



## Consumer Federation of America

July 30, 2013

Dear Representative:

The Consumer Federation of America (CFA)<sup>1</sup> writes to express our strong opposition to a bill the House will soon vote on that will undermine important consumer protections. The Regulations from the Executive in Need of Scrutiny Act (the REINS Act), H.R. 367, 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. This bill would 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 requires that any agency that issues a rule with an economic impact of \$100 million or more obtain approval from both houses of Congress of the entire rule without changes, within 70 legislative days of the rule's being received by Congress. If both chambers do not approve the rule within this time frame, the rule cannot take effect and is tabled until the following congressional session.

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 jump. 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 predatory financial products and services. Most agencies will simply give up trying to protect consumers. If an agency were to persist in its efforts, it would face the prospect of squandering enormous resources to research, write and evaluate an important consumer protection rule, only to be stymied by well-funded special interests able to bottle up the proposed rule in a single house of Congress over a short period of time.

In the Dodd-Frank Act, the Consumer Product Safety Improvement Act, and the Food Safety Modernization Act, for example, Congress delegated rulemaking authority to regulatory agencies precisely because it lacked the time and expertise to craft and adopt rules in the highly technical areas governed by each bill. If Congress were to now reverse course and put itself into the role of approving all new rules, the result would be regulatory gridlock.

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<sup>1</sup> CFA is an association of nearly 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.

The REINS Act would add a significant impediment to a regulatory process that already is beleaguered by considerable delays in the promulgation of significant consumer protections. Further, this bill would give a majority of members of one chamber of Congress the ability to prevent any consumer protection from becoming law even if the rule is not controversial, is supported by the public and is necessary to protect American consumers.

If adopted, the REINS Acts would 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 this bill.

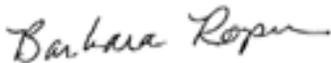
Sincerely,



Rachel Weintraub  
Legislative Director and Senior Counsel



Chris Waldrop  
Director, Food Policy Institute



Barbara Roper  
Director of Investor Protection