

## **2016 Republican Party Platform excerpts**

*July 2016*

### **Restoring the American Dream**

#### **Rebuilding the Economy and Creating Jobs**

1 We are the party of a growing economy that gives everyone a chance in life, an opportunity to learn, work, and realize the prosperity freedom makes possible.

2 Government cannot create prosperity, though government can limit or destroy it. Prosperity is the product of self-discipline, enterprise, saving and investment by individuals, but it is not an end in itself. Prosperity provides the means by which citizens and their families can maintain their independence from government, raise their children by their own values, practice their faith, and build communities of cooperation and mutual respect. It is also the foundation for our nation's global leadership, for it is the vigor of our economy which makes possible our military strength and our national security...

#### **Fair and Simple Taxes for Growth**

3...The current tax code is rightly the object of both anger and mockery. Its length is exceeded only by its complexity. We must start anew. That will be an enormous undertaking and, if it is to succeed, it must command the attention and approval of the American people. It cannot be engineered from the top down, but must have a common sense approach, and be simplified.

4 Our proposal is straightforward. Wherever tax rates penalize thrift or discourage investment, they must be lowered. Wherever current provisions of the code are disincentives for economic growth, they must be changed. We will not divide the American people into winners and losers. We will eliminate as many special interest provisions and loopholes as possible and curb corporate welfare, especially where their erosion of the tax base has created pressure for higher rates. We will be mindful of the burdens on families with children and the impact on an aging population. We will seek simplicity and clarity so that every taxpayer can understand how much of their income is consumed by the federal government.....

#### **Our Tax Principles**

5 To ensure that past abuses will not be repeated, we assert these fundamental principles. We oppose retroactive taxation. We condemn attempts by activist judges at any level of government to seize the power of the purse from the people's elected representatives by ordering higher taxes.

6 We oppose tax policies that deliberately divide Americans or promote class warfare. Because of the vital role of religious organizations, charities, and fraternal benevolent societies in fostering generosity and patriotism, they should not be subject to taxation and donations to them should remain deductible. To guard against hypertaxation of the American people in any restructuring of the federal tax system, any value added tax or national sales tax must be tied to the simultaneous repeal of the Sixteenth Amendment, which established the federal income tax.

#### **A Competitive America**

7 Competitiveness equals jobs. That equation governs our policies regarding U.S. corporations in the global economy. Private investment is a key driver of economic growth and job creation. After falling dramatically during the recession, private investment has recovered at a disappointing pace due in part to high corporate tax rates and increasing regulatory burdens and uncertainty.

8 American businesses now face the world's highest corporate tax rates. That's like putting lead shoes on your cross-country team. It reduces companies' ability to compete overseas, encourages them to move abroad, lessens their investment, cripples job creation here at home, lowers American wages, and fosters the avoidance of tax liability — without actually increasing tax revenues. A more damaging policy is hard to imagine. We propose to level the international playing field by lowering the corporate tax rate to be on a par

with, or below, the rates of other industrial nations. We endorse the recommendation of the National Commission on Fiscal Responsibility and Reform, as well as the current Administration's Export Council, to switch to a territorial system of taxation so that profits earned and taxed abroad may be repatriated for job-creating investment here at home. We believe American companies should be headquartered in America. We should reduce barriers to accomplishing that goal.

### **A Winning Trade Policy**

9...We cannot allow foreign governments to limit American access to their markets while stealing our designs, patents, brands, know-how, and technology. We cannot allow China to continue its currency manipulation, exclusion of U.S. products from government purchases, and subsidization of Chinese companies to thwart American imports. The current Administration's way of dealing with these violations of world trade standards has been a virtual surrender.

10 Republicans understand that you can succeed in a negotiation only if you are willing to walk away from it. A Republican president will insist on parity in trade and stand ready to implement countervailing duties if other countries refuse to cooperate.....

### **Freeing Financial Markets**

11 The Republican vision for American banking calls for establishing transparent, efficient markets where consumers can obtain loans they need at reasonable rates based on market conditions. Unfortunately, in response to the financial institutions crisis of 2008-2009, the Democratic-controlled Congress enacted the Wall Street Reform and Consumer Protection Act, otherwise known as Dodd-Frank. They did not let the crisis go to waste but used it as an excuse to establish unprecedented government control over the nation's financial markets. The consequences have been bad for everyone except federal regulators.

