## AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS



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**LEGISLATIVE ALERT!** 

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Dear Representative:

When the Congress returns from the Thanksgiving break the House is expected to vote on three "regulatory reform" bills - H.R. 10, the Regulations from the Executive in Need of Scrutiny (the REINS Act), H.R. 3010, the Regulatory Accountability Act, and H.R. 527, the Regulatory Flexibility Improvements Act. Each of these bills would up-end the entire regulatory system making it impossible for the government to protect workers and the public from workplace hazards, dirty air and water, unsafe drugs, tainted food and Wall Street abuses. The AFL-CIO strongly urges you to oppose each of these bills.

The Regulatory Accountability Act (RAA) – H.R. 3010 – is a particularly harmful measure. It amends the Administrative Procedure Act (APA), but it goes far beyond establishing procedures for rulemaking. The RAA acts as a "supermandate" overriding the requirements of landmark legislation such as the Occupational Safety and Health Act and Mine Safety and Health Act. The bill would require agencies to adopt the least costly rule, instead of the most protective rule as is now required by the OSH Act and MSH Act. It would make protecting workers and the public secondary to limiting costs and impacts on businesses and corporations.

The RAA will not improve the regulatory process; it will cripple it. The bill adds dozens of new analytical, procedural, and judicial review requirements to the rulemaking process, which will add years to the process. The development of major workplace safety rules already takes 6 - 10 years; the RAA will further delay these rules and cost workers their lives.

The RAA substitutes formal rulemaking for the current procedures for public participation for high impact rules and for other major rules upon request. These formal rulemaking procedures will make it more difficult for workers and members of the public to participate, and give greater access and influence to business groups that have the resources to hire lawyers and lobbyists to participate in this complex process. For agencies that already provide for public hearings, such as OSHA and MSHA, the bill would substitute formal rulemaking for the development of all new rules, overriding the effective public participation processes conducted by these agencies.

H.R. 3010 would subject all agencies – including independent agencies like the Securities and Exchange Commission, the National Labor Relations Board (NLRB), Consumer Product Safety Commission (CPSC), and the Consumer Financial Protection Bureau (CFPB) to these new analytical and procedural requirements. It would be much more difficult for agencies to

develop and issue new financial reform rules and consumer protection rules required under recently enacted legislation.

The REINS Act (H.R. 10) would radically alter the regulatory process by requiring Congress to vote to approve all major rules before they can go into effect. Rules not affirmatively acted on by both the House and the Senate within 70 legislative days would die. Under the REINS Act, politics, not scientific judgment or expertise would dictate all regulatory actions. Corporate opposition and influence would swamp the public's interest and block needed protections.

H.R. 10 is impractical, unworkable and unnecessary. Congress has neither the time nor expertise to consider and act on detailed, technical and scientific issues. Moreover, Congress already has the authority to disapprove rules through the Congressional Review Act or block their implementation by withholding funding.

H.R. 527, the Regulatory Flexibility Improvements Act, expands the reach and scope of the Regulatory Flexibility Act by covering regulations that may have an indirect effect on small businesses and adding a host of new analytical requirements that will make it even more difficult for agencies to take action to protect workers and the public. Virtually any action an agency proposes – even a guidance document designed to help a business comply with a rule – could be subject to a lengthy regulatory process. While the bill purports to be focused on small business, it would cover more than 99% of all employers, including firms in some industries with up to 1,500 workers or \$35.5 million in annual revenues.

This bill also creates a small business "czar" by increasing the powers of the Chief Counsel of Small Business Advocacy. This individual would become a super-regulator, with new powers to review proposed regulations and suggest alternatives. Agencies would be subject to review by both the Office of Management and Budget and the Chief Counsel, adding to regulatory delay.

H.R. 3010, H.R. 10 and H.R. 527 would further tilt the regulatory process in favor of business groups and others who want to stop regulations, and make it much more difficult for the government to protect workers and the public. These are dangerous proposals that will not create one new job or solve any of the pressing problems facing our country.

The AFL-CIO strongly opposes H.R. 3010, H.R. 10 and H.R. 527 and urges you to vote against all three bills.

Sincerely,

William Samuel, Director Government Affairs Department