

State of Kansas
House of Representatives

State Capitol
Topeka, Kansas 66612
785-296-7696
steven.johnson@house.ks.gov



10197 S. Hopkins Rd.
Assaria, Kansas 67416
785-829-0319

Steven C. Johnson
Representative, 108th District

Thank you Madam Chair and members of the committee.

Regulation can be necessary. However, can you think of a regulation for which you questioned the value? In my financial services career, I saw regulations which I thought were intended to affect Wall Street reform that in my observation only created another level of compliance at the retail level. I observed more people and paperwork to achieve the same results. In the long run, I believe these reforms will cost consumers more as that is where the costs are borne, without providing a benefit. But the issues are certainly much broader than this one small example.

I have worked to bring HCR 5022 before you for your consideration. I travelled to Nashville for a discussion on pensions at the Council of State Governments meeting late last fall. While there, I learned what other states were doing in response to increasing issues with federal regulation. Several have been considering the regulation freedom amendment. In drafting the resolution, I worked with the revisor and we began with the language from the resolution already passed by the state of Indiana.

In short, the resolution would be our statement of support for a measure that would require a regulation to be subject to congressional approval if more than ¼ of the U.S. House or Senate would object to that regulation. It would provide the opportunity for oversight or representation in matters of regulation. This brought to mind regulations I had either faced or discussed not only in financial services, insurance and banking, but in manufacturing, agriculture, energy, local government and other sectors that resulted in greater cost than benefit to the consumers. Issues such as Waters of The United States might be one to trigger such oversight before its direct implementation by federal agencies.

While I did mention specific regulations that happen to be of concern to me, I would suggest this is not about any one administration, but about how we would want to oversee our agencies going forward.

The fix does call for a constitutional amendment. There are several avenues we might follow to achieve this, and my suggestion is that we consider multiple options if we are serious about reform. I am less concerned about which process works than achieving policy that is good for our country.

I will leave the details of how this works to an upcoming expert on the topic. Further, while I could rail on about the issues of regulation, I am sure you are already aware of these issues and would direct you to other conferees who may provide specific examples of how their industry and customers have been harmed by regulation. I am pleased to appear as a proponent and I look forward to your consideration and debate of this issue.

Thank you Madam Chair, and I will be happy to stand for questions at the appropriate time.