U.S. Chamber of Commerce



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Via WWW.REGULATIONS.GOV

Russell Vought Director, Office of Management and Budget 725 17th Street NW, Washington, DC 20503

RE: Request for Information: Deregulation

Dear Mr. Vought:

The U.S. Chamber of Commerce appreciates the opportunity to submit comments on President Trump's initiatives to right-size regulations, specifically in response to the Office of Management and Budget's (OMB's) "Request for Information: Deregulation." As we navigate the complexities of today's economic landscape, it is imperative that we address the regulatory burdens that hinder innovation and growth. The U.S. Chamber of Commerce is committed to advocating for robust, enduring policies that foster a conducive environment for businesses to thrive, innovate, and meet consumer demands. In this regard, I am writing to express our support for deregulatory actions and general principles that the Trump Administration can pursue to reduce these burdens across various policy areas.

Regulatory Oversight

Robust regulatory oversight by OMB is crucial for maintaining a balanced and fair economic environment. Strong oversight ensures that regulations are implemented effectively, protecting consumers and businesses alike from potential abuses and fostering a competitive marketplace. Oversight helps prevent regulatory micromanagement by holding agencies accountable for their actions, ensuring that rules are not only necessary but also proportionate to the issues they aim to address, as well as legally sound and practically workable. By promoting transparency and stakeholder engagement, regulatory oversight builds trust between the government and the business community, encouraging compliance and innovation. Moreover, it provides a mechanism for reviewing and refining regulations to adapt to changing economic conditions, thereby supporting sustainable growth and protecting the interests of all market participants.

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¹ Request for Information: Deregulation, 90 Fed. Reg. 15481, April 11, 2025.

As part of this effort, the Administration should consider creating a "one-stop shop" for regulatory compliance to avoid redundant or competing regulatory record-keeping and reporting requirements. Where appropriate, "One Form" may be utilized to encourage more federal government information sharing across agencies to avoid duplicative reporting. The benefit could be similar to the "common application" for colleges.

It will be important for OMB, who implements the Paperwork Reduction Act, to work with agencies to identify and eliminate redundant and excessive information collection and reporting requirements that have piled up on businesses and the public. When agencies collect more information than is necessary to ensure compliance with regulatory provisions it can hinder business operations. Addressing this challenge will allow businesses to allocate resources more efficiently and focus on growth and innovation. Reducing the administrative burden also enhances productivity by freeing up time that business owners and employees would otherwise spend on compliance. Ultimately, a more efficient regulatory environment fosters a healthier business climate, promotes economic growth, and ensures that businesses can compete effectively in both domestic and global markets.

Regulatory Cost-Benefit Analysis

Robust regulatory cost-benefit analysis is essential to ensure that regulations do not impose unnecessary, and at times costly, requirements on businesses. The Chamber advocates for a transparent and objective approach to regulatory review, under which the actual costs and benefits of regulations are clearly assessed. This includes revisiting the previous Administration's regulatory review process to eliminate subjective criteria that may skew the analysis in favor of regulatory expansion. By maintaining an appropriately balanced approach, we can ensure that regulations serve their intended purpose without harming economic growth. The Chamber expressed concerns over the previous Administration's changes to the regulatory development process that undermined the concept of cost-benefit analysis.² The changes incorporated a number of intangible values and contested extra-statutory aims, like redistribution and global benefits. Instead of choosing alternative discount rates that reflect the full range of expert opinion, the prior Administration endorsed an astonishingly low rate that would seemingly support overregulation. The Chamber supports the Administration's efforts in reversing these changes and restoring an objective framework for regulatory review.

