Rooney Jobs Plan Summary

The Rooney Jobs plan focuses on the principle that private industry creates jobs, not the federal government. In turn, the best way the government can help create jobs and jump start the economy is to get out of the way and reduce overly burdensome taxes, regulations and red tape that continue to plague job creators. The Rooney plan works to simplify and reduce taxes, increase domestic energy production and reduce heavy-handed government regulations.

Tax Reform

Uncertainties and inequitable burdens in the tax code have long stymied job growth. The Rooney plan lays out a simple framework that creates a more hospitable environment for the private sector to create jobs:

1.) **Reduce the corporate income tax rate by 10 percent.** The United States has the second highest corporate tax rate of the 30 countries in the Organization for Economic Cooperation and Development (OECD) – a collection of the most economically developed countries in the world. The federal rate is 35 percent, and when you add on the average state corporate income tax, United States businesses pay a top rate in excess of 39 percent. Economists, budget hawks and national security experts alike will tell you that the current rate threatens our global competitiveness and drives jobs off shore. A lower tax rate will allow businesses to keep more of their earnings and lead to reinvestment and growth.

3.) **Permanently extend immediate expensing of purchases for small businesses.** Expensing provides an incentive to invest in new assets and immediately puts money back into the business. While some businesses have the time and resources to deduct these expenses over a few years (a process called depreciation) small business owners and start-ups often do not. Current law allows small businesses to deduct the total cost of certain property in the year it is placed in service. However, there are limits on the amount they can deduct in a year and on the types of property that qualify. This plan would provide relief for small businesses by permanently increasing the dollar amount they can deduct, and by expanding upon the property that's eligible for deduction.

4.) **Make the 2001 & 2003 tax cuts permanent.** Americans and small businesses need security and stability in order to invest. By hinging these tax cuts on constant temporary extensions, the federal government cultivates uncertainty and hinders long-term economic growth. This plan will permanently repeal the death tax, reduce the tax on capital gains and dividends, and keep individual income tax rates low.

5.) **Directs Congress to find savings in the tax code.** Families and businesses are hurt by a burdensome and overly complicated tax code. This plan would direct the Committee on Ways and Means to prioritize reporting out bills that would: simplify the tax code for individuals and businesses to reduce the burden of compliance; limit and eliminate deductions that unjustly benefit corporations and special interests and report out the savings resulting from these eliminations; and, consider proposals that will disincentivize and eliminate tax shelters.

Regulatory Reform

This title works to rein in overreaching government red tape and regulations. The 2010 Federal Register contains 24,914 pages of rules and regulations that employers and businesses must comply with. The collective cost of these mandates amounts to $1.75 trillion each year and forces American businesses to spend nearly 9 billion hours filling out paperwork. The current administration has proposed 4,257 new regulations and, according to OMB, 219 of these new mandates would have an economic impact of more than $100 million each to implement. The Rooney plan would:

1.) Require Congress to take an up-or-down, stand-alone vote, and for the President to sign-off on all new major rules (defined as costing more than $100 million to implement) before they can be imposed on job-creating small businesses or State and local governments.

2.) Congress and the President would have 70 legislative days to pass a joint resolution approving the rule. If they fail to do so, the rule under consideration would not take effect.

3.) Would allow for an automatic end to Senate debate and eliminate the need for a cloture vote. Therefore, the Senate would only need a simple majority, rather than 60 votes, to approve the rule.

Energy

This title opens up the Arctic National Wildlife Refuge (ANWR), the Outer Continental Shelf (OCS) and oil shale for production. It also repeals a ban on allowing federal agencies to purchase "coal to liquid" fuels and expedites the permitting of new and expanded nuclear power facilities. Specifically, the Rooney plan would:

1.) **ANWR:** In 1980, the U.S. Geological Survey estimated the Coastal Plain of ANWR could contain up to 17 billion barrels of oil and 34 trillion cubic feet of natural gas. The plan opens the Arctic Coastal Plain to exploration in an environmentally sound manner, which could yield an additional one million barrels of oil per day. This would also require timely lease sales and revenue sharing with the state.

2.) **OCS:** It is estimated that the OCS holds nearly 420 trillion cubic feet of recoverable natural gas resources and 85 billion barrels of oil. The plan would move forward with a leasing program on the already open portions of the OCS. Additionally, it mandates that in each five-year leasing program, the Secretary of Interior to include lease sales that offer oil and gas leasing for at least 75 percent of the available un-leased acreage within each OCS Planning Area.

a. The plan expands state's waters from 3 miles to 12 miles off shore.

b. The plan establishes a revenue sharing program that allows states, like Florida, to receive a percentage of the revenues earned from leases off its coast.

3.) **Oil shale:** It is estimated that more than two trillion barrels of oil are held in shale deposits in the Western United States. Shale oil located in Utah, Colorado and Wyoming is believed to be capable of eventually producing 10 million barrels a day for more than 100 years. The plan codifies the oil shale lease program and restores the leasing activities that were underway prior to being halted in February 2009. The plan mandates that a lease sale be held within 180 days of enactment.

4.) **Coal to liquid:** For over 30 years, U.S. tax dollars have funded research and development of coal-to-liquid fuel technologies. There are more than 250 billion tons of recoverable U.S. coal reserves – equivalent to an estimated 800 billion barrels of oil. U.S. coal can be converted through proven, existing technology into clean, zero-sulfur synthetic oil and products. The plan repeals a 2007 law that banned federal agencies from purchasing fuels derived from sources such as oil shale, tar sands and coal-to-liquid technology.

5.) **Nuclear:** The 104 U.S. nuclear reactors provide 20 percent of our electricity and 72 percent of our carbon-free electricity. Unfortunately, nuclear waste and regulatory barriers are seen as the most significant impediments to the future development of additional nuclear power. The plan mandates the permitting of 200 new nuclear reactors over the next 30 years by expediting the combined construction and operating license procedure and establishing a process to pre-certify reactor designs already operating internationally. Finally, the plan requires the Nuclear Regulatory Commission (NRC) to finish its review of the Yucca Mountain repository without political interference. If science and technology disqualify Yucca Mountain, then the NRC is directed to find an alternative site.

Workforce Investment

The Rooney Plan addresses the growing need for a well-trained and skilled workforce:

1.) Directs the Congress to amend and reauthorize the Workforce Investment Act of 1998 to improve and expand the job training and other employment-related programs under the Act. Rooney has cosponsored the Workforce Investment Improvement Act of 2011.

2.) Instructs the Congress to coordinate and streamline these programs to better train workers for highly skilled jobs in the modern economy.