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Pryor bill adds hurdles for expensive regulations

By [Frank Lockwood](#)

WASHINGTON — U.S. Sen. Mark Pryor introduced legislation Thursday aimed at making the federal regulatory process “better, cheaper and faster,” and immediately drew fire from critics who said the measure would favor corporations over consumers.

Under the measure, called the Regulatory Accountability Act of 2011, federal agencies would have to notify the public, explain the problem and invite comments and alternative solutions 90 days before proposing “major new rules” that would have an “annual cost on the economy” of \$100 million or more.

Before issuing “high impact rules” - those costing \$1 billion or more to implement - agencies would have to hold formal hearings.

While the existing Administrative Procedure Act of 1946 requires federal agencies to publish public notices of proposed rule making in the Federal Register, an official journal published daily by the U.S. government, and solicit comments, the proposed legislation would require agencies to perform additional tasks before that can be done.

Pryor, an Arkansas Democrat; U.S. Sen. Rob Portman, R-Ohio,; and U.S. Sen. Susan Collins, R-Maine, are sponsoring the new legislation. Sponsors of the House version include U.S. Rep. Lamar Smith, R-Texas, and U.S. Rep. Collin Peterson, D-Minn.

The bill is bipartisan, Pryor said. “What we’re trying to do is craft something that we can actually pass through both houses and make a significant change in the regulatory environment in this country.”

Portman, a former U.S. trade representative and Office of Management and Budget director, said the legislation “will enable us to produce better rules at a lower cost and thereby help create jobs and economic growth in an economy that desperately needs it.”

White House officials were not available for comment.

Politicians have been denouncing “government regulation” and “red tape” for decades, but the number of rules continues to rise.

In 1980, the Code of Federal Regulations was 102,195 pages long. By 2010, it had swelled to 165,494, according to the Office of the Federal Register.

In a letter, about 60 business and trade organizations said they “enthusiastically support” the Portman-Pryor bill, including the U.S. Chamber of Commerce, the American Farm Bureau Federation, the National Association of Manufacturers and the National Association of Homebuilders.

If passed, the legislation “will make the regulatory process more transparent, agencies more accountable, and regulations more cost effective,” the groups said.

But the Coalition for Sensible Safeguards, a group of roughly 60 labor unions, consumer advocates and environmental groups, denounced the bill.

“This proposed legislation is couched as affecting process, but let no one be fooled: The bill aims to empower large corporations to sabotage the rules that protect regular Americans,” said Coalition Co-chairman Rob Weissman. “The bill should properly be called ‘The Big Business Unaccountability Act.’”

The coalition, whose members include the AFL-CIO, American Lung Association and the Natural Resources Defense Council, said Pryor’s proposal would “add more delays ... tie up agencies” and make the “already complex rule-making process” even more cumbersome.

The government proposes roughly 40 regulations each year that cost the economy between \$100 million and \$1 billion to implement. It crafts five to 10 that carry price tags of \$1 billion or more, Sen. Pryor’s office said, citing the Congressional Research Service.

Under the legislation, which if passed would only apply to new regulatory proposals, those affected by the billion-dollar rules would get a “fair and open forum” where they could “question the accuracy of the views, evidence and assumptions underlying the agency’s proposal.”

The measure would also require all government agencies to do a cost-benefit analysis before creating major new regulations.

Agencies generally would also be required “to adopt the ‘least costly’ regulatory alternative that would achieve the policy goals set out by Congress.” If a more costly option is selected, the agency would have to show that the extra benefits outweighed the additional cost. The adoption of more costly regulatory options could also be approved in the “interests of public health, safety and welfare (including protection of the environment.)”

The Regulatory Accountability Act would also mandate that regulators to rely on proper “scientific and technical evidence” when passing new regulations.

The timelines can be waived for regulatory matters involving national security.

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