

112TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { 112-278 Part 2

REGULATIONS FROM THE EXECUTIVE IN NEED OF
SCRUTINY ACT OF 2011

NOVEMBER 18, 2011.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. DREIER, from the Committee on Rules,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 10]

[Including cost estimate of the Congressional Budget Office]

The Committee on Rules, to whom was referred the bill (H.R. 10) to amend chapter 8 of title 5, United States Code, to provide that major rules of the executive branch shall have no force or effect unless a joint resolution of approval is enacted into law, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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AMENDMENT

The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Regulations From the Executive in Need of Scrutiny Act of 2011”.

SEC. 2. PURPOSE.

The purpose of this Act is to increase accountability for and transparency in the federal regulatory process. Section 1 of article I of the United States Constitution grants all legislative powers to Congress. Over time, Congress has excessively delegated its constitutional charge while failing to conduct appropriate oversight and retain accountability for the content of the laws it passes. By requiring a vote in Congress, the REINS Act will result in more carefully drafted and detailed legislation, an improved regulatory process, and a legislative branch that is truly accountable to the American people for the laws imposed upon them.

SECTION 3. CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.

Chapter 8 of title 5, United States Code, is amended to read as follows:

**“CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY
RULEMAKING**

- “Sec.
- “801. Congressional review.
- “802. Congressional approval procedure for major rules.
- “803. Congressional disapproval procedure for nonmajor rules.
- “804. Definitions.
- “805. Judicial review.
- “806. Exemption for monetary policy.
- “807. Effective date of certain rules.

“§ 801. Congressional review

“(a)(1)(A) Before a rule may take effect, the Federal agency promulgating such rule shall submit to each House of the Congress and to the Comptroller General a report containing—

- “(i) a copy of the rule;
- “(ii) a concise general statement relating to the rule;
- “(iii) a classification of the rule as a major or nonmajor rule, including an explanation of the classification specifically addressing each criteria for a major rule contained within sections 804(2)(A), 804(2)(B), and 804(2)(C);
- “(iv) a list of any other related regulatory actions intended to implement the same statutory provision or regulatory objective as well as the individual and aggregate economic effects of those actions; and

“(v) the proposed effective date of the rule.

“(B) On the date of the submission of the report under subparagraph (A), the Federal agency promulgating the rule shall submit to the Comptroller General and make available to each House of Congress—

“(i) a complete copy of the cost-benefit analysis of the rule, if any;

“(ii) the agency’s actions pursuant to sections 603, 604, 605, 607, and 609 of this title;

“(iii) the agency’s actions pursuant to sections 202, 203, 204, and 205 of the Unfunded Mandates Reform Act of 1995; and

“(iv) any other relevant information or requirements under any other Act and any relevant Executive orders.

“(C) Upon receipt of a report submitted under subparagraph (A), each House shall provide copies of the report to the chairman and ranking member of each standing committee with jurisdiction under the rules of the House of Representatives or the Senate to report a bill to amend the provision of law under which the rule is issued.

“(2)(A) The Comptroller General shall provide a report on each major rule to the committees of jurisdiction by the end of 15 calendar days after the submission or publication date as provided in section 802(b)(2). The report of the Comptroller General shall include an assessment of the agency’s compliance with procedural steps required by paragraph (1)(B).

“(B) Federal agencies shall cooperate with the Comptroller General by providing information relevant to the Comptroller General’s report under subparagraph (A).

“(3) A major rule relating to a report submitted under paragraph (1) shall take effect upon enactment of a joint resolution of approval described in section 802 or as provided for in the rule following enactment of a joint resolution of approval described in section 802, whichever is later.

“(4) A nonmajor rule shall take effect as provided by section 803 after submission to Congress under paragraph (1).

“(5) If a joint resolution of approval relating to a major rule is not enacted within the period provided in subsection (b)(2), then a joint resolution of approval relating to the same rule may not be considered under this chapter in the same Congress by either the House of Representatives or the Senate.

“(b)(1) A major rule shall not take effect unless the Congress enacts a joint resolution of approval described under section 802.

“(2) If a joint resolution described in subsection (a) is not enacted into law by the end of 70 session days or legislative days, as applicable, beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), then the rule described in that resolution shall be deemed not to be approved and such rule shall not take effect.

“(c)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a major rule may take effect for one 90-calendar-day period if the President makes a determination under

paragraph (2) and submits written notice of such determination to the Congress.

“(2) Paragraph (1) applies to a determination made by the President by Executive order that the major rule should take effect because such rule is—

“(A) necessary because of an imminent threat to health or safety or other emergency;

“(B) necessary for the enforcement of criminal laws;

“(C) necessary for national security; or

“(D) issued pursuant to any statute implementing an international trade agreement.

“(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under section 802.

“(d)(1) In addition to the opportunity for review otherwise provided under this chapter, in the case of any rule for which a report was submitted in accordance with subsection (a)(1)(A) during the period beginning on the date occurring—

“(A) in the case of the Senate, 60 session days, or

“(B) in the case of the House of Representatives, 60 legislative days,

before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session, sections 802 and 803 shall apply to such rule in the succeeding session of Congress.

“(2)(A) In applying sections 802 and 803 for purposes of such additional review, a rule described under paragraph (1) shall be treated as though—

“(i) such rule were published in the Federal Register on—

“(I) in the case of the Senate, the 15th session day, or

“(II) in the case of the House of Representatives, the 15th legislative day,

after the succeeding session of Congress first convenes; and

“(ii) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

“(B) Nothing in this paragraph shall be construed to affect the requirement under subsection (a)(1) that a report shall be submitted to Congress before a rule can take effect.

“(3) A rule described under paragraph (1) shall take effect as otherwise provided by law (including other subsections of this section).

“§ 802. Congressional approval procedure for major rules

“(a)(1) For purposes of this section, the term ‘joint resolution’ means only a joint resolution addressing a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii) that—

“(A) bears no preamble;

“(B) bears the following title (with blanks filled as appropriate): ‘Approving the rule submitted by _____ relating to _____.’;

“(C) includes after its resolving clause only the following (with blanks filled as appropriate): ‘That Congress approves the rule submitted by _____ relating to _____.’; and

“(D) is introduced pursuant to paragraph (2).

“(2) After a House of Congress receives a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii), the majority leader of that House (or his or her respective designee) shall introduce (by request, if appropriate) a joint resolution described in paragraph (1)—

“(A) in the case of the House of Representatives, within three legislative days; and

“(B) in the case of the Senate, within three session days.

“(3) A joint resolution described in paragraph (1) shall not be subject to amendment at any stage of proceeding.

“(b) A joint resolution described in subsection (a) shall be referred in each House of Congress to the committees having jurisdiction over the provision of law under which the rule is issued.

“(c) In the Senate, if the committee or committees to which a joint resolution described in subsection (a) has been referred have not reported it at the end of 15 session days after its introduction, such committee or committees shall be automatically discharged from further consideration of the resolution and it shall be placed on the calendar. A vote on final passage of the resolution shall be taken on or before the close of the 15th session day after the resolution is reported by the committee or committees to which it was referred, or after such committee or committees have been discharged from further consideration of the resolution.

“(d)(1) In the Senate, when the committee or committees to which a joint resolution is referred have reported, or when a committee or committees are discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

“(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

“(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

“(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint

resolution described in subsection (a) shall be decided without debate.

“(e) In the House of Representatives, if any committee to which a joint resolution described in subsection (a) has been referred has not reported it to the House at the end of 15 legislative days after its introduction, such committee shall be discharged from further consideration of the joint resolution, and it shall be placed on the appropriate calendar. On the second and fourth Thursdays of each month it shall be in order at any time for the Speaker to recognize a Member who favors passage of a joint resolution that has appeared on the calendar for at least 5 legislative days to call up that joint resolution for immediate consideration in the House without intervention of any point of order. When so called up a joint resolution shall be considered as read and shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, and the previous question shall be considered as ordered to its passage without intervening motion. It shall not be in order to reconsider the vote on passage. If a vote on final passage of the joint resolution has not been taken by the third Thursday on which the Speaker may recognize a Member under this subsection, such vote shall be taken on that day.

