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Regulation without Representation

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Can all of you hear me all right? Wonderful. I'm going to stand here rather than using the microphone because I do have a PowerPoint presentation that I'm going to do today. I think that it probably makes some sense that I'm the last speaker. I'll do what everyone has already talked about especially in light of the regulations, the Clean Water Act work that Larry was talking about. I look with interest your file and your case. I've handled quite a few different Clean Water Act cases against the federal government, the EPA [Environmental Protection Agency], and the Corps of Engineers, as well.

I learned a long, long time ago that the way that you beat the feds is you ask for a jury trial. Really one of the only ways that you can win against the federal government anymore is to get a jury trial because I've often found that our federal judges are federal employees first. Then it's something that we need to keep in mind when we're taking these kinds of lawsuits. So, I'm going to go ahead and get started.

As Thomas Jefferson famously said, "The two enemies of the people are criminals and government, so let us tie the second down with the chains of the Constitution so the second will not become the legalized version of the first." Going back to what you do for a living, when we must wait for Washington to tell us when to sow and when to reap we shall soon want for bread. I think those are things that we need to keep in mind.

I want to talk about our current financial situation because all of these issues are related to each other. This is the information that I pulled just a couple of days ago. Our federal government debt right now is at \$21,630,000,000,000 (21 trillion, 630 billion dollars). It is \$65,000 per citizen. It is \$177,000 per taxpayer. It was 20 trillion, 600 billion dollars just in January of this year. We've gone up over a trillion dollars in ten months. The total US debt is 71 trillion dollars. Our unfunded liabilities are 115 trillion dollars. Our budget deficit is 861 billion. Our unfunded liabilities are 944 thousand dollars per taxpayer. For each and every single one of you that's the level of debt that our federal government is carrying. This was just six months ago. This was information that I had when I spoke earlier this year. Twenty-one trillion dollars. We've got over six hundred billion dollars since March of this year. Again, looking at our total US debt, 69 trillion, unfunded liabilities 112 trillion dollars. That's gone up 3 trillion dollars in six months.

The financial situation just as of a year ago, if you remember what happened in six days, our debt increased by 187 billion dollars when congress raised the debt ceiling. It has a real impact when congress does that. Again, why am I showing you this? Because what our federal government has done is our federal government has grown well beyond any sense of reasonableness and what they're doing is they are funding that government through debt. They are printing money and they are borrowing more and more and more and more money. About two months ago right before the primary I was

running for governor of Wyoming. I didn't prevail. I didn't make it through the primary. I can tell you I will try again in the future because we do need to fix government. We need to fix state government. And if we can fix our state government we can fix our federal government. But until we fix our state government we're not going to be able to fix the federal government. I do believe that it is critically important. But this is the kind of information people need to have in order to understand what is really going on with our federal agencies.

Spending spree. Congress spent 10.9 trillion dollars between January 2015 and March of 2018. That is equal to \$91,000 in federal spending per household in this country. Do all of you feel like you are \$91,000 richer in the last three years for our federal government having spent that? There's a reason why you don't feel richer and it's because it's not because they are providing you with services that equal that amount. It's because that's what we pay for the federal employees and these regulatory agencies. This is the cost of government in the United States anymore. This is what you're paying when you pay through your taxes.

But where does the money go? I'll give you the California example. I named it the California example. We pay a lot of attention to California because it's the fifth largest economy in the world. California also is tied to the State of Wyoming because the headwaters for the Colorado River are in Wyoming and that's one of the primary water resources for the State of California. I'm a water and natural resource attorney. I pay a lot of attention to what is happening in California because it will dictate what happens in my state, twenty and thirty and forty years from now in terms of what we're able to do in terms of development because of their water grab.

California has essentially the same major water infrastructure today with a population of forty million as they did in the 1960s when there were sixteen million people in that state. California doesn't spend its money on water infrastructure. California doesn't spend its money on providing services. California spends its money on state employees. They predict between fifty and eighty percent of California's state and local spending ultimately goes to employee compensation. Alright, I'm going to say something that I think probably everyone in this room recognizes. That's not a workable business model. But that's exactly what is happening at the federal government level as well. We're are paying employees. We are not getting the services that we're entitled to.

