114TH CONGRESS 2D SESSION

### H.R.712

#### AN ACT

- To impose certain limitations on consent decrees and settlement agreements by agencies that require the agencies to take regulatory action in accordance with the terms thereof, and for other purposes.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,

#### 1 SECTION 1. SHORT TITLE.

- 2 This Act may be cited as the "Sunshine for Regula-
- 3 tions and Regulatory Decrees and Settlements Act of
- 4 2016".

#### 5 SEC. 2. TABLE OF CONTENTS.

- 6 The table of contents for this Act is as follows:
  - Sec. 1. Short title.
  - Sec. 2. Table of contents.

#### TITLE I—SUNSHINE FOR REGULATORY DECREES AND SETTLEMENTS

- Sec. 101. Short title.
- Sec. 102. Definitions.
- Sec. 103. Consent decree and settlement reform.
- Sec. 104. Motions to modify consent decrees.
- Sec. 105. Effective date.

#### TITLE II—ALL ECONOMIC REGULATIONS ARE TRANSPARENT

- Sec. 201. Short title.
- Sec. 202. Office of information and regulatory affairs publication of information relating to rules.

#### TITLE III—PROVIDING ACCOUNTABILITY THROUGH TRANSPARENCY

- Sec. 301. Short title.
- Sec. 302. Requirement to post a 100 word summary to regulations.gov.

#### 7 TITLE I—SUNSHINE FOR REGU-

#### 8 LATORY DECREES AND SET-

#### 9 **TLEMENTS**

- 10 SEC. 101. SHORT TITLE.
- 11 This title may be cited as the "Sunshine for Regula-
- 12 tions and Regulatory Decrees and Settlements Act of
- 13 2016".
- 14 SEC. 102. DEFINITIONS.
- 15 In this title—

1	(1) the terms "agency" and "agency action"
2	have the meanings given those terms under section
3	551 of title 5, United States Code;
4	(2) the term "covered civil action" means a civil
5	action—
6	(A) seeking to compel agency action;
7	(B) alleging that the agency is unlawfully
8	withholding or unreasonably delaying an agency
9	action relating to a regulatory action that would
10	affect the rights of—
11	(i) private persons other than the per-
12	son bringing the action; or
13	(ii) a State, local, or tribal govern-
14	ment; and
15	(C) brought under—
16	(i) chapter 7 of title 5, United States
17	Code; or
18	(ii) any other statute authorizing such
19	an action;
20	(3) the term "covered consent decree" means—
21	(A) a consent decree entered into in a cov-
22	ered civil action; and
23	(B) any other consent decree that requires
24	agency action relating to a regulatory action
25	that affects the rights of—

1	(i) private persons other than the per-
2	son bringing the action; or
3	(ii) a State, local, or tribal govern-
4	ment;
5	(4) the term "covered consent decree or settle-
6	ment agreement" means a covered consent decree
7	and a covered settlement agreement; and
8	(5) the term "covered settlement agreement"
9	means—
10	(A) a settlement agreement entered into in
11	a covered civil action; and
12	(B) any other settlement agreement that
13	requires agency action relating to a regulatory
14	action that affects the rights of—
15	(i) private persons other than the per-
16	son bringing the action; or
17	(ii) a State, local, or tribal govern-
18	ment.
19	SEC. 103. CONSENT DECREE AND SETTLEMENT REFORM.
20	(a) Pleadings and Preliminary Matters.—
21	(1) In general.—In any covered civil action,
22	the agency against which the covered civil action is
23	brought shall publish the notice of intent to sue and
24	the complaint in a readily accessible manner, includ-
25	ing by making the notice of intent to sue and the

- complaint available online not later than 15 days after receiving service of the notice of intent to sue or complaint, respectively.
  - (2) Entry of a covered consent decree or settlement agreement until after the end of proceedings in accordance with paragraph (1) and subparagraphs (A) and (B) of paragraph (2) of subsection (d) or subsection (d)(3)(A), whichever is later.