“(f)(1) If, before passing a joint resolution described in subsection (a), one House receives from the other a joint resolution having the same text, then—

“(A) the joint resolution of the other House shall not be referred to a committee; and

“(B) the procedure in the receiving House shall be the same as if no joint resolution had been received from the other House until the vote on passage, when the joint resolution received from the other House shall supplant the joint resolution of the receiving House.

“(2) This subsection shall not apply to the House of Representatives if the joint resolution received from the Senate is a revenue measure.

“(g) If either House has not taken a vote on final passage of the joint resolution by the last day of the period described in section 801(b)(2), then such vote shall be taken on that day.

“(h) This section and section 803 are enacted by Congress—

“(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in subsection (a) and superseding other rules only where explicitly so; and

“(2) with full recognition of the Constitutional right of either House to change the rules (so far as they relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

“§ 803. Congressional disapproval procedure for nonmajor rules

“(a) For purposes of this section, the term ‘joint resolution’ means only a joint resolution introduced in the period beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress and ending 60 days thereafter (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), the matter after the resolving clause of which is as follows: ‘That Congress disapproves the nonmajor rule submitted by the _____ relating to _____, and such rule shall have no force or effect.’ (The blank spaces being appropriately filled in).

“(b)(1) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

“(2) For purposes of this section, the term submission or publication date means the later of the date on which—

“(A) the Congress receives the report submitted under section 801(a)(1); or

“(B) the nonmajor rule is published in the Federal Register, if so published.

“(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has not reported such joint resolution (or an identical joint resolution) at the end of 15 session days after the date of introduction of the joint resolution, such committee may be discharged from further consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the calendar.

“(d)(1) In the Senate, when the committee to which a joint resolution is referred has reported, or when a committee is discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

“(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

“(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a sin-

gle quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

“(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

“(e) In the Senate the procedure specified in subsection (c) or (d) shall not apply to the consideration of a joint resolution respecting a nonmajor rule—

“(1) after the expiration of the 60 session days beginning with the applicable submission or publication date, or

“(2) if the report under section 801(a)(1)(A) was submitted during the period referred to in section 801(d)(1), after the expiration of the 60 session days beginning on the 15th session day after the succeeding session of Congress first convenes.

“(f) If, before the passage by one House of a joint resolution of that House described in subsection (a), that House receives from the other House a joint resolution described in subsection (a), then the following procedures shall apply:

“(1) The joint resolution of the other House shall not be referred to a committee.

“(2) With respect to a joint resolution described in subsection (a) of the House receiving the joint resolution—

“(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

“(B) the vote on final passage shall be on the joint resolution of the other House.

“§ 804. Definitions

“For purposes of this chapter—

“(1) The term ‘Federal agency’ means any agency as that term is defined in section 551(1).

“(2) The term ‘major rule’ means any rule, including an interim final rule, that the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds has resulted in or is likely to result in—

“(A) an annual effect on the economy of \$100,000,000 or more;

“(B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

“(C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets.

“(3) The term ‘nonmajor rule’ means any rule that is not a major rule.

“(4) The term ‘rule’ has the meaning given such term in section 551, except that such term does not include—

“(A) any rule of particular applicability, including a rule that approves or prescribes for the future rates, wages,

prices, services, or allowances therefore, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing;

“(B) any rule relating to agency management or personnel; or

“(C) any rule of agency organization, procedure, or practice that does not substantially affect the rights or obligations of non-agency parties.

“§ 805. Judicial review

“(a) No determination, finding, action, or omission under this chapter shall be subject to judicial review.

“(b) Notwithstanding subsection (a), a court may determine whether a Federal agency has completed the necessary requirements under this chapter for a rule to take effect.

“(c) The enactment of a joint resolution of approval under section 802 shall not be interpreted to serve as a grant or modification of statutory authority by Congress for the promulgation of a rule, shall not extinguish or affect any claim, whether substantive or procedural, against any alleged defect in a rule, and shall not form part of the record before the court in any judicial proceeding concerning a rule except for purposes of determining whether or not the rule is in effect.

“§ 806. Exemption for monetary policy

“Nothing in this chapter shall apply to rules that concern monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee.

“§ 807. Effective date of certain rules

“Notwithstanding section 801—

“(1) any rule that establishes, modifies, opens, closes, or conducts a regulatory program for a commercial, recreational, or subsistence activity related to hunting, fishing, or camping; or

“(2) any rule other than a major rule which an agency for good cause finds (and incorporates the finding and a brief statement of reasons therefore in the rule issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest,

shall take effect at such time as the Federal agency promulgating the rule determines.”.

PURPOSE AND SUMMARY

In order to provide job creators with the stability they need to invest in their companies and create jobs, the REINS Act will require congressional approval of any new Federal regulation that has an annual cost to the economy of \$100 million or more. This is the threshold at which the Government deems a regulation “economically significant.” The legislation provides a mechanism for Congress to quickly consider approval of major regulations while

also maintaining the existing procedures under the Congressional Review Act for other regulations. By limiting the size of rule-making permission and constraining the delegation of Congressional authority, the REINS Act restricts unelected Federal officials from imposing huge costs on the economy and American people through burdensome regulations.

BACKGROUND AND NEED FOR LEGISLATION

Excessive Federal regulation is a de facto tax on employers and consumers that stifles job creation, hampers innovation, and postpones investment in the economy. When the rules constantly change, small businesses cannot properly plan for the future. The Committee is dedicated to creating an environment where job creators can flourish, rather than flounder.

The existing burden of regulation has already become a barrier to economic growth and job creation. As of 2008, Federal regulations cost our economy \$1.75 trillion each year, as estimated by the Small Business Administration. To that burden, the Administration seeks to add billions upon billions more.

By its own admission, the Administration is preparing myriad regulations, each costing the economy over \$1 billion annually. The Administration's 2011 regulatory agenda calls for over 200 new major rules. No one knows when this flood will end. Numerous additional rules are to come under both the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Patient Protection and Affordable Care Act.

Currently, Congress has two options with which to deal with excessive or overreaching Federal regulations—pass a new law or pass a joint resolution of disapproval as set out in the Congressional Review Act (CRA). Since the enactment of the CRA in 1996, the Executive branch has promulgated more than 50,000 rules, including more than 1,000 major rules. Only one rule, however, has been overturned through the CRA disapproval process—the 2001 ergonomics standard promulgated by the Occupational Safety and Health Administration (OSHA) during the final days of the prior Administration.

While this exemplifies how CRA procedures can be used to prevent a rule from coming into effect, it also highlights a major deficiency in the CRA. Specifically, if Congress attempts to use the CRA to disapprove of a rule promulgated under a sitting President, the threshold for enactment is actually much higher than the simple majority required for passage of a resolution of disapproval. Because the President retains the power to veto a resolution of disapproval, Congress would need to have the support of a two-thirds majority in each House to ensure that a rule will not come into effect.

Accordingly, a new mechanism is necessary in order to preserve the ability of a majority of the Members of Congress to affect agency regulatory decisions. Only by providing for the approval of major regulations on the front end can Congress regain its rightful role as the legislative body of the government, rather than allowing

unelected officials to continue exercising those powers. The REINS act provides just such a mechanism.

On October 25th, the Committee on the Judiciary ordered H.R. 10 favorably reported, as amended, to the House by a party-line vote of 22 to 14.

