

The McCormick Plan to Shake Up Washington

Part Three: Keystone Agenda to Reclaim America
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Introduction

When our founding fathers designed our constitutional form of government, they set up three branches to prevent any one institution or individual from amassing too much power. As James Madison wrote in the Federalist Papers, "power is of an encroaching nature, and...it ought to be effectually restrained from passing the limits assigned to it." That's why they designed a system of checks and balances between the Congress, the Presidency, and the judiciary.

Despite the genius of our founders, the **Washington D.C. of today is broken**. I know it, you know it, and millions of families across our Commonwealth and America know it. They see the consequences each and every day on the southern border and on our college campuses.

Last year, only 16% of Americans said they trust the government to do what is necessary.² 78% believed that the important issues facing the country get too little attention.³ And 72% of Americans disapprove of Congress.⁴

This should not be surprising when elected officials make a career out of flying to D.C. to spend your tax dollars while failing to solve problems. And then when it's time to run for re-election, they show up in our communities touting so-called "accomplishments" that they know will never come to fruition. That's not leadership. It's dereliction of duty.

This is the third in a series of policy proposals I'm delivering across the Commonwealth to lay out my "Keystone Agenda to Reclaim America". This white paper identifies how and why Washington D.C. is so broken, why no senator is more emblematic of this failure and

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¹ Federalist No. 48

² https://www.pewresearch.org/politics/2023/09/19/public-trust-in-government-1958-2023/

³ https://www.pewresearch.org/politics/2023/09/19/americans-dismal-views-of-the-nations-politics/

⁴ https://d3nkl3psvxxpe9.cloudfront.net/documents/econTabReport 5VGK6NY.pdf

dysfunction than Pennsylvania Senator Bob Casey, and my game plan to do something about it.

By any measure, Senator Casey is ineffective, and the U.S. Senate has become less effective during his tenure. Just look at the results:

- In the 18 years since Casey arrived in Washington, the Senate has gone from being the world's greatest deliberative body to a less productive shell of its former self.
- While Bob Casey has been in the Senate, our national debt has nearly quadrupled because of out-of-control federal spending he voted for every step of the way.⁵
- While Bob Casey has been in the Senate, he has been an afterthought. Last Congress, he only had one bill he authored signed into law—and it renamed a courthouse. With his lack of meaningful committee assignments and signature legislative accomplishments, his role in the Senate is that of a rubber stamp for President Biden, with whom he votes with 98% of the time; this is not a serious legislator.
- And with Senator Casey's active support, the federal government has grown more unaccountable and imposed policies that have harmed our economy and our society. When Bob Casey took office, approximately 61,000 regulations had been published in the Federal Register. Today, it's more than 120,000, nearly double the number of regulations and growing.6

On Casey's watch, federal bureaucrats have inserted themselves into our lives and imposed choices that should be made in our communities and households, not in half-empty office buildings in a capital where power and influence, not solving problems, is the goal.

To put it bluntly: we need to shake up Washington. And that will take leadership and ideas, both of which are in short supply in that city. That's why Pennsylvania needs an outsider to replace career politician Bob Casey.

I learned over more than 20 years in the private sector as a business leader that driving fundamental change requires taking on root causes, in this case three sources of the current stagnation in Washington:

- 1. Changing the culture in the capital.
- 2. Taking on an entrenched bureaucracy that resists change.
- 3. Fixing misguided incentives.

⁵ https://fred.stlouisfed.org/series/GFDEBTN

⁶ https://cei.org/wp-content/uploads/2023/11/10K Commandments.pdf

My plan will address all three root causes, outlining how these problems affect Washington and offering solutions to do something about it. I'm a businessman. I'm not from Washington, like my opponent. Unlike my opponent, I know how to confront reality, develop a plan, and make the hard choices necessary to get things back on track. I know how to shake things up.

These reforms will take on the culture of Washington, rein in federal overreach, and improve Congress to make our government work for you, the American people. Self-renewal is an essential part of our democracy. To get back to the true north of our Constitution, we must elect a new generation of transformational leaders who can perceive the challenges and opportunities of the moment; craft the vision for victory; and execute.

