

117TH CONGRESS  
1ST SESSION

# H. R. 2577

To amend the Congressional Budget Act of 1974 to establish a Federal regulatory budget and to impose cost controls on that budget, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 2021

Mr. GOOD of Virginia (for himself, Ms. MACE, and Mr. WEBER of Texas) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committees on Rules, the Judiciary, Oversight and Reform, and Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Congressional Budget Act of 1974 to establish a Federal regulatory budget and to impose cost controls on that budget, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Article I Regulatory  
5 Budget Act”.

1 **SEC. 2. PRESIDENT'S ANNUAL BUDGET SUBMISSIONS.**

2 Section 1105(a) of title 31, United States Code, is  
3 amended by adding at the end the following:

4 “(40)(A) for the first fiscal year that begins at  
5 least 120 days after the date of enactment of this  
6 paragraph, and every fiscal year thereafter until the  
7 fifth fiscal year that begins after the date of enact-  
8 ment of this paragraph, a projection of the Federal  
9 regulatory cost of any proposed Federal regulation,  
10 rule, or statement (as such terms are defined in sec-  
11 tion 321 of the Congressional Budget Act of 1974)  
12 for the fiscal year and at least each of the 4 ensuing  
13 fiscal years, which shall include—

14 “(i) the projection of the Federal regu-  
15 latory cost by agency and program; and

16 “(ii) any changes in a Federal regulation,  
17 rule, or statement in the Unified Agenda of  
18 Federal Regulatory and Deregulatory Actions,  
19 compiled by the Regulatory Information Service  
20 Center of the General Services Administration;  
21 and

22 “(B) for the fifth fiscal year that begins after  
23 the date of enactment of this paragraph, and every  
24 fiscal year thereafter, a regulatory authority budget  
25 analysis of the Federal regulatory cost of complying  
26 with all current and proposed Federal regulations,

1 rules, and statements and proposals (as such terms  
2 are defined in section 321 of the Congressional  
3 Budget Act of 1974) for complying with section 322  
4 of the Congressional Budget Act of 1974 for the fis-  
5 cal year for which the budget is submitted and the  
6 4 fiscal years after that year, which shall include a  
7 regulatory authority budget analysis of the Federal  
8 regulatory cost by agency and program.”.

9 **SEC. 3. ESTIMATION AND DISCLOSURE OF COSTS OF FED-**  
10 **ERAL REGULATION.**

11 (a) COSTS TO PRIVATE SECTOR OF NEW FEDERAL  
12 REGULATIONS.—Chapter 6 of title 5, United States Code,  
13 popularly known as the “Regulatory Flexibility Act”, is  
14 amended—

15 (1) in section 603—

16 (A) in subsection (a), in the second sen-  
17 tence, by inserting before the period the fol-  
18 lowing: “and shall discuss in detail whether the  
19 cost to businesses of complying with the pro-  
20 posed rule will vary depending on the size of the  
21 business and, if so, to what extent the cost will  
22 vary and what factors contribute to the vari-  
23 ation”;

24 (B) in subsection (c)—

1 (i) by redesignating paragraphs (1),  
2 (2), (3), and (4) as subparagraphs (A),  
3 (B), (C), and (D), respectively, and adjust-  
4 ing the margin accordingly;

5 (ii) by inserting “(1)” after “(c)”; and

6 (iii) by striking “Consistent with the”  
7 and inserting the following:

8 “(2) The analysis of significant alternatives to the  
9 proposed rule shall include a detailed analysis of the costs  
10 and benefits of the proposed rule and each alternative,  
11 which shall separately address the costs and benefits for  
12 each industry.

13 “(3) Consistent with the”; and

14 (C) by adding at the end the following:

15 “(e) Each initial regulatory flexibility analysis shall  
16 also contain a description of the nature and amount of  
17 monetary costs that will be incurred by small entities,  
18 other businesses, and individuals in complying with the  
19 proposed rule.”;

20 (2) in section 604(a)—

21 (A) in the first paragraph designated as  
22 paragraph (6) (relating to minimization of sig-  
23 nificant economic impacts), by striking “and”  
24 at the end;

1 (B) by redesignating the second paragraph  
2 (6) (relating to covered agencies), as paragraph  
3 (8); and

4 (C) by inserting after paragraph (6) the  
5 following:

6 “(7) a statement of the nature and amount of  
7 monetary costs that will be incurred by small enti-  
8 ties, other businesses, and individuals in complying  
9 with the rule; and”;

10 (3) in section 607, by inserting before the pe-  
11 riod the following: “, except that estimates of mone-  
12 tary costs under sections 603(d) and 604(a)(7) shall  
13 only be in the form of a numerical description”.

