



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

January 5, 2016
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 712 – Sunshine for Regulatory Decrees and Settlements Act of 2015

(Rep. Collins, R-GA, and 22 cosponsors)

The Administration is committed to ensuring that regulations are smart and effective, that they are tailored to advance statutory goals in the most cost-effective and efficient manner, and that they minimize uncertainty. H.R. 712 would undermine critical public health and safety protections, introduce needless complexity and uncertainty in agency decision-making, and interfere with agency performance of statutory mandates. Accordingly, the Administration strongly opposes House passage of H.R. 712.

H.R. 712 would impose unnecessary procedures on agencies and invite wasteful litigation. When a Federal agency promulgates a regulation, it must adhere to the robust and well-understood procedural requirements of Federal law, including the Administrative Procedure Act, the Regulatory Flexibility Act, the Unfunded Mandates Reform Act, the Paperwork Reduction Act, and the Congressional Review Act. In addition, for decades, agency rulemaking has been governed by Executive Orders issued and followed by administrations of both political parties. These require regulatory agencies to promulgate regulations upon a reasoned determination that the benefits justify the costs, to consider regulatory alternatives, and to promote regulatory flexibility.

This Administration is committed to a regulatory system that is informed by science, is cost-justified, and is consistent with economic growth. Through the Regulatory Flexibility Act as well as through Executive Order and the direction of the President, agencies must also ensure that they take into account the consequences of rulemaking on small businesses. Executive Order 13563 requires careful cost-benefit analysis, increased public participation, harmonization of rulemaking across agencies, flexible regulatory approaches, and a regulatory retrospective review. Through Executive Orders 13579 and 13610, the Administration also has taken important steps to promote systematic retrospective review of regulations by all agencies. Collectively, these requirements promote flexible, commonsense, cost-effective regulation.

Passage of H.R. 712 would impose additional, unnecessary procedural requirements that would seriously undermine the ability of agencies to execute their statutory mandates. H.R. 712 would require numerous, cumbersome layers of reporting from Federal agencies. It also would address a nonexistent problem that is already prohibited by Federal regulations: collusion between agencies, interest groups, and the courts to avoid compliance with the rulemaking procedures described above. H.R. 712 accordingly would serve only to introduce redundant processes for litigation settlements and spawn excessive, expensive, and time-consuming regulatory litigation. H.R. 712 therefore would impede the ability of agencies to protect public health, welfare, safety, and our environment, as well as to promote economic growth, innovation, competitiveness, and job creation.

If the President were presented with H.R. 712, his senior advisors would recommend that he veto the bill.

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