#### (b) Intervention.—

- (1) Rebuttable presumption.—In considering a motion to intervene in a covered civil action or a civil action in which a covered consent decree or settlement agreement has been proposed that is filed by a person who alleges that the agency action in dispute would affect the person, the court shall presume, subject to rebuttal, that the interests of the person would not be represented adequately by the existing parties to the action.
- (2) STATE, LOCAL, AND TRIBAL GOVERN-MENTS.—In considering a motion to intervene in a covered civil action or a civil action in which a covered consent decree or settlement agreement has

1	been proposed that is filed by a State, local, or tribal
2	government, the court shall take due account of
3	whether the movant—
4	(A) administers jointly with an agency that
5	is a defendant in the action the statutory provi-
6	sions that give rise to the regulatory action to
7	which the action relates; or
8	(B) administers an authority under State,
9	local, or tribal law that would be preempted by
10	the regulatory action to which the action re-
11	lates.
12	(c) Settlement Negotiations.—Efforts to settle
13	a covered civil action or otherwise reach an agreement on
14	a covered consent decree or settlement agreement shall—
15	(1) be conducted pursuant to the mediation or
16	alternative dispute resolution program of the court
17	or by a district judge other than the presiding judge,
18	magistrate judge, or special master, as determined
19	appropriate by the presiding judge; and
20	(2) include any party that intervenes in the ac-
21	tion.
22	(d) Publication of and Comment on Covered
23	CONSENT DECREES OR SETTLEMENT AGREEMENTS.—
24	(1) In general.—Not later than 60 days be-
25	fore the date on which a covered consent decree or

1	settlement agreement is filed with a court, the agen-
2	cy seeking to enter the covered consent decree or
3	settlement agreement shall publish in the Federal
4	Register and online—
5	(A) the proposed covered consent decree or
6	settlement agreement; and
7	(B) a statement providing—
8	(i) the statutory basis for the covered
9	consent decree or settlement agreement;
10	and
11	(ii) a description of the terms of the
12	covered consent decree or settlement agree-
13	ment, including whether it provides for the
14	award of attorneys' fees or costs and, if so,
15	the basis for including the award.
16	(2) Public comment.—
17	(A) IN GENERAL.—An agency seeking to
18	enter a covered consent decree or settlement
19	agreement shall accept public comment during
20	the period described in paragraph (1) on any
21	issue relating to the matters alleged in the com-
22	plaint in the applicable civil action or addressed
23	or affected by the proposed covered consent de-
24	cree or settlement agreement.

1	(B) RESPONSE TO COMMENTS.—An agency
2	shall respond to any comment received under
3	subparagraph (A).
4	(C) Submissions to court.—When mov-
5	ing that the court enter a proposed covered con-
6	sent decree or settlement agreement or for dis-
7	missal pursuant to a proposed covered consent
8	decree or settlement agreement, an agency
9	shall—
10	(i) inform the court of the statutory
11	basis for the proposed covered consent de-
12	cree or settlement agreement and its
13	terms;
14	(ii) submit to the court a summary of
15	the comments received under subparagraph
16	(A) and the response of the agency to the
17	comments;
18	(iii) submit to the court a certified
19	index of the administrative record of the
20	notice and comment proceeding; and
21	(iv) make the administrative record
22	described in clause (iii) fully accessible to
23	the court.
24	(D) Inclusion in record.—The court
25	shall include in the court record for a civil ac-

1	tion the certified index of the administrative
2	record submitted by an agency under subpara-
3	graph (C)(iii) and any documents listed in the
4	index which any party or amicus curiae appear-
5	ing before the court in the action submits to the
6	court.
7	(3) Public Hearings Permitted.—
8	(A) IN GENERAL.—After providing notice
9	in the Federal Register and online, an agency
10	may hold a public hearing regarding whether to
11	enter into a proposed covered consent decree or
12	settlement agreement.
13	(B) Record.—If an agency holds a public
14	hearing under subparagraph (A)—
15	(i) the agency shall—
16	(I) submit to the court a sum-
17	mary of the proceedings;
18	(II) submit to the court a cer-
19	tified index of the hearing record; and
20	(III) provide access to the hear-
21	ing record to the court; and
22	(ii) the full hearing record shall be in-
23	cluded in the court record.
24	(4) Mandatory deadlines.—If a proposed
25	covered consent decree or settlement agreement re-