Solving these massive problems will not be easy. But as the saying goes, the only way to eat an elephant is one bite at a time. Here's my initial menu to do so to get our country back on track.

Step One—Take On the Culture of Washington

Anyone who has watched cable news recently has seen a taste of the broken culture in Washington. Instead of championing real solutions to problems, politicians and government officials grandstand and push their favored talking points while skirting responsibility for rising prices, chaos around the world, and regulatory decisions that make families in communities like Bloomsburg, where I grew up, worse off.

This lack of accountability would never fly in the business world. When I was CEO of a software company called FreeMarkets during the Pittsburgh renaissance and later CEO of Bridgewater, one of the world's largest, most successful investment firms, it was my responsibility to set the vision, get the right team in place, and move fast enough to stay ahead of our competitors. There was no time to rest on your laurels. As the saying goes, we had to adapt or die. And people's jobs and the returns to our investors depended on the decisions that I made.

The federal government could learn a lot from the difficult decisions job creators across Pennsylvania and the nation make every day. That's why I support six reforms to take on the culture of Washington.

First, make it easier to fire bureaucrats in administrative agencies who are not performing. Many federal employees work hard every day and are admirable public servants who do important jobs, but far too many in our government are individually driven and insulated from a competitive, merit-based process for hiring and firing. This makes our government less effective and wastes taxpayer dollars. Congress should pass legislation that requires agencies to set clear performance standards for their employees and enable agencies to terminate employees who do not meet those standards, just like in the private sector. I also support President Trump's plan to take executive action to allow the President to fire rogue bureaucrats.

Second, relocate the Department of Energy to Pittsburgh and move federal agencies with missions mostly outside of D.C. to other parts of the country. The federal government exists to

⁷ See Anita Blair, "Don't Fear the Public Service Reform Act," *Government Executive*, August 5, 2022, https://www.govexec.com/workforce/2022/08/dont-fear-public-service-reform-act/375258/.

serve the people, not Washington. Our founders purposefully designed a government that did not revolve around the capital, leaving significant powers in the hands of state and local governments. That has only become more important as our country has grown. That's why I believe that the Department of Energy should be moved to Pittsburgh. The bureaucrats who regulate energy projects and liquified natural gas should be among people who understand fracking and LNG.

And with 99% of public lands west of the Mississippi, the Bureau of Land Management should be headquartered out West, not on the east coast, something President Trump made happen but President Biden reversed.⁸ The concentration of federal power in D.C. and New York City needs disruption to create a culture more aligned with its citizens and focused on mission, not accumulating bureaucratic power. Federal agencies should be closer to the people they serve.

Third, the government should sell any federal building in D.C. that does not have a full-time workforce. The pandemic ended years ago, yet most agencies use less than 25% of the space in their headquarters buildings. This is crazy. Any sane business would get rid of so much excess real estate or risk going out of business. To put this in perspective, the federal government spends more than \$7 billion each year operating and maintaining federal buildings and leasing space for federal agencies, whether they're fully utilized or not. We should not be wasting literally billions of dollars of taxpayer money to maintain buildings that no one uses. Taxpayers in Washington, Pennsylvania do not need to be landlords for vacant office space in Washington, DC

Fourth, stop focusing resources and attention on misguided ideological agendas like diversity, equity, and inclusion. President Biden's State Department requested over \$83 million for DEI programs in their budget for next year. With China expanding its influence at our expense, Israel under military and diplomatic attack, and Russia spreading disinformation around the world, is this really what we're focusing limited time and attention on? And in the military, the goals of diversity, equity, and inclusion have taken center stage. This is undermining our military might by taking time and attention away from core military functions. The DEI jobs created by the Biden Administration should be eliminated.

Fifth, federal agencies should actually enforce laws put in place to protect Americans. At the border and in lawless cities with rising crime, President Biden fails to enforce laws passed by Congress to protect Americans. This is both dangerous and costly.