14 (b) AGENCY REPORTS.—Each agency that prepares  
15 an initial regulatory flexibility analysis under chapter 6  
16 of title 5, United States Code, shall, at the same time sub-  
17 mit to each House of Congress, the Congressional Budget  
18 Office, and the Office of Management and Budget a cost  
19 estimate and cost benefit analysis of any new proposed  
20 regulations, rules, or statements that would have a Fed-  
21 eral regulatory cost (as defined in section 321 of the Con-  
22 gressional Budget Act of 1974, as added by this Act) of  
23 at least \$100,000,000 for any fiscal year.

24 **SEC. 4. GUIDANCE DOCUMENTS.**

25 (a) DEFINITIONS.—In this section—

1           (1) the terms “agency” and “rule” have the  
2 meanings given such terms in section 551 of title 5,  
3 United States Code;

4           (2) the term “guidance document” means an  
5 agency statement of general applicability and future  
6 effect, other than a rule, that sets forth a policy on  
7 a statutory, regulatory, or technical issue or an in-  
8 terpretation of a statutory or regulatory issue; and

9           (3) the term “significant guidance document”—

10           (A) means a guidance document that the  
11 Office of Management and Budget determines  
12 will be disseminated to regulated entities or the  
13 general public and may reasonably be antici-  
14 pated to—

15           (i) lead to an annual effect of not less  
16 than \$100,000,000 on, or adversely affect  
17 in a material way, the economy, a sector of  
18 the economy, productivity, competition,  
19 jobs, the environment, public health or  
20 safety, or State, local, or tribal govern-  
21 ments or communities;

22           (ii) create a serious inconsistency or  
23 otherwise interfere with an action taken or  
24 planned by an agency other than the agen-  
25 cy issuing the guidance document;

1 (iii) materially alter the budgetary im-  
2 pact of entitlements, grants, user fees, or  
3 loan programs or the rights or obligations  
4 of recipients thereof; or

5 (iv) raise novel legal or policy issues  
6 arising out of legal mandates, the priorities  
7 of the President, or the principles set forth  
8 in Executive Order 12866 (5 U.S.C. 601  
9 note; relating to regulatory planning and  
10 review); and

11 (B) does not include a guidance document  
12 that the Office of Management and Budget de-  
13 termines—

14 (i) relates to regulations issued in ac-  
15 cordance with the formal rulemaking provi-  
16 sions of sections 556 and 557 of title 5,  
17 United States Code;

18 (ii) pertains to a military or foreign  
19 affairs function of the United States, other  
20 than procurement regulations and regula-  
21 tions involving the import or export of non-  
22 defense articles and services;

23 (iii) relates to regulations that are  
24 limited to agency organization, manage-  
25 ment, or personnel matters; or

1 (iv) is within a category of guidance  
2 documents exempted by the Administrator  
3 of the Office of Information and Regu-  
4 latory Affairs.

5 (b) LIMITATION ON GUIDANCE DOCUMENTS.—An  
6 agency may not issue a significant guidance document un-  
7 less the agency issues the significant guidance document  
8 after notice and an opportunity for comment in accord-  
9 ance with the requirements for the promulgation of a rule  
10 under chapter 5 of title 5, United States Code.

11 (c) PRIVATE RIGHT OF ACTION.—Any person ag-  
12 grieved of an action taken or failed to be taken under a  
13 guidance document that was not issued in accordance with  
14 subsection (b) may bring a civil action in an appropriate  
15 district court of the United States alleging that the guid-  
16 ance document should have been treated as a significant  
17 guidance document.