HEARINGS

The Committee on Rules did not hold a hearing on this bill. However, on January 24, 2011, the Subcommittee on Courts, Commercial and Administrative Law of the Committee on the Judiciary held a hearing entitled “The REINS Act—Promoting Jobs and Expanding Freedom by Reducing Needless Regulations.” The following witnesses testified: The Honorable David McIntosh, former Member of Congress; Mr. Jonathan Adler, Professor, Case Western Reserve University School of Law and Director, Center for Business Law and Regulation; and Ms. Sally Katzen, Visiting Professor, New York University School of Law and Senior Advisor, Podesta Group.

The Subcommittee also held a legislative hearing on the bill on March 8, 2011. The following witnesses testified: Mr. David Schoenbrod, Trustee Professor of Law, New York Law School; Mr. Eric R. Claeys, Professor of Law, George Mason University School of Law; and Mr. David Goldston, Director of Government Affairs, Natural Resources Defense Council.

COMMITTEE CONSIDERATION

The Committee on Rules met on November 16, 2011 in open session and ordered H.R. 10 favorably reported to the House with amendment by a record vote of 7 yeas and 3 nays, a quorum being present.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. A motion by Mr. Dreier to report the bill to the House as amended with a favorable recommendation was agreed to by a record vote of 7 yeas and 3 nays, a quorum being present.

The names of Members voting for and against follow:

Rules Committee Record Vote No. 158

Motion by Mr. Dreier to order the bill as amended reported to the House with a favorable recommendation; agreed to: 7 yeas and 3 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Sessions	Yea	Ms. Slaughter	Nay
Ms. Foxx	Yea	Mr. McGovern	Nay
Mr. Bishop (UT)	Yea	Mr. Hastings (FL) .....	.....
Mr. Woodall .....	.....	Mr. Polis	Nay

Rules Committee Record Vote No. 158—Continued

Motion by Mr. Dreier to order the bill as amended reported to the House with a favorable recommendation; agreed to: 7 yeas and 3 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Nugent	Yea		
Mr. Scott	Yea		
Mr. Webster	Yea		
Mr. Dreier, Chairman	Yea		

The Committee also disposed of the following amendments by record vote:

Rules Committee Record Vote No. 154

Amendment #1a by Ms. Slaughter to amendment #1 by Mr. Dreier, to exempt any rule relating to public health and safety; not agreed to: 4 yeas and 6 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Sessions	Nay	Ms. Slaughter	Yea
Ms. Foxx	Nay	Mr. McGovern	Yea
Mr. Bishop (UT) .....	.....	Mr. Hastings (FL)	Yea
Mr. Woodall .....	.....	Mr. Polis	Yea
Mr. Nugent	Nay		
Mr. Scott	Nay		
Mr. Webster	Nay		
Mr. Dreier, Chairman	Nay		

Rules Committee Record Vote No. 155

Amendment #1b by Mr. McGovern to amendment #1 by Mr. Dreier, to exempt any rule decreasing the poverty rate in the United States; not agreed to: 4 yeas and 7 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Sessions	Nay	Ms. Slaughter	Yea
Ms. Foxx	Nay	Mr. McGovern	Yea
Mr. Bishop (UT)	Nay	Mr. Hastings (FL)	Yea
Mr. Woodall .....	.....	Mr. Polis	Yea
Mr. Nugent	Nay		
Mr. Scott	Nay		
Mr. Webster	Nay		
Mr. Dreier, Chairman	Nay		

Rules Committee Record Vote No. 156

Amendment #1c by Mr. McGovern to amendment #1 by Mr. Dreier, to exempt rules relating to decreasing food insecurity; not agreed to: 4 yeas and 7 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Sessions	Nay	Ms. Slaughter	Yea
Ms. Foxx	Nay	Mr. McGovern	Yea
Mr. Bishop (UT)	Nay	Mr. Hastings (FL)	Yea
Mr. Woodall .....	.....	Mr. Polis	Yea
Mr. Nugent	Nay		
Mr. Scott	Nay		
Mr. Webster	Nay		
Mr. Dreier, Chairman	Nay		

Rules Committee Record Vote No. 157

Amendment #1d by Mr. Hastings of Florida to amendment #1 by Mr. Dreier, to exempt rules resulting in net job growth as determined by the Office of Information and Regulatory Affairs; not agreed to: 4 yeas and 7 nays.

Majority Members	Vote	Minority Members	Vote
Mr. Sessions	Nay	Ms. Slaughter	Yea
Ms. Foxx	Nay	Mr. McGovern	Yea
Mr. Bishop (UT)	Nay	Mr. Hastings (FL)	Yea
Mr. Woodall .....	.....	Mr. Polis	Yea
Mr. Nugent	Nay		
Mr. Scott	Nay		
Mr. Webster	Nay		
Mr. Dreier, Chairman	Nay		

The Committee also considered the following other amendments:
 Amendment #1, offered by Mr. Dreier, making changes to the expedited procedures for consideration of joint resolutions of approval, was agreed to by a voice vote.

Amendment #1e, offered by Mr. Hastings of Florida to amendment #1 by Mr. Dreier, exempting rules promulgated in accordance with the Administrative Procedures Act, was not agreed to by a voice vote.

Amendment #1f, offered by Mr. Polis to amendment #1 by Mr. Dreier, exempting rules that would result in greater benefits than costs to society as determined by the Office of Information and Regulatory Affairs, was not agreed to by a voice vote.

Amendment #2, offered by Mr. Sessions, requiring an agency to include analysis of anticipated jobs added or lost as part of its major rule report, was withdrawn.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee made findings that are reflected in this report.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

【Insert CBO estimate here.】



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 17, 2011

H.R. 10 **Regulations From the Executive in Need of Scrutiny Act of 2011**

As ordered reported by the House Committee on Rules on November 16, 2011

SUMMARY

Under current law, the Congress can prevent a rule from taking effect by enacting a *joint resolution of disapproval*. In contrast, H.R. 10 would require enactment of a *joint resolution of approval* prior to any major rule taking effect. Therefore, H.R. 10 would make major regulations dependent on future legislation.

About 80 major rules have been issued per year, on average, over the past five years. Major rules vary greatly in their nature and scope. CBO and the staff of the Joint Committee on Taxation (JCT) cannot determine the budgetary effects of preventing all future major rules from going into effect, but we expect that enacting H.R. 10 would have effects on both direct spending and revenues. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending and revenues.

CBO expects that implementing H.R. 10 would not have any significant impact on spending subject to appropriation.

CBO expects that H.R. 10 would impose no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

Background

The Congressional Review Act (CRA) of 1996 requires federal agencies to submit final rules to Congress and the Comptroller General before they may take effect. Final rules may only be annulled by Congress if a joint resolution of disapproval is enacted into law. H.R. 10 would amend current law by requiring Congress to enact a joint resolution of approval before any major rule may take effect. The definition of a major rule, which was

originally set by the CRA and is left unchanged by H.R. 10, is any rule that the Office of Management and Budget determines would have:

- An annual effect on the economy of \$100,000,000 or more;
- A major increase in costs or prices for consumers; individual industries; federal, state, or local government agencies; or geographic regions; or
- Significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets.¹

H.R. 10 specifies special Congressional procedures and explicit timelines for enacting a joint resolution of approval for major rules. Under H.R. 10, if the Congress fails to enact a joint resolution of approval within 70 legislative (or session) days of receiving the major rule and accompanying report from a federal agency, the rule may not take effect. Further, the Congress may not reconsider a joint resolution of approval relating to that rule in the same Congress. However, a major rule may take effect for one 90-calendar-day period without Congressional approval if the President determines via an executive order that the major rule is necessary for one of four reasons. These reasons are: to respond to an imminent threat to health or safety, to enforce criminal laws, to protect national security, or to implement an international trade agreement.

