



THE BUCKEYE INSTITUTE

Testimony to: National Coronavirus Recovery Commission

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Thank you to The Heritage Foundation for organizing this important Commission, and for giving me the opportunity to speak with you all today.

My name is Robert Alt. I am the President and CEO of The Buckeye Institute, which is a free-market think tank based in Columbus, Ohio.

Because Ohio has been under shelter-in-place restrictions for well over a month now—like many of you—I am working at home. Last week, I made a rare trip into my office to take care of some essential business.

As I entered our downtown office building, I was approached by a panhandler. After I completed my work, upon exiting our high-rise building, I was approached by yet another panhandler.

This situation was notable, because Columbus doesn't generally have the level of panhandling that one might see in larger cities.

What surprised me more was what this second man said to me as he approached. It has really stuck with me. While asking for my money, he simply noted, "I'd work... if they'd let me."

"I'd work... if they'd let me."

Think about that for a moment. What this gentleman really wanted wasn't a handout.

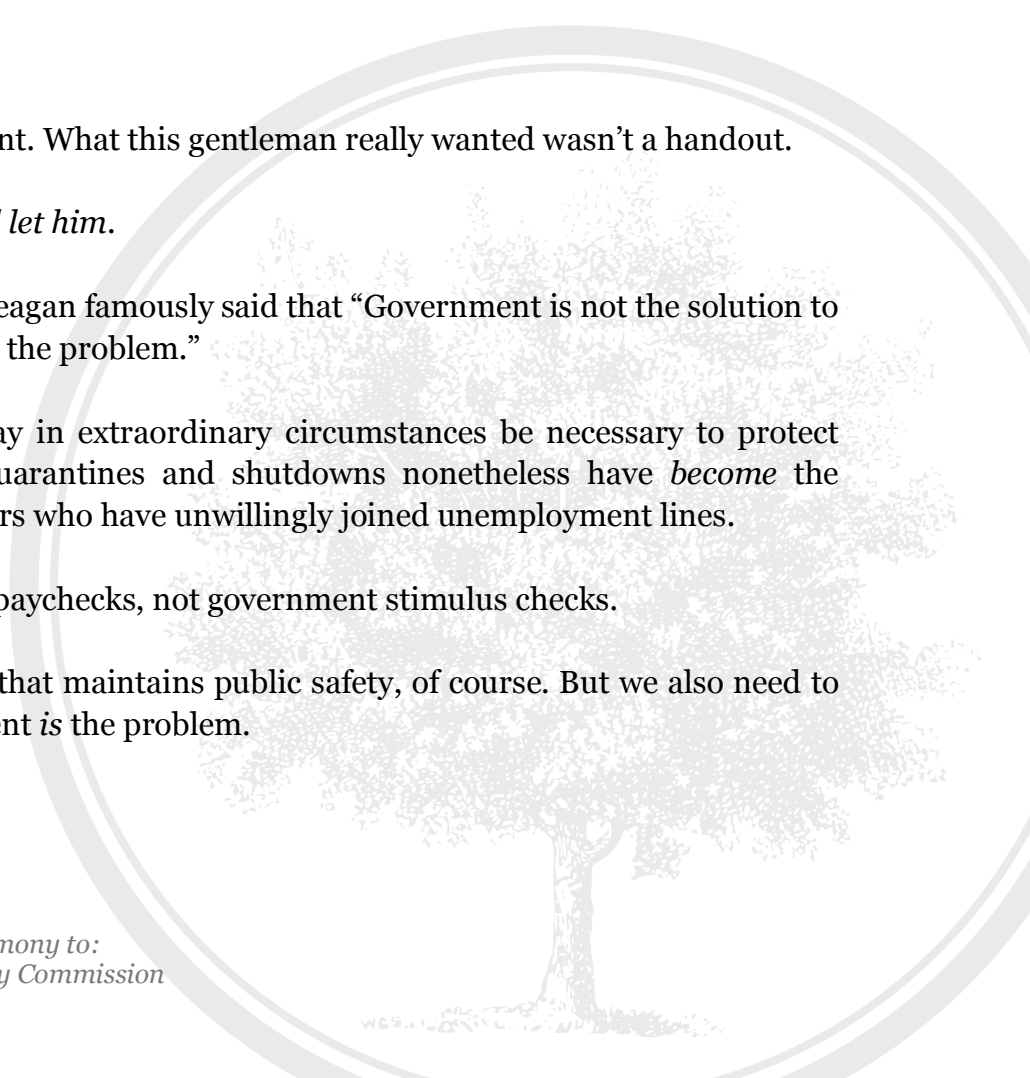
He wanted to work—*if they'd let him*.