12 Rather than address the cause of the crisis — the government's own housing policies — the new law extended government control over the economy by creating new unaccountable bureaucracies. Predictably, central planning of our financial sector has not created jobs, it has killed them. It has not limited risks, it has created more. It has not encouraged economic growth, it has shackled it.

13 Since the enactment of Dodd-Frank, the number of community banks has significantly declined, and the cost and complexity of complying with the law has created impediments to the remaining banks' ability to support the customers they serve. From 13,000 community banks in 1985, only 1,900 remain. Still, the majority of agricultural loans and small business loans are made by community banks. From start-ups foregone to home loans not made, Dodd-Frank's excessive regulation and burdensome requirements have helped contribute to the slow economy we all endure today under President Obama and the Democrats. Community banks are essential to ensuring small businesses have easy and affordable access to the capital they need to grow and prosper. Community banks should be relieved of excessive regulations. We support removing roadblocks and regulations that prevent access to capital.....

14 Republicans believe that no financial institution is too big to fail. We support legislation to ensure that the problems of any financial institution can be resolved through the Bankruptcy Code. We endorse prudent regulation of the banking system to ensure that FDIC-regulated banks are properly capitalized and taxpayers are protected against bailouts. We will end the government's use of disparate impact theory in enforcing anti-discrimination laws with regard to lending.

### **Responsible Homeownership and Rental Opportunities**

15....Our goal is to advance responsible homeownership while guarding against the abuses that led to the housing collapse. We must scale back the federal role in the housing market, promote responsibility on the part of borrowers and lenders, and avoid future taxpayer bailouts. Reforms should provide clear and prudent underwriting standards and guidelines on predatory lending and acceptable lending practices. Compliance with regulatory standards should constitute a legal safe harbor to guard against opportunistic litigation by trial lawyers.

16 We call for a comprehensive review of federal regulations, especially those dealing with the environment, that make it harder and more costly for Americans to rent, buy, or sell homes.

17...Zoning decisions have always been, and must remain, under local control. The current Administration is trying to seize control of the zoning process through its Affirmatively Furthering Fair Housing regulation. It threatens to undermine zoning laws in order to socially engineer every community in the country. While the federal government has a legitimate role in enforcing non-discrimination laws, this regulation has nothing to do with proven or alleged discrimination and everything to do with hostility to the self-government of citizens.

### **America on the Move**

18....Now we make the same pledge regarding the current problems in transportation policy. We propose to remove from the Highway Trust Fund programs that should not be the business of the federal government.

19 More than a quarter of the Fund's spending is diverted from its original purpose. One fifth of its funds are spent on mass transit, an inherently local affair that serves only a small portion of the population, concentrated in six big cities. Additional funds are used for bike-share programs, sidewalks, recreational trails, landscaping, and historical renovations. Other beneficiaries of highway money are ferry boats, the federal lands access program, scenic byways, and education initiatives. These worthwhile enterprises should be funded through other sources.

20 We propose to phase out the federal transit program and reform provisions of the National Environmental Policy Act which can delay and drive up costs for transportation projects. We renew our call for repeal of the Davis-Bacon law, which limits employment and drives up construction and maintenance costs for the benefit of unions. Recognizing that, over time, additional revenue will be needed to expand the carrying capacity of roads and bridges, we will remove legal roadblocks to public-private partnership agreements that can save the taxpayers' money and bring outside investment to meet a community's needs. With most of the states increasing their own funding for transportation, we oppose a further increase in the federal gas tax.

21 Although unionization has never been permitted in any government agency concerned with national security, the current Administration has reversed that policy for the Transportation Security Administration. We will correct that mistake. Americans understand that, with the threat of terrorism, their travel may encounter delays, but unacceptably long lines at security checks can have the same impact as a collapsed bridge or washed out highway. TSA employees should always be seen as guardians of the public's safety, not as just another part of the federal workforce.....

### **Start-up Century: Small Business and Entrepreneurship**

22....More businesses are closing in our country than are starting. Older firms are an increasing proportion of companies. Productivity growth has slowed. This is not the way to jumpstart a new era of growth. We need to consider the effect of capital gains rates on the availability of venture capital, as well as the positive impact of expensing on start-up firms.

