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## What Trump Can Learn From Florida's Job Boom

By Jared Meyer

February 6, 2017

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Last week, President Trump issued an executive order that each new executive agency regulation will require the removal of at least two existing regulations of comparable costs. This follows his temporary freeze on most new regulation, which became effective on inauguration day. However, regulatory accumulation extends beyond the federal government—state-level regulations also hold back economic opportunity and lower job creation .

Even though politicians constantly rail against burdensome regulations on the campaign trail, the task of reducing regulatory burdens can seem daunting once they reach office. But, as Andrew Brown and I lay out in our latest Foundation for Government Accountability paper “Freedom to Prosper: How Florida Promoted Job Growth by Cutting Red Tape,” governors can promote job growth and pare back regulations by following three simple principles: focus, consolidate, and simplify.

On January 4, 2011, Rick Scott was sworn in as Florida’s governor and immediately launched deregulation efforts by signing Executive Order 11-01, which he later reinforced with Executive Order 11-211. Since then, Florida has repealed over 4,700 individual rules and regulations that directly affected businesses—a reduction of more than 20 percent. Following these actions, Florida led the United States in job creation.

Executive Order 11-01 did two primary things. First, like President Trump’s regulatory freeze, it required all agencies under the direction of the governor to “immediately suspend all rulemaking” and requested the suspension of rulemaking by all other agencies. Second, it created the Office of Fiscal Accountability and Regulatory Reform (OFARR) to oversee the state’s deregulation efforts.

Under the executive order, OFARR is empowered to “review proposed and existing rules and regulations” to establish whether they adversely affect job creation, restrict access to employment, impose burdensome costs on businesses, or unreasonably restrict the ability of individuals to find employment. OFARR’s authority extends to all agencies where the agency head serves at the pleasure of the governor and OFARR reports directly to the governor.



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Executive Order 11-01 granted OFARR the ability to hold agencies accountable for reducing the adverse effects of regulation on job creators and job seekers. Each year, agencies must submit a list of identified rules and regulations that should be eliminated or amended to OFARR. According to John MacIver, former Director of OFARR, rules that receive the most scrutiny are those that place additional requirements on individuals as a prerequisite for entering a specific profession or business.

Florida's experience in reining in bureaucracy, cutting job-killing regulations, and unleashing over one million private-sector jobs provides a replicable strategy for promoting economic prosperity. Based on the state's experience, here are three key things other governors can do to reverse the tide of regulatory overreach.

**Focus.** Set and communicate clear, measurable goals for regulatory reduction.

Florida's success at translating significant regulatory reduction into tangible gains in employment and economic prosperity is due in part to setting focused, measurable goals for reform efforts.

In 2012, for example, Governor Scott set an ambitious goal of repealing 1,000 regulations by the end of that year. Realizing that merely setting arbitrary goals for deregulation without a defined purpose could be ineffective, the state specifically targeted rules that actively restricted individuals from attaining stable employment or burdened business formation. Florida focused on things like fee increases, preliminary training hours, and continuing education requirements. This clarity of direction and expectations was a major factor in Florida's success.

**Consolidate.** Give one entity clear ownership of the rulemaking process.

Like members of any institution, agencies often have concerns about reductions to their scopes of authority. Thus, any regulatory reform effort is doomed from the outset if it is merely delegated to individual agencies without thorough, enforceable oversight.

This is one reason why regulatory reform over the last eight years did not live up to President Obama's promises. He put too much faith in the agencies to police themselves. On the other hand, Florida empowered OFARR, an independent agency, to oversee regulatory reform and hold agencies accountable for meeting benchmarks set by the Governor's Office.

With any regulatory reform system, the priority should be its independence from the bureaucracy it is trying to control. Additionally, OFARR directly reports to the Governor, which ensures that it executes its responsibilities and follows the administration's priorities.



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**Simplify.** Establish a simple, consistent process for review and repeal.

The state of Florida has more than 20 administrative agencies that participate in the regulatory review process each year. In 2016, OFARR reviewed more than 3,200 individual rules and regulations. Given the size and scope of Florida's regulatory reform efforts, an already complex process could become increasingly complicated — if not impossible — to manage as more individuals are added to the process.

To avoid this problem, OFARR identifies one or two people within each agency, usually the general counsel or rules attorney, who have most comprehensive knowledge of the agency's rules to serve as the points of contact for regulatory review within an agency.

To help the process of identifying unnecessary or burdensome regulations, OFARR created a standardized questionnaire that each agency receives at the beginning of the regulatory review period. The questionnaire is brief, direct, and helpful in communicating OFARR's priorities.

Since 2011, Florida has reined in its bureaucracy, cut job-killing regulations, and unleashed the private sector. The lesson for states wishing to replicate Florida's success in job-creation is clear: set clear goals, then create a simple process that is focused on those goals every step of the way. As President Trump continues to tackle Washington's regulatory accumulation, he too should apply the lessons from Florida's successful reforms.

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