Insight

House to Vote on Targeted Regulatory Relief Bills

DAN BOSCH | MARCH 5, 2018

The House of Representatives is turning its attention back to regulation this week. According to its weekly schedule, the House will consider three bills that direct federal regulatory agencies to take certain steps to reduce the regulatory burden on covered businesses.

First up is the Comprehensive Regulatory Review Act. The legislation would amend the Economic Growth and Regulatory Paperwork Reduction Act of 1996, which requires that regulations issued by four agencies – the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Federal Financial Institutions Examination Council, and the Office of the Comptroller of the Currency – be reviewed at least once every 10 years. The purpose of the review is to see if any of those regulations are outdated, unnecessary, or unduly burdensome.

It amends existing law by adding the Consumer Financial Protection Bureau (CFPB) and the National Credit Union Administration (CUNA) to the list of covered agencies and changes the review period to at least once every seven years. While these agencies currently have regulatory review requirements, the legislation would standardize review at all six agencies and include CFPB in the other five agencies' annual Joint Report to Congress.

According to the American Action Forum's (AAF) Regulation Rodeo regulatory cost tracking tool, the CFPB has finalized $3.1 billion in regulatory costs and 24.3 million hours of paperwork since its creation in 2010. CUNA, meanwhile has finalized $9.7 million in regulatory costs and 13.8 million hours of paperwork since 2005, the earliest year for which AAF has data.

A second bill, the Blocking Regulatory Interference from Closing Kilns Act, would delay implementation of an Obama Administration-era Environmental Protection Act (EPA) rule until litigation challenging the rule's legality is completed. The standards in question were finalized in 2015 under EPA's National Emissions Standards for Hazardous Air Pollutants (NESHAP). The rule set emissions standards for pollutants from brick and structural clay and clay ceramics manufacturing. EPA estimated the total cost of the final rule at $89.5 million. The legislation seeks to extend the compliance deadline until all legal challenges are resolved. The point of this bill to prevent covered manufacturers from having to invest in the equipment and training necessary to comply if the rule is eventually overturned by a federal court.

The third bill due up this week is the Satisfying Energy Needs and Saving the Environment Act. The legislation eases requirements under section 112 of the Clean Air Act for power plants that steam generate electricity by using coal refuse. The bill clarifies that EPA may only require these plants to comply with either a hydrogen chloride standard or a sulfur dioxide standard, but not both. The regulated entity may choose which standard it wants to achieve. This simplified requirement would make compliance less expensive.

This week’s scheduled votes suggest that House Republicans will continue to prioritize regulatory relief. While these bills should clear the House, they are likely to meet a dead end in the Senate as only the EPA NESHAP bill has been introduced.