Since 1997, which was the first full calendar year following the enactment of the CRA, federal agencies have published 50 or more major rules each year. One hundred major rules were issued in 2010, and 79 major rules have been issued, on average, over the past five full calendar years. Fifty major rules have been issued so far in 2011 (as of November 8, 2011). Major rules vary greatly in scope and in their effect on the federal budget. For example, major rules issued in 2011 include required warnings for cigarette packages and advertisements, Medicare payment rates for inpatient psychiatric facilities, and national emission standards for hazardous air pollutants from industrial, commercial and institutional boilers.²

In general, most major rules with budgetary effects are issued to implement current law; therefore, the budgetary effects of such anticipated rules are reflected in CBO's baseline projections. For example, routine annual rules establish new payment rates for a variety of Medicare services. Such updated payment rates reflect changes in the price indices specified to be used for those services by current law; the result is often an increase in payment rates and thus an increase in spending.

1. See 5 USC § 804(2).

2. GAO Federal Rules Database, <http://www.gao.gov/legal/congressact/fedrule.html>.

If H.R. 10 is enacted, baseline projections would no longer reflect the budgetary impact of major rules. Accordingly, if the Congress later considers a joint resolution of approval for a major rule, the estimated budgetary effect of that resolution would include the cost or savings of implementing that rule. For example, if H.R. 10 is enacted, baseline projections would no longer assume that payment rates for Medicare providers would rise over time without Congressional action. As a result, a Congressional resolution of approval for a major rule raising such rates would be estimated as having a cost to reflect those higher rates.

Impact on Federal Spending and Revenues

Direct Spending. H.R. 10 would prevent all major rules from taking effect unless subsequent legislation is enacted. Therefore, in assessing the budgetary effects of H.R. 10, CBO considered the costs and savings that would be realized if anticipated major rules do not take effect. Preventing some major rules from taking effect would result in costs, while preventing others would result in savings. CBO expects that the rules with the largest effects on federal spending will be those related to federal health programs, particularly Medicare, and that enacting H.R. 10 would significantly reduce Medicare spending relative to current law.

On net, CBO estimates that enacting H.R. 10 would result in savings for direct spending over the 2012-2021 period. Such budgetary effects would largely be driven by:

- (1) preventing annual updates to payment schedules for provision of Medicare services and other routine revisions to aspects of selected government programs; and
- (2) significantly altering the implementation of legislation with substantial budget effects.

Many routine major rules are health-related and in particular pertain to Medicare. Some examples include rules that establish annual increases in payment rates for services provided by hospitals, physicians, and other Medicare providers. Enacting H.R. 10 would freeze payment structures for those providers at current levels, which would, on net, result in hundreds of billions of dollars in savings over the 2012-2021 period. Preventing some major rules from taking effect would result in an increase in direct spending (from an increase in spending or from a reduction in offsetting receipts). For example, preventing annual increases in premiums paid by beneficiaries for Medicare Part B would reduce premium collections, and preventing scheduled reductions in payments for hospitals that serve a disproportionate share of low-income patients under the Medicaid program would increase costs relative to current law. However, CBO estimates that overall savings would likely offset those costs by a substantial amount.

Enacting H.R. 10 would also affect the implementation of significant legislation for which final rules have not been issued. For example, H.R. 10 would make some major rules related to implementing the Patient Protection and Affordable Care Act (PPACA, Public Law 111-148) subject to a joint resolution of approval because a number of rules

have not yet taken effect. Many of these rules relate to health insurance exchanges, which will become operational in 2014 under current law. Preventing rules governing exchanges from taking effect would, at a minimum, delay implementation of health insurance exchanges, which would in turn result in significant savings.

Revenues. Enacting H.R. 10 would also affect revenues, and JCT expects that preventing regulations from going into effect could reduce collections of revenues in some cases and increase collections in other cases. JCT cannot determine the sign or magnitude of the possible effects on revenues.

Impact on Future Legislation

If H.R. 10 is enacted, the budgetary effect of any joint resolution of approval for a major rule would include any direct spending and revenue effects of implementing that rule. Further, for future legislation whose implementation would be contingent upon the promulgation of major rules, CBO would estimate the budgetary effects assuming those major rules did not take effect. The costs or savings associated with those major rules would instead be estimated and counted for budget enforcement purposes at the time that joint resolutions to approve those major rules were being considered.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. Pay-as-you-go procedures apply to H.R. 10 because enacting the legislation would affect direct spending and revenues. CBO and JCT cannot determine the sign or magnitude of those effects.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

CBO expects that H.R. 10 would impose no intergovernmental or private-sector mandates as defined in UMRA. By requiring major rules to be approved by a joint resolution of Congress and potentially delaying or halting the implementation of those rules, the bill could affect public or private entities in a number of ways, including slowing reimbursements and eliminating or changing regulatory requirements. While the costs and savings tied to those individual effects could be significant, CBO has no basis for estimating either the overall direction or magnitude of those effects on public or private entities because of uncertainty about the nature and number of regulations affected.

PREVIOUS CBO ESTIMATE

On November 9, 2011, CBO transmitted a cost estimate for H.R. 10, as ordered reported by the House Committee on the Judiciary on October 25, 2011. The Rules Committee's version of H.R. 10 is similar to the Judiciary Committee's version and would have the same budgetary effects. The two versions of the bill are slightly different in that the Rules Committee version would establish somewhat different expedited procedures for Congressional approval of major rules. However, those changes in the bill do not affect CBO's and JCT's assessment of the budgetary effects.

ESTIMATE PREPARED BY:

Federal Costs: Sarah Anders

Impact on State, Local, and Tribal Governments: Elizabeth Cove Delisle

Impact on the Private Sector: Paige Piper-Bach

ESTIMATE APPROVED BY:

Holly Harvey

Deputy Assistant Director for Budget Analysis



CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

Douglas W. Elmendorf, Director

November 17, 2011

Honorable David Dreier
Chairman
Committee on Rules
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 10, the Regulations from the Executive in Need of Scrutiny Act of 2011, as ordered reported by the Committee on Rules on November 16, 2011.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Sarah Anders, who can be reached at 226-9010.

Sincerely,

A handwritten signature in cursive script that reads "Douglas W. Elmendorf".

Douglas W. Elmendorf

Enclosure

cc: Honorable Louise Slaughter
Ranking Minority Member

PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee establishes the following performance related goals and objectives for this legislation:

The legislation will improve Congressional oversight of the Executive branch rule-making process and provide job creators with the stability they need in order to invest in their companies and create jobs.

NEW BUDGET AUTHORITY ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of the section 102(b)(3) of the Congressional Accountability Act.

STATEMENT REGARDING EARMARKS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, the Committee finds that H.R. 10 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short Title.

This section provides the short title of the bill, the “Regulations from the Executive In Need of Scrutiny Act of 2011.”

Sec. 2. Purpose.

Section 2 establishes the purpose of the REINS Act, which is to increase accountability and transparency in the Federal regulatory process by requiring Congress to approve all new major regulations.

Sec. 3. Congressional Review of Agency Rule Making.

The bill amends chapter 8 of title 5, U.S. Code, to create the following method for congressional review of new major federal rules:

§ 801. *Congressional Review.*—This section requires enhanced reporting of all federal rules to Congress and the Comptroller General and provides that a major rule shall not take effect without a joint resolution of approval under section 802. Section 801 also caps the time to enact a joint resolution of approval at 70 legislative days, and empowers the President to grant 90-day waivers for certain emergency situations. Finally, Section 801 outlines carry-over provisions from one session of Congress to the next.

§ 802. *Congressional Approval Procedure for Major Rules.*—Subsection (a) describes the content and method of introduction for a joint resolution of approval within 3 legislative or session days (as applicable), and prohibits any amendments to that joint resolution during its consideration. Subsection (b) provides for the appropriate referral of the measure to committees in both the Senate and House of Representatives.

