

U.S. Sen. Johnson: President Trump signs Johnson, Alexander resolution into law to repeal burdensome blacklisting rule

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WASHINGTON – Sen. Ron Johnson (R-Wis.), chairman of the Senate Homeland Security and Governmental Affairs Committee, and Sen. Lamar Alexander (R-Tenn.), chairman of the Senate Committee on Health, Education, Labor, and Pensions, issued the following statements after President Donald Trump signed into law a resolution blocking implementation of the Obama administration’s flawed and burdensome blacklisting rule. Senators Johnson and Alexander authored the resolution to repeal the blacklisting rule that passed Congress in early March through the Congressional Review Act.

“I applaud President Trump for signing this resolution to overturn the Obama administration’s harmful, last minute blacklisting regulation,” **Sen. Johnson said.** “Repealing this rule is just one of many efforts we will undertake to provide the regulatory relief that is necessary to unleash the American economy so that it can realize its full potential.”

“The harmful Obama Administration ‘blacklisting’ regulation could have prevented contractors from receiving a federal contract for an alleged labor violation before any wrongdoing has been proven,” **said Sen. Alexander.**

The Obama administration's rule would have made a system designed to protect workers less efficient, undermined our nation's military readiness, and limited the ability of small businesses to compete for federal contracts.

Background

In 2014, President Obama signed Executive Order 13673, adding a new layer of bureaucracy onto a federal procurement system already plagued by delays and inefficiencies. The executive order directed federal agencies to change the procurement regulations. The subsequent blacklisting rule requires employers bidding on federal contracts to disclose violations and alleged violations of 14 different federal labor laws and similar state labor laws. Employers would also be required to determine a subcontractors' or suppliers' compliance with complex labor laws. The rule, was fatally flawed:

- **The blacklisting rule violates due process and holds federal agencies to a different, lesser standard.** The executive order empowers agencies to deny contracts for “alleged” violations of various federal labor laws, setting a startling precedent that employers are guilty until proven innocent.
- **The blacklisting rule threatens the vital resources the Armed Forces need to defend the homeland and keep Americans safe.** According to the Professional Services Council, the rule will “slow the [Department of Defense] acquisition process and harm the Department’s ability to meet its mission.”
- **The best way to ensure fair pay and safe workplaces is to enforce existing suspension and debarment rules.** In 2014, federal agencies issued more than 1,000 suspensions and nearly 2,000 debarments to employers bidding on federal contracts—including 400 suspensions and 735 debarment actions by the Department of Defense.

The Congressional Review Act allows Congress to pass a resolution of disapproval to prevent, with the full force of the law, a federal agency from implementing a rule or issuing a substantially similar rule without congressional authorization. The resolution blocks the blacklisting rule from taking effect and prevent future administrations from promulgating a similar rule.

To read the resolution, click [here](#).