As you all recall, President Reagan famously said that "Government is not the solution to our problem. Government IS the problem."

While extreme measures may in extraordinary circumstances be necessary to protect public health, the recent quarantines and shutdowns nonetheless have *become* the problem to millions of workers who have unwillingly joined unemployment lines.

These Americans need their paychecks, not government stimulus checks.

We need to act in a manner that maintains public safety, of course. But we also need to see where it is that government *is* the problem.



Accordingly, getting America back to work and preventing the next pandemic requires us to look critically at state and federal regulations that create needless barriers to the delivery of medical services, or to unleashing American ingenuity.

In the course of the COVID-19 crisis, the state of Ohio has adopted many of The Buckeye Institute's policy recommendations including:

- Increasing telehealth;
- Extending universal recognition of out-of-state medical licenses;
- Permitting pharmacists to test for COVID-19;
- Enlisting medical and nursing students to support doctors and nurses in the fight against COVID-19;
- Eliminating unnecessary budget commitments;
- Instituting a hiring freeze in state government; and
- Allowing businesses with an existing liquor permit to sell and deliver alcohol on their carryout menus to help struggling restaurants survive during forced closure of on-site dining.

As we look at these and other commonsense solutions, it is useful to look at another public policy that was designed to address another national emergency many years ago: rent control in New York City.

- In 1942, the federal government established rent control under the Emergency Price Control Act in order to address WWII.
- When that act expired in 1946, New York state passed its own emergency rent control law.
- That law was extended in 1950 for 10 years.
- The law was extended again in 1961, once again based upon the emergency created by WWII.
- Rent control was passed yet again in 1969, *still citing to the conditions created by WWII.*
- And just last year, 2019, New York passed another renewal in the rent control law, which harkened back to “the serious public emergency which led to the enactment of the existing laws...”

What began as a temporary measure to address the emergency of World War II, continues today—**78 years** after the original passage of the emergency act.

Regrettably, bad ideas have always enjoyed a stickiness in the realm of public policy.

However, most of the smart and sensible regulatory reforms at the state and federal level enacted during this crisis are temporary in design and of temporary effect. We need to take care to enact DURABLE public policy solutions.

First, there is the distinct possibility that rather than seeing the light at the end of the tunnel in flattening the curve, what we may be experiencing is the eye of the storm.

- That is, a calm that proceeds the second half of the pandemic—as occurred during the infamous Spanish Flu of 1918, in which the cases dropped over the summer before another and more devastating round hit harder in the fall.

We should be prepared for that possibility, as well as for other pandemics, by making permanent the regulatory reforms that permit efficient delivery of medical care, and better access to work across state lines.

We should think about ideas that can address current needs, which can simultaneously serve as vehicles to addressing future needs.

One such idea that Buckeye is heavily promoting is universal Education Savings Accounts.

Schools across the country have closed for the remainder of the school year. As such, parents are now in the position of home schooling their students—many of whom definitely did not sign up for this new role.

The Trump administration should create universal Education Savings Accounts, and coordinate with states, businesses, and existing structures like the Coverdell tax credit, to help parents deal with additional expenses related to the new educational reality.

This program can extend to help for future emergencies, as well as to assist parents of children across the country to educate in the best way for their particular child/ren.

While this solution is a federal one, I would strongly caution this Commission to avoid the federal-solution fallacy. Much of what needs to be done to move America forward will fall to the states and, ultimately, to civil society.

The federal government can incentivize, encourage, and promote, but make no mistake: what will ultimately get America back to work will be the ingenuity of the American people.

I commend this Commission to advance policies that 1) help unleash that potential, 2) remove barriers to prosperity and growth, and 3) are durable and will last well beyond the current crisis—and to fully absorb the lesson of rent control in NYC.

And, finally, we must remember the lesson of the insightful panhandler in Columbus, Ohio, last week: Americans are eager to get back to work, *if government will let them.*



About The Buckeye Institute

Founded in 1989, The Buckeye Institute is an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

The staff at Buckeye accomplish the organization’s mission by performing timely and reliable research on key issues, compiling and synthesizing data, formulating sound free-market policies, and promoting those solutions for implementation in Ohio and replication across the country.

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