So, let's go back to fourth grade. Let's go back to what we all remember when we were taught in civics so many years ago. We have three branches of government. We have a legislating, we have an executive, and we have the judicial. Judicial is to enforce the laws. Executive is to carry out the laws. And the legislative, if you'll remember, is to write the laws. Well, who's the real governing class? Just look at some of these numbers. In 2013, Congress passed seventy-two laws. There were 3,659 new regulations adopted by federal regulatory agencies in 2013 alone. In 2016, Congress passed 214 laws. There were 3,853 new regulations in 2016 alone. That is the highest number ever in the history of the United States. There were eighteen regulations for every single law passed in 2016. In 2017, Congress passed ninety-seven laws and there were 3,281 new regulations adopted, a ratio of 34:1. On average there are twenty-seven new regulations for every law that is passed at the federal level.

What does that mean? We've taken the representative out of the republic. When we talk about how we got here, Larry [Kogan] you said it near the end of your discussion. How did we get here? We are not a democracy. We've never been a democracy. We are a republic. We are a representative form of government. Our congressional representatives, they represent us. They are to carry out *our* bidding. But what has happened, these regulatory agencies are the ones that are now making the decisions. They're not relying on the statutes. They're not relying on the language of the statutes. They're relying

upon what it is that they want to do on any particular day. They are exercising their discretion to regulations, guidelines, policies, policy statements, whatever it may be. But what does that mean? They're not accountable to us because they're not answerable to us. We can't fire them. We can fire our congressional representatives. We can fire the President of the United States. We can fire our governors. But we cannot fire some guy in the EPA who's doing everything to steal your farm. We can't fire them.

But here's what is also happening. It is that our congressional representatives especially, we see them at the state level as well, we talk mostly about the federal side of it, they're committing legislative malpractice. Our legislators, our representatives are not carrying out their responsibilities and, in fact, they like it this way. They don't want to be held accountable for failing to repeal Obamacare. They don't want to be held accountable for making decisions that may be unpopular with a particular constituency. So, our legislators have allowed this system to build up and build up, primarily since the 1970s, but it's been going on since 1936 when the very first regulation was adopted under that administration.

What we know is that Congress doesn't want to be held accountable because if they have to make difficult decisions they will either have someone run against them or they will be held accountable for the decisions that are made.

But here's some other things that are happening. This is where I have figured out what is going on in terms of Congress. I've spent an enormous amount of time studying this issue over the last twenty years. It's of great interest to me because I believe in our republic. I believe in freedom. I believe in liberty and I believe that our representatives *should* be representing us. We don't work for them. We are not slaves to our government. What has happened is that many of these agencies, the reason that they are thumbing their nose even at Congress, even at the committees that they are supposed to testify in front of is they're using your type of situation to self-fund.

Many years ago I was working for a pipeline project and I was visiting with United States Bureau of Reclamation in Utah. And while we were sitting there, one of the people from the USBR slid a piece of paper across the table and said, "We're excited about this project. We want to work with you. You need to sign this document." Not me, my client. I said, "Well, what is the document?" They said, "This is a document saying that your client, that this gentleman, this organization, will fund the environmental impact statement that must be done for this pipeline." And I thought, "Well, that isn't what the statute says." The statute requires the EIS to be done by the agency, whether it's the U.S. Bureau of Reclamation or it's the Forest Service or whatever agency it is. They're the ones that are responsible for conducting the EIS. What they've done is they've starting making the project proponents fund the EIS. Why is that significant? I'll tell you why. Who has the incentive to finish that EIS in any kind of a reasonable amount of time. While we're funding the EIS for that pipeline for the next fifteen to twenty years, they're employed. We're paying their salaries. We're paying their benefits. They're not just getting money from Congress, they're actually getting the money from folks like my people. This was a four billion dollar project. You can imagine how much the environmental impact statement was going to be.

But what that means is that they are not accountable even to Congress anymore because they force us to pay their salaries. Do you want to know why those penalties are so high?

Audience member: I sure do. I know why they're high.

Ms. Hageman: You know why the penalties are so high. That money goes to those agencies. If you violate the Clean Water Act you are subject to penalties of \$35,000 per day. PER DAY! I handled a lawsuit several years ago where a gentleman's straightened an irrigation ditch, cleaned out an irrigation ditch, on his property in an area that receives 7.7 inches of precipitation in a year. It's the driest area of Wyoming. The Corps of Engineers and the EPA came in and claimed that he'd filled in wetlands with an irrigation ditch. It was 2.1 acres on private property stopping sedimentation from going into the Big Horn River. They sued him in a test case. We went to trial. I knew to ask for a jury. We won! But at one point he was facing penalties of sixty-five million dollars for straightening an irrigation ditch on his own private property.

Audience member: Three hundred million for the Sacketts.