There is a valuable opportunity to provide agencies with expanded guidance on the types of costs to consider when conducting regulatory cost-benefit analyses under the Congressional Review Act. This guidance should encourage agencies to evaluate a

² U.S. Chamber of Commerce led coalition comments on OMB's Request for Comments on Proposed OMB Circular No. A–4, "Regulatory Analysis" https://www.regulations.gov/comment/OMB-2022-0014-3918.

broad range of criteria, including costs exceeding \$100 million and increases in costs or prices affecting consumers, specific industries, and various levels of government. Additionally, agencies should assess significant adverse effects on competition, employment, investment, productivity, and innovation, as well as the impact on the ability of U.S.-based enterprises to compete with foreign-based companies in both domestic and export markets. By refining these criteria, agencies can ensure a more comprehensive and informed approach to regulatory decision-making.

Consideration of Small Business in Agency Rulemakings

The Regulatory Flexibility Act of 1980 requires that agencies consider impacts on small businesses and consider less burdensome alternatives before imposing regulatory mandates that can impose a proportionately higher compliance cost on small employers than on their larger business competitors. Government can better comply with the Regulatory Flexibility Act and reduce federal red tape by strengthening the small business engagement process, enhancing transparency, and adopting best practices throughout rulemakings.

The Office of Advocacy at the U.S. Small Business Administration should be given full authority and opportunity to rebut any regulatory agency's "certification" that allows the agency to bypass the preparation of an Initial Regulatory Flexibility Analysis (IRFA). The Office of Advocacy's determination should mirror the OMB Office of Information and Regulatory Affairs' (OIRA's) process and transparency requirements for returning a draft regulation to an agency "for further consideration." Similar to the OIRA process, a public letter should be issued by the U.S. Small Business Administration's (SBA's) Chief Counsel for Advocacy explaining the Office of Advocacy's position and then permit the promulgating agency the ability to respond in writing. In this way, agencies will be encouraged to fully consider alternatives for small business compliance and ensure better, more transparent small business input.

When conducting analysis, regulatory agencies should consider so-called indirect costs on small businesses in addition to the statutorily required analysis of direct costs. For instance, when the U.S. Environmental Protection Agency (EPA) issues rules on the blending of gasoline, the agency should be transparent about how its proposed changes impact transportation costs for small businesses (cost of gasoline). This transparency more accurately communicates costs imposed on small businesses and will encourage the regulated community to engage with regulatory staff for alternatives that meet the regulatory objectives while minimizing costs for small businesses.

Regulatory Transparency and Ensuring Proper Limits on the Use of Agency Guidance Documents

Transparency in the regulatory process is crucial for businesses to plan and adapt

effectively. The Chamber supports initiatives that enhance transparency by requiring federal agencies to engage with industry stakeholders through regular workshops, listening sessions, and public comment opportunities. This collaborative approach will not only improve the quality of regulations but also build trust between regulators and the business community. We urge the Administration to prioritize transparency to create a more predictable regulatory environment.

With the reinstatement of EO 13891, "Promoting the Rule of Law Through Improved Agency Guidance Documents," we support the Administration's effort to highlight the development of regulatory guidance and to ensure that guidance documents are treated as non-binding both in law and in practice, requiring agencies to impose legally binding duties on the public only through regulations and case-by-case adjudications. Transparent development of regulatory guidance is crucial, as it ensures that all stakeholders, including businesses and the public, have the opportunity to provide input and understand the rationale behind regulatory decisions. This openness fosters trust, enhances compliance, and helps create regulations that are fair, effective, and aligned with the needs of the economy and society. "Experience has shown ... that guidance documents ... may be poorly designed or improperly implemented," and "may not receive the

benefit of careful consideration accorded under the procedures for regulatory development and review." Final Bulletin for Agency Good Guidance Practices, 72 Fed. Reg. 3432-01 (Jan. 25, 2007). As required by EO 13891, many agencies in the first Trump Administration consolidated their regulatory guidance and posted it on agency websites. Agencies also adopted or updated regulatory procedural regulations that set out the steps that agencies were to follow when issuing new regulations, guidance, and enforcement procedures.

