

REGULATORY REFORM

Repeal Unneeded Regulations and Improve the Process for Making New Ones

Action Needed:

Thank You for Using the Congressional Review Act to repeal the Blacklisting regulations and OSHA “Volks Rule” earlier this year.

Support the REINS Act.

- **House:** Thank you for passing H.R. 26.
- **Senate:** Please support and pass S. 21 sponsored by Sen. Rand Paul (R-Ky.).

Support the Regulatory Accountability Act.

- **House:** Thank you for passing H.R. 5.
- **Senate:** Please support and pass S. 951, sponsored by Sens. Portman (R-Ohio) and Heitkamp (D-N.D.)

Background:

The chaotic patchwork of regulations layered on top of one another over many decades negatively impacts the construction industry. In 2016 alone, the Federal Register encompassed more than 80 volumes totaling 97,110 pages, where agencies issued 3,853 regulations. This figure exceeds the number of bills Congress passed by a factor of 18. While compliance is a cost of business, the business of construction contractors should be construction and not compliance. The more contractors spend on lawyers, the less money they have to hire new employees, retain existing ones and build the nation’s infrastructure.

AGC Message:

- **Thank You for Using the Congressional Review Act to Repeal Unneeded Regulations.** AGC supported and Congress utilized the CRA to effectively repeal the Fair Pay and Safe Workplaces (“Blacklisting”) Executive Order regulations and U.S. Occupational Safety and Health Administration’s “Volks Rule” that extended the statute of limitations on recordkeeping violations from six months to five and a half years, and did nothing to improve the safety or health of a company’s workers. Thank you.
- **Allow Congress a Say in the Rulemaking Process.** The power of regulatory agencies has swung too far. Congress needs additional checks on the rulemaking process. One such check should be congressional approval of major regulations—those with an economic impact above \$100 million—before they go into effect. This is an essential component of the Regulations in Need of Scrutiny (REINS) Act, which AGC supports.
- **Provide Transparency in the Federal Agency Guidance-Making Process.** Federal regulators often skirt the rulemaking process by issuing guidance. Oftentimes, agency guidance has similar practical and legal impacts on contractors as notice-and-comment issued rules. However, federal agencies generally do not include the regulated community in the process of creating guidance and have no statutory guidelines for drafting it. The Regulatory Accountability Act will help provide a statutory framework for guidance-making.
- **Ensure Rulemaking is Based in Fact.** Ensure that regulations undergo thorough economic analysis, are based in sound science and/or substantial empirical data and are transparent in methods and goals. Too often, federal regulatory agencies will rely on outdated studies or cherry-picked data, instead of considering the broad spectrum of reliable and sound data and reports available. This often comes into play when agencies try to account for how much their regulations will cost contractors to comply. The Regulatory Accountability Act provides avenues whereby agencies must rely on sound information or face judicial review.