Ms. Hageman: That's it because of these penalties. That to me is legislative malpractice. If there is anything that we could do about the Clean Water Act, it's to change those penalty provisions. Because I wouldn't allow this guy to enter into a consent decree. We fought hard because consent decrees hurt everybody. I knew what they were doing with that we would never be able to irrigate again in Wyoming if they were successful at taking him down. We caught that all the way through. It cost him a million dollars in attorney's fees and expert witness fees. Again, we ultimately prevailed and they went away. They did not appeal that case because they knew they didn't want the written decision. They didn't want a bad case out there.

But the fact is I happened to represent somebody who is very wealthy and he was willing to spend whatever it took to win that case. But when you are faced with penalties of \$35,000 a day typically they have absolutely no choice but to settle those cases. And that to me is no longer a republic, that's no longer a representative form of government that is a totalitarian regime. That is what we have created with the EPA.

Audience member: That's exactly what I said. Can I interrupt for just a second?

Ms. Hageman: You've got it.

Audience member: I have said exactly what you're saying for thirty-two years. When the EPA becomes the man who told me or you, we lost our republic because you can go through this whole charade and they'll say, "No, I don't agree on that." That's what I've been going through and that's what I'm trying to tell them. But I have told everybody exactly what you're saying.

Ms. Hageman: Yes, it is a tragedy. It's why we have to fight and why we have to get the information out like you're so helpful in doing, Carol. So, thank you for putting on these conferences. It's wonderful that we have this opportunity.

But look at the redundancy. You're talking about Michigan but every state in the nation has a department of environmental quality and we've got the EPA. Every state in the nation has a DOT and we've got the federal Department of Transportation. Every state in the nation has a department of education yet we have the federal Department of Education. What we've done is we created layer upon layer upon layer upon layer of government at the expense of the citizens of this country. And at the expense of our pocketbook as I was showing earlier. But then we also have the contradictions in them. We've got the federal regulations, the state regulations, and then what else is happening? The state agencies view themselves as branches of the federal government. They lack independence. That is part of the reason why I ran for governor because I wanted to change this in Wyoming. I believe that

Wyoming, being the least populated state in the nation, we can be a lot more nimble. We can be a lot more effective. We can be a lot more innovating. But one of the things we're going to have to do is we're going to have to fight back against the feds. And we are going to do that. I'll do it in different ways. I'll do it through my lawsuits. I'll do it in other ways. These are some of the things that we have to consider.

Now, this is Obama. He did an announcement on January 2011. He'd just been in office for a couple of years. A government-wide review of the rules already on the books to remove outdated regulation and stifle job creation and make our economy less competitive. That's wonderful, fantastic. I'm so excited that he's actually going to take on this battle. He means to take on this battle. What happened? In 2011 alone we have another 82,419 pages in the federal register. We have a number of million hours of annual paperwork just to comply with the new regulations. 119 million hours of paperwork just to comply with those new regulations. Zero regulations repealed. Yes, Larry?

Mr. Kogan: Didn't Joseph Stalin say the same thing. Tell the people they have rights but just never let them exercise them.

Ms. Hageman: But never let them exercise them. That's right. Let's look at 2012. How'd he do? By January 27 we had 374 days since his announcement. Just in that twenty-seven days an additional 7.7 billion dollars in terms of new regulation costs, 44 hundred pages put in the Federal Register. But by June we finally got one rule repealed. Milk is no longer considered an oil spill in the United States of America.

Audience member: You're kidding.

Ms. Hageman: I wish I were. So, let's look at this Federal Register page count. Federal Register: 61,000 pages last year. The first time in years and years and years it went down. I brought some Federal Registers with me as just examples. How many months worth of federal regulations do you believe this represents?

Audience member: Three.

Ms. Hageman: Three months? No, it's five days. This is five days of federal regulation. How many weeks?

Audience member: One day.

Ms. Hageman: One day. This is what your federal government is doing. They are making every one of us criminals and we don't even know it. We don't even know it. Whether it is new regulations about constructing highways, or stairwells, or lighting, or whatever it may be, they are creating an entire generation upon generation of criminals by what they do with this. 2013 — 80,000 pages. 2015 — 80,000 pages. 2016 — the highest in history, 95,894 pages in the Federal Register. What happened in November of 2016? You're wearing the hat. What happened in November of 2016? You should have seen they added 572 pages in the Federal Register on November 17th alone. They were holding back a lot of regulations that they were afraid were going to be negative for our friend Hillary Clinton. They held those back assuming that she was going to be the next president. But between November 8th and December 31st, oh, my goodness gracious, did they go to town. They tried to get everything finalized as fast as they possibly could. This is just some examples of the regulatory bizzaro world that we live in.