Subsections (c) and (d) provide for expedited consideration of the joint resolution in the Senate. In the Senate, a vote on passage must occur within 15 session days after a committee is discharged or reports the measure. A motion to proceed to the joint resolution is in order anytime after the committees are discharged or have reported. All points of order against the joint resolution are waived. The motion to proceed is not subject to amendment, a motion to postpone, or a motion to proceed to other business. A motion to reconsider the vote on the motion to proceed is not in order. If a motion to proceed to a joint resolution is agreed to, debate on the joint resolution (and all related motions and appeals) is limited to 2 hours. The joint resolution is not amendable, and motions to postpone, motions to proceed to other business, and a motion to recommit are not in order. All appeals are decided without debate, and a vote on final passage must occur after the conclusion of debate on the joint resolution.

Subsection (e) provides for consideration of the joint resolution in the House. Committees in the House must report the joint resolution without amendment within 15 days after referral, or they are automatically discharged from further consideration. After the joint resolution is on the calendar for at least 5 legislative days, the Speaker may recognize a Member favoring passage of the joint resolution on the second and fourth Thursdays of each month to call up the joint resolution for immediate consideration. All points of order against the resolution and its consideration are waived, and the resolution is debatable for 1 hour. The bill prohibits amendments, motions to recommit, and motions to reconsider. If a vote on final passage of the joint resolution has not been taken by the

third Thursday on which the Speaker may recognize a member for consideration of the joint resolution, the vote on final passage will occur on that day without debate.

Subsection (f) provides for the disposition of a joint resolution by the other House. Notably, paragraph (2) provides that the House does not have to vote on passage of a joint resolution passed by the Senate if that joint resolution is a revenue measure.

Finally, subsection (g) provides that sections 802 and 803 are enacted as a rulemaking exercise and are deemed to be part of the rules of each body with respect to the joint resolution of approval, and supersedes other rules only where it explicitly does so and that Congress reserves the right to change these rules in the same manner as any other rule.

§ 803. *Congressional Disapproval Procedure for Nonmajor Rules.*—Section 803 preserves the existing disapproval process under the Congressional Review Act for all non-major rules. This section permits Congress to disapprove a rule if both houses of Congress pass a joint resolution of disapproval that the President signs (or if Congress overrides the veto). Section 803 also provides expedited procedural mechanisms in the Senate.

§ 804. *Definitions.*—This section defines certain terms, including “major rule” and “nonmajor rule”. It also provides that rules of particular applicability, rules relating to agency management, or rules relating to agency organization are exempt from the REINS Act.

§ 805. *Judicial Review.*—This section provides that no determination, finding, action, or omission under this chapter will be subject to judicial review.

§ 806. *Exemption for Monetary Policy.*—Like the Congressional Review Act, section 806 exempts any rules concerning monetary policy promulgated by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee.

§ 807. *Effective Date of Certain Rules.*—Section 807 permits certain rules relating to hunting, fishing, or camping and certain non-major rules to take effect notwithstanding section 801.

CHANGES IN EXISTING HOUSE RULES MADE BY THE LEGISLATION AS REPORTED

In compliance with clause 3(g) of rule XIII of the Rules of the House of Representatives, H.R. 10 does not propose to repeal or amend a standing rule of the House.

CHANGES IN EXISTING LAW MADE BY THE LEGISLATION AS REPORTED

[Insert Ramsayer here.]

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 5, UNITED STATES CODE

* * * * *

PART I—THE AGENCIES GENERALLY

* * * * *

[CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY
RULEMAKING

- [Sec.
 [801. Congressional review.
 [802. Congressional disapproval procedure.
 [803. Special rule on statutory, regulatory, and judicial deadlines.
 [804. Definitions.
 [805. Judicial review.
 [806. Applicability; severability.
 [807. Exemption for monetary policy.
 [808. Effective date of certain rules.

[§ 801. Congressional review

[(a)(1)(A) Before a rule can take effect, the Federal agency promulgating such rule shall submit to each House of the Congress and to the Comptroller General a report containing—

- [(i) a copy of the rule;
- [(ii) a concise general statement relating to the rule, including whether it is a major rule; and
- [(iii) the proposed effective date of the rule.

[(B) On the date of the submission of the report under subparagraph (A), the Federal agency promulgating the rule shall submit to the Comptroller General and make available to each House of Congress—

- [(i) a complete copy of the cost-benefit analysis of the rule, if any;
- [(ii) the agency's actions relevant to sections 603, 604, 605, 607, and 609;
- [(iii) the agency's actions relevant to sections 202, 203, 204, and 205 of the Unfunded Mandates Reform Act of 1995; and
- [(iv) any other relevant information or requirements under any other Act and any relevant Executive orders.

[(C) Upon receipt of a report submitted under subparagraph (A), each House shall provide copies of the report to the chairman and ranking member of each standing committee with jurisdiction under the rules of the House of Representatives or the Senate to

report a bill to amend the provision of law under which the rule is issued.

[(2)(A) The Comptroller General shall provide a report on each major rule to the committees of jurisdiction in each House of the Congress by the end of 15 calendar days after the submission or publication date as provided in section 802(b)(2). The report of the Comptroller General shall include an assessment of the agency's compliance with procedural steps required by paragraph (1)(B).

[(B) Federal agencies shall cooperate with the Comptroller General by providing information relevant to the Comptroller General's report under subparagraph (A).

[(3) A major rule relating to a report submitted under paragraph (1) shall take effect on the latest of—

[(A) the later of the date occurring 60 days after the date on which—

[(i) the Congress receives the report submitted under paragraph (1); or

[(ii) the rule is published in the Federal Register, if so published;

[(B) if the Congress passes a joint resolution of disapproval described in section 802 relating to the rule, and the President signs a veto of such resolution, the earlier date—

[(i) on which either House of Congress votes and fails to override the veto of the President; or

[(ii) occurring 30 session days after the date on which the Congress received the veto and objections of the President; or

[(C) the date the rule would have otherwise taken effect, if not for this section (unless a joint resolution of disapproval under section 802 is enacted).

[(4) Except for a major rule, a rule shall take effect as otherwise provided by law after submission to Congress under paragraph (1).

[(5) Notwithstanding paragraph (3), the effective date of a rule shall not be delayed by operation of this chapter beyond the date on which either House of Congress votes to reject a joint resolution of disapproval under section 802.

[(b)(1) A rule shall not take effect (or continue), if the Congress enacts a joint resolution of disapproval, described under section 802, of the rule.

[(2) A rule that does not take effect (or does not continue) under paragraph (1) may not be reissued in substantially the same form, and a new rule that is substantially the same as such a rule may not be issued, unless the reissued or new rule is specifically authorized by a law enacted after the date of the joint resolution disapproving the original rule.

[(c)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a rule that would not take effect by reason of subsection (a)(3) may take effect, if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

[(2) Paragraph (1) applies to a determination made by the President by Executive order that the rule should take effect because such rule is—

[(A) necessary because of an imminent threat to health or safety or other emergency;

[(B) necessary for the enforcement of criminal laws;

[(C) necessary for national security; or

[(D) issued pursuant to any statute implementing an international trade agreement.

[(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under section 802 or the effect of a joint resolution of disapproval under this section.

[(d)(1) In addition to the opportunity for review otherwise provided under this chapter, in the case of any rule for which a report was submitted in accordance with subsection (a)(1)(A) during the period beginning on the date occurring—

[(A) in the case of the Senate, 60 session days, or

[(B) in the case of the House of Representatives, 60 legislative days,

before the date the Congress adjourns a session of Congress through the date on which the same or succeeding Congress first convenes its next session, section 802 shall apply to such rule in the succeeding session of Congress.

[(2)(A) In applying section 802 for purposes of such additional review, a rule described under paragraph (1) shall be treated as though—

[(i) such rule were published in the Federal Register (as a rule that shall take effect) on—

[(I) in the case of the Senate, the 15th session day, or

[(II) in the case of the House of Representatives, the 15th legislative day,

after the succeeding session of Congress first convenes; and

[(ii) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

[(B) Nothing in this paragraph shall be construed to affect the requirement under subsection (a)(1) that a report shall be submitted to Congress before a rule can take effect.