- quires an agency action by a date certain, the agency shall, when moving for entry of the covered consent decree or settlement agreement or dismissal based on the covered consent decree or settlement agreement, inform the court of—
  - (A) any required regulatory action the agency has not taken that the covered consent decree or settlement agreement does not address;
  - (B) how the covered consent decree or settlement agreement, if approved, would affect the discharge of the duties described in subparagraph (A); and
  - (C) why the effects of the covered consent decree or settlement agreement on the manner in which the agency discharges its duties is in the public interest.

#### (e) Submission by the Government.—

(1) IN GENERAL.—For any proposed covered consent decree or settlement agreement that contains a term described in paragraph (2), the Attorney General or, if the matter is being litigated independently by an agency, the head of the agency shall submit to the court a certification that the Attorney General or head of the agency approves the proposed

1	covered consent decree or settlement agreement. The
2	Attorney General or head of the agency shall person-
3	ally sign any certification submitted under this para-
4	graph.
5	(2) Terms.—A term described in this para-
6	graph is—
7	(A) in the case of a covered consent decree,
8	a term that—
9	(i) converts into a nondiscretionary
10	duty a discretionary authority of an agency
11	to propose, promulgate, revise, or amend
12	regulations;
13	(ii) commits an agency to expend
14	funds that have not been appropriated and
15	that have not been budgeted for the regu-
16	latory action in question;
17	(iii) commits an agency to seek a par-
18	ticular appropriation or budget authoriza-
19	tion;
20	(iv) divests an agency of discretion
21	committed to the agency by statute or the
22	Constitution of the United States, without
23	regard to whether the discretion was
24	granted to respond to changing cir-
25	cumstances, to make policy or managerial

1	choices, or to protect the rights of third
2	parties; or
3	(v) otherwise affords relief that the
4	court could not enter under its own au-
5	thority upon a final judgment in the civil
6	action; or
7	(B) in the case of a covered settlement
8	agreement, a term—
9	(i) that provides a remedy for a fail-
10	ure by the agency to comply with the
11	terms of the covered settlement agreement
12	other than the revival of the civil action re-
13	solved by the covered settlement agree-
14	ment; and
15	(ii) that—
16	(I) interferes with the authority
17	of an agency to revise, amend, or
18	issue rules under the procedures set
19	forth in chapter 5 of title 5, United
20	States Code, or any other statute or
21	Executive order prescribing rule-
22	making procedures for a rulemaking
23	that is the subject of the covered set-
24	tlement agreement;

1 (II) commits the agency to ex2 pend funds that have not been appro3 priated and that have not been budg4 eted for the regulatory action in ques5 tion; or

(III) for such a covered settlement agreement that commits the agency to exercise in a particular way discretion which was committed to the agency by statute or the Constitution of the United States to respond to changing circumstances, to make policy or managerial choices, or to protect the rights of third parties.

#### (f) REVIEW BY COURT.—

(1) AMICUS.—A court considering a proposed covered consent decree or settlement agreement shall presume, subject to rebuttal, that it is proper to allow amicus participation relating to the covered consent decree or settlement agreement by any person who filed public comments or participated in a public hearing on the covered consent decree or settlement agreement under paragraph (2) or (3) of subsection (d).

#### (2) Review of Deadlines.—

- (A) Proposed covered consent decree, a court shall not approve the covered consent decree, a court shall not approve the covered consent decree unless the proposed covered consent decree allows sufficient time and incorporates adequate procedures for the agency to comply with chapter 5 of title 5, United States Code, and other applicable statutes that govern rule-making and, unless contrary to the public interest, the provisions of any Executive order that governs rulemaking.
  - (B) Proposed covered settleagreement, a court shall ensure that the
    covered settlement agreement allows sufficient
    time and incorporates adequate procedures for
    the agency to comply with chapter 5 of title 5,
    United States Code, and other applicable statutes that govern rulemaking and, unless contrary to the public interest, the provisions of
    any Executive order that governs rulemaking.
- (g) Annual Reports.—Each agency shall submit to
  Congress an annual report that, for the year covered by
  the report, includes—

