



SCWA Legislative & Regulatory Update

June 24, 2024



House Appropriators Call Out CTA

The House Appropriations Committee released its Financial Services and General Government Appropriations bill for FY25, one of twelve annual spending bills which specifies funding levels for the Treasury Department (and, consequently, the Financial Crimes Enforcement Network). What caught our eye was language regarding the CTA and its beneficial ownership reporting requirements. Here's the relevant part from the bill summary:

Prohibits funds to be used for the Financial Crimes Enforcement Network to promulgate the beneficial ownership reporting rules that have been found unconstitutional or do not reflect Congressional intent.

And from the legislative text itself:

SEC. 132. None of the funds made available by this Act may be used by the Financial Crimes Enforcement Network to implement or enforce beneficial ownership reporting rules pursuant to division F of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2020 (Public Law 116–283) that have been found by a Federal court to be unconstitutional or do not reflect Congressional intent, including reporting rules for small businesses and homeowners associations.

It's unclear whether this language (a) will make it through the Senate and (b) is enforceable, given it was the statute and not the rules that were ruled unconstitutional. That said, its inclusion is a positive development and shows the tide is turning against the CTA. Thanks to the mystery author who added this provision to the bill.

CTA Legal Update

To recap, the total number of pending CTA challenges is currently at six nationwide:

- Massachusetts: BECMA et al v Yellen (5/29/2024)
- Texas: NFIB et al v Yellen (5/28/2024)
- Maine: William Boyle v. Yellen (3/15/2024)
- Michigan: Small Business Association of Michigan et al v. Yellen (3/1/2024)
- Ohio: Robert J. Gargas Co., L.P.A. et al v. Yellen (12/29/2023)
- Alabama (appealed): NSBA et al v. Yellen (11/15/2022)

The first of these (NSBA) is due to be heard before the 11th Circuit mid-September, putting a ruling by that court before us possibly before year's end.

OSHA Sends Heat Standard Proposal to White House for Review

OSHA has sent its proposed rule on “Heat Illness Prevention in Outdoor and Indoor Work Settings” to the White House Office of Information and Regulatory Affairs (OIRA) for [review](#).

OIRA reviews most proposed and final regulations before they are issued. OIRA review can take a few weeks to several months. While the text of the proposal will not be released until the review is complete, you can learn more about OSHA intentions on [OSHA’s website on the rulemaking](#), which provides links to documents related to earlier steps in the rulemaking process - the [Advance Notice of Proposed Rulemaking \(ANPRM\)](#) docket and [Small Business Regulatory Enforcement Fairness Act \(SBREFA\) Panel documents](#).

SCWA Legislative Update will resume on July 8th.
Enjoy your Independence Day!



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