18 **SEC. 5. AMENDMENTS TO THE CONGRESSIONAL BUDGET**

19 **ACT OF 1974.**

20 (a) FEDERAL REGULATORY BUDGET COST CONTROL  
21 SYSTEM.—Title III of the Congressional Budget Act of  
22 1974 is amended—

23 (1) by inserting before section 300 the fol-  
24 lowing:





1                   “(II) agency organization, man-  
2                   agement, or personnel; or

3                   “(ii) a Federal regulation, rule, or  
4                   statement designated by the President as  
5                   being—

6                   “(I) necessary because of an im-  
7                   minent threat to health or safety or  
8                   other emergency;

9                   “(II) necessary for the enforce-  
10                  ment of criminal laws; or

11                  “(III) necessary for national se-  
12                  curity;

13                  “(4) the term ‘Federal regulatory cost’—

14                   “(A) means all costs incurred by, and ex-  
15                   penditures required of, the private sector,  
16                   States, or local governments in complying with  
17                   any Federal regulation, rule, or statement or  
18                   any Federal statute; and

19                   “(B) does not include the value of any ben-  
20                   efit under the Federal regulation, rule, or state-  
21                   ment or the Federal statute;

22                  “(5) the term ‘gross domestic product’ means  
23                  the gross domestic product of the United States dur-  
24                  ing a fiscal year, consistent with Department of  
25                  Commerce definitions;

1 “(6) the term ‘OMB’ means the Office of Man-  
2 agement and Budget; and

3 “(7) the term ‘regulatory baseline’ means the  
4 projection described in section 326(a) of the Federal  
5 regulatory cost for the fiscal year after the date of  
6 the projection and the outyears.

7 **“SEC. 322. ESTABLISHMENT OF LEVEL AND ALLOCATIONS.**

8 “(a) ESTABLISHMENT OF LEVEL.—

9 “(1) IN GENERAL.—In addition to the require-  
10 ments under section 301, a concurrent resolution on  
11 the budget for a fiscal year shall set forth the appro-  
12 priate level for the Federal regulatory cost for the  
13 fiscal year and for at least each of the 4 ensuing fis-  
14 cal years.

15 “(2) TRANSITION PERIOD.—

16 “(A) IN GENERAL.—For the first fiscal  
17 year that begins at least 120 days after the  
18 date of enactment of this section, and each fis-  
19 cal year thereafter until the fiscal year de-  
20 scribed in section 326(a), the Committee on the  
21 Budget of the Senate and the Committee on the  
22 Budget of the House of Representatives shall  
23 include in the concurrent resolution on the  
24 budget for the fiscal year as the appropriate  
25 level for the Federal regulatory cost for the fis-

1 cal year and any other fiscal year covered by  
2 the resolution the proposed levels submitted by  
3 the President under section 1105(a)(40) of title  
4 31, United States Code.

5 “(B) AMENDMENTS.—

6 “(i) IN GENERAL.—In the Senate and  
7 the House of Representatives, it shall not  
8 be in order to consider an amendment to  
9 a concurrent resolution on the budget that,  
10 if agreed to, would result in a net increase  
11 in a level included pursuant to subpara-  
12 graph (A).

13 “(ii) WAIVER AND APPEAL.—A point  
14 of order under clause (i) may only be  
15 waived by the affirmative vote of three-  
16 fifths of the Members, duly chosen and  
17 sworn. An affirmative vote of three-fifths  
18 of Members, duly chosen and sworn, shall  
19 be required to sustain an appeal of the rul-  
20 ing of the Chair on a point of order raised  
21 under clause (i).

22 “(3) DEFAULT TOTAL.—If there is not a level  
23 for the Federal regulatory cost that is in effect for  
24 a fiscal year under a concurrent resolution on the  
25 budget—

1           “(A) for the first fiscal year that begins at  
2           least 120 days after the date of enactment of  
3           this section, and every fiscal year thereafter  
4           until the fiscal year described in subparagraph  
5           (B), the appropriate level for the Federal regu-  
6           latory cost for the fiscal year shall be the pro-  
7           posed level submitted by the President under  
8           section 1105(a)(40) of title 31, United States  
9           Code;

10           “(B) for the fifth fiscal year that begins  
11           after the date of enactment of this section, the  
12           appropriate level for the Federal regulatory cost  
13           for the fiscal year shall be the amount of the  
14           first regulatory baseline submitted under sec-  
15           tion 326; and

16           “(C) for each fiscal year after the fiscal  
17           year described in subparagraph (B), the appro-  
18           priate level for the Federal regulatory cost for  
19           the fiscal year shall be the level for the most re-  
20           cent fiscal year for which such a level was in ef-  
21           fect (under subparagraph (B), this subpara-  
22           graph, or a concurrent resolution on the budg-  
23           et).