1	(1) the number identity and content of covered
1	(1) the number, identity, and content of covered
2	civil actions brought against and covered consent de-
3	crees or settlement agreements entered against or
4	into by the agency; and
5	(2) a description of the statutory basis for—
6	(A) each covered consent decree or settle-
7	ment agreement entered against or into by the
8	agency; and
9	(B) any award of attorneys fees or costs in
10	a civil action resolved by a covered consent de-
11	cree or settlement agreement entered against or
12	into by the agency.
13	SEC. 104. MOTIONS TO MODIFY CONSENT DECREES.
14	If an agency moves a court to modify a covered con-
15	sent decree or settlement agreement and the basis of the
16	motion is that the terms of the covered consent decree or
17	settlement agreement are no longer fully in the public in-
18	terest due to the obligations of the agency to fulfill other
19	duties or due to changed facts and circumstances, the
20	court shall review the motion and the covered consent de-
21	cree or settlement agreement de novo.
22	SEC. 105. EFFECTIVE DATE.
23	This title shall apply to—
24	(1) any covered civil action filed on or after the
25	date of enactment of this Act; and

1	(2) any covered consent decree or settlement
2	agreement proposed to a court on or after the date
3	of enactment of this Act.
4	TITLE II—ALL ECONOMIC REGU-
5	LATIONS ARE TRANSPARENT
6	SEC. 201. SHORT TITLE.
7	This title may be cited as the "All Economic Regula-
8	tions are Transparent Act of 2016" or the "ALERT Act
9	of 2016".
10	SEC. 202. OFFICE OF INFORMATION AND REGULATORY AF-
11	FAIRS PUBLICATION OF INFORMATION RE-
12	LATING TO RULES.
13	(a) Amendment.—Title 5, United States Code, is
14	amended by inserting after chapter 6 the following new
15	chapter:
16	"CHAPTER 6A—OFFICE OF INFORMATION
17	AND REGULATORY AFFAIRS PUBLICA-
18	TION OF INFORMATION RELATING TO
19	RULES
	"651. Agency monthly submission to Office of Information and Regulatory Affairs.
	"652. Office of Information and Regulatory Affairs publications. "653. Requirement for rules to appear in agency-specific monthly publication. "654. Definitions.
20	"§ 651. Agency monthly submission to Office of Infor-
21	mation and Regulatory Affairs
22	"On a monthly basis, the head of each agency shall
23	submit to the Administrator of the Office of Information

1	and Regulatory Affairs (referred to in this chapter as the
2	'Administrator'), in such a manner as the Administrator
3	may reasonably require, the following information:
4	"(1) For each rule that the agency expects to
5	propose or finalize during the 12-month period fol-
6	lowing the month covered by the monthly submis-
7	sion:
8	"(A) A summary of the nature of the rule,
9	including the regulation identifier number and
10	the docket number for the rule.
11	"(B) The objectives of and legal basis for
12	the issuance of the rule, including—
13	"(i) any statutory or judicial deadline;
14	and
15	"(ii) whether the legal basis restricts
16	or precludes the agency from conducting
17	an analysis of the costs or benefits of the
18	rule during the rule making, and if not,
19	whether the agency plans to conduct an
20	analysis of the costs or benefits of the rule
21	during the rule making.
22	"(C) Whether the agency plans to claim an
23	exemption from the requirements of section 553
24	pursuant to section 553(b)(B).