Just look at what's happening on college campuses. Our immigration laws prohibit entry of anyone who endorses or espouses terrorist activity or supports a terrorist organization. That includes people who defend or support Hamas by calling for intifada, jihad, or other similar

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⁸ https://www.cbsnews.com/news/sen-cory-gardner-u-s-land-management-agency-moving-out-west/

https://www.gao.gov/products/gao-23-107060

¹⁰ https://www.gao.gov/assets/gao-23-106200.pdf

¹¹ https://www.nationalreview.com/2023/03/biden-budget-seeks-over-83-million-for-state-department-dei-programs/

¹² See *Superpower in Peril*, p. 238-239.

actions to eliminate the Jewish state of Israel.¹³ Foreign nationals, including students on college campuses, who incite violence or endorse terrorist activity and attacks against Jews are in violation of the terms of their visas and should no longer be welcomed as guests of America. It really is that simple. We need to put in place more accountability mechanisms, like an annual report to Congress, to ensure these students aren't allowed to stay in the country and other laws across the country are enforced.

Sixth, exclude noncitizens from the Census count and pass a constitutional amendment so only Americans can vote in American elections. The distribution of congressional seats and federal funding should be based on where American citizens, not foreign nationals. I also oppose efforts by some local entities to allow non-citizens to vote in their elections, as well as the policies supported by Democratic senators like Bob Casey to include illegal immigrants in the national census. We are a nation of immigrants, but we're also a nation that should be ruled by its citizens.

Step Two—Rein in Federal Overreach

Beyond the culture of Washington, we need outsiders who will rein in federal overreach or what some refer to as the administrative state. As I've traveled across the Commonwealth, farmers and small business owners have consistently told me that their biggest problem, other than inflation, is overregulation by the government.

If you're a dairy farmer, that means the EPA is trying to classify streams on your property as waterways subject to federal regulation. If you have a flexible job, that means worrying about new federal rules that would force small businesses to treat gig workers as full employees, raising costs, eliminating opportunities, and harming consumers.

At the national level, federal regulations cost our economy nearly \$2 trillion each year. ¹⁴ That's money that isn't going into paychecks or being invested to create new jobs. Since Senator Casey has been in office, the federal government has proposed or finalized nearly 6,000 different regulations with a total economic impact of more than \$1.6 trillion. ¹⁵ Not all regulations are bad, but they've become completely detached from common sense.

As a starting example, just look at what the federal government is doing to Pennsylvania's energy sector. Senator Casey and President Biden are pursuing an anti-fossil fuel agenda that irrationally constrains production and energy infrastructure here at home. This agenda wields federal permits and environmental regulations as an insidious backdoor to make investing in Pennsylvania energy difficult. This raises energy prices and kills good-paying jobs in construction and manufacturing.

Another example is crypto and blockchain. Innovators in Pennsylvania and across the country are fueling an economic engine that is expected to support as many as 4 million jobs by the end

¹³ See https://www.foxnews.com/opinion/word-terror-supporters-abuse-broken-visa-system

¹⁴ https://cei.org/publication/executive-summary-ten-thousand-commandments-2023/

¹⁵ American Action Forum Regulation Rodeo Project (2007–2024), https://regrodeo.com/.

of the decade.¹⁶ Yet the Securities and Exchange Commission is stepping into a gray area left created by Congress' failure to legislate to stifle crypto innovation and prosecute U.S.-based crypto firms.¹⁷

As a business person, I know how regulatory uncertainty is a huge disincentive for capital investment that creates jobs. That's one reason why we need four reforms to reduce this burden and provide more certainty for job-creators.

First, restore President Trump's executive order that required cutting two regulations for every new one added.¹⁸ This forces agencies to regularly re-evaluate whether regulations are effective and reasonable as our economy and society changes. Regulations should not continue piling on top of each other without any thought given to whether they're optimized to maximize benefits to the American people.

Second, create an expedited process to challenge regulations based on their cost-benefit analysis. Federal agencies are required to ensure that the benefits of regulations justify the costs. ¹⁹ But complex administrative procedures, red tape, and legal costs make it difficult to hold agencies accountable for cost-benefit analysis that is often divorced from reality.