We emphasize that the steps required by EO 13891 are highly valuable. As EO 13891 explains, the Administrative Procedure Act (APA) generally requires agencies to engage in notice-and-comment rulemaking "to provide public notice of proposed regulations, allow interested parties an opportunity to comment, consider and respond to significant comments, and publish final regulations in the Federal Register." Agencies have sometimes "inappropriately" used their authority to issue guidance documents without notice and comment, "in attempts to regulate the public without following the rulemaking procedures of the APA. Even when accompanied by a disclaimer that it is non-binding, a guidance document issued by an agency may carry the implicit threat of enforcement action if the regulated public does not comply. Moreover, the public frequently has insufficient notice of guidance documents" and is unable to provide input before agencies issue them. Because of the importance of notice and comment, EO 13891 generally requires agencies issuing significant guidance documents to allow for notice and comment for at least 30 days before

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³ EO 13891, 84 Fed. Reg. 55235, October 15, 2019.

issuance of a final guidance document. This and other requirements of the Executive Order not only improve the quality of agency guidance and regulations, but further the goals of legal durability and stability in regulation, which are critical to the free enterprise system. We support the Administration's initiative to ensure that notice and comment and other administrative law requirements are not circumvented by letters, FAQ pages, and other informal mechanisms that can have powerful adverse impacts on American businesses and the ordinary Americans who depend on them.

Fair Regulatory Enforcement and Adjudication

Fairness in regulatory enforcement and adjudication is vital to maintaining a level playing field for all businesses. The Chamber calls for reforms that ensure that regulatory agencies enforce rules consistently and adjudicate disputes impartially. This includes eliminating practices that allow for arbitrary enforcement actions, using the enforcement process to pursue novel regulatory interpretations, and ensuring that businesses have access to fair and timely adjudication processes. By promoting fairness, we can protect businesses from undue regulatory burdens and encourage compliance. The Chamber has previously provided recommendations to promote transparency and due process in federal regulation, emphasizing the need for fair enforcement policies.⁴

As part of the regulatory enforcement process, any investigations and adjudications need to be fair, speedy, and transparent. In addition to carefully considering the pros and cons of tolling agreements, which have the potential to prolong investigations, agencies should consider alternative dispute resolution methods to foster early settlements. Similarly, they should look at their existing regulations and consider removing those that have the effect of increasing frivolous or speculative litigation. For example, multiple regulations have the intent or effect of discouraging alternative dispute resolution mechanisms such as arbitration clauses and class action waivers. Such regulations should be limited to the minimum required by statute or otherwise rescinded. In addition, agencies should limit inappropriate litigation by requiring the disclosure of third-party litigation funding (TPLF) in cases that are heard by agency tribunals. The Department of Justice (DOJ) should continue the effort begun during President Trump's first term of requiring relators bringing False Claims Act cases to disclose TPLF⁵ as well as continuing and expanding the Department's recent determination that foreign-sourced TPLF be disclosed pursuant to the Foreign Agents Registration Act.⁶ The DOJ also should return to its policy from President Trump's first

⁴ U.S. Chamber of Commerce comments on "Improving and Reforming Regulatory Enforcement and Adjudication," Docket No. OMB-2019-0006, https://www.regulations.gov/comment/OMB-2019-0006-1347

⁵ Principal Deputy Assistant Attorney General Ethan P. Davis delivers remarks on the False Claims Act at the U.S. Chamber of Commerce's Institute for Legal Reform | United States Department of Justice (June 26, 2020)

⁶ Advisory Opinion of the FARA Unit, National Security Division, Department of Justice (June 24, 2024)

term of prohibiting the government from requiring defendants to make payments to non-parties as a condition of resolving an investigation or litigation.⁷

In addition, there is often overlapping jurisdiction among multiple agencies, which can lead to redundant and inefficient enforcement actions. For any enforcement effort, it is important to maintain the presumption of innocence in regulatory proceedings, and agencies should not require individuals or businesses to prove the absence of liability. Similarly, agencies that regulate businesses should follow the Department of Transportation's lead and adopt a *Brady* rule in civil enforcement actions to disclose materially exculpatory evidence in the agency's possession to the representatives of the regulated entity whose conduct is the subject of the enforcement action.⁸

