

## President Trump Signs First Congressional Review Act Disapproval Resolution in 16 Years

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On February 14, 2017, President Donald Trump signed a resolution nullifying a **Securities and Exchange Commission (“SEC”)** regulation that required energy companies to disclose foreign payments. This marks the first successful use of the Congressional Review Act (“CRA”) procedure in 16 years, and only the second successful use since the statute passed in 1996. Several more such resolutions are likely to follow, potentially including a resolution nullifying the Consumer Financial Protection Bureau’s (“CFPB”) prepaid card rule.

As we [explained](#) in a previous post, the CRA creates a mechanism for Congress to nullify a final agency rule through a joint resolution, so long as the resolution is passed within 60 legislative days of the rule being finalized. A CRA disapproval resolution cannot be filibustered in the Senate. Before this week, the CRA had been only used once, but observers have long expected the 115th Congress to use the procedure to nullify several Obama-era regulations.

Congress’s first CRA target was an SEC regulation that would have required energy companies to disclose payments made to foreign governments. The rule, which implemented a provision in the Dodd-Frank Act, was intended to fight perceived corruption in countries with extensive oil, gas, coal, and mineral resources.

As we [noted](#) previously, House Republicans have targeted a wide array of Obama-era financial regulations for nullification under the CRA. Furthermore, the Trump Administration issued an executive order that establishes a framework to roll back the financial regulations imposed under the Dodd-Frank Act.

One financial regulation that could be on the CRA chopping block is the CFPB’s [rule](#) governing prepaid cards, which creates new disclosure requirements and credit protections for prepaid accounts. The CFPB [finalized](#) the rule in October. Senator David Perdue (R-Ga), along with seven co-sponsors, recently introduced a resolution to nullify the rule under the CRA. However, it is not clear whether there is sufficient opposition to the rule to make its nullification a priority.

Even if the push to nullify the prepaid card rule stalls, Congressional Republicans look certain to continue the push to roll back Obama-era regulations under the CRA. Resolutions disapproving of two other rules have passed in Congress, and several more are likely to be introduced in the coming weeks.

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