1	"(D) The stage of the rule making as of
2	the date of submission.
3	"(E) Whether the rule is subject to review
4	under section 610.
5	"(2) For any rule that the agency expects to fi-
6	nalize during the 12-month period following the
7	month covered by the monthly submission and for
8	which the agency has issued a general notice of pro-
9	posed rule making—
10	"(A) an approximate schedule for com-
11	pleting action on the rule;
12	"(B) an estimate of whether the rule will
13	cost—
14	"(i) less than \$50,000,000;
15	"(ii) \$50,000,000 or more but less
16	than \$100,000,000;
17	"(iii) \$100,000,000 or more but less
18	than \$500,000,000;
19	"(iv) \$500,000,000 or more but less
20	than \$1,000,000,000;
21	"(v) $$1,000,000,000$ or more but less
22	than \$5,000,000,000;
23	"(vi) \$5,000,000,000 or more but less
24	than \$10,000,000,000; or
25	"(vii) \$10,000,000,000 or more; and

"(C) any estimate of the economic effects 1 2 of the rule, including the imposition of unfunded mandates and any estimate of the net 3 4 effect that the rule will have on the number of 5 jobs in the United States, that was considered 6 in drafting the rule, or, if no such estimate is available, a statement affirming that no infor-7 8 mation on the economic effects, including the 9 effect on the number of jobs, of the rule has 10 been considered. 11 "§ 652. Office of Information and Regulatory Affairs 12 publications 13 "(a) Agency-Specific Information Published 14 Monthly.—Not later than 30 days after the submission 15 of information pursuant to section 651, the Administrator shall make such information publicly available on the 16 17 Internet. 18 "(b) Cumulative Assessment of Agency Rule 19 Making Published Annually.— 20 "(1) Publication in the federal reg-21 ISTER.—Not later than October 1 of each year, the 22 Administrator shall publish, in the Federal Register, 23 the following, with respect to the previous year:

1	"(A) The information that the Adminis-
2	trator received from the head of each agency
3	under section 651.
4	"(B) The number of rules and a list of
5	each such rule—
6	"(i) that was proposed by each agen-
7	cy, including, for each such rule, an indica-
8	tion of whether the issuing agency con-
9	ducted an analysis of the costs or benefits
10	of the rule; and
11	"(ii) that was finalized by each agen-
12	cy, including for each such rule an indica-
13	tion of whether—
14	"(I) the issuing agency conducted
15	an analysis of the costs or benefits of
16	the rule;
17	"(II) the agency claimed an ex-
18	emption from the procedures under
19	section 553 pursuant to section
20	553(b)(B); and
21	"(III) the rule was issued pursu-
22	ant to a statutory mandate or the rule
23	making is committed to agency discre-
24	tion by law.

1	"(C) The number of agency actions and a
2	list of each such action taken by each agency
3	that—
4	"(i) repealed a rule;
5	"(ii) reduced the scope of a rule;
6	"(iii) reduced the cost of a rule; or
7	"(iv) accelerated the expiration date
8	of a rule.
9	"(D) The total cost (without reducing the
10	cost by any offsetting benefits) of all rules pro-
11	posed or finalized, the total cost of any un-
12	funded mandates imposed by all such rules, and
13	the number of rules for which an estimate of
14	the cost of the rule was not available.
15	"(2) Publication on the internet.—Not
16	later than October 1 of each year, the Administrator
17	shall make publicly available on the Internet the fol-
18	lowing:
19	"(A) The analysis of the costs or benefits,
20	if conducted, for each proposed rule or final
21	rule issued by an agency for the previous year.
22	"(B) The docket number and regulation
23	identifier number for each proposed or final
24	rule issued by an agency for the previous year.

1	"(C) The number of rules and a list of
2	each such rule reviewed by the Director of the
3	Office of Management and Budget for the pre-
4	vious year, and the authority under which each
5	such review was conducted.
6	"(D) The number of rules and a list of
7	each such rule for which the head of an agency
8	completed a review under section 610 for the
9	previous year.
10	"(E) The number of rules and a list of
11	each such rule submitted to the Comptroller
12	General under section 801.
13	"(F) The number of rules and a list of
14	each such rule for which a resolution of dis-
15	approval was introduced in either the House of
16	Representatives or the Senate under section
17	802.
18	"§ 653. Requirement for rules to appear in agency-
19	specific monthly publication
20	"(a) In General.—Subject to subsection (b), a rule
21	may not take effect until the information required to be
22	made publicly available on the Internet regarding such

23 rule pursuant to section 652(a) has been so available for

24 not less than 6 months.