23 We should reduce the occupational licensing laws that shut untold millions of potential workers out of entrepreneurial careers. We must overturn the regulatory nightmare, created by the Dodd- Frank law, for the community banks and savings and loans that provide nearly half of all small- business loans and over three-quarters of all agricultural loans. Indeed, the world of the app economy cries out for the comprehensive regulatory reform proposed elsewhere in this platform. We must challenge established interests and traditional business patterns to facilitate market entry of new business models, including inventive means of transport, de- livery, and communication.

24 As incubators of unconventional thinking, our country's existing research infrastructure — the National Labs, the National Institutes of Health, NASA, and elements of the Defense Department — have the potential to form partnerships with small businesses to create an American Start-Up Century.

## **The Federal Reserve**

25 Because the Federal Reserve's monetary policy decisions affect job creation, upward mobility for workers, and equitable prosperity, they should be transparent. Similarly, the Federal Reserve's important role as a lender of last resort should also be carried out in a more transparent manner. The Republican Party will advance legislation that brings transparency and accountability to the Federal Reserve, the Federal Open Market Committee, and the Federal Reserve's dealing with foreign banks.

26 The first step is through an annual audit of the Federal Reserve's activities. Such an audit would need to be carefully implemented so that the Federal Reserve remains insulated from political pressures and its decisions are based on sound economic principles and sound money rather than political pressures for easy money and loose credit. Determined to crush the double-digit inflation that was part of the Carter Administration's economic legacy, President Reagan, shortly after his inauguration, established a commission to consider the feasibility of a metallic basis for U.S. currency. In 2012, facing the task of cleaning up the wreckage of the current Administration's policies, we proposed a similar commission to investigate ways to set a fixed value for the dollar.....

## **A Federal Workforce Serving the People**

27 The federal workforce is larger and more highly paid than ever. The taxpayers spend an average of \$35,000 a year per employee on non-cash benefits, triple the average non-cash compensation of the average worker in the private sector. Federal employees receive extraordinary pension benefits and vacation time wildly out of line with those of the private sector.

28 We urge Congress to bring federal compensation and benefits in line with the standards of most American employees. A Republican administration should streamline personnel procedures to expedite the firing of bad workers, tax cheats, and scammers. The unionization of the federal workforce, first permitted by Democrat presidents in the 1960s, should be reviewed by the appropriate congressional committees to examine its effects on the cost, quality, and performance of the civil service. Union representatives in the federal workforce should not be paid to conduct union business on the public's time.

## **Reducing the Federal Debt**

29 Our national debt is a burden on our economy and families. The huge increase in the national debt demanded by and incurred during the current Administration has placed a significant burden on future generations. We must impose firm caps on future debt, accelerate the repayment of the trillions we now owe in order to reaffirm our principles of responsible and limited government, and remove the burdens we are placing on future generations.

30 A strong economy is one key to debt reduction, but spending restraint is a necessary component that must be vigorously pursued.....

## **Government Reform**

### **Balancing the Budget**

31 The federal fiscal burden threatens the security, liberty, and independence of our nation. The current Administration's refusal to work with Republicans took our national debt from \$10 trillion to nearly \$19 trillion today. Left unchecked, it will hit \$30 trillion by 2026. At the same time, the Administration's policies systematically crippled economic growth and job creation, driving up government costs and driving down revenues. When Congressional Republicans tried to reverse course, the Administration manufactured fiscal crises — phony government shutdowns — to demand excessive spending. The Administration's demands have focused on significantly expanding government spending and benefits for its preferred groups, paid for through loans that our children and grandchildren will have to pay. This is the path to bankrupting the next generation.

32 The Republican path to fiscal sanity and economic expansion begins with a constitutional requirement for a federal balanced budget. We will fight for Congress to adopt, and for the states to ratify, a Balanced Budget Amendment which imposes a cap limiting spending to the appropriate historical average percentage of our nation's gross domestic product while requiring a super-majority for any tax increase, with exceptions only for war or legitimate emergencies. Only a constitutional safeguard such as this can prevent deficits from mounting to government default.

