

# **OVERNIGHT REGULATION:** The GOP's endgame on regs

By: Ben Goad and Tim Devaney July 16, 2014

Welcome to your midweek installment of OVERNIGHT REGULATION, your daily rundown of all the day's biggest regulation and enforcement news and tomorrow's emerging storylines. Click here to sign up for the newsletter: <a href="http://bit.ly/1pc6tau">http://bit.ly/1pc6tau</a>

Now, let's talk about regs.

# THE BIG STORY

**STRANGLE HOLD**: GOP lawmakers are looking to roll back a host of the Obama administration's most contentious regulations by choking off the funding for dozens of rules that they say are overly burdensome and unnecessary.

The effort goes far beyond Environmental Protection Agency (EPA) regulations that were targeted in a bill approved by the House Appropriations Committee earlier this week. http://j.mp/1p3HVvs

Buried in House spending bills, Republicans are taking aim at some of the more controversial regulations proposed by agencies across the government.

While none of the spending bills are likely to pass "as is," GOP lawmakers hope some of the provisions will find their way into spending legislation needed to keep the government running once Congress formally gives up on the appropriations process.

Key regulations targeted in the bills:

- 1) The EPA's regulations for coal plants and small bodies of water would dry up under the legislation.
- 2) The Securities and Exchange Commission would be prohibited from pursuing regulations forcing publicly held companies to disclose political spending to shareholders.

- 3) The Justice Department would be prevented from loosening existing laws against marijuana use.
- 4) The White House's prized school lunch standards would be delayed by one year at some schools under a Republican provision to the Department of Agriculture's spending bill.
- 5) The Fish and Wildlife Service's (FWS) controversial ivory ban could be in jeopardy, if lawmakers maintain a provision in the Interior appropriations bill that blocks these rules.

Musicians complain the ban would prevent them from selling antique instruments that contain endangered elephant ivory, while gun collectors warn it is a Second Amendment issue.

Under the GOP provision, the FWS would be prohibited from using government funds to enforce the rules. http://j.mp/1mwlccW

# ON TAP FOR WEDNESDAY

Congress will look to wrap up its legislative workweek, while **President Obama** heads to Delaware to stump for transportation funding and then New York for a DNC meeting.

**The House Oversight Committee** will probe the Justice Department's response to the IRS targeting scandal, though Republicans looking for answers are likely to come away from the hearing unsatisfied, if the prepared testimony of Deputy Attorney Gen. **James Cole** is any indication.

"While I know you are frustrated by the fact that I cannot at this time disclose any specifics about the investigation, I do pledge to you that when our investigation is completed, we will provide Congress with detailed information about the facts we uncovered and the conclusions we reached in this matter," Cole will tell the lawmakers, according to planned remarks, <a href="http://j.mp/lnKDtUx">http://j.mp/lnKDtUx</a>

The Justice Department will also face tough questions during a hearing before the House Judiciary Committee focusing on the controversial "Operation Choke Point." <a href="http://j.mp/1rrVqI1">http://j.mp/1rrVqI1</a>

The **Cato Institute** looks at the post Dodd-Frank landscape in the financial sector during the second day of a conference featuring remarks from **Rep. Patrick McHenry** (R-N.C.) <a href="http://j.mp/1pUqDTj">http://j.mp/1pUqDTj</a>

# TOMORROW'S REGS TODAY:

Government agencies will publish **119** new regulations, proposed rules, notices and other administrative actions in Wednesday's edition of the *Federal Register*.

Highlights include:

**ENERGY EFFICIENCY:** The Department of Energy is considering new energy <u>efficiency</u> standards for computer and battery backup systems.

The Energy Department's Office of Energy Efficiency and Renewable Energy said Wednesday it is looking at new rules that would regulate the energy use of computer systems.

The Energy Department will hold a public meeting on July 31 to discuss the possible new standards. The public has 45 days to comment. http://j.mp/1qI6f7l

**CATTLE IMPORTS:** The U.S. Department of Agriculture (USDA) is considering <u>loosening restrictions</u> on cattle imports from certain areas of Mexico, the agency announced Wednesday. The USDA's Animal and Plant Health Inspection Service said cattle from the Mexican state of Sonora does not present a risk of bringing fever ticks to the U.S., and therefore, should be exempt from certain requirements. <a href="http://j.mp/1t5cT9e">http://j.mp/1t5cT9e</a>

**LANDFILL RULE:** The Environmental Protection Agency (EPA) is looking to <u>reduce emissions</u> at landfills around the country, the agency said Wednesday.

