

Trump 47 Regulatory Policy

Early signs for the transportation and logistics industry

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A new approach to regulatory policy is taking shape in these early days of the Trump administration. The White House wasted no time kicking off changes to our regulatory environment and compliance enforcement posture. This article explores where we stand to date and the potential impact of those changes for the transportation and logistics sector.

Trump administration regulatory policy

The White House published an executive order outlining its regulatory approach on Jan. 31. The president's objective was described as seeking to "significantly reduce the private expenditures required to comply with federal regulations to secure America's economic prosperity and national security and the highest possible quality of life." The strategy for achieving this objective is two-fold:

- reducing the compliance cost on regulated businesses; and
- simultaneously reducing the risk of non-compliance with an "ever-expanding morass of complicated federal regulation."

Ten to one deregulation initiative

The president also announced a new "10-to-1" initiative in the executive order and a separate fact sheet on Jan. 31. The initiative aims to "unleash prosperity through deregulation" by removing ten regulations for every new regulation that goes into effect. The regulatory compliance

cost of this approach is intended to reduce incremental costs to less than zero. Many will remember the "2-for-1" deregulation initiative during the first Trump administration, which the White House says was greatly exceeded during that term.

Regulatory freeze and review

The White House published an executive action establishing a freeze on new rulemaking on Inauguration Day, Jan. 20. All new rulemaking must be reviewed by a department or agency head appointed by President Trump, with all unpublished rules being withdrawn. The effective dates for final or proposed rules already published were postponed for sixty days to permit review. The review is intended to identify any "substantial questions of fact, law, or policy" that require action to align with White House policy initiatives. Some agencies with new rulemakings falling within this review window include the: National Highway Traffic Safety Administration, Federal Highway Administration, Federal Aviation Administration and Federal Railroad Administration.

Rescission of Biden executive orders

The White House published an executive order rescinding certain Biden administration executive orders effective Jan. 20. Among the revocations was Executive Order 14037 from 2021 titled "Strengthening American Leadership in Clean Cars and Trucks." This document set the policy that 50 percent of all new passenger cars and

light trucks sold in 2030 will be zero-emission vehicles. The order also directed the Environmental Protection Agency to develop new rules for medium- and heavy-duty engines and vehicles for model years 2027 and beyond. President Trump's rescission of this executive order also requires elimination or change of ancillary actions used by the Biden administration to implement it.

Federal enforcement posture

Many of these early signs indicate a pro-business Trump presidency, but U.S. Customs and Border Protection (CBP) may be an exception to the rule. The White House published its executive orders on steel and aluminum on Feb. 10 and 11 that specifically direct CBP to enforce customs duty evasion to the maximum extent permitted by law without consideration of mitigating factors. This is a meaningful departure from past CBP enforcement policy where the agency would generally try to work with domestic importers to resolve cases by considering mitigating and aggravating factors when arriving at a civil penalty amount. ✪

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