Finally, agencies should consider how their enforcement procedures align with the U.S. Supreme Court's decision in *SEC v. Jarkesy*, which held that the SEC's in-house enforcement process seeking civil penalties violated the Seventh Amendment right to a jury trial. Lower courts have applied *Jarkesy* to in-house enforcement processes of other agencies, or are otherwise reviewing the application of Jarkesy to such agencies' enforcement practices. For example, in April, the U.S. Court of Appeals for the Fifth Circuit relied on *Jarkesy* to vacate a Federal Communications Commission forfeiture order imposing a \$57 million civil penalty on AT&T, holding that the agency denied AT&T its constitutional rights to a jury trial and an adjudication before an Article III court.⁹

Improved Federal Permitting

The federal permitting process is a significant barrier to infrastructure development and innovation. The Chamber supports reforms that streamline the permitting process, reduce bureaucratic delays, and provide greater predictability for businesses. By expediting the permitting process, we can facilitate the timely development of critical infrastructure projects that drive economic growth and enhance our nation's competitiveness. The Chamber is actively advocating for permitting reform. We applaud steps the administration is taking, and we are working with Congress to advance durable legislation to improve transparency, predictability, and efficiency in the federal permitting process.

Energy Policies that Promote Affordability and Reliability

Energy policies play a crucial role in ensuring economic stability and growth. The Chamber advocates for energy policies that promote affordability and reliability while

⁷ <u>Prohibition on Settlement Payments to Non-Governmental Third Parties</u>, 85 FR 81409 (adding 28 CFR 50.28) (Dec. 16, 2020)

⁸ Memorandum, Department of Transportation, Procedural Requirements for DOT Enforcement Actions (Mar. 11, 2025), https://www.transportation.gov/administrations/office-general-counsel/general-counsel/general-counsel/E2%80%99s-enforcement-memorandum; see also Brady v. Maryland, 373 U.S. 83 (1963).

⁹ AT&T, Inc. v. FCC, No. 24-60223, ____ F.4th ____ (5th Cir. Apr. 17, 2025).

supporting innovation in energy production and delivery. We therefore oppose unnecessary regulatory barriers that hinder energy development, and we support policies that encourage investment in new energy technologies. By ensuring a balanced approach to energy regulation, we can secure our energy future and support economic growth. We can enhance our nation's energy security and affordability by increasing production of domestic energy resources like oil and natural gas while also growing our nuclear and renewable resources.

Financial Policies that Enable Access to Credit and Capital Formation

The Chamber advocates on behalf of American businesses to ensure that legislation and regulation strengthen our capital markets allowing businesses—from the local flower shop to a multinational manufacturer—to mitigate risks, manage liquidity, access credit, and raise capital. A recent U.S. Chamber survey of financial decision—makers found that 87 percent of U.S. businesses reported being negatively affected by cost increases related to financial regulation.¹⁰ The Chamber's advocacy includes opposing unnecessary regulations that prevent businesses from raising the capital they need to grow and make it unnecessarily difficult for consumers to access credit or leverage the banking system to engage in commerce. The Chamber offered numerous recommendations in a 2024 report for improving the SEC's rulemaking process, including requiring the agency to consider the interconnectedness of its rulemakings.¹¹

Technology Policies that Bolster Innovation and American Competitiveness

American technological leadership is critical to U.S. economic growth and national security. The Chamber supports targeted, and risk-based regulatory solutions to address concrete harms that establish clear rules of the road while minimizing burdens on regulated entities.