33 Republican budgets will prioritize thrift over extravagance and put taxpayers first. We support the following test: Is a particular expenditure within the constitutional scope of the federal government? If not, stop it. Has it been effective in the past and is it still absolutely necessary? If not, end it. Is it so important as to justify borrowing, especially foreign borrowing, to fund it? If not, kill it.....

### **Saving Social Security**

34 We reject the old maxim that Social Security is the "Third Rail" of American politics, deadly for anyone who would change it. The Democratic Party still treats it that way, even though everyone knows that its current course will lead to a financial and social disaster. Younger Americans have lost all faith in the program and expect little return for what they are paying into it. As the party of America's future, we accept the responsibility to preserve and modernize a system of retirement security forged in an old industrial era beyond the memory of most Americans. Current retirees and those close to retirement can be assured of their benefits. Of the many reforms being proposed, all options should be considered to preserve Social Security. As Republicans, we oppose tax increases and believe in the power of markets to create wealth and to help secure the future of our Social Security system. Saving Social Security is more than a challenge. It is our moral obligation to those who trusted in the government's word.

## **Great American Families, Education, Healthcare, and Criminal Justice**

### **College Costs**

35 The cost of a college education has long been on an unsustainable trajectory, rising year by year far ahead of inflation. Nationwide, student debt now exceeds credit card debt with average debt levels per student totaling roughly \$27,000. Delinquency rates on student loans are now as high as they were on subprime mortgages during the housing crisis. Over half of recent college grads are unemployed or underemployed, working at jobs for which their expensive educations gave them no preparation. We need new systems of learning to compete with traditional four-year schools: Technical institutions, online universities, life-long learning, and work-based learning in the private sector. Public policy should advance their affordability, innovation, and transparency and should recognize that a four-year degree from a brick-and-mortar institution is not the only path toward a prosperous and fulfilling career.

36 The federal government should not be in the business of originating student loans. In order to bring down college costs and give students access to a multitude of financing options, private sector participation in student financing should be restored. Any regulation that increases college costs must be challenged to balance its worth against its negative economic impact on students and their families.

37 In order to encourage new modes of higher education delivery to enter the market, accreditation should be decoupled from federal financing, and states should be empowered to allow a wide array of accrediting and credentialing bodies to operate. This model would foster innovation, bring private industry into the credentialing market, and give students the ability to customize their college experience.

### **Restoring Patient Control and Preserving Quality in Healthcare**

38 Any honest agenda for improving healthcare must start with repeal of the dishonestly named Affordable Care Act of 2010: Obamacare. It weighs like the dead hand of the past upon American medicine. It imposed a Euro-style bureaucracy to manage its unworkable, budget-busting, conflicting provisions. It has driven up prices for all consumers. Their insurance premiums have dramatically increased while their deductibles have

risen about eight times faster than wages in the last ten years. It drove up drug prices by levying a \$27 billion tax on manufacturers and importers and, through mandated price cuts for drugs under Medicare and Medicaid, forced pharmaceutical companies to raise prices for everyone else. Its “silver plans,” the most common option on the government insurance exchanges, limit people’s access to their own doctor through narrow networks and restrict drug coverage, forcing many patients to pay for extremely costly medicines for their chronic diseases.

39 We agree with the four dissenting judges of the Supreme Court: “In our view, the entire Act before us is invalid in its entirety.” It must be removed and replaced with an approach based on genuine competition, patient choice, excellent care, wellness, and timely access to treatment. To that end, a Republican president, on the first day in office, will use legitimate waiver authority under the law to halt its advance and then, with the unanimous support of Congressional Republicans, will sign its repeal. The Supreme Court upheld Obamacare based on Congress’ power to tax. It is time to repeal Obamacare and give America a much-needed tax cut.....

#### **Better Care and Lower Costs: Tort Reform**

40 Medical malpractice lawsuits have ballooned the cost of healthcare for everyone by forcing physicians to practice defensive medicine through tests and treatments which otherwise might be optional. Rural America is especially affected as obstetricians, surgeons, and other providers move to urban settings or retire in the face of escalating insurance premiums. Many Republican Governors have advanced the legal reforms necessary to reverse that trend. We support state and federal legislation to cap non-economic damages in medical malpractice lawsuits, thereby relieving conscientious providers of burdens that are not rightly theirs and addressing a serious cause of higher medical bills.....