1	"(b) Exceptions.—The requirement of subsection					
2	(a) shall not apply in the case of a rule—					
3	"(1) for which the agency issuing the rule					
4	claims an exception under section 553(b)(B); or					
5	"(2) which the President determines by Execu-					
6	tive order should take effect because the rule is—					
7	"(A) necessary because of an imminent					
8	threat to health or safety or other emergency;					
9	"(B) necessary for the enforcement of					
10	criminal laws;					
11	"(C) necessary for national security; or					
12	"(D) issued pursuant to any statute imple-					
13	menting an international trade agreement.					
14	"§ 654. Definitions					
15	"In this chapter, the terms 'agency', 'agency action',					
16	'rule', and 'rule making' have the meanings given those					
17	terms in section 551, and the term 'unfunded mandate'					
18	has the meaning given the term 'Federal mandate' in sec-					
19	tion 421(6) of the Congressional Budget Act of 1974 (2					
20	U.S.C. 658(6)).".					
21	(b) Technical and Conforming Amendment.—					
22	The table of chapters for part I of title 5, United States					
23	Code, is amended by inserting after the item relating to					
24	chapter 5 the following:					
	"6. The Analysis of Regulatory Functions					

#### 1 (c) Effective Dates.— 2 (1) Agency monthly submission to the of-FICE OF INFORMATION AND 3 REGULATORY AF-4 FAIRS.—The first submission required pursuant to 5 section 651 of title 5, United States Code, as added 6 by subsection (a), shall be submitted not later than 7 30 days after the date of the enactment of this Act, 8 and monthly thereafter. 9 (2) Cumulative ASSESSMENT $^{\mathrm{OF}}$ AGENCY 10 RULE MAKING.— 11 (A) IN GENERAL.—Subsection (b) of sec-12 tion 652 of title 5, United States Code, as 13 added by subsection (a), shall take effect on the 14 date that is 60 days after the date of the enact-15 ment of this Act. 16 (B) DEADLINE.—The first requirement to 17 publish or make available, as the case may be, 18 under subsection (b) of section 652 of title 5, 19 United States Code, as added by subsection (a), 20 shall be the first October 1 after the effective 21 date of such subsection. 22 (C) First Publication.—The require-

ment under section 652(b)(2)(A) of title 5,

United States Code, as added by subsection (a),

shall include for the first publication, any anal-

23

24

1	ysis of the costs or benefits conducted for a					
2	proposed or final rule, for the 10 years before					
3	the date of the enactment of this Act.					
4	(3) Requirement for rules to appear in					
5	AGENCY-SPECIFIC MONTHLY PUBLICATION.—Section					
6	653 of title 5, United States Code, as added by sub-					
7	section (a), shall take effect on the date that is 8					
8	months after the date of the enactment of this Act.					
9	TITLE III—PROVIDING AC-					
10	COUNTABILITY THROUGH					
11	TRANSPARENCY					
12	SEC. 301. SHORT TITLE.					
13	This title may be cited as the "Providing Account-					
14	ability Through Transparency Act of 2016".					
15	SEC. 302. REQUIREMENT TO POST A 100 WORD SUMMARY					
16	TO REGULATIONS.GOV.					
17	Section 553(b) of title 5, United States Code, is					
18	amended—					
19	(1) in paragraph (2) by striking "; and" and in-					
20	serting ";";					
21	(2) in paragraph (3), by striking the period at					
22	the end and inserting "; and; and					
23	(3) by inserting after paragraph (3) the fol-					
24	lowing:					

1	"(4) the internet address of a summary of not					
2	more than 100 words in length of the proposed rule					
3	in plain language, that shall be posted on the inter-					
4	net website under section 206(d) of the E-Govern-					
5	ment Act of 2002 (44 U.S.C. 3501 note) (commonly					
6	known as regulations.gov);".					
	Passed the House of Representatives January 7					
	2016.					

Attest:

Clerk.

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## AN ACT

To impose certain limitations on consent decrees and settlement agreements by agencies that require the agencies to take regulatory action in accordance with the terms thereof, and for other purposes.