The Pythagorean Theorem: Math, twenty-four words. First Amendment: Forty-five words. The Lord's Prayer: Sixty-six. The Gettysburg Address, considered one of the greatest speeches of all time: 286 words. The Declaration of Independence: 1,300. U.S. Government regulations on cabbage crop insurance 3,500 words. The U.S. government regs and special rules for experimental populations of threatened and endangered wildlife and plants: Over 36,000 words. All of which we must comply with. All of which we are subject to. And yes, we have gone crazy. Obamacare regulations as of September 2013 are eight times longer than the Bible. The rules implementing the Dodd-Frank financial reform law can fill twenty-eight copies of Leo Tolstoy's *War and Peace* 13,789 pages. More than fifteen million words for Dodd-Frank. Remember we have to comply with this. I've talked to bankers. I've spent a lot of time on the campaign trail talking to a whole variety of industry groups but I spent a lot of time with bankers. What I've learned from them was absolutely sickening. I had a gentleman who's my age — I just turned fifty-six two days ago. He and I graduated the same year from high school and college. He got out in 1986 and became a banker. He told me at that time there were over six thousand banks in the United States. There are now less than, I think, two thousand banks. When you think about that, what does that do to your small communities? What does that do to your ability to start new businesses to bring in a new farm. We don't have financing. They don't have the ability to give us financing.

I don't know how many of you remember the Jimmy Carter years. Eighteen to twenty percent inflation, eighteen to twenty percent interest rates. I grew up on a ranch. What is one thing that ranchers have a lot of? Debt. Right? We have debt. But we had a banker that recognized that we were a good... that we were probably going to make it. During the Jimmy Carter years that was probably the hardest of any time in history on farmers and ranchers other than during the Depression. I remember my parents going in and talking to the bankers and how difficult it was. But those bankers knew that we would come out of that. They knew that. Today with the rules and regulations every one of those farms and ranchers in Goshen County would fail. Every single one of them would have failed. The rules and regulations do not allow banks to work with farmers and ranchers anymore. They don't allow it. Absolutely prohibited. Sixty days, you're done. Over. Out. Sale.

Audience member: I'm out now.

Ms. Hageman: That is what our government has done with this kind of thing. It has huge impacts on our communities. Federal worker safety laws include some four thousand rules dictating precisely what equipment shall be used and how facilities are built. For example, "Stairwell shall be lit by natural or artificial illumination." What are my other choices?

We have people who write regulations. There's a couple of things about that that really just annoys me. I always tell everyone that it just annoys me beyond belief. The people who write this stuff, think we're all idiots. I am not a builder. If I were building a stairwell, I would have figured that one out. I would have figured out that I needed to have either natural or artificial light in that stairwell. I would have figured that out and I'm an attorney. This is what's crazy under the federal directives. The number of healthcare reimbursements categories increased from 18,000 to 140,000 including twenty-one separate categories for spacecraft accidents and twelve for bee stings.

Also, did you know...? Is there anybody in here who is a magician? Any magicians? I keep hoping that one of these days I'm going to have a magician.

Audience member: I am. I make money disappear.

Ms. Hageman: Well, did you know that the United States Department of Agriculture has a regulation that if you use a bunny in your magic show you are required to have a...

Audience member: Bunny license?

Ms. Hageman: No, not just a bunny license, an evacuation plan. You must have a rabbit disaster in place by July 29, 2013 in case of calamity such as flooding, earthquake, landslide, mud slide, avalanche, wild fire, intentional attack, just to name a few. The United States Department of Agriculture with a government that is twenty-one trillion dollars in debt has a regulation that if you use a bunny in your magic show you must have an evacuation plan in place.

Audience member: What about rabbit stew?

Ms. Hageman: I do have a story on that one as well where a family was fined. The USDA came in and fined them over a million dollars for selling rabbits. You can eat them but you can't sell them. Do you know the USDA has guidelines for how to roast marshmallows. What they require is that they want children should be given a stern talking to before they get near the fire. They need to have a ten-foot row between young children and a campfire and you must have a stick that is at least thirty inches long. Thirty inches and ten feet? This isn't going to work. Right? That is the USDA. This is the insanity of it. This is called job protection. This is the insanity of it because if you're a regulator you regulate. Then you regulate more and then you regulate more after that and then you have to do more regulating or you're going to lose your job. Yes Larry?

