

FIRST 100 DAYS REPORT: TRUMP'S BROKEN PROMISES TO WORKING FAMILIES



**U.S. Congress Joint
Economic Committee**

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First 100 Days Report: Trump Has Already Broken His Promises to Working Americans

April 29 marks the 100th day of the Trump presidency, an important benchmark for assessing president's productivity and ability to enact pieces of their campaign agenda. On the campaign trail, candidate Trump promised to "Make America Great Again" and to stand up for working Americans. In his first 100 days, President Trump has already broken that promise, and instead is making things worse for working Americans. The administration has pursued a number of executive actions that are slowing down the growth potential of our economy and hurting American workers and families. Just 100 days into office, the Trump administration is undermining innovation while making it easier for corporations to not pay workers a fair wage and harder for families to save for retirement. By tilting the playing field further towards corporate interests, President Trump is stacking the deck against America's working families.

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UNDERMINING INNOVATION AND ECONOMIC GROWTH

The administration's actions are undermining innovation incentives that will help our economy grow, for example by rolling back regulations that will help the clean energy economy flourish.

- The Clean Power Plan, which the Trump administration is working to dismantle, would reduce carbon pollution from power plants.ⁱ In addition to its many health and climate benefits, the plan would prevent 160,000 missed work days each year.ⁱⁱ Using the average hourly wage for private-sector workers, that works out to over \$33 million dollars in wages each year.ⁱⁱⁱ Moreover, the Environmental Protection Agency (EPA) emphasized that the plan could create at least 52,000 energy efficiency jobs as of 2030.^{iv}

TRUMP'S 100 DAY REPORT CARD	✓ UNDERMINING INNOVATION AND ECONOMIC GROWTH
	✓ TAKING AWAY WORKER PROTECTIONS
	✓ MAKING IT HARDER FOR FAMILIES TO SAVE
	✓ TAKING HEALTH CARE AWAY FROM FAMILIES

The increased opportunities for corruption under the Trump administration, as regulations are rolled back and ethics rules loosened, could undermine economic growth. PricewaterhouseCoopers found that “a one notch-increase in perceived corruption levels is associated with a \$380 decrease in GDP per capita,” thus lowering standards of living.^v On top of all of the conflicts of interest within his administration, President Trump has taken actions to weaken ethics restrictions both in government and industry.

- President Trump, instead of draining the swamp, has begun to refill it: his “lobbying ban” is much more permissive than the ethics rules under President Obama, making it easier for lobbyists to join his administration.^{vi}
- President Trump and Congressional Republicans also ended a rule that required oil, gas, and mining companies to disclose payments to foreign governments.^{vii}

TAKING AWAY WORKER PROTECTIONS

President Trump is making it easier for corporations to exploit their workers, making it more likely that workers are not paid a fair wage.

- The administration delayed actions defending the Department of Labor’s (DOL) new overtime rule, which would extend overtime protections to over 4 million Americans and raise wages by \$12 billion over the next 10 years.^{viii}
- The administration rolled back regulations that made it more difficult for companies that violate labor law to get government contracts.^{ix} The regulation helped better protect the estimated 28 million workers that are employed at the 24,000 businesses that have federal contracts.^x

The Trump administration is also making conditions less safe for workers on the job.

- The Trump administration delayed the rule requiring that miners to be notified of any adverse working conditions before they begin work.^{xi}
- Republicans also overturned an Obama-era regulation that would allow Occupational Safety and Health Administration (OSHA) to punish employers that do not keep track of injuries or illnesses incurred by workers on the job, making it easier for bad actors to skate by.^{xii}
- President Trump’s FY18 Budget Proposal would cut funding for the DOL by 21 percent, substantially affecting enforcement agencies like the Wage and Hour Division and the Occupational Safety and Health Administration.^{xiii} These enforcement agencies ensure that employers do not take advantage of vulnerable workers. For example, a 2008 study of low-wage workers in three cities found that 26 percent were paid less than the minimum wage and 76 percent were not paid overtime they were entitled to, among numerous other violations.^{xiv} Reduced enforcement action from DOL makes it likely that more employers will steal from their workers, which is already estimated to cost workers more than \$50 billion each year.^{xv}

MAKING IT HARDER FOR FAMILIES TO SAVE

The Trump administration is not just threatening families' financial present, but their financial future by making it more difficult for families to save.