24           “(b) ALLOCATION OF TOTALS.—

1           “(1) IN GENERAL.—For the first fiscal year  
2 that begins at least 120 days after the date of enact-  
3 ment of this section, and each fiscal year thereafter,  
4 the joint explanatory statement accompanying the  
5 conference report on a concurrent resolution on the  
6 budget for such fiscal year shall include allocations  
7 of the Federal regulatory cost in effect under sub-  
8 section (a) for such fiscal year and at least each of  
9 the 4 ensuing fiscal years—

10           “(A) among each committee of the Senate  
11 and each committee of the House of Represent-  
12 atives;

13           “(B) by major functional category; and

14           “(C) by agency.

15           “(2) SUBALLOCATIONS.—As soon as practicable  
16 after receiving an allocation under paragraph (1),  
17 each committee shall—

18           “(A) suballocate its allocation—

19           “(i) among its subcommittees;

20           “(ii) among programs over which the  
21 committee has jurisdiction; and

22           “(iii) by agency; and

23           “(B) submit for printing in the Congres-  
24 sional Record a statement detailing each sub-

1 allocation made by the committee under sub-  
2 paragraph (A).

3 “(c) POINT OF ORDER.—

4 “(1) IN GENERAL.—If a concurrent resolution  
5 on the budget setting forth the appropriate level for  
6 the Federal regulatory cost for a fiscal year has been  
7 agreed to, it shall not be in order in the Senate or  
8 the House of Representatives to consider any bill or  
9 resolution, or amendment thereto, which would cause  
10 an allocation or suballocation of the Federal regu-  
11 latory cost made under subsection (b) for that fiscal  
12 year to be exceeded.

13 “(2) WAIVER AND APPEAL.—A point of order  
14 under paragraph (1) may only be waived by the af-  
15 firmative vote of three-fifths of the Members, duly  
16 chosen and sworn. An affirmative vote of three-fifths  
17 of Members, duly chosen and sworn, shall be re-  
18 quired to sustain an appeal of the ruling of the  
19 Chair on a point of order raised under paragraph  
20 (1).

21 “(d) DETERMINATIONS BY BUDGET COMMITTEES.—

22 For purposes of this section, the amount of the Federal  
23 regulatory cost for a fiscal year and the amount of the  
24 Federal regulatory cost of a bill or resolution, or amend-  
25 ment thereto, shall be determined by the Committee on

1 the Budget of the Senate or the Committee on the Budget  
2 of the House of Representatives, as the case may be.

3 **“SEC. 323. ANALYSIS OF FEDERAL REGULATORY COST BY**  
4 **CONGRESSIONAL BUDGET OFFICE.**

5 “(a) IN GENERAL.—CBO shall prepare for each bill  
6 or resolution of a public character reported by any com-  
7 mittee of the Senate or the House of Representatives (ex-  
8 cept the Committee on Appropriations of each House),  
9 and submit to such committee—

10 “(1) an estimate of the costs which would be in-  
11 curred by the private sector in carrying out or com-  
12 plying with such bill or resolution in the fiscal year  
13 in which it is to become effective and in each of the  
14 4 fiscal years following such fiscal year, which shall  
15 include—

16 “(A) a net present value estimate of the  
17 cost of compliance by the private sector with  
18 such bill or resolution; and

19 “(B) a discussion of the methodology used  
20 to prepare, and the basis for, each such esti-  
21 mate; and

22 “(2) a comparison of the estimate of costs de-  
23 scribed in paragraph (1) with any available esti-  
24 mates of costs made by such committee or by any  
25 agency.



1       “(b) LOOK-BACK REVIEWS.—CBO shall periodically  
2 submit to Congress a report, prepared in consultation with  
3 the Chairman of the Administrative Conference of the  
4 United States, that—

5               “(1) reviews a sample of laws of a public char-  
6 acter for which an estimate was prepared under sub-  
7 section (a)(1); and

8               “(2) compares the estimates of the costs de-  
9 scribed in paragraphs (1) and (2) of subsection (a)  
10 and the actual costs incurred by the private sector  
11 in carrying out or complying with the law in the fis-  
12 cal year in which it took effect and in each of the  
13 4 fiscal years following such fiscal year.

