



The Daily Dish

Deregulation Unearthed by the Pandemic Response

DOUGLAS HOLTZ-EAKIN | OCTOBER 16, 2020

Eakinomics: Deregulation Unearthed by the Pandemic Response

Tracking the regulatory state during the Trump Administration has been fascinating. The institution of regulatory budgets – annual limits on the additional compliance burden agencies can impose on the private sector via rulemaking – brought growth of the burden cost of the regulatory state to a standstill and even a modest decline. By the third year, however, easy opportunities were seemingly growing scarce and without a few high-impact deregulatory actions, the gains would have reversed.

Then the pandemic hit.

Across the government the declaration of a health emergency provided the opportunity – and necessity – of waiving some requirements. AAF chose to track these developments as well. This raises an obvious question: which of the emergency waivers really should be permanent deregulatory actions? There were some very high-profile examples that many people pointed out; the best example being telehealth regulations that spawned a dramatic rise in the use of remote visits. But perhaps there should be a more systematic review of the temporary actions to identify candidates for permanent changes.

Some have recommended a commission to identify such actions and there is even one bill – the [Coronavirus Regulatory Repeal Act](#) – introduced to create such a commission. AAF's Dan Bosch took a look at this idea earlier this year. But Bosch went further. He teamed with AAF's Bernard Zamaninia to identify examples of such actions, and thus make real the abstract potential for improved regulatory policy for making emergency actions permanent. In [Temporary COVID-19 Rules that Are Candidates for Permanent Relief](#), they propose “three rules that should be considered if such a mechanism is established; these rules would increase flexibility in the H-2A visa program vital for the food supply chain and provide relief for credit unions and community banks critical to helping economies in smaller communities.” They then argue that “Congress should consider referring these rules to any commission it establishes, or in absence of a commission, consider direct action to make these reforms permanent.”

In each case, there is a solid rationale for making the change permanent. For example, the pandemic has revealed the fragility of the food supply chain. They argue that “providing permanent relief would grant employers the flexibility to hire workers in this vital sector without undue limitations. This can be accomplished by allowing nonimmigrant workers to begin working as soon as their employers petition to renew their H-2A visas and allowing nonimmigrant workers to continue to renew their visas without having to leave the United States for three months.” Similar logic applies to the other proposals.

The best responses to COVID-19 have been bold and bipartisan. One can hope that such a commission and review can be another such effort.