- The Trump administration's first action was to make it harder for low-income families to build wealth through homeownership by suspending the Obama administration's scheduled rate cut for Federal Housing Administration (FHA) annual mortgage insurance premiums. The rate cut would have reduced mortgage costs for around 1 million households, saving new buyers an average of \$500 annually.^{xvi} Research shows that homeownership is an important way for low-income households to build net worth, with low-income homeowners typically accumulating up to \$30,000 more over nearly 20 years than those who remained renters.^{xvii}
- The Trump administration has taken actions to undermine the ability of workers to save for a secure retirement by delaying the applicability date of the conflict-of-interest rule^{xviii} in order for the DOL to conduct a redundant study about the rule, which is likely to serve as a basis for the Trump administration to significantly weaken the conflict-of-interest rule.^{xix} Today, less than half of families save for retirement, and the typical family with savings only has \$25,000 saved to live off of during retirement.^{xx} The conflict-of-interest regulation would have required investment advisors to act in their client's best interest, saving individuals \$17 billion a year.^{xxi}
- The Trump administration also signed into law a repeal of a DOL rule that would have allowed certain cities and counties to design retirement savings programs for workers who do not have access to retirement programs through their employer. This rule was designed to expand options to the 31 percent of workers who do not have retirement benefits through their employers.^{xxii}

TAKING HEALTH CARE AWAY FROM FAMILIES

Health care plays an important role in the economic security of families. Yet President Trump and Congressional Republicans are dead-set on reducing access to insurance coverage and important consumer protections.

- The Republican-backed bill to repeal the Affordable Care Act (ACA) would have increased costs for those making less than \$50,000 a year, while giving tax cuts of over \$200,000 to those making more than \$4.0 million a year.^{xxiii} By 2026, premiums would have increased by 13 percent for plans of the same quality as today.^{xxiv}
- Under TrumpCare, 14 million people would have lost access to Medicaid, which has played a critical role in fighting the opioid epidemic that President Trump claims to be taking action on.^{xxv}
- Twenty-four million fewer people would have had health insurance under TrumpCare, which is a million more uninsured than would occur if we simply repealed the ACA.^{xxvi} This move would have brought the total number of uninsured up to 52 million people by 2026.^{xxvii}

In the face of the death of the Republican health care bill, the ACA remains the “law of the land.”^{xxviii} However, the Trump administration is *still* taking steps to undermine the individual marketplace, making health insurance less affordable.

- The constant threat of repeal means that insurers are trying to make decisions about 2018 pricing while not knowing what the market will look like. This lack of certainty makes insurers more likely to raise prices or even withdraw from the market place.^{xxix}
- President Trump believes that “the best thing politically is to let Obamacare explode.”^{xxx} By rooting for the nation’s health insurance system to fail, the President places millions of people in jeopardy of losing insurance and does not reassure insurers or others trying to make decisions for the future.
- The administration has issued an executive order to undermine the health and stability of the individual markets, including refusing to enforce the individual mandate.^{xxxi}
- Secretary of Health and Human Services Tom Price has stated that he will use his power to undermine the ACA, potentially by changing essential benefits and cost-sharing subsidies.^{xxxii}

ⁱ U.S. Environmental Protection Agency. “[FACT SHEET: Overview of the Clean Power Plan: Cutting Carbon Pollution from Power Plants.](#)” (Accessed April 24, 2017).

ⁱⁱ U.S. Environmental Protection Agency. 2015. “[Regulatory Impact Analysis for the Clean Power Plan Final Rule.](#)” October 23. Table 4-24: Summary of Avoided Health Incidences from PM2.5-Related and Ozone-Related Co-Benefits for Final Emission Guidelines Rate-based Illustrative Plan Approach in 2030

ⁱⁱⁱ JEC calculations assuming an eight hour work-day. Output based on 2016 Q4 GDP (BEA) and aggregate weekly earnings (BLS).

^{iv} U.S. Environmental Protection Agency. 2015. “[Regulatory Impact Analysis for the Clean Power Plan Final Rule.](#)” October 23.

^v PricewaterhouseCoopers “[The Cost of Corruption – Too Big to Ignore?](#)” (Accessed April 24, 2017).

^{vi} Arnsdorf, Isaac. 2017. “[Trump Lobbying Ban Weakens Obama Rules.](#)” *Politico*, January 28. (Accessed April 24, 2017.)

^{vii} DiChristopher, Tom. 2017. “[Trump and GOP Killed an Energy Anti-Corruption Rule For No Good Reason, Advocates Say.](#)” February 14. (Accessed April 24, 2017).

^{viii} The White House. 2016. “[FACT SHEET: Growing Middle Class Paychecks and Helping Working Families Get Ahead By Expanding Overtime Pay.](#)” May 17. (Accessed April 24, 2017).

^{ix} The White House. 2014. “[FACT SHEET: Fair Pay and Safe Workplaces Executive Order.](#)” July 31. (Accessed April 24, 2017).

^x The White House. 2-14. “[FACT SHEET: Fair Pay and Safe Workplaces Executive Order.](#)” July 31. (Accessed April 24, 2017).

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^{xii} United States Congress. “[All Bill Information \(Except Text\) for H.J.Res.83 - Disapproving the rule submitted by the Department of Labor relating to ‘Clarification of Employer’s Continuing Obligation to Make and Maintain an Accurate Record of Each Recordable Injury and Illness.’](#)” (Accessed April 24, 2017).

^{xiii} Office of Management and Budget. 2017. “[America First: A Budget Blueprint to Make America Great Again.](#)” March 16.

^{xiv} Bernhardt et al. 2008. “[Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America’s Cities.](#)” November. For most recent data just for New York City, see Bernhardt et al. “[Working Without Laws: A Survey of Employment and Labor Law Violations in New York City.](#)”

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