit me, Mr. President, to offer a suggestion. While Congress shoulders some of the blame for too often passing the buck to regulators, U.S. agencies certainly are not bashful about overstepping their statutory authority. As you know, the Environmental Protection Agency made a unilateral decision recently to regulate greenhouse gases. These reckless new rules will unfairly punish American businesses and lead to even more job losses across our nation. We need an immediate moratorium on the regulations until the cost to our economy can be calculated.

Today, Mr. President, we are at an important crossroads in American history. The way forward is clear: creating new jobs and preserving existing jobs here at home should be our top priority. It will strengthen our economy, reduce the deficit, enhance U.S. competitiveness and restore pride in "Made in America." As a leader, there can be no greater legacy.

Respectfully,

A handwritten signature in blue ink that reads "Mary Bono Mack". The signature is fluid and cursive, with a large loop at the beginning and a long tail.

MARY BONO MACK
Member of Congress