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# Wes Moore Should Follow Glenn Youngkin's Regulatory Reform Model

**by**

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On January 18, Wes Moore made history as he was sworn in as Maryland's first black governor.

In laying out his ambitious agenda to eliminate the "wealth gap" between rich and poor, improve educational outcomes for minorities, advance various environmental initiatives, make communities safer, and more, Governor Moore decried what he called the "false choices" usually offered to address these issues. As but one among several examples, he declared: "We do not have to choose between a competitive economy and an equitable one."

There are many questions yet to be answered regarding the actual costs of all the new programs Governor Moore envisions, or how he proposes to pay for them. For example, will he propose raising taxes, and, if so, by how much? But those are questions for another day when the Maryland General Assembly considers his whopping $63 billion budget proposal.

Here I want to call attention to regulatory reform – often considered an esoteric subject, but nevertheless one that, like the budget, has a significant impact on Maryland's economy. Many regulations, especially those relating to public health and safety, are justified. But to the extent regulations on the books are unnecessary or more burdensome than need be to achieve their supposed objectives, they impose costs that constitute a drag on the overall economy. These higher costs, passed on to consumers, are no different than taxes in their depressive effect on Maryland's economy.

In his inaugural remarks, Governor Moore declared that, among the states, Maryland is "44th in the nation in the cost of doing business." He didn't mean this as a compliment. It's indisputable that implementing meaningful regulatory reform would lower the cost of doing business in the state, and this can be done without jeopardizing Marylanders' health and safety.

Fortunately, Governor Moore need look no further than across the Potomac for a sensible approach to regulatory reform. In June 2022, Virginia Governor Glenn Youngkin issued an Executive Order establishing a new Office of Regulatory Management – similar to the federal Office of Information and Regulatory Analysis (OIRA) that's part of the Office of Management and Budget. The executive order requires the new office, in coordination with the various state executive agencies, to "streamline the regulatory process and provide important institutional controls." And it establishes a concrete objective for the office: oversee a 25% reduction in regulatory requirements across state executive branch agencies.

In short order, in December 2022, the Office of Regulatory Management released a Regulatory Economic Analysis Manual. Written in clear, concise language free from economic jargon, the manual is a step-by-step guide for implementing an effective and efficient process for reviewing proposed and existing regulations. It explains how to perform the analyses required to ensure that the costs of new regulations, or ones already on the books, don't exceed their benefits. To achieve this, the manual describes the process for properly identifying the problem a regulation is intended to address and for identifying alternative approaches to addressing the problem that are the least intrusive and least costly, while still accomplishing their intended objective.

Wes Moore's predecessor, Governor Larry Hogan, engaged in some commendable regulatory reform efforts of his own, with some success. In December 2015, he created a Regulatory Reform Commission (RRC), and in December 2017 that body identified 844 regulations considered outdated and unnecessary. Many of these, ultimately, were either eliminated or modified in some way. In January 2018, the RRC's final report identified another 657 suggested regulatory changes, many of which were accepted by Governor Hogan. And he issued guidelines to agencies for minimizing the impact of regulations on small businesses.

So, Governor Moore would not be writing on a blank slate if he takes up the regulatory reform mantle, which ought to have bipartisan appeal. I'm sure Governor Youngkin wouldn't mind if his gubernatorial colleague borrowed some pages from Virginia's valuable regulatory reform playbook.

There are other ideas that I advocated during Governor Hogan's term that Governor Moore should consider, such as adopting a rolling "sunset" date for existing regulations, at least major ones, so they could be reviewed on some periodic basis to determine if they are still justified or should be eliminated or modified.

Because Governor Moore already has proclaimed that the cost of doing business in Maryland is too high, he should get a serious regulatory reform process started without delay. Regulations that are unnecessary, outdated, or overly burdensome add to the costs of doing business. And all Marylanders, not just businesses, pay the price.

* Randolph J. May is President of the Free State Foundation, a free market-oriented think tank in Rockville, MD. The views expressed in this *Perspectives* do not necessarily reflect the views of others on the staff of the Free State Foundation or those affiliated with it. *Wes Moore Should Follow Glenn Youngkin's Regulatory Reform Model* was published in *Real Clear Markets* on January 30, 2023.