[(3) A rule described under paragraph (1) shall take effect as otherwise provided by law (including other subsections of this section).

[(e)(1) For purposes of this subsection, section 802 shall also apply to any major rule promulgated between March 1, 1996, and the date of the enactment of this chapter.

[(2) In applying section 802 for purposes of Congressional review, a rule described under paragraph (1) shall be treated as though—

[(A) such rule were published in the Federal Register on the date of enactment of this chapter; and

[(B) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

[(3) The effectiveness of a rule described under paragraph (1) shall be as otherwise provided by law, unless the rule is made of no force or effect under section 802.

[(f) Any rule that takes effect and later is made of no force or effect by enactment of a joint resolution under section 802 shall be treated as though such rule had never taken effect.

[(g) If the Congress does not enact a joint resolution of disapproval under section 802 respecting a rule, no court or agency may infer any intent of the Congress from any action or inaction of the Congress with regard to such rule, related statute, or joint resolution of disapproval.

[(§ 802. Congressional disapproval procedure

[(a) For purposes of this section, the term “joint resolution” means only a joint resolution introduced in the period beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress and ending 60 days thereafter (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), the matter after the resolving clause of which is as follows: “That Congress disapproves the rule submitted by the — — relating to — —, and such rule shall have no force or effect.” (The blank spaces being appropriately filled in).

[(b)(1) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

[(2) For purposes of this section, the term “submission or publication date” means the later of the date on which—

[(A) the Congress receives the report submitted under section 801(a)(1); or

[(B) the rule is published in the Federal Register, if so published.

[(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has not reported such joint resolution (or an identical joint resolution) at the end of 20 calendar days after the submission or publication date defined under subsection (b)(2), such committee may be discharged from further consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the calendar.

[(d)(1) In the Senate, when the committee to which a joint resolution is referred has reported, or when a committee is discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

[(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to

the consideration of other business, or a motion to recommit the joint resolution is not in order.

[(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

[(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

[(e) In the Senate the procedure specified in subsection (c) or (d) shall not apply to the consideration of a joint resolution respecting a rule—

[(1) after the expiration of the 60 session days beginning with the applicable submission or publication date, or

[(2) if the report under section 801(a)(1)(A) was submitted during the period referred to in section 801(d)(1), after the expiration of the 60 session days beginning on the 15th session day after the succeeding session of Congress first convenes.

[(f) If, before the passage by one House of a joint resolution of that House described in subsection (a), that House receives from the other House a joint resolution described in subsection (a), then the following procedures shall apply:

[(1) The joint resolution of the other House shall not be referred to a committee.

[(2) With respect to a joint resolution described in subsection (a) of the House receiving the joint resolution—

[(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

[(B) the vote on final passage shall be on the joint resolution of the other House.

[(g) This section is enacted by Congress—

[(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

[(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

§ 803. Special rule on statutory, regulatory, and judicial deadlines

[(a) In the case of any deadline for, relating to, or involving any rule which does not take effect (or the effectiveness of which is terminated) because of enactment of a joint resolution under section 802, that deadline is extended until the date 1 year after the date of enactment of the joint resolution. Nothing in this subsection

shall be construed to affect a deadline merely by reason of the postponement of a rule's effective date under section 801(a).

[(b) The term "deadline" means any date certain for fulfilling any obligation or exercising any authority established by or under any Federal statute or regulation, or by or under any court order implementing any Federal statute or regulation.

[\S 804. Definitions

[For purposes of this chapter—

[(1) The term "Federal agency" means any agency as that term is defined in section 551(1).

[(2) The term "major rule" means any rule that the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds has resulted in or is likely to result in—

[(A) an annual effect on the economy of \$100,000,000 or more;

[(B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

[(C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. The term does not include any rule promulgated under the Telecommunications Act of 1996 and the amendments made by that Act.

[(3) The term "rule" has the meaning given such term in section 551, except that such term does not include—

[(A) any rule of particular applicability, including a rule that approves or prescribes for the future rates, wages, prices, services, or allowances therefor, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing;

[(B) any rule relating to agency management or personnel; or

[(C) any rule of agency organization, procedure, or practice that does not substantially affect the rights or obligations of non-agency parties.

[\S 805. Judicial review

[No determination, finding, action, or omission under this chapter shall be subject to judicial review.

[\S 806. Applicability; severability

[(a) This chapter shall apply notwithstanding any other provision of law.

[(b) If any provision of this chapter or the application of any provision of this chapter to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this chapter, shall not be affected thereby.

【§ 807. Exemption for monetary policy

【Nothing in this chapter shall apply to rules that concern monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee.】

CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY RULEMAKING

Sec.

801. *Congressional review.*

802. *Congressional approval procedure for major rules.*

803. *Congressional disapproval procedure for nonmajor rules.*

804. *Definitions.*

805. *Judicial review.*

806. *Exemption for monetary policy.*

807. *Effective date of certain rules.*

§ 801. Congressional review

(a)(1)(A) *Before a rule may take effect, the Federal agency promulgating such rule shall submit to each House of the Congress and to the Comptroller General a report containing—*

- (i) *a copy of the rule;*
- (ii) *a concise general statement relating to the rule;*
- (iii) *a classification of the rule as a major or nonmajor rule, including an explanation of the classification specifically addressing each criteria for a major rule contained within sections 804(2)(A), 804(2)(B), and 804(2)(C);*
- (iv) *a list of any other related regulatory actions intended to implement the same statutory provision or regulatory objective as well as the individual and aggregate economic effects of those actions; and*
- (v) *the proposed effective date of the rule.*

(B) *On the date of the submission of the report under subparagraph (A), the Federal agency promulgating the rule shall submit to the Comptroller General and make available to each House of Congress—*

- (i) *a complete copy of the cost-benefit analysis of the rule, if any;*
- (ii) *the agency's actions pursuant to sections 603, 604, 605, 607, and 609 of this title;*
- (iii) *the agency's actions pursuant to sections 202, 203, 204, and 205 of the Unfunded Mandates Reform Act of 1995; and*
- (iv) *any other relevant information or requirements under any other Act and any relevant Executive orders.*

(C) *Upon receipt of a report submitted under subparagraph (A), each House shall provide copies of the report to the chairman and ranking member of each standing committee with jurisdiction under the rules of the House of Representatives or the Senate to report a bill to amend the provision of law under which the rule is issued.*

(2)(A) *The Comptroller General shall provide a report on each major rule to the committees of jurisdiction by the end of 15 calendar days after the submission or publication date as provided in section 802(b)(2). The report of the Comptroller General shall include an assessment of the agency's compliance with procedural steps required by paragraph (1)(B).*

(B) Federal agencies shall cooperate with the Comptroller General by providing information relevant to the Comptroller General's report under subparagraph (A).

(3) A major rule relating to a report submitted under paragraph (1) shall take effect upon enactment of a joint resolution of approval described in section 802 or as provided for in the rule following enactment of a joint resolution of approval described in section 802, whichever is later.

(4) A nonmajor rule shall take effect as provided by section 803 after submission to Congress under paragraph (1).

(5) If a joint resolution of approval relating to a major rule is not enacted within the period provided in subsection (b)(2), then a joint resolution of approval relating to the same rule may not be considered under this chapter in the same Congress by either the House of Representatives or the Senate.

(b)(1) A major rule shall not take effect unless the Congress enacts a joint resolution of approval described under section 802.

(2) If a joint resolution described in subsection (a) is not enacted into law by the end of 70 session days or legislative days, as applicable, beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), then the rule described in that resolution shall be deemed not to be approved and such rule shall not take effect.

