

**AMENDMENT TO THE AMENDMENT OFFERED BY
Ms. ESHOO AND MR. PALLONE
OFFERED BY _____**

Page 14, after line 25, insert the following (and re-designate subsequent provisions accordingly):

1 “(k) REQUIREMENTS FOR ADOPTION OF RULES
2 WITH AN ECONOMICALLY SIGNIFICANT IMPACT.—

3 “(1) IN GENERAL.—If a rule or an amendment
4 of an existing rule may have an economically signifi-
5 cant impact, the Commission may not adopt the rule
6 or amendment unless the order making the adoption
7 or amendment contains—

8 “(A) an identification and analysis of the
9 specific market failure, actual consumer harm,
10 burden of existing regulation, or failure of pub-
11 lic institutions that warrants the adoption or
12 amendment; and

13 “(B) a reasoned determination that the
14 benefits of the rule or amendment justify its
15 costs (recognizing that some benefits and costs
16 are difficult to quantify), taking into account
17 alternative forms of regulation and the need to
18 tailor regulation to impose the least burden on

1 society, consistent with obtaining regulatory ob-
2 jectives.

3 “(2) EXCEPTION.—Paragraph (1) does not
4 apply in the case of a rule or an amendment of an
5 existing rule with respect to which section 553(b) of
6 title 5, United States Code, does not apply by reason
7 of the third sentence of such section.

8 “(3) ECONOMICALLY SIGNIFICANT IMPACT DE-
9 FINED.—In this subsection, the term ‘economically
10 significant impact’ means an effect on the economy
11 of \$100,000,000 or more annually or a material ad-
12 verse effect on the economy, a sector of the econ-
13 omy, productivity, competition, jobs, the environ-
14 ment, public health or safety, or State, local, or trib-
15 al governments or communities.