America is home to innovative communications technology companies and a diverse media marketplace that is changing how Americans are connected, communicate, and receive information. However, the Federal Communications Commission's antiquated regulatory structure impedes unleashing the private sector's full potential to deliver novel and innovative services to millions of Americans. The Commission should focus on modernizing outdated media and video regulations, reducing barriers to connect all Americans to communications services, reforming the Telephone Consumer

¹⁰ https://www.uschamber.com/assets/documents/CCMC Survey-FinancialChallenges Fall2023.pdf

¹¹ https://www.uschamber.com/assets/documents/CCMC_SEC_Paper_Investors-and-the-markets-first.pdf

Protection Act, ensuring a fair enforcement process, updating equipment authorization rules, and unleashing the space economy.¹²

Finally, the Chamber applauds the Administration's efforts to maintain global Al leadership through focusing on enforcing existing laws that may apply to Al and to pass targeted legislation to address harms where the law has not caught up with technology. We would further encourage the Administration to view Al policy holistically through the lens of semiconductors, computing capacity, targeted regulation, and workforce to encourage Al adoption.

Transportation

Further, the U.S. Department of Transportation can enable the safe deployment of new and innovative transportation technologies. Automated vehicles (AVs) will increase safety, reduce the economic costs of traffic accidents, create jobs, increase mobility for persons with disabilities and the elderly, and improve air quality.¹³ DOT can advance a policy agenda that enables the safe, widespread deployment of automated vehicle technology.¹⁴ Unmanned aircraft systems create new transportation solutions for Americans, enabling small businesses to reach more customers, and lowering costs through increased productivity. The DOT and FAA should prioritize advancing Congress' directives in the 2024 FAA Reauthorization, such as the beyond visual line of sight rulemaking, to unlock the benefits of this technology.¹⁵

Cybersecurity Enhancements Through Regulatory Streamlining

The federal government's role in addressing cybersecurity is both complex and extensive. Its involvement includes mitigating risks and threats to agency systems while collaborating with the private sector to enhance the protection of business networks and assets from malicious actors. Over the past several years, policymakers have enacted legislation and issued numerous regulations, ranging from relatively simple guidance to extensive, prescriptive rules, including those concerning cybersecurity and supply chain security.

OMB can significantly improve the harmonization and reciprocity of cybersecurity requirements, particularly those related to enterprise risk management and reporting obligations. By eliminating differing and duplicative reporting rules, regulated entities

¹² https://www.uschamber.com/technology/u-s-chamber-comments-on-the-fccs-delete-delete-proceedings; https://www.uschamber.com/technology/u-s-chamber-comments-further-on-the-fccs-delete-delete-delete-delete-delete

¹³ https://www.uschamber.com/technology/new-u-s-chamber-report-on-economic-and-social-benefits-of-autonomous-vehicles-highlights-need-for-national-regulatory-framework

¹⁴ https://www.uschamber.com/technology/u-s-chamber-urges-dot-to-prioritize-american-av-leadership

¹⁵ https://www.uschamber.com/infrastructure/transportation/coalition-letter-to-the-department-of-transportation-requesting-faa-advance-beyond-visual-line-of-sight-rulemaking-for-drones

can better allocate their resources to bolster their cybersecurity postures. For example, the Cyber Incident Reporting for Critical Infrastructure Act, or CIRCIA, was written in part to foster the harmonization of cyber incident reporting through the establishment of interagency agreements and processes. However, the Chamber urges OMB to collaborate with the Cybersecurity and Infrastructure Security Agency to revise the proposed reporting requirements and create a more effective and workable program that aligns with the intentions of Congress.

Conclusion

In conclusion, the U.S. Chamber of Commerce believes that a strategic and balanced approach to regulation can unlock significant economic potential and empower businesses to innovate and meet consumer demands. We urge the Administration to consider the recommendations and policy areas described above as part of its deregulatory agenda and to work collaboratively with the business community to achieve these goals. By reducing regulatory burdens, we can create a more dynamic and resilient economy that benefits all Americans.

Sincerely,

Marty Durbin

Senior Vice President, Policy

U.S. Chamber of Commerce