



RECAP: *SOLUTIONS 2020* BRIEFING WITH CONGRESSMAN JOHN DELANEY FEBRUARY 2019



Business Forward launched *Solutions 2020: Real World Recommendations for the New Congress and Next President* by briefing Congressman John Delaney, the first Democratic candidate to announce his campaign for president.

Congressman Delaney, a business entrepreneur who started two highly successful businesses before running for Congress, focused on the over-concentration of economic opportunity in the U.S. He pointed out that last year 80% of venture capital funding was invested in 50 counties (less than 2% of the almost 3,100 counties in the U.S.). He proposed to address this over-concentration with several specific policies, including:

- Opportunity zone legislation that creates a tax incentive to invest in communities that have been left behind;
- \$1 trillion infrastructure investment;
- Fixing the Affordable Care Act and lowering drug prices;
- Addressing climate change through a market-oriented approach; and
- An Earned income tax credit to help workers.

Delaney continued his economic diagnosis by highlighting the most significant trend in the world right now as technological innovation, which he said is changing our economy, the future of work, security risks, and our privacy. He is calling for a national artificial intelligence strategy to ensure that these technological developments are as beneficial as possible for the American people.

Business leaders focused their comments, suggestions, and questions on several issues, including climate action, infrastructure, prescription drug pricing, immigration, and tariffs.

Climate Action

On climate change and specifically questions on the Green New Deal, Delaney stated his opposition to the proposed legislation describing it as a “step backwards on dealing with climate change” because the “thought of moving to 100% renewables in ten years is just not possible.”

Delaney argued the best way to address climate action now is to implement a carbon tax. Under Delaney's plan, the price of the carbon tax would start at \$15 per metric ton and increase each year by \$10. The revenues would be distributed back to the American people in the form of cash dividends or directly into college savings or retirement accounts.

"It's a market-based solution that uses the free market to actually change behavior, because we do have an issue with climate change and we have to start dealing with it, and I would much rather deal with it in a market-based approach than through some kind of a central planning approach."

Infrastructure

Business leaders also focused the discussion on the need for greater infrastructure investment. Delaney highlighted the United States' under-investment in infrastructure as a major concern pointing out that we used to spend about 5% of GDP on infrastructure compared to just 2.5% now. China's infrastructure investment by comparison is 8.5% of their total economy.

"If you view China as our main economic competitor, they're doing three things: they're investing in infrastructure, they're investing in renewables, and they have a national artificial intelligence and technology strategy. I fear, right now, our economic policy or our industrial policy is steel, aluminum, and coal, when it should be renewables, technology, and infrastructure."

Pro-business Approach

Delaney stressed the importance of finding common ground.

"If you are going to be pro-worker, you have to be pro-business. And I think the best solutions for economic growth occur when you have the private sector and the government sector and, to some extent, the nonprofit sector working together."

With the help of more than 60 of America's most respected companies, Business Forward is making it easier for more than 100,000 business leaders from across America to advise Washington on how to create jobs and accelerate our economy. More than 650 mayors, governors, members of Congress, and senior Administration officials have participated in our briefings.

Business leaders who have participated in our briefings have seen their suggestions implemented in the Affordable Care Act, the JOBS Act, the Clean Power Plan, the Toxic Substances Control Act, three trade agreements, and the President's budgets. Many have also shared their recommendations with their representatives in Congress and through phone calls, op-eds, and interviews with local media. Ninety-eight out of 100 business leaders who have participated in a Business Forward briefing would be interested in participating in another one.

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