14 **“SEC. 324. ENFORCEMENT.**

15       “(a) ENFORCEMENT LANGUAGE REQUIRED IN AP-  
16 PROPRIATION ACTS.—If a concurrent resolution on the  
17 budget that includes levels and allocations of the Federal  
18 regulatory cost for a fiscal year has been agreed to, it shall  
19 not be in order in the Senate or the House of Representa-  
20 tives to consider a bill, joint resolution, amendment be-  
21 tween the Houses, or conference report making appropria-  
22 tions for the fiscal year that does not include a provision  
23 prohibiting amounts made available under the measure  
24 from being obligated or expended to enforce a Federal reg-  
25 ulation, rule, or statement that would cause a breach of

1 any level or allocation of the Federal regulatory cost in  
2 effect for a fiscal year.

3 “(b) WAIVER AND APPEAL.—Subsection (a) may be  
4 waived or suspended in the Senate only by an affirmative  
5 vote of two-thirds of the Members, duly chosen and sworn.  
6 An affirmative vote of two-thirds of the Members of the  
7 Senate, duly chosen and sworn, shall be required to sus-  
8 tain an appeal of the ruling of the Chair on a point of  
9 order raised under subsection (a).

10 “(c) REVIEW OF COST.—

11 “(1) DETERMINATIONS OF COST.—

12 “(A) BEA DETERMINATION.—The Bureau  
13 of Economic Analysis of the Department of  
14 Commerce shall determine the change in the  
15 Federal regulatory cost attributable to each  
16 newly promulgated, or amendment to a, Federal  
17 regulation, rule, or statement.

18 “(B) GUIDANCE FOR AGENCIES.—The Bu-  
19 reau of Economic Analysis of the Department  
20 of Commerce shall issue guidance to agencies  
21 regarding the methodology to be used to deter-  
22 mine the amount of, and any change in, the  
23 Federal regulatory cost attributable to each  
24 newly promulgated, or amendment to a, Federal  
25 regulation, rule, or statement.

1           “(C) MANDATORY USE BY AGENCIES.—For  
2           purposes of any analysis conducted by an agen-  
3           cy (without regard to whether the analysis is  
4           conducted for purposes of this Act), each agen-  
5           cy shall determine the amount of, and any  
6           change in, the Federal regulatory cost attrib-  
7           utable to each newly promulgated, or amend-  
8           ment to a, Federal regulation, rule, or state-  
9           ment in accordance with the guidance issued  
10          under subparagraph (B).

11          “(2) OMB DETERMINATION.—The OMB shall  
12          determine whether the change in the Federal regu-  
13          latory cost determined under paragraph (1) would  
14          cause a breach of any level or allocation of the Fed-  
15          eral regulatory cost in effect for a fiscal year, which  
16          shall incorporate any reduction to the level or alloca-  
17          tion of the Federal regulatory cost attributable to a  
18          revision of a Federal regulation, rule, or statement  
19          during the fiscal year.

20          “(3) CBO REVIEW.—The CBO shall—

21                 “(A) review the methodology used by the  
22                 Bureau of Economic Analysis and the OMB for  
23                 each determination under paragraphs (1) and  
24                 (2); and

1           “(B) issue an opinion on whether the  
2           change in the Federal regulatory cost attrib-  
3           utable to the applicable newly promulgated, or  
4           amendment to a, Federal regulation, rule, or  
5           statement would cause a breach of any level or  
6           allocation of the Federal regulatory cost in ef-  
7           fect for a fiscal year.

8           “(d) IMPLEMENTATION.—The OMB shall issue a di-  
9           rective prohibiting funds from being obligated or expended  
10          to enforce a newly promulgated, or amendment to a, Fed-  
11          eral regulation, rule, or statement during a fiscal year if—

12           “(1) the OMB determines that change in the  
13          Federal regulatory cost attributable to the newly  
14          promulgated, or amendment to a, Federal regula-  
15          tion, rule, or statement, as determined by the Bu-  
16          reau of Economic Analysis under subsection (c)(1),  
17          would cause a breach of any level or allocation of the  
18          Federal regulatory cost in effect for the fiscal year;  
19          and

20           “(2) the appropriation Act making the applica-  
21          ble appropriations for the fiscal year contains a pro-  
22          vision described in subsection (a).

