

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
GOVERNMENT AFFAIRS

1615 H STREET, N.W.
WASHINGTON, D.C. 20062-2000
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May 1, 2015

The Honorable Ron Johnson
Chairman
Committee on Homeland Security and
Governmental Affairs
United States Senate
Washington, DC 20510

The Honorable Tom Carper
Ranking Member
Committee on Homeland Security and
Governmental Affairs
United States Senate
Washington, DC 20510

Dear Chairman Johnson and Ranking Member Carper:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America's free enterprise system, opposes S. 1109, the "Truth in Settlements Act of 2015," which is scheduled for mark up by the Committee on Homeland Security and Governmental Affairs on May 6, 2015.

S. 1109 would have unintended consequences that would harm both businesses and regulatory agencies. S. 1109 would require adequate information about settlement agreements federal agencies enter into in cases that relate to an alleged violation of federal civil or criminal law and require a payment of more than one million dollars. Under this bill, each agency would be required to construct a searchable database on the internet that discloses information on the settlement agreement, the fine or penalty to be paid, and the amount to be paid would be tax deductible.

S. 1109 would remove the incentive for investigation targets to settle and force the government to prove its assertions in the courts. This would increase court dockets and tie up agencies in litigation. Removing confidentiality provisions would limit the ability of agencies to address issues quickly. This bill also fails to provide any cost estimates to implement this searchable data base, nor are resources identified as to how this will be carried out.

Furthermore, this bill fails to address transparency issues with Sue and Settle lawsuits that are a closed door means of imposing regulation through consent decrees without any Congressional oversight or public input. While the Chamber strongly opposes S. 1109, the Chamber recommends that it be amended to include S.378, the "Sunshine in Regulatory Decrees and Settlements Act." This amendment would require that federal agencies, when they are sued, to notify the public of these lawsuits before they are settled and by making it easier for all interested parties to have a meaningful voice in the process. This would place similar transparency requirements when the government is a defendant and promote public participation, openness, and transparency in the regulatory process.

S. 1109, the “Truth in Settlements Act of 2015,” would have collateral adverse impacts upon agencies and businesses harming the economy and the ability of regulators to create a level playing field for all market participants. Accordingly, the Chamber urges the Committee to reject this bill.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

R. Bruce Josten

cc: Members of the Committee on Homeland Security and Governmental Affairs