

U.S. House Committee on
THE JUDICIARY
DEMOCRATS

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FACT SHEET: GOP'S ANTI-REGULATORY AGENDA IS ONLY A "BETTER WAY" FOR BIG BUSINESS, NOT WORKING AMERICANS

House Judiciary Democrats want to address the real problems facing our Nation today by:

- **Preventing Gun Violence:** Congress can no longer stand idly by while our communities are ravaged by gun violence. Americans should feel safe while in their schools, their places of worship, movie theaters and anywhere else in their communities.
- **Combating Hate Crimes:** No American should live in fear of being a target of violence because of their race, ethnicity, sexual orientation, gender identity, national origin, age, disability or sex.
- **Strengthening Voting Rights:** States across the Nation have implemented laws that disenfranchise voters and impede their ability to have their voices heard. Every American deserves equal access to the ballot box.
- **Relieving Crushing Student Loan Debt:** The class of 2015 graduated with the most student loan debt in U.S. history. Overwhelming student loan debt is preventing young Americans from purchasing homes, starting families, and contributing to our economy.
- **Helping American Consumers:** Companies should not be able to force Americans to forego their rights to seek legal redress in the courts as the result of one-sided forced arbitration agreements.

House Judiciary Republicans have not held a single hearing on any of these issues this Congress. Instead, they have held 33 anti-regulation hearings since the start of the 112th Congress.

Much of the Republican report “A Better Way – The Economy” is derived from these anti-regulation hearings and is simply a rehash of discredited, decades-old ideas that prioritize profits over people. This report recycles misguided legislative proposals intended to prevent federal agencies from doing the job that Congress tasked them to do. Speaker Ryan’s “Better Way” agenda is the wrong way for the American people. Rather, it is a thinly disguised wishlist for big business and anti-regulatory interests.

Why the Republican Report is Wrong:

- Federal regulations impact nearly every aspect of our lives and are critical to ensuring a broad range of critical safeguards, including public health and safety protections.¹
- House Republicans falsely claim that regulations hinder job creation and hurt our economy;² yet, there is no credible evidence supporting either contention.
- Evidence shows that regulations help our economy, not burden it. The benefits of regulation far exceed its costs by ensuring better working conditions, a cleaner environment, and safer and more innovative products.³
- Throughout President Obama’s Administration, House Republicans have wasted countless taxpayer dollars and limited resources on numerous hearings and markups aimed at undermining regulatory protections safeguarding the health and safety of millions of Americans.
- Congress writes the laws and directs our federal agencies to enforce them. Unlike Congress, these agencies have the specialized expertise needed to implement these laws.
- Americans want the benefits that regulations provide. Regulations ensure civil rights, safe working conditions, a clean environment, and the conservation of natural resources for future generations. House Republicans, however, consistently fail to recognize the critical role regulations play in ensuring the safety of the air we breathe, the water we drink, cars we drive, and toys we give our children.

¹ CURTIS W. COPELAND, CONG. RESEARCH SERV., RL 32240, THE FEDERAL RULEMAKING PROCESS: AN OVERVIEW 1 (2005).

² See, e.g., *The Regulatory Accountability Act of 2011: Hearing on H.R. 3010 Before the H. Comm. on the Judiciary*, 112th Cong. (2011) (statement of U.S. Rep. Lamar Smith (R-TX), Chair, H. Comm. on the Judiciary) (“Standing in the way of growth and job creation is a wall of Federal regulation.”).

³ Nicole V. Crain & W. Mark Crain, *The Impact of Regulatory Costs on Small Firms*, Rep. No. SBAHQ-08-M-0466 (Sept. 2010), <http://archive.sba.gov/advo/research/rs371tot.pdf>; Clyde Wayne Crews, Jr. *Ten Thousand Commandments An Annual Snapshot of the Federal Regulatory State*, COMPETITIVE ENTERPRISE INSTITUTE (2014), <http://cei.org/sites/default/files/Wayne%20Crews%20-%20Ten%20Thousand%20Commandments%202014.pdf>; Clyde Wayne Crews, Jr. *Tip of the Costberg*, COMPETITIVE ENTERPRISE INSTITUTE (2015), <http://cei.org/sites/default/files/Wayne%20Crews%20-%20Ten%20Thousand%20Commandments%202014.pdf>.

- Regulations consistently result in net benefits to the economy. The latest Office of Management and Budget report to Congress on the cost and benefits of regulations found that over the last decade, major regulations benefitted the economy between \$261 billion and \$981 billion a year at a cost of \$68 to \$103 billion.⁴
- According to the Government Accountability Office, “The public policy goals and benefits of regulations include, among other things, ensuring that workplaces, air travel, foods, and drugs are safe; that the nation’s air, water and land are not polluted; and that the appropriate amount of taxes is collected.”
- House Republicans consistently cite a study by economists Mark and Nicole Crain, which claims that federal regulation imposes an annual cost of \$2 trillion on business.
 - The Crain study has been widely discredited. The nonpartisan Congressional Research Service, for example, criticized much of the Crain Study’s methodology⁵ and noted that its authors acknowledged that their analysis was “not meant to be a decision-making tool for lawmakers or Federal regulatory agencies to use in choosing the ‘right’ level of regulation.”⁶
- The most recent National Federation of Independent Business survey of its members found that poor sales – not regulation – is the biggest problem.⁷

⁴ OFFICE OF MANAGEMENT AND BUDGET, DRAFT 2015 REPORT TO CONGRESS ON THE BENEFITS AND COSTS OF FEDERAL REGULATIONS AND UNFUNDED MANDATES ON STATE, LOCAL, AND TRIBAL ENTITIES 2,

https://www.whitehouse.gov/sites/default/files/omb/inforeg/2015_cb/draft_2015_cost_benefit_report.pdf

⁵ CURTIS W. COPELAND, CONG. RESEARCH SERV., R41763, ANALYSIS OF AN ESTIMATE OF THE TOTAL COSTS OF FEDERAL REGULATIONS, CONGRESSIONAL RESEARCH SERVICE REPORT FOR CONGRESS (2011).

⁶ MAEVE CAREY, CONG. RESEARCH SERV., R44348, METHODS OF ESTIMATING THE TOTAL COST OF FEDERAL REGULATIONS 1 (2016).

⁷ Press Release, Nat’l Federation of Independent Businesses, Small Business Confidence Takes Huge Hit: Optimism Index Now in Decline for Six Months Running (Sept. 13, 2011) (“Of those reporting negative sales trends, 45 percent blamed faltering sales, 5 percent higher labor costs, 15 percent higher materials costs, 3 percent insurance costs, 8 percent lower selling prices and 10 percent higher taxes and regulatory costs.”), <http://www.nfib.com/press-media/press-media-item?cmsid=58190>.