Mr. Kogan: But it's also the European style of regulation because in Europe they tell you what you can and you cannot do. Here it used to be that they could only tell you what you can't do and everything else was permitted. So, basically what we have is a Napoleonic legal system, which is predominates in the world. We go out as a country we negotiate I did some of these negotiations.

Ms. Hageman: That's a good point.

Mr. Kogan: When we go out there and we've got to negotiate against the rest of the world because only the Anglosphere has got a common law legal system. What better way to harmonize international law and standards by this bringing this garbage here?

Ms. Hageman: That's a very good point. But this is the cost of it. As of August 9th 2016, from 2009 to 2015 the federal government has opened approximately 250 days a year. It was adopting one major regulation every three days. Two per week. A major regulation is one that has a negative impact on our economy of \$100 million or more. Agencies only have to disclose the cost of a regulation if it exceeds \$100 million. It's all self-reporting. It may shock you but when they do this study they have found that they underestimate the cost of the regulations by, on average, forty percent. So, 194 million hours of additional paperwork. Again, self-reporting. It would take 97,429 employees working full time to comply with the new federal regulations that he has adopted. Then in 2016, as I said, that was the record-breaking year.

Here's the cost. In 1992, the regulatory costs in this country were \$400 billion. As of 2017: \$1.9 trillion. It costs sixty-six billion dollars just to administer the regulatory state in the United States. This information comes from the Competitive Enterprise Institute. I have used your information for years. There is a publication that you guys do which is called the *Ten Thousand Commandments*. They issue

one every year. I would recommend to all of you that you go and you look at that. I have one with me today in here but you guys do some wonderful work in expensing this and it's wonderful to meet somebody from there. I'd never done that before. It's great to have an opportunity to visit with you.

If regulations were a country, in 2015 they'd be the ninth largest economy. In 2016, the seventh. In 2017, the eighth. The federal regulations are a hidden tax that costs every single one of us \$14,000. We don't even know it. It's a hidden tax. At least our income tax has to be disclosed. This does not. It is the second largest expense that we all have behind housing. \$14,000 for every household for every year. The House of Representatives has passed almost forty bills trying to repeal this, trying to address it, trying to do something. The Senate won't take it up.

But here's another problem. And this is the agency interpretation of statutes. This is what drives Larry and I crazy and folks like you that have been caught up in it. They interpret the statute. Let me tell you about interpreting just the Clean Water Act. This is from a decision from the United States Supreme Court from the *Rapanos [Raponos v. United States]* decision. I'm going to quote some information for you describing how they interpret, how the EPA and Corps of Engineers interpret the Clean Water Act. One of the things that I don't know has been said here, normal farming and ranching operations and irrigation is exempt from the Clean Water Act. Well, a lot of you may not realize, although we talked about this all day long, that normal farming and ranching operations are by definition exempt from control under the Clean Water Act.

"The burden of federal regulation on those who would deposit fill material in locations that are denominated as 'navigable waters of the United States' is not trivial. In deciding whether to grant or deny a permit, the U.S. Army Corps of Engineers exercises the discretion of an enlightened despot relying on such factors as 'economics,' 'aesthetics,' 'recreation,' and 'in general the needs of the welfare of the people.' The average applicant for an individual permit spends 788 days and \$271,596 in completing the process." What did I tell you about the incentive to make things cost more and more and more for these agencies. They are self-funding. "Over \$1.7 billion is spent each year by the private and public sectors obtaining wetland permits. These costs cannot be avoided, because the Clean Water Act 'imposes criminal liability,' as well as steep civil fines" —\$3,500 per day— "on a broad range of ordinary industrial and commercial activities." Then they went on to define or identify what the Corps how the Corps and the EPA have defined a "navigable water of the United States." It has to be a navigable water of the United States or the EPA and Corps of Engineers have no jurisdiction. Only states do. Navigable water of the United States the unfortunate "proceedings against Mr. Rapanos are a small part of the immense expansion of federal regulation of land use that has occurred under the Clean Water Act—without any change in the governing statute—during the past five presidential administrations. In the last three decades the Corps and the EPA have interpreted their jurisdiction over 'the navigable waters of the United States to cover 270-to-300 million acres of swampy lands in the United States—including half of Alaska and an area the size of California in the lower forty-eight states. And that was just the beginning. The Corps has also asserted jurisdiction over virtually any parcel of land containing channel or conduit—whether man-made or natural, broad or narrow, permanent or ephemeral—through which rainwater or drainage may occasionally or intermittently flow. On this view, the federally regulated 'navigable waters of the United States' include storm drains, roadside ditches, ripples of sand in the desert that may contain water once a year, and lands that are covered by floodwaters once every 100 years. Because they include the land containing storm sewers and desert washes, the statutory 'navigable waters of the United States' engulf entire cities and immense arid wastelands. In fact, the entire land area of the United States lies in some drainage basin, and an endless network of visible channels furrows the entire surface, containing water ephemerally wherever

the rain falls. Any plot of land containing such a channel may potentially be regulated as a 'navigable water of the United States.'"

