

House passes bills to rein in activist influence on regulations

By [JOHN SICILIANO](#) • 1/7/16 7:34 PM

The House passed two Republican-backed bills to roll back excessive regulations and prevent environmentalists from influencing regulations through so-called "sue-and-settle" tactics.

Business groups welcomed passage of the first bill the "Sunshine for Regulatory Decrees and Settlements Act of 2015," by a vote of 244 to 173, which takes aim at the use of class-action lawsuits to get federal agencies such as the Environmental Protection Agency to agree to their terms in settlement agreements and defense decrees.

The House also passed, 245 to 174, the SCRUB Act, which would set up a special bipartisan commission to hunt down burdensome rules for repeal and put a damper on federal overreach.

The White House said earlier this week that President Obama would veto both bills.

"Today we are one step closer to reforming our broken regulatory system after passage of this common-sense legislation," said William Kovacs, the U.S. Chamber of

Commerce's senior vice president for regulatory affairs and the environment, in response to passage of the sue-and-settle bill.

"The abusive 'sue and settle' practice has gone on long enough, with the public denied the right to weigh in on major policy decisions brought before courts under private agreements between agencies and advocacy groups," Kovacs added.

"Regulations that arise from this secretive process cost businesses many millions of dollars and can stunt economic growth."

The House appears more emboldened than ever to chase down what the GOP sees as regulatory overreach by the president. The House is also expected to take up a resolution of disapproval next week nullifying the EPA's Waters of the United States rule, which has become a prime target by the leadership for repeal.

The water rules make ranchers and farmers subject to enforcement actions by designating ditches waterways, which lawmakers and federal judges have questioned in recent months.

Jim Tozzi, former head of the White House's Office of Information and Regulatory Affairs under President Ronald Reagan, says more is needed to rein in regulations by establishing a regulatory cap.

"Basically we are beginning to convince advocates for less regulation that if they continue to place procedural constraints

on regulators that although such actions will decrease the rate of growth in the regulatory state it will continue to increase but at a slower rate," Tozzi said in an email. "The fix is a regulatory budget, which is the key to kingdom. A regulatory budget puts a cap on the total costs that regulators can impose on the public."

Tozzi was involved with groups who advised lawmakers on the SCRUB Act. He is the head of the regulatory watchdog group Center for Regulatory Effectiveness.

Calif.'s Brown snubs \$15 min wage push

By SEAN HIGGINS (@SEANGHIGGINS) • 1/21/16 7:35 PM

Democratic California Gov. Jerry Brown signaled in his State of the State address Thursday that he would oppose any further increases to the Golden State's minimum wage, ignoring calls by unions and liberal activist groups to raise the statewide hourly rate from \$10 an hour to \$15.

Brown's administration previously opposed calls for a raise to \$15, a stance that has not prevented two groups affiliated with Service Employees International Union from pushing statewide ballot initiative proposals to that effect.

The governor pushed back in his address Thursday, twice pointing out that the wage had already been increased under his administration while at the same time cautioning that the state needed to observe fiscal discipline and not upset its volatile economy.

"Here at the state capitol we often think we have more control over things than we actually do. But the truth is that global events, markets and policies set the pace and shape the world we live in," Brown said. "The challenge is to solve today's problems without making those of tomorrow even worse."

Later in the speech, Brown said, "In the face of ... growing [income] inequality, California has not been passive. We have enacted or expanded many programs to counteract these powerful trends: We raised the minimum wage." He noted that again in the conclusion, adding that the state's \$10 rate was 38 percent higher than the federal rate. He gave no indication that

the rate should go higher and did not acknowledge calls from others for such a move.

Liberal activists brushed off the snub, noting that Brown did not have the final word on the matter. "Gov. Brown can have his opinion and the people of California can have theirs," said Neil Sroka, spokesman for the Howard Dean-founded nonprofit group Democracy for America.

On Tuesday, SEIU-United Healthcare West delivered petitions containing 600,000 signatures to state election officials for its \$15 minimum wage ballot initiative. SEIU-California, a coalition group of all of the union's state branches, is sponsoring a rival \$15 ballot initiative proposal.

"No minimum wage worker in California can survive on \$10 — much less one with children — which is why 68 percent of California voters support gradually increasing the minimum wage to \$15 by 2021," said Michael Wherle, spokesman for SEIU-UHW.

Democratic Lt. Gov Gavin Newsom, a candidate for governor in 2018, has endorsed both. "By gradually raising the state's minimum wage to \$15, California can lead the country with a living wage for millions of working people and their families," Newsom said Tuesday.

Brown's administration has argued that would be too detrimental to the state economy. Last year, the California Department of Finance issued a statement arguing that a

statehouse proposal to raise the minimum rate to just \$13 an hour would cost state agencies \$1 billion in 2016 and \$3.4 billion each year afterward.

Earlier this month, Brown told reporters, "Raise the minimum wage too much and you put a lot of poor people out of work. There won't be a lot of jobs. It's a matter of balance." He noted that the increase to \$10, which he signed in 2013, cost the state \$250 million because of higher labor costs.

Brown's proposed state budget for the coming fiscal year explicitly rejected a \$15 minimum, arguing it would cost the state "more than \$4 billion annually by 2021" and return the state budget to annual deficits.

His opposition comes as activists in the state feel emboldened thanks to recent increases to \$15 by San Francisco and the city and county of Los Angeles. Polls have shown an estimated two-thirds of Californians favor a state-wide rate of \$15.

Brown was an enthusiastic supporter of the raise to \$10, calling it "my moral responsibility to do what I can to make our society more harmonious."