

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 527) TO AMEND CHAPTER 6 OF TITLE 5, UNITED STATES CODE (COMMONLY KNOWN AS THE REGULATORY FLEXIBILITY ACT), TO ENSURE COMPLETE ANALYSIS OF POTENTIAL IMPACTS ON SMALL ENTITIES OF RULES, AND FOR OTHER PURPOSES, AND PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 50) TO PROVIDE FOR ADDITIONAL SAFEGUARDS WITH RESPECT TO IMPOSING FEDERAL MANDATES, AND FOR OTHER PURPOSES

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FEBRUARY 3, 2015.—Referred to the House Calendar and ordered to be printed

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Ms. FOXX, from the Committee on Rules,  
submitted the following

## R E P O R T

[To accompany H. Res. 78]

The Committee on Rules, having had under consideration House Resolution 78, by a record vote of 6 to 2, report the same to the House with the recommendation that the resolution be adopted.

### SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 527, the Small Business Regulatory Flexibility Improvements Act of 2015, under a structured rule. The resolution provides one hour of general debate, with 40 minutes equally divided and controlled by the chair and ranking minority member of the Committee on the Judiciary and 20 minutes equally divided and controlled by the chair and ranking minority member of the Committee on Small Business. The resolution waives all points of order against consideration of the bill. The resolution makes in order as original text for the purpose of amendment an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114-3 and provides that it shall be considered as read. The resolution waives all points of order against that amendment in the nature of a substitute. The resolution makes in order only those further amendments printed in part A of this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The

resolution waives all points of order against the amendments printed in part A of this report. The rule provides one motion to recommit with or without instructions.

Section 2 of the resolution provides for consideration of H.R. 50, the Unfunded Mandates Information and Transparency Act of 2015, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Oversight and Government Reform. The resolution waives all points of order against consideration of the bill. The resolution provides that an amendment in the nature of a substitute consisting of the text of Rules Committee Print 114-4, modified by the amendment printed in part B of this report, shall be considered as adopted, and the bill, as amended, shall be considered as read. The resolution waives all points of order against provisions in the bill, as amended. The resolution makes in order only those further amendments printed in part C of this report. Each such amendment may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The resolution waives all points of order against the amendments printed in part C of this report. The resolution provides one motion to recommit with or without instructions.

#### EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of H.R. 527 includes a waiver of the following:

- Clause 3(d)(1) of rule XIII, which requires the inclusion of a committee cost estimate. It is important to note that while a Congressional Budget Office (CBO) cost estimate on H.R. 527 was not available at the time the Committee on the Judiciary filed its report, a CBO cost estimate has since been made publicly available. Additionally, the Committee on the Judiciary intends to submit the cost estimate for printing in the Congressional Record; and
- Clause 3(e)(1) of rule XIII (Ramseyer), requiring a committee report accompanying a bill amending or repealing statutes to show, by typographical device, parts of statute affected.

Although the resolution waives all points of order against the amendment in the nature of a substitute to H.R. 527 made in order as original text, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendments to H.R. 527 printed in part A of this report, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

The waiver of all points of order against consideration of H.R. 50 includes waivers of the following:

- Clause 3(d)(1) of rule XIII, which requires the inclusion of a committee cost estimate. It is important to note that while a Congressional Budget Office (CBO) cost estimate on H.R. 50 was not available at the time the Committee on Oversight and

Government Reform filed its report, a CBO cost estimate has since been made publicly available. Additionally, the Committee on Oversight and Government Reform intends to submit the cost estimate for printing in the Congressional Record; and

- Clause 3(e)(1) of rule XIII (Ramseyer), requiring a committee report accompanying a bill amending or repealing statutes to show, by typographical device, parts of statute affected;
- Section 303 of the Congressional Budget Act, prohibiting consideration of legislation, as reported, providing new budget authority, change in revenues, change in public debt, new entitlement authority or new credit authority for a fiscal year until the budget resolution for that year has been agreed to.

Although the resolution waives all points of order against provisions in H.R. 50, as amended, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendments to H.R. 50 printed in part C of this report, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

The waiver of clause 3(e)(1) of rule XIII (known as the “Ramseyer” rule) is provided for both measures because the submission provided by the committees was insufficient to meet the standards established by the rule in its current form. The Committee on Rules continues to work with the House Office of Legislative Counsel and committees to determine the steps necessary to comply with the updated rule.

#### COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

##### *Rules Committee record vote No. 21*

Motion by Mr. McGovern to report open rules for H.R. 527 and H.R. 50. Defeated: 2–6

| Majority Members             |  | Vote | Minority Members              |  | Vote |
|------------------------------|--|------|-------------------------------|--|------|
| Ms. Foxx .....               |  | Nay  | Ms. Slaughter .....           |  |      |
| Mr. Cole .....               |  |      | Mr. McGovern .....            |  | Yea  |
| Mr. Woodall .....            |  | Nay  | Mr. Hastings of Florida ..... |  | Yea  |
| Mr. Burgess .....            |  | Nay  | Mr. Polis .....               |  |      |
| Mr. Stivers .....            |  | Nay  |                               |  |      |
| Mr. Collins .....            |  | Nay  |                               |  |      |
| Mr. Sessions, Chairman ..... |  | Nay  |                               |  |      |

##### *Rules Committee record vote No. 22*

Motion by Ms. Foxx to report the rule. Adopted: 6–2

| Majority Members             |  | Vote | Minority Members              |  | Vote |
|------------------------------|--|------|-------------------------------|--|------|
| Ms. Foxx .....               |  | Yea  | Ms. Slaughter .....           |  |      |
| Mr. Cole .....               |  |      | Mr. McGovern .....            |  | Nay  |
| Mr. Woodall .....            |  | Yea  | Mr. Hastings of Florida ..... |  | Nay  |
| Mr. Burgess .....            |  | Yea  | Mr. Polis .....               |  |      |
| Mr. Stivers .....            |  | Yea  |                               |  |      |
| Mr. Collins .....            |  | Yea  |                               |  |      |
| Mr. Sessions, Chairman ..... |  | Yea  |                               |  |      |

## SUMMARY OF THE AMENDMENTS TO HR. 527 IN PART A MADE IN ORDER

1. Peters, Scott (CA), Chabot (OH): Adds to the bill's Regulatory Flexibility Act exemption for veterans rights-and-benefits rules an exemption for rules pertaining to servicemembers and predatory lending. The amendment also effectuates limited technical amendments to the bill. (10 minutes)

2. Nadler (NY): Requires analysis of indirect benefits along with the analysis of indirect costs required under the bill. (10 minutes)

3. Conyers (MI): Strikes section 5 of the bill. (10 minutes)

4. Schrader (OR): Strikes section 10 of the legislation, which creates a duplicative size standard office in the Office of Advocacy without a commensurate reduction in the existing SBA Office of Size Standards. (10 minutes)

5. Johnson, Hank (GA): Exempts from the bill any rule that the Office of Management and Budget determines would result in net job creation. (10 minutes)

6. Jackson Lee (TX): Exempts from the bill all regulations issued by the Food and Drug Administration relating to consumer safety, including those issued pursuant to the FDA Food Safety Modernization Act. (10 minutes)

## SUMMARY OF THE AMENDMENT TO H.R. 50 IN PART B CONSIDERED AS ADOPTED

Foxx (NC): Limits the total budget authority which the Consumer Financial Protection Bureau may request from the Federal Reserve to \$550 million in FY 2016. This limitation is needed to ensure that the CFPB will comply with the requirements contained elsewhere within HR 50 without increasing their drawdown of funds from the federal reserve, which would otherwise add a direct spending cost to the bill. The limitation is set at \$36 million below the CBO baseline projection for CFPB Budget Authority in FY 2016.

## SUMMARY OF THE AMENDMENTS TO H.R. 50 IN PART C MADE IN ORDER

1. Reed (NY): Requires an assessment of the effects that a proposed or final rule are expected to have on private property owners, including the use and value of affected property. (10 minutes)

2. Cummings (MD): Strikes section 12 of the bill which would require Federal agencies to conduct a retrospective cost-benefit analysis of any regulation at the request of the Chairman or Ranking Member of a Congressional Committee. (10 minutes)

3. Connolly (VA): Provides that in the event that the average annual rate of real gross domestic product (GDP) growth remains below 5 percent over the first four calendar quarters occurring after the date of enactment of H.R. 50, then the amendments made by H.R. 50 are repealed. (10 minutes)

## PART A—TEXT OF AMENDMENTS TO H.R. 527 MADE IN ORDER

## 1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PETERS OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 1, line 11, strike “a rule” and all that follows through “a rule” on line 13 and insert the following: “—

“(A) a rule pertaining to the protection of the rights of and benefits for veterans or part 232 of title 32 of the Code of Federal Regulations (as in effect on July 1, 2014) or any successor provisions thereto; or

“(B) a rule”.