When I say that we're taking the representative out of our republic, that's what we're doing. We have empowered people to do things solely for the purpose of asserting jurisdiction where they have absolutely no jurisdiction.

Our healthcare law. Power to the Secretary of Health and Human Services. The Obamacare law itself was 2,700 pages. And the fact that our congressional representatives were so incompetent that they could not write a law in 2,700 pages that was self-effectuating, every single one of them should watch their job after that. The lawyers have drafted over 20,000 pages of regulations for implementation. There are in excess of 180 boards, commissions and bureaus. There are eighteen pages in the Federal Register to define a full-time employee. I'm a small business owner. I'm self-employed. I can define that in ten words. I know what a full-time employee is. The IRS estimated that it would take 80 million hours for family and businesses to comply just with the Obamacare taxes.

This is what I was talking about: The flurry of midnight regulations. Twenty-one billion dollars in added costs between November 8th and December 31st. In December alone the administration issued 4.5 regulations per day requiring an additional 21 million hours of paperwork.

And the cost of saving the world from global warming, the Paris Climate Accord. Stanford University, the hotbed of conservatism estimated the cost to be fifty-eight trillion dollars over the next twenty-five years. Even if every nation adhered to the Paris Climate Accord commitments by 2030 the only difference in global warming by the end of this century would be that it reduced the world's temperature by .048 degrees Celsius. That's one-twentieth of a degree Celsius at the estimated cost of fifteen trillion dollars. Not counting all the premature deaths killed by fuel poverty. Fuel poverty just annoys me beyond belief. I come from Wyoming. We're the largest coal producer in the nation. We're the second largest producer of oil and gas. We have created a financial situation in this country that's unrivaled in world history and it's part of the reason why we see this disaster that we see unfolding. In some ways our prosperity is killing us. But I also find it to be really horrible when we have people who are taking policy positions that keep poor people poor. I think it's wrong. I think it's wrong here and I think it's wrong in other countries. And that's what the Obama Administration did.

Audience member: Is it Stanford University or the Hoover Institute?

Ms. Hageman: It is Stanford University. It was not the Hoover Institute. Not to my knowledge because the Hoover Institute, that's where Victor Davis Hanson is. There's some really good people at the Hoover Institute. I believe that that was Stanford University. I have the information here and we can look at it.

Germany: Why would we ever follow what Europe has done in this regard? The electricity prices are triple those payed in the United States. The power stations use hundreds of millions of pounds of wood pallets imported from the United States, which is worse for the environment. Australia: Electricity rates skyrocketed from hundred dollars a megawatt hour to ten thousand dollars a megawatt hour. Sweden: Subsidies for green energy have become cost prohibitive and are being phased out. It's just stunning to me when you look at these numbers and you have to understand what it is that the previous administration attempted to do. I was so excited when President Trump pulled us out of the Paris Climate Accord. It was one of the worse things that our previous president did. I don't think people truly understand the significance of it But it is shown right there [in the PowerPoint presentation]. But

the cost of over-regulation is not just monetary. Again, coming from the Western United States, 48.2 percent of land in the western states is owned by the federal government.

We have National Forest. We have 9.2 million acres National Forest Service lands. We also have BLM [Bureau of Land Management]. The significance of that comes down to what is happening. Many years ago I was hired by the State of Wyoming to sue the federal government over the Roadless Rule. The Roadless Rule was one of the very last things that President Clinton did in on his way out of office. It actually went into effect on January 12, 2001. It denied access, management and use to 58.5 million acres of National Forest Service lands throughout the United States. But because most of your National Forest Service lands are in the western United States it obviously affected us. We have a little over nine million acres of National Forest lands in Wyoming and it affected 3.2 million acres in our state.