(c)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a major rule may take effect for one 90-calendar-day period if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

(2) Paragraph (1) applies to a determination made by the President by Executive order that the major rule should take effect because such rule is—

(A) necessary because of an imminent threat to health or safety or other emergency;

(B) necessary for the enforcement of criminal laws;

(C) necessary for national security; or

(D) issued pursuant to any statute implementing an international trade agreement.

(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under section 802.

(d)(1) In addition to the opportunity for review otherwise provided under this chapter, in the case of any rule for which a report was submitted in accordance with subsection (a)(1)(A) during the period beginning on the date occurring—

(A) in the case of the Senate, 60 session days, or

(B) in the case of the House of Representatives, 60 legislative days,

before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session, sections 802 and 803 shall apply to such rule in the succeeding session of Congress.

(2)(A) In applying sections 802 and 803 for purposes of such additional review, a rule described under paragraph (1) shall be treated as though—

- (i) such rule were published in the Federal Register on—
 (I) in the case of the Senate, the 15th session day, or
 (II) in the case of the House of Representatives, the
 15th legislative day,
 after the succeeding session of Congress first convenes; and
 (ii) a report on such rule were submitted to Congress under
 subsection (a)(1) on such date.
 (B) Nothing in this paragraph shall be construed to affect the
 requirement under subsection (a)(1) that a report shall be submitted
 to Congress before a rule can take effect.
 (3) A rule described under paragraph (1) shall take effect as
 otherwise provided by law (including other subsections of this sec-
 tion).

§ 802. Congressional approval procedure for major rules

- (a)(1) For purposes of this section, the term “joint resolution”
 means only a joint resolution addressing a report classifying a rule
 as major pursuant to section 801(a)(1)(A)(iii) that—
 (A) bears no preamble;
 (B) bears the following title (with blanks filled as appro-
 priate): “Approving the rule submitted by _____ relating to
 _____.”;
 (C) includes after its resolving clause only the following
 (with blanks filled as appropriate): “That Congress approves the
 rule submitted by _____ relating to _____.”; and
 (D) is introduced pursuant to paragraph (2).
 (2) After a House of Congress receives a report classifying a rule
 as major pursuant to section 801(a)(1)(A)(iii), the majority leader of
 that House (or his or her respective designee) shall introduce (by re-
 quest, if appropriate) a joint resolution described in paragraph (1)—
 (A) in the case of the House of Representatives, within three
 legislative days; and
 (B) in the case of the Senate, within three session days.
 (3) A joint resolution described in paragraph (1) shall not be
 subject to amendment at any stage of proceeding.
 (b) A joint resolution described in subsection (a) shall be re-
 ferred in each House of Congress to the committees having jurisdic-
 tion over the provision of law under which the rule is issued.
 (c) In the Senate, if the committee or committees to which a
 joint resolution described in subsection (a) has been referred have
 not reported it at the end of 15 session days after its introduction,
 such committee or committees shall be automatically discharged
 from further consideration of the resolution and it shall be placed
 on the calendar. A vote on final passage of the resolution shall be
 taken on or before the close of the 15th session day after the resolu-
 tion is reported by the committee or committees to which it was re-
 ferred, or after such committee or committees have been discharged
 from further consideration of the resolution.
 (d)(1) In the Senate, when the committee or committees to which
 a joint resolution is referred have reported, or when a committee or
 committees are discharged (under subsection (c)) from further con-
 sideration of a joint resolution described in subsection (a), it is at
 any time thereafter in order (even though a previous motion to the
 same effect has been disagreed to) for a motion to proceed to the con-

sideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

(e) In the House of Representatives, if any committee to which a joint resolution described in subsection (a) has been referred has not reported it to the House at the end of 15 legislative days after its introduction, such committee shall be discharged from further consideration of the joint resolution, and it shall be placed on the appropriate calendar. On the second and fourth Thursdays of each month it shall be in order at any time for the Speaker to recognize a Member who favors passage of a joint resolution that has appeared on the calendar for at least 5 legislative days to call up that joint resolution for immediate consideration in the House without intervention of any point of order. When so called up a joint resolution shall be considered as read and shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, and the previous question shall be considered as ordered to its passage without intervening motion. It shall not be in order to reconsider the vote on passage. If a vote on final passage of the joint resolution has not been taken by the third Thursday on which the Speaker may recognize a Member under this subsection, such vote shall be taken on that day.

(f)(1) If, before passing a joint resolution described in subsection (a), one House receives from the other a joint resolution having the same text, then—

(A) the joint resolution of the other House shall not be referred to a committee; and

(B) the procedure in the receiving House shall be the same as if no joint resolution had been received from the other House until the vote on passage, when the joint resolution received

from the other House shall supplant the joint resolution of the receiving House.

(2) This subsection shall not apply to the House of Representatives if the joint resolution received from the Senate is a revenue measure.

(g) If either House has not taken a vote on final passage of the joint resolution by the last day of the period described in section 801(b)(2), then such vote shall be taken on that day.

(h) This section and section 803 are enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in subsection (a) and superseding other rules only where explicitly so; and

(2) with full recognition of the Constitutional right of either House to change the rules (so far as they relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

§803. Congressional disapproval procedure for nonmajor rules

(a) For purposes of this section, the term “joint resolution” means only a joint resolution introduced in the period beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress and ending 60 days thereafter (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), the matter after the resolving clause of which is as follows: “That Congress disapproves the nonmajor rule submitted by the ___ relating to ___, and such rule shall have no force or effect.” (The blank spaces being appropriately filled in).

(b)(1) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

(2) For purposes of this section, the term submission or publication date means the later of the date on which—

(A) the Congress receives the report submitted under section 801(a)(1); or

(B) the nonmajor rule is published in the Federal Register, if so published.

(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has not reported such joint resolution (or an identical joint resolution) at the end of 15 session days after the date of introduction of the joint resolution, such committee may be discharged from further consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the calendar.

(d)(1) In the Senate, when the committee to which a joint resolution is referred has reported, or when a committee is discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been dis-

agreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

(e) In the Senate the procedure specified in subsection (c) or (d) shall not apply to the consideration of a joint resolution respecting a nonmajor rule—

(1) after the expiration of the 60 session days beginning with the applicable submission or publication date, or

(2) if the report under section 801(a)(1)(A) was submitted during the period referred to in section 801(d)(1), after the expiration of the 60 session days beginning on the 15th session day after the succeeding session of Congress first convenes.

(f) If, before the passage by one House of a joint resolution of that House described in subsection (a), that House receives from the other House a joint resolution described in subsection (a), then the following procedures shall apply:

(1) The joint resolution of the other House shall not be referred to a committee.

(2) With respect to a joint resolution described in subsection (a) of the House receiving the joint resolution—

(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(B) the vote on final passage shall be on the joint resolution of the other House.

§ 804. Definitions

For purposes of this chapter—

(1) The term “Federal agency” means any agency as that term is defined in section 551(1).

(2) *The term “major rule” means any rule, including an interim final rule, that the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds has resulted in or is likely to result in—*

(A) *an annual effect on the economy of \$100,000,000 or more;*

(B) *a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or*

(C) *significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets.*

(3) *The term “nonmajor rule” means any rule that is not a major rule.*

(4) *The term “rule” has the meaning given such term in section 551, except that such term does not include—*

(A) *any rule of particular applicability, including a rule that approves or prescribes for the future rates, wages, prices, services, or allowances therefore, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing;*

(B) *any rule relating to agency management or personnel; or*

(C) *any rule of agency organization, procedure, or practice that does not substantially affect the rights or obligations of non-agency parties.*

§ 805. Judicial review

(a) *No determination, finding, action, or omission under this chapter shall be subject to judicial review.*

(b) *Notwithstanding subsection (a), a court may determine whether a Federal agency has completed the necessary requirements under this chapter for a rule to take effect.*

(c) *The enactment of a joint resolution of approval under section 802 shall not be interpreted to serve as a grant or modification of statutory authority by Congress for the promulgation of a rule, shall not extinguish or affect any claim, whether substantive or procedural, against any alleged defect in a rule, and shall not form part of the record before the court in any judicial proceeding concerning a rule except for purposes of determining whether or not the rule is in effect.*

§ 806. Exemption for monetary policy

Nothing in this chapter shall apply to rules that concern monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee.