Page 11, insert after line 14 (and redesignate succeeding subparagraphs accordingly) the following:

(C) in the first paragraph (6), by striking “; and” at the end;

Page 13, line 21, insert after “Section 608” the following: “of title 5, United States Code.”.

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2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE NADLER OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 10, beginning on line 6, strike “describing the objectives of, and legal basis for, the proposed rule” and insert “describing the objectives of the proposed rule, including any direct benefits of the proposed rule and any indirect benefits of the proposed rule that are reasonably foreseeable”.

Page 10, after line 7, insert the following (and redesignate provisions accordingly):

“(3) describing the legal basis for the proposed rule;”.

Page 11, after line 8, insert the following (and redesignate provisions accordingly):

(A) in paragraph (1), to read as follows:

“(1) a statement describing the objectives of the rule, including any direct benefits of the rule and any indirect benefits of the rule that are reasonably foreseeable;”.

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3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CONYERS, JR. OF MICHIGAN OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Beginning on page 13, line 18, strike section 5 (and redesignate provisions accordingly).

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4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCHRADER OF OREGON OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 26, beginning on line 9, strike section 10, and redesignate succeeding sections accordingly.

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5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE JOHNSON OF GEORGIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Add, at the end of the bill, the following:

**SEC. 14. EFFECTIVE DATE.**

(a) **IN GENERAL.**—Except as provided in subsection (b), the provisions of this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) **EXCEPTION.**—In the case of any rule that the Director of the Office of Management and Budget determines would result in net job creation, the amendments made by this Act shall not take ef-

fect, and the provisions of law amended, as in effect on the day prior to the effective date of this Act, shall remain in effect.

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6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE JACKSON LEE OF TEXAS OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Add, at the end of the bill, the following:

**SEC. 14. EFFECTIVE DATE.**

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) EXCEPTION.—In the case of a rule proposed, issued, or made by the Food and Drug Administration relating to consumer safety, including any rule made under the FDA Food Safety Modernization Act, the amendments made by this Act shall not take effect, and the provisions of law amended, as in effect on the day prior to the effective date of this Act, shall remain in effect.

PART B—TEXT OF AMENDMENT TO H.R. 50 CONSIDERED AS ADOPTED

Add at the end the following:

**SEC. 14. BUREAU FUNDING AUTHORITY.**

The Director of the Bureau of Consumer Financial Protection may not request, under section 1017 of the Consumer Financial Protection Act of 2010, during fiscal year 2016 an amount that would result in the total amount requested by the Director during that fiscal year to exceed \$550,000,000.

PART C—TEXT OF AMENDMENTS TO H.R. 50 MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE REED OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 2, line 1, insert “private property owners,” after “small businesses,”.

Page 10, line 24, strike the closing quotation marks and second period.

Page 10, after line 24, add the following:

“(8) An assessment of the effects that the proposed rule-making or final rule are expected to have on private property owners, including the use and value of affected property.”.

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2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CUMMINGS OF MARYLAND OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 12.

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3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE CONNOLLY OF VIRGINIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of the bill, add the following new section:

**SEC. 14. SUNSET OF UNFUNDED MANDATES REFORM ACT AND CONGRESSIONAL BUDGET ACT AMENDMENTS IF GDP GROWTH FAILS TO INCREASE AT AVERAGE ANNUAL RATE OF 5 PERCENT OR MORE.**

(a) **SUNSET.**—If the real gross domestic product of the United States fails to increase at an average annual rate of 5 percent or more for the first 4 calendar quarters occurring after the date of the enactment of this Act, as determined under subsection (b), then the amendments made by this Act to the Unfunded Mandates Reform Act of 1995 (Public Law 104–4; 2 U.S.C. 1511 et seq.) and the Congressional Budget Act of 1974 (2 U.S.C. 602 et seq.) are repealed.

(b) **DETERMINATION OF GROWTH OF GDP.**—For purposes of subsection (a), the Director of the Office of Management and Budget shall—

- (1) calculate the average annual rate of growth of the real gross domestic product for the first 4 calendar quarters occurring after the date of the enactment of this Act; and
- (2) submit to Congress a report containing such calculation and such other information as the Director considers appropriate, not later than 30 days after the end of the 4th calendar quarter occurring after such date of enactment.