Congress and the executive branch should explore creating a process outside of the regulators to allow citizens to challenge rules through an expedited process. If the challenge prevails, then the regulator should pay all legal costs and reward those who brought a successful claim. This would put the burden on agencies to prove that their regulations are actually in the public interest. I also support President Trump's plan to impose a regulatory budget on the administrative state, which would limit the negative impact of regulations and force agencies to address how successive regulations compound on top of each other.

Third, Congress needs to impose stronger checks on agencies to ensure significant regulations receive proper scrutiny from elected leaders. It's crazy that we have a system where naming post offices requires action by both chambers of Congress, but regulations that cost the economy hundreds of billions of dollars can go into effect without congressional approval.

No president should have the ability to unilaterally impose costly new regulations on our economy. If elected to the Senate, I will support legislation that would require any executive branch regulations with a significant economic impact to receive congressional approval. Major rules should also sunset after ten years unless Congress renews them to ensure regulations remain relevant and are regularly updated.

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¹⁶ <u>https://www.washingtonexaminer.com/opinion/beltway-confidential/2936952/america-must-lead-on-cryptocurrency/</u>

¹⁷ https://www.cnbc.com/2024/01/11/secs-gensler-gives-in-to-a-bitcoin-etf-but-the-hostility-is-still-there.html

¹⁸ <u>https://trumpwhitehouse.archives.gov/presidential-actions/presidential-executive-order-reducing-regulation-controlling-regulatory-costs/</u>

¹⁹https://crsreports.congress.gov/product/pdf/IF/IF12058

Finally, end the deference courts give agency interpretations of laws passed by Congress. The Chevron doctrine has dramatically expanded agency power in the absence of congressional action to clarify ambiguous and vague statues. If the Supreme Court does not overturn this precedent, then Congress should enact legislation to strengthen judicial review of executive overreach. This will make it easier to challenge regulations in court and ensure that agencies cannot overstep their authority.

Ultimately, the role of the Senate is to be a check on the executive branch. If elected, I will be an aggressive, energetic leader who will hold the regulatory state accountable through oversight hearings, letters, investigations, legislation, and forcing votes on harmful regulations. I will make holding the executive branch accountable for regulations that affect our economy and society a top priority.

Step Three—Improve Congress

We also have to fix Congress. While the problems facing our country continue to grow, Congress is becoming less productive and failing to serve as a crucial check on the executive branch. The average tenure of Senators is more than 11 years, ²⁰ yet Congress is passing nearly half as many laws each year as it did during the 1980s. ²¹ What does it say about the state of the institution that the most popular profession for former members of Congress is lobbying?

The most blatant example of Congress's failures is the lack of fiscal sanity. The \$5 trillion in deficit spending Senator Casey voted for under President Biden set off once-in-a-generation inflation that continues to hurt families in Pennsylvania and across the country.²² That spending includes approximately \$120 billion in unspent COVID money that is sitting in a slush fund the Administration is attempting to use for unrelated things. ²³ This has to stop. Here's how we fix it.

First, we need term limits. The founders never imagined that Congress would become an institution filled with people who make politics their career and stay well past retirement. Our republic depends on the perspectives and ideas new leaders can bring to our institutions. Yet despite the median age in America being 39, more than one-third of Senators are 70 or older. And the same people keep getting elected despite not delivering results—16% of Americans approve of the job Congress is doing yet 95% of incumbents win re-election. The current system isn't working. Just look at its poster child, Senator Bob Casey. He is running for a fourth six-year term and has been in elected office for 30 years. In the process, Washington has become more broken and his family has become wealthier. Career politicians are ruining our country. The last thing Pennsylvania needs is to send another one back to the Senate.

