



Consumer Federation of America

RE: *OPPOSE LEGISLATION TO UNDERMINE CRUCIAL CONSUMER PROTECTION REGULATIONS: H.R. 427, The Regulations from the Executive in Need of Scrutiny Act (REINS Act) and H.R. 1759, All Economic Regulations are Transparent Act of 2015 (ALERT Act)*

April 14, 2015

The Honorable Bob Goodlatte
Chairman
House of Representatives
Judiciary Committee
Washington, DC 20515

The Honorable John Conyers, Jr.
Ranking member
House of Representatives
Judiciary Committee
Washington, DC 20515

Dear Representative:

The Consumer Federation of America (CFA)¹ writes to express our strong opposition to two bills that the House Judiciary Committee will soon be marking up that will undermine important consumer protections. H.R. 427, the Regulations from the Executive in Need of Scrutiny Act (REINS Act) and H.R. 1759 the All Economic Regulations are Transparent Act of 2015 (ALERT Act) would undercut the ability of federal agencies to protect consumers from unsafe food, predatory financial products and schemes, and dangerous consumer products. The federal rulemaking process is already lengthy and difficult. These bills will make it even more time-consuming, expensive, and burdensome for federal agencies to propose consumer protection measures. The end result will be harm to American consumers.

The REINS Act (H.R. 427) would require that any agency that issues a rule with an economic impact of \$100 million or more must obtain approval from both Houses of Congress of the entire rule without changes, within 70 legislative days of the rule being received by Congress. This would affect all major rules; even the many that are not controversial. With few exceptions, if Congress fails to act in the allotted time, the rule could not be brought up again until the next Congress and would not be implemented.

This hurdle would be virtually impossible for important consumer protection rules to overcome. The bill strips away the authority of federal agencies that Congress created to develop expertise on how to protect American consumers from dangerous products, tainted food and

¹ CFA is an association of approximately 280 non-profit consumer organizations that was established in 1968 to advance the consumer interest through research, advocacy and education. Member organizations include local, state, and national consumer advocacy groups, senior citizen associations, consumer cooperatives, trade unions and food safety organizations.

deceptive financial services products. Most agencies will simply give up trying to protect consumers. If an agency does persist in its efforts, it faces the prospect of squandering enormous resources to research, write and evaluate an important consumer protection rule, because well-funded special interests have been able to bottle it up in a single House of Congress over a short period of time.

The All Economic Regulations are Transparent Act of 2015 (ALERT Act) (H.R. 1759) would impose further delays on the regulatory process by freezing the process until six months after information supplied by agency heads is posted on the Internet by the Administrator of the Office of Information and Regulatory Affairs (OIRA), unless such rules meet certain limited exemptions. This six month delay is compounded by requirements in the bill for additional and often duplicative reporting requirements. In addition, the bill requires a documentation of costs of the proposed rule without requiring a similar analysis of the benefits of the rule. This imbalanced approach could lead to incomplete and misleading information under the guise of full transparency that could undermine the need for important consumer protections.

We urge you to oppose these threats to consumer protection, health and safety posed by the REINS Act and the ALERT Act. If adopted, these bills would further delay the rulemaking process, waste federal resources, minimize the ability of federal agencies to do their jobs to protect the public and ultimately harm American consumers.

We strongly urge you to oppose these harmful bills.

Sincerely,

A handwritten signature in black ink that reads "Rachel Weintraub". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Rachel Weintraub
Legislative Director and General Counsel