

ONE HUNDRED TWELFTH CONGRESS
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Opening Statement of Rep. Diana DeGette
Ranking Member, Subcommittee on Oversight and Investigations
“The Views of the Independent Agencies on Regulatory Reform”
Subcommittee on Oversight and Investigation
July 7, 2011

Today, we are holding the fourth in a series of hearings examining the federal government’s regulatory review process. The Subcommittee has been focused in particular on President Obama’s Executive Order setting forth principles of regulation that include protecting public health, welfare, safety, and the environment while promoting economic growth and competitiveness; and providing for public participation and transparency.

The witnesses before us today represent four important federal agencies: the Consumer Product Safety Commission, the Federal Energy Regulatory Commission, the Federal Communications Commission, and the Federal Trade Commission. Because Congress created these agencies as independent entities, they are not covered by the President’s Executive Order on regulatory review. It is important, however, for the Subcommittee and the public to understand whether the regulatory process employed by each of these agencies is effective and efficient.

As we hear from these agencies on their regulatory review efforts, we should keep a few thoughts in mind. First, Congress created these agencies as independent entities to insulate them from political influence and granted them decision-making flexibilities other agencies do not have.

Second, irrespective of the Executive Order there are a number of statutory requirements concerning transparency and efficiency in the regulatory process that already apply to the independent agencies. For example, the Regulatory Flexibility Act requires federal agencies, including independent agencies, to analyze the impact of their rules on small organizations. The Administrative Procedure Act broadly lays out the scheme under which agencies propose and finalize regulations, and provides for public participation in the rulemaking process.

Finally, it is important to remember that the underlying mission of all of the agencies before us today is to ensure the health and safety of our citizens. While we should make certain

the regulations they propose are well crafted, we must also acknowledge the importance of the work that they do and the regulations they promulgate. For example:

- This year, FCC issued a report and order to adopt a rule requiring mobile providers to enter data roaming arrangements with other providers, allowing consumers to remain connected when they travel outside of their provider's coverage area.
- FTC recently established the Do-Not-Call registry, allowing consumers to choose whether they want to receive calls from telemarketers.
- CPSC has initiated a wide range of recent efforts to protect our children, from developing mandatory standards for cribs; to addressing the problem of dangerous toys; to banning certain phthalates in children's products.
- And every day, FERC acts as a neutral adjudicatory body handling extremely complicated technical issues concerning our electricity market. Through its work the Commission limits regional disparities in electricity, natural gas, and oil pricing.

I am pleased that we have before us today Commissioners from both parties. One of the ways Congress ensured bi-partisan input at these agencies was to provide that no more than three Commissioners at the agencies can be of the same party. I hope that the Subcommittee will use this opportunity to hear a variety of perspectives on how to best ensure an effective regulatory process at the independent agencies, and that avoid focusing on policy or personality disagreements among Commissioners. I look forward to hearing from our distinguished witnesses.