 $^{^{20} \; \}underline{https://crsreports.congress.gov/product/pdf/R/R47470}$

 $^{^{21}\ \}underline{https://www.reuters.com/graphics/USA-CONGRESS/PRODUCTIVITY/egpbabmkwvq/}$

²² https://www.crfb.org/blogs/biden-administration-has-approved-48-trillion-new-borrowing

²³ https://epicforamerica.org/resources/epic-analysisbidenomics-slush-fund-spending-through-september-2023/

²⁴ https://www.census.gov/newsroom/press-releases/2023/population-estimates-characteristics.html; https://fiscalnote.com/blog/how-old-118th-congress

²⁵ https://news.gallup.com/poll/1600/congress-public.aspx; https://www.opensecrets.org/elections-overview/reelection-rates

If I am elected to the Senate, I will serve no more than two terms. Because unlike Senator Casey, I don't need this job. I'm running because I cannot stand by while the country that has given me so much is being led by leaders who are not up to the task. And when I'm done, new blood can step in and continue what I started. That's how it should work.

Second, members should not use their position to enrich themselves. More than a third of members of Congress or their immediate family actively trade stocks and other financial assets, even if they sit on committees that oversee the companies they invest in.²⁶ Just look at former Speaker of the House Nancy Pelosi, whose stock portfolio went up by 65% last year, significantly outpacing the market as a whole. There is no reason why members of Congress should be trading individual stocks and derivatives while voting on economically significant legislation. We should ban this activity.

I also support a ban on lobbying by former members of Congress. Serving in our legislative branch should be about public service, not cashing out after you leave. The same goes for immediate family members. They should not be able to lobby Congress, and members of Congress should not be able to steer funding to nonprofits that employ family members. These rules are necessary to avoid the massive conflicts of interest created by Senator Casey and his family. Casey's brother has lobbied Congress for more than a year, while Casey's has touted securing an earmark for a Scranton non-profit that has paid his brother-in-law as a state-based lobbyist.²⁷ This is why we need to get career politicians out of Washington.

Finally, Congress needs to get our fiscal house back in order. Our federal debt is 97% of the total size of the entire U.S. economy, nearly approaching the all-time high during the Second World War.²⁸ We cannot continue on this path, which Joe Biden and Bob Casey have made worse. That's why I support a balanced budget amendment to the Constitution to force Congress to get spending under control. And I would push to claw back unspent COVID money and use it to mitigate the economic damage done by spending Senator Casey voted for.

There's also no excuse for government shutdowns or late budgets. In the Senate, I would support legislation that ends government shutdowns by providing continued funding if Congress fails to do its job. But even when the government is funded, the budget is almost always late. This year, literally half the year went by until Congress agreed to funding levels. This is completely unacceptable and in the private sector, you'd be out of business. Until Congress passes a budget for the year, every member should have their pay withheld, and there should be no overseas congressional delegations.

Conclusion

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 $[\]frac{27}{\text{https://www.politico.com/newsletters/politico-influence/2023/02/22/bob-caseys-brother-registers-to-lobby-}{20084071; \frac{\text{https://broadandliberty.com/}{2023/10/31/another-potential-conflict-of-interest-between-senator-casey-and-his-lobbyist-relatives/}$

²⁸ https://www.cbo.gov/publication/59711

Bringing accountability and sanity to Washington D.C. won't happen overnight. It'll take electing a new generation of leaders who don't owe anybody anything and aren't afraid to break china. Whether it's term limits, constitutional amendments to ensure only American citizens vote in elections and to balance our budget, or moving the Department of Energy to Pittsburgh, these are the kinds of aggressive steps we must take to change incentives in Washington. This is how I would work to represent you, the people of Pennsylvania, in our nation's capital.

Senator Bob Casey has been in Washington for 18 years. He has had his chance to confront these problems. He hasn't, just look at the results. He must be replaced in November.

Right now, we're in what we'd call in the business world a "turnaround". We need to clean house and elect majorities in the Senate and House and a new president who can bring the regulatory state back in check.

Our founding fathers knew that power would keep expanding if it wasn't kept within its bounds. The federal government exceeded its rightful limits long ago. Only by shaking up Washington can we break this cycle.

By taking these bold steps, we can return to that vision and make Congress the check on power and representative of the people that has made our country great.