

Kelley Drye Partner David E. Frulla Supports Regulatory Flexibility Improvements Act

July 21, 2006

Kelley Drye Partner David E. Frulla testified before the U.S. House Committee on Judiciary's Subcommittee on Commercial and Administrative Law in support of the Regulatory Flexibility Improvements Act (H.R. 682). Introduced by Representative Donald Manzullo (R-IL), H.R. 682 contains significant revisions to the Regulatory Flexibility Act (RFA) that are designed to enhance its effectiveness and enforceability. The Regulatory Flexibility Act requires Federal agencies to recognize the impacts their proposed regulations have on small businesses and other small entities and then tailor their regulations to the scope and scale of these small entities.

Among other important amendments, H.R. 682 would clarify the Federal courts' jurisdiction over RFA claims, require that Federal agencies conduct more thorough and detailed economic impact and alternatives analyses, expand the scope of RFA to include regulations with reasonably foreseeable economic impacts on small businesses, and strengthen existing provisions requiring agencies to periodically review and reconsider their existing regulations with significant economic impacts.

Under H.R. 682, the Small Business Administration Office of Advocacy's role as coordinating entity for Federal government-wide compliance with the Act would also be enhanced. Among other things, H.R. 682 would authorize the Office of Advocacy to develop uniform implementation regulations for all other agencies to follow in complying with the RFA.

According to David Frulla, a noted expert in RFA, H.R. 682 is a step in the right direction. "H.R. 682 shows that its sponsors have been listening to the needs and concerns of small businesses with respect to rulemaking agency compliance with this important law," Frulla explains. "These amendments will improve the Regulatory Flexibility Act and help ensure it serves its intended purposes. However, while H.R. 682 addresses many important issues, more needs to be done to recognize and minimize the adverse economic impacts of Federal regulations on small businesses and other small entities."

The legislative hearing was held in the Rayburn House Office Building on July 20.

About David E. Frulla

David E. Frulla is a Partner in Kelley Drye's Litigation, Environmental Law, and Government Relations and Public Policy Practice Groups. He maintains an advocacy-focused practice that seeks to develop and implement regulatory approaches to lessen governmental burdens on businesses and other regulated entities. His experience includes legislative and regulatory counseling and advocacy before the Executive Branch, members and staff of the U.S. Congress, and various administrative agencies.

In recent years, Mr. Frulla has successfully pursued more than a dozen Regulatory Flexibility Act cases against six Federal agencies, including the Department of Commerce, the Department of

Health and Human Services, the Army Corps of Engineers, the Environmental Protection Agency, the Federal Communications Commission, and the Food and Nutrition Service.

About Kelley Drye

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