

Insight

15 Ways Congress Addressed Regulation in the Omnibus

SAM BATKINS | DECEMBER 16, 2015

Congress just concluded negotiations for continued appropriations, allowing the federal government to remain open. As it did last year, Congress and the administration compromised on what are known as "appropriations riders," or policy limitations on federal spending and regulation. Last year, the "swaps pushout" rule garnered a majority of the attention, especially from progressive lawmakers opposed to rescinding a piece of Dodd-Frank.

There is no swaps pushout rule in this omnibus package, but there are more than a dozen notable policy provisions, covering everything from the sage-grouse (it's a bird) to the Affordable Care Act. The "Clean Power Plan" is still law, though under legal review, and the Waters of the United State measure still has teeth, but some businesses and consumers will obtain additional time to comply with new regulations. Below are 15 items related to regulation in the omnibus package:

- 1. Mandatory "Country of Origin Labeling" is repealed for certain meat products. The law claims the provision negatively impacts the economy by up to \$1 billion. This 2013 rule would cost at least \$192 million and relates to beef, pork, lamb, and chicken. This Country of Origin Labeling rule for beef could cost up to \$1 billion.
- 2. Grocery stores and food retailers will gain an extra year to comply with onerous food menu labeling requirements. Last year's final rule could cost \$1.2 billion.
- 3. Small businesses will gain some legal protection from the FDA's ban on "Trans Fats." The final rule, published this year, will cost \$11 billion. Essentially, until June 18, 2018, all trans fats produced or transported shall be considered safe and unadulterated.
- 4. Much like a provision in last year's appropriations bill, schools will gain additional flexibility to comply with the whole grain requirement in new school lunch standards. The 2012 rule was estimated to cost schools more than \$3 billion.
- 5. Although the agreement did not repeal the controversial "Waters of the United States" (WOTUS) rule, it does restrict its application in certain agricultural areas, namely ponds and irrigation ditches. The final WOTUS rule costs \$462 million.
- 6. An appropriations measure prevents funding for parts of the administration's recent light bulb efficiency standard, which could impose up to \$13.5 billion in costs.
- 7. Funding is also restricted for the White House to mandate to IRS whether certain groups can obtain tax-exempt status. This is obviously a reference to the IRS's past practice of discriminating against certain conservative groups during the tax-exempt registration process.
- 8. Congress included a provision requiring the Office of Management and Budget to estimate the costs of Dodd-Frank to the government. AAF estimates the cost of Dodd-Frank to the private-sector at \$29.3 billion from final rules.
- 9. Until a study is completed by the National Academy of Sciences, the Consumer Product Safety Commission cannot finalize its rule for off-road vehicles (think four wheelers). The 2014 rule could cost \$22 million.

- 10. Congress included a requirement for the Department of the Interior to coordinate with states on the "Stream Buffer Zone" rule. The proposed rule estimated cost of \$52 million, with more than 2.5 million paperwork burden hours.
- 11. Livestock producers will gain an exemption from greenhouse gas regulations. Although, it's unclear how they would be regulated under the current existing source rule.
- 12. Once again, the sage-grouse is targeted by lawmakers. The Fish and Wildlife Service is prohibited from placing the bird on the Endangered Species List.
- 13. For the Affordable Care Act, general funds from the Department of Health and Human Services cannot be used to subsidize health insurer losses as part of the "risk corridor" program.
- 14. The National Labor Relations Board is prohibited from using funds, "that would provide employees any means of voting through any electronic means in an election to determine a representative for the purposes of collective bargaining."
- 15. Finally, there is a provision delaying the new "Hours of Service" rule for truck drivers.