"Such reductions would reduce air pollution and the resulting harm to public health and welfare," the agency wrote. The public has 60 days to comment. <a href="http://j.mp/1jQU0qN">http://j.mp/1jQU0qN</a>

**INDIAN RESERVATIONS**: The Environmental Protection Agency (EPA) is looking to <u>extend</u> <u>its regulatory authority</u> on Indian reservations to include concrete batch plants, boilers, stationary spark ignition engines, stationary compression ignition engines, graphic arts and printing operations, and sawmills.

The EPA on Wednesday proposed requiring general permits for these areas. The public has 30 days to comment.

At the same time, the EPA is delaying a plan to <u>regulate oil and gas emissions</u> on Indian reservations. The agency proposed such rules last month, but said Wednesday it is extending the comment period through Aug. 20 to give the public more time to consider the rule. <a href="http://j.mp/1zK1wbl">http://j.mp/1zK1wbl</a>

# **NEWS RIGHT NOW**

**GOING PUBLIC:** The Consumer Financial Protection Bureau (CFPB) is moving forward with a proposal to make the complaints it receives against financial firms and products available in a

publicly searchable database. The plan, unveiled Tuesday by the agency on the cusp of its third birthday, is drawing immediate fire from industry groups: <a href="http://j.mp/1zJU67Z">http://j.mp/1zJU67Z</a>

"It is the role of the CFPB as the traffic cop to distinguish violations of law from unfounded complaints. Instead, they want to let others figure it out from one-sided and unverified narrative information. This action will ultimately add to consumer confusion, harm industry reputations, and undermine any hope the CFPB may have to be viewed as a fair and honest broker." – **Richard Hunt**, President and CEO of the Consumer Bankers Association

The National Association of Federal Credit Unions "has serious concerns about the potential for undue reputation risks to financial institutions relative to unsubstantiated claims. NAFCU will closely examine the proposal and its impact on credit unions, however, at first blush the risks of unwarranted reputational harm to good actors far outweigh any benefits this proposal would create to assist the CFPB to resolve legitimate complaints." – NAFCU regulatory affairs director **Mike Coleman.** 

The Lone Star State is now preparing to adhere to the EPA's new power plant regulations that Texas's leaders have fought tooth-and-nail stop, according to The Texas Tribune: <a href="http://j.mp/1rhLfIl">http://j.mp/1rhLfIl</a>

**In Mississippi alone,** the rules could cost billions, MississippiWatchdog.org says: http://j.mp/1nKpWMS

**GUNFIGHT:** In another congressional defeat for the gun control movement, the House of Representatives voted late Tuesday to restrict the District of Columbia from enforcing certain gun laws: <a href="http://j.mp/1spAKmB">http://j.mp/1spAKmB</a>

**House Republicans are fighting** to curb the EPA's power to revoke dredge or fill permits for waterways and wetlands around the country, The Hill's Tim Cama reports. Under the Regulatory Certainty Act, EPA officials would face time limits on when they can revoke a permit to stop the agency from retroactively doing so several years after the fact. <a href="http://j.mp/1nc70aN">http://j.mp/1nc70aN</a>

**ETHANOL MANDATE**: The American Petroleum Institute (API) is pushing the EPA to reduce the costly ethanol blending mandate for fuel, something the agency proposed last year but has yet to finalize: <a href="http://j.mp/1kx1Q3y">http://j.mp/1kx1Q3y</a>

**WATER REGS:** House Republicans are looking to undercut the EPA's authority to regulate water pollution. The House Transportation and Infrastructure Committee is moving forward with two bills, including one that would block the agency's controversial Waters of the U.S. rule. <a href="http://j.mp/1nc8lhZ">http://j.mp/1nc8lhZ</a>

**GARNISHED WAGES:** The EPA is rescinding a final rule allowing the agency to garnish wages of people who it says are delinquent on their debts. But an agency official tells The Hill the EPA intends to move forward with the measure, which has drawn fierce criticism from conservative groups and lawmakers. <a href="http://j.mp/lnaEK8z">http://j.mp/lnaEK8z</a>

# **BY THE NUMBERS:**

**400,000:** Number of formal complaints the CFPB has collected over the last three years from consumers unhappy with financial firms or products.

**\$228,000:** Total amount the EPA is seeking, according to congressional Democrats, from 14 delinquent debtors via the wage garnishment proposal that has drawn the ire of Republican lawmakers.

30: Number of other agencies that have similar laws on their books, according to the EPA.

**241:** Total votes in favor of an amendment to spending legislation that would prohibit the District of Columbia from enforcing its ban on hand gun and related firearm laws.

# **QUOTE OF THE DAY:**

"Does anyone actually believe that strict gun control laws will prevent criminals from getting guns? Strict gun control laws do nothing but prevent good people from being able to protect themselves and their families in the event of a robbery, home invasion or other crime," --Rep. Thomas Massie (R-Ky.) author of the gun amendment approved Tuesday on the House floor.