One of the things that I did was I sued the federal government not just on a regulatory action, not just under the Administrative Procedures Act where, I thought I brought a Federal Advisory Committee Act [FACA] claim. Because that rule had been written with the environmental groups before that even went out for notice. I knew that and so I filed what's called a fact claim. I got discovery. I went back to Washington, D.C. and I deposed quite a few of the top people in Bill Clinton's administration, the head of the USDA, Forest Service, his environmental cabinet person, but I also got their documents. One of the things that I was able to get was a document, a GAO [Government Accountability Office] report, that talked about the pine beetle outbreak. How many of you have recently traveled in the western United States? A couple of you have. Our National Forests have been devastated, absolutely devastated. Those fires out in California, I can tell you where those fires out in California come from. Number one: They don't manage their water right. Number two: They don't manage their land right. And they have been making mistakes for years and years and years and years.

But one of the biggest mistakes was the Roadless Rule. In 2012 I got this GAO report. This is what the GAO report said. It said that the proposed Roadless Rule takes an approach to decision-making on road construction and roadless areas that is different from the approaches of other recent Forest Service proposed rules, strategies and plans. The proposed rule, which the agency asserts would supersede relative portions of existing plans and transportation management regulations would apply a national prohibition on road construction in roadless areas even if local conditions suggest that a road would help the agency to restore and maintain desired ecological conditions. Blah, blah, blah. What does that say? That says they can't build a road even if it would benefit the environment. This was a regulation that was supposed to be environmentally friendly. It was supposed to be a regulation that protected our National Forests. By definition, you could not build a road even if ecological conditions required it. Now, why is that significant in terms of what's happened over last twenty years? Well, we talked about that, too. Officials on several national forests included in our review voiced concerns about the long-term impacts of the Roadless Rule. Officials of the Routt National Forest, which is continuous to the state of Wyoming... The Routt National Forest is in northern Colorado and the Medicine Bow is in southern Wyoming. They're basically managed as the Routt-Medicine Bow so this has a huge impact on Wyoming because it's the southern half of our state. Officials on several national forests included in our review voiced concerns about the long-term impacts of the Roadless Rule. Officials on the Routt National Forest anticipated an outbreak of beetles resulting from a catastrophic windstorm in 1997 that felled 13,000 acres of trees in or adjacent to roadless areas on the forest. They believed that the preferred alternative would not allow them to construct the roads necessary to remove trees in the roadless area that in the future may become infected by beetles currently living within that park. Therefore they would be unable to protect highly valued resources in a unique area and adjacent campgrounds and ski slopes. They destroyed our National Forests. We knew, they knew, that they were going to be destroying our National Forests and they did. We have lost millions and millions of

National Forest Service lands because that pine beetle exploded and they had the ability to stop it. They knew that if they went in and treated that area they would be able to stop that explosion. They made the decision because of the Roadless Rule that they would not do so. That is ground zero for the pine beetle outbreak that has been so devastating to Wyoming, Colorado, New Mexico, Montana, Idaho, Utah, and California. And our federal government did it.

Ms. LaGrasse: Every time the Adirondack Park Agency has a hearing about removing a road, either Peter or I or both of us we always add a statement that says, "Why are you taking out the highways?" They have these highways for logging that they destroy because they're not going to have logging anymore or cars. There are heavy duty trucking roads for giant log trucks and they go across streams and culverts. They rip the culverts out of the streams. They just let the trees fall across the highways because they want no more transportation. You can't bring in fire protection quickly.

Ms. Hageman: Exactly.

Ms. LaGrasse: People can call on a cellphone. They have a broken leg or have gotten shot or are cold or hungry, whatever it is. The rescuers have to hike in miles to rescue them and carry people out.

Ms. Hageman: Ultimately, what they've done is it's been devastating to our environment. Ultimately, what has happened with these policy decisions coming out of Washington, D.C., they sell bad information and bad science. It's that they are just fundamentally destroying our environment. Here's one of the reasons I say that. As a water attorney, in Wyoming where I had water states, we get an average of twelve inches of precipitation in a year. Our irrigation and everything else is fed by snow pack and snow pack comes from our mountains and that's where our streams come from. We have had catastrophic forest fires and we cannot get the vegetation restarted. These are devastating to our communities, to our irrigation, to our ag producers, to our states across the board. There are huge negative impacts to what they're doing. For example, August of 2016 the U.S. Forest Service warns that it is at a tipping point of a crisis dealing with escalating wild fires and diseases. 10.1 million acres torched last year. In 2015 we lost 10.1 million acres torched. But they blame everything on global warming. That's what the purpose of global warming is. It is so that they have an excuse and a bogeyman that they can blame. They refuse to acknowledge that federal policy prohibits the use of proper thinning and other techniques. There are too many trees competing for a limited water supply. In September 2017 there were over 550,000 acres burned in Oregon alone or by that date from that year at a cost of \$238 million. They're pleading for more funding from Congress. They've got \$11 billion backlog for roads —these are the foresters. They're pleading for more money but funding often goes to salaries and benefits not fixing the problems. These are some of the problems coming out of Washington, D.C.