§ 807. Effective date of certain rules

Notwithstanding section 801—

(1) *any rule that establishes, modifies, opens, closes, or conducts a regulatory program for a commercial, recreational, or subsistence activity related to hunting, fishing, or camping; or*

(2) any rule other than a major rule which an agency for good cause finds (and incorporates the finding and a brief statement of reasons therefore in the rule issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest, shall take effect at such time as the Federal agency promulgating the rule determines.

* * * * *

MINORITY VIEWS

[Insert views here.]

MINORITY VIEWS

H.R. 10, the Regulations From the Executive in Need of Scrutiny Act of 2011 (“REINS Act”), would fundamentally alter the way our government operates and undermine the bedrock constitutional principle of separation of powers. The REINS Act would essentially require that a law be enacted re-approving every significant regulation issued by an agency before the regulation could go into effect, even though regulations are issued pursuant to statutes already enacted by Congress. The practical result of these new, additional steps in the regulatory process would be the wheels of government grinding to a halt. This is not an academic debate – the regulations that this bill undermines are our best defense against problems like polluted air and water, unsafe food, lead in children’s toys, and dangerous conditions in the workplace.

Our system of government already has checks and balances built in to make sure regulations do what Congress says they should. After Congress writes the laws, there are numerous statutes and executive orders that ensure an open process as an agency writes regulations, requiring them to listen to stakeholders and the public, conduct cost/benefit analyses, and justify every aspect of the proposed rule. Following implementation of a rule, Congress has a number of tools at its disposal to evaluate, modify or repeal regulations: through the regular reauthorization process; the annual appropriation process; oversight hearings; investigations; directions to the Government Accountability Office; and revisions of the law at any time. Furthermore, entities whose activities are regulated have access to the courts.

When Congress last considered a nearly identical bill in the 1980’s, now-Chief Justice John Roberts, who was then an Associate White House Counsel in the Reagan Administration, criticized the legislation for “hobbling agency rulemaking by requiring affirmative Congressional assent to all major rules.” He said that such a requirement “would seem to impose excessive burdens on the regulatory agencies...”¹

¹ OMB Watch, *Roberts Showed Prudence in Reg Reform Initiative* (2005), available at <http://www.ombwatch.org/node/2652>.

Justice Roberts was right then, and he is still right today. Congress writes the laws, and we rely on professionals and experts – doctors, engineers, microbiologists, statisticians, and so on – to spell out the details of those policies so the law can be implemented and enforced in a way that makes sense. If this bill is enacted, these decisions will instead be made by politicians. Americans are sick of Congress’ political gamesmanship; the last thing they want is to extend its reach into vast new areas of our government.

H.R. 10 would also introduce tremendous uncertainty into the economy. The Majority notes that “when the rules constantly change, small businesses cannot properly plan for the future.” This is actually one of the principal problems with H.R. 10: after the multi-year process of Congress enacting a law and Executive Branch agencies promulgating a rule, during which time businesses put time and money into preparing to comply with the regulation, the entire process may be cancelled at the very last moment, punishing the responsible firms that prepared for the new rules while rewarding those that did not.

Congress’ main priority right now should be jobs, and H.R. 10 does nothing to create jobs or improve the economy. Quite the opposite: the loss of economic benefits that would result from the REINS Act would stifle economic growth and slow the creation of new jobs. The Majority claims that Federal regulation costs our economy \$1.75 trillion per year. This extremely misleading figure comes from a discredited study known as the “Crain Report,” which looks only at the *costs* side of the equation, ignoring entirely the benefits side of cost/benefit analysis. The Crain Report’s authors failed to follow basic academic practices in writing their study (for example, substituting public opinion polling for hard economic data) and the report would never be published by any reputable academic journal.

Indeed, in 2008, the Bush Administration’s own Office of Management and Budget estimated that costs to the economy for major rules were between \$46 billion and \$54 billion, far outweighed by the economic *benefits* of those regulations, estimated to be between \$122 billion and \$656 billion.

The Majority also argue that regulations are destroying jobs. Bruce Bartlett, an economist who worked in the Reagan and

George H.W. Bush Administrations, has argued that the idea that cutting regulations will lead to significant job growth is “just nonsense. It’s just made up.” Bartlett claims that “regulatory uncertainty is a canard invented by Republicans that allows them to use current economic problems to pursue an agenda supported by the business community year in and year out. In other words, it is a simple case of political opportunism, not a serious effort to deal with high unemployment.”²

Business owners and executives themselves acknowledge this. As the Washington Post has reported, “data from the Bureau of Labor Statistics show that very few layoffs are caused principally by tougher rules. Whenever a firm lays off workers, the Bureau asks executives the biggest reason for the job cuts. In the first half of 2011, 0.23 percent of the people who lost their jobs in layoffs were let go because of ‘government regulations/intervention.’ By comparison, 29.7 percent were laid off because of a drop in business demand.”³ This is further confirmed by the Wall Street Journal’s July 2011 survey of business economists.⁴

But the Rules Committee’s primary responsibility in relation to H.R. 10 is to ensure the integrity of the legislative process in the House. In recommending the passage of H.R. 10 to the House, the Committee has failed this responsibility. Even Chairman Dreier’s amendment to the bill – which makes the procedural sections of the bill slightly less onerous – does nothing to address the sheer volume of additional measures the House and Senate would be required to consider should H.R. 10 become law.

In calendar year 2010 alone, Federal agencies issued 94 major new rules that would have been subject to the REINS Act’s requirements. At that rate, based on the Majority’s schedule for the House in 2012, we would have only 13 eligible days to consider all 94 joint resolutions. That is an average of over 7 separate joint resolutions on each of those days.

² Bruce Bartlett, *Misrepresentations, Regulations and Jobs*, N.Y. Times, Oct. 4, 2011 available at <http://economix.blogs.nytimes.com/2011/10/04/regulation-and-unemployment>.

³ Bureau of Labor Statistics, Economic News Release, Extended Mass Layoffs (Quarterly) News Release (Aug. 10, 2011), available at <http://www.bls.gov/news.release/archives/msl08102011.htm>.

⁴ See Phil Izzo, *Dearth of Demand Seen Behind Weak Hiring*, Wall St. J., July 18, 2011.

The Rules Committee could report special rules allowing some of these 94 to be considered on other days, but it would still be 94 more bills on our schedule than we currently consider. And if the resolutions of approval pile up too quickly, and Members are forced to take votes on them at the last minute, there will be no debate on them. This means we will vote on very significant proposals not only with no opportunity for amendment, but also with no Member on either side permitted to say why the regulation is worthwhile or objectionable.

We further object to the Committee recommending that the House pass this bill, and introduce sweeping changes to the way the House operates, without even a single hearing on the matter in the Rules Committee. The Judiciary Committee's two hearings on this bill did not focus on the implications for the Rules of the House if H.R. 10 is enacted. That is supposed to be our responsibility.

We also regret that the Majority rejected our repeated attempts in Committee to amend this bill to exempt important regulations that relate to public health and safety, job creation, economic growth, poverty, and hunger. We hope that the full House will be given an opportunity to consider our amendments should H.R. 10 be considered on the floor.

For all of the foregoing reasons, we strongly oppose H.R. 10 and urge our colleagues to join us in opposition.

Louise Slaughter
Louise M. Slaughter, NY

Jim McGovern
James P. McGovern, MA

Alcee Hastings
Alcee L. Hastings, FL

Jared Polis
Jared Polis, CO