So, how did we get here? Mounting pressures to restrain spending budgets can incentivize lawmakers to impose off-budget regulations on the private sector rather than to add to unpopular deficit spending. Unlike on-budget spending the regulatory costs remain largely hidden from public view, a feature that can make regulations overly attractive to lawmakers. There I am. I am quoting from the Competitive Enterprise Institute right there. Rather than pay directly and book expenses for new initiatives federal regulations can propel the private sector as well as state and local governments to foot the bill.

The real crisis in my opinion really does remain largely unrecognized. I will admit that the Trump Administration with his executive orders has made a slight dent. But what did we talk about earlier? What's already been said about deep state? And that is every single one of these agencies whether it is the Forest Service or it is BLM, what is their number one job? The number one job of every single one

of them is to protect their job. The number one job of every single federal employee is to protect their job. As long as their job is to regulate, they're going to have to regulate more and more and more. And I also think that they think we're idiots. I mean, having a building code that says that you have to have lighting in your stairwells. They think we're idiots. They don't think that we're smart enough and they want to micromanage every part of our lives. But the fact is if we destroy our economy we cannot educate our young people. We cannot provide necessary services. There's all kinds of repercussions for what the federal government is doing. These are four of President Trump's regulatory reforms

[from PowerPoint:

1. *Comprehensive Plan for Reorganizing Executive Branch*
2. *Enforcing the Regulatory Reform Agenda*
3. *Reducing Regulation and Controlling Regulatory Costs*
4. *Restoring the Rule of Law, Federalism, and Economic Growth by Reviewing the "Waters of the United States" Rule*

I'm very, very appreciative but we need to be a lot more aggressive at really implementing these. We need to be a lot more aggressive at cutting these agencies.

I was back in Washington, D.C., a couple of weeks ago. The administration had brought in about eight different people from Department of Transportation, Commerce, Ag, all different kinds of agencies talking about what it was that they were trying to do. One of them from the BLM commented about trying to cut the number of employees within the BLM. A county commissioner in the audience raised his hand and said, "You need to be really careful about that because those are some of the best paying jobs that we have in our communities." We now look at federal employees as economic diversification. I about had a heart attack. The very next person who spoke was the guy from the Department of Labor who said, "We've got seven million jobs we can't fill." I thought, "I know where some are." I know where to find some highly qualified employees. Force them back into the private sector. We need regulatory reform. This is, again, what he did. He did delay or repeal fifteen hundred of Obama's administrative rules including WOTUS. But WOTUS is going forward. The Waters of the U.S. rule. I've been fighting that in North Dakota. That's a rule that we desperately, desperately need to shut down. We did get an injunction from thirteen of the western states with our district court of North Dakota. I don't know why this administration won't just pull that thing because that thing is so bad. What we've talked about here today is child's play compared to what they're going to do with that.

What can Congress do? They need to pass the Midnight Rules Relief Act. They need to enforce that. They also need to pass the Congressional Review Act. But there's something probably even more significant and that is the Range Act. But we also need to adopt a Regulation Freedom Amendment or statute, either one. Whenever one quarter of the Members of the U.S. House or the U.S. Senate transmit to the President their written declaration of opposition to a proposed federal regulation, it shall require a majority vote of the House and Senate to adopt that regulation. If we were able to do this it would change the trajectory of this country. If we were able to get this passed, if we could get this done, it would change the trajectory of this country. We need to elect governors who demand reform. If states band together we can win this battle. We need to protect our citizens, to prioritize their spending and improve services to our citizens. We need to force Congress to do its job. We need to pass real regulatory reform. We need to stop federalizing all aspects of our lives. I mean, my goodness gracious, the federal government had become so pervasive in every single thing that we do. We need to return power to the states where it belongs. We need to recognize that states are the incubators of innovation that encourage experimentation and new approaches and we need to trust our fellow man. We need to

get back to trusting each other and recognizing that we don't need to have a government that micromanages our lives.

Our future as a nation of laws depends us. If you have ten thousand regulations you destroy our respect for the law. That's the end of my presentation.