23           “(e) OFFSETTING SAVINGS.—In making determina-  
24          tions under this section with respect to a newly promul-  
25          gated, or amendment to a, Federal regulation, rule, or

1 statement, the Bureau of Economic Analysis, the CBO,  
2 and the OMB shall subtract from the amount of the Fed-  
3 eral regulatory cost, and any applicable allocation thereof,  
4 any reduction to the Federal regulatory cost that is attrib-  
5 utable to a revision of another Federal regulation, rule,  
6 or statement made as part of the same rulemaking.

7 “(f) PRIVATE RIGHT OF ACTION.—Any person ag-  
8 grieved of an action taken or failed to be taken under a  
9 Federal regulation, rule, or statement for which the OMB  
10 has issued a directive prohibiting enforcement under sub-  
11 section (d) may bring a civil action in an appropriate dis-  
12 trict court of the United States alleging that the Federal  
13 regulation, rule, or statement should not have been en-  
14 forced.

15 **“SEC. 325. OMB–CBO REPORTS.**

16 “Not later than 5 years after the date of enactment  
17 of this section, and not later than September 15th of each  
18 odd-numbered year thereafter, OMB and CBO shall joint-  
19 ly submit to the President, the Senate, and the House of  
20 Representatives a report that includes—

21 “(1) a projection of the direct cost of Federal  
22 regulation and the Federal regulatory cost for the  
23 first fiscal year beginning after the date of the re-  
24 port and at least each of the 4 ensuing fiscal years;

1           “(2) a calculation of the estimated direct cost  
2 of Federal regulation and Federal regulatory cost as  
3 a percentage of the gross domestic product;

4           “(3) the reduction in estimated gross domestic  
5 product attributable to private sector compliance  
6 with all Federal regulations, rules, or statements  
7 and all Federal statutes;

8           “(4) a detailed description of the effect on the  
9 economy of the United States of Federal regulations,  
10 rules, and statements and Federal statutes, which  
11 shall be categorized as relating to—

12                   “(A) regulation of the economy;

13                   “(B) security, including homeland security;

14                   “(C) the environment;

15                   “(D) health and safety; or

16                   “(E) the Federal budget;

17           “(5) a discussion of the expected reduction in  
18 personnel, administrative overhead, and pro-  
19 grammatic costs that would be achieved by Federal  
20 agencies that issue regulations, rules, or statements  
21 with a Federal regulatory cost if the Federal agen-  
22 cies reduced the Federal regulatory cost by 5 per-  
23 cent;

1           “(6) recommendations for budgeting, technical,  
2           and estimating changes to improve the Federal regu-  
3           latory budgeting process;

4           “(7) the Federal regulatory cost imposed by  
5           each Executive branch agency on regulated entities;

6           “(8) the direct cost of Federal regulation attrib-  
7           utable to each Executive branch agency;

8           “(9) the Federal regulatory costs imposed by  
9           each Executive branch agency on small businesses,  
10          small organizations, and small governmental juris-  
11          dictions (as those terms are defined in section 601  
12          of title 5, United States Code); and

13          “(10) the sum of the costs described in para-  
14          graph (9).

15       **“SEC. 326. REGULATORY BASELINE.**

16          “(a) IN GENERAL.—For the fifth fiscal year that be-  
17          gins after the date of enactment of this section and for  
18          every second fiscal year thereafter, CBO, in consultation  
19          with OMB, shall submit to the President, the Senate, and  
20          the House of Representatives a regulatory baseline, con-  
21          sisting of a projection of the Federal regulatory cost for  
22          the fiscal year and at least each of the 4 ensuing fiscal  
23          years. In preparing the projection of the regulatory base-  
24          line under this subsection, for the second fiscal year cov-  
25          ered under the projection and each fiscal year thereafter,

1 CBO shall adjust the baseline for the estimated growth  
2 during that fiscal year in the gross domestic product.

3 “(b) DEADLINE.—The CBO shall submit a regu-  
4 latory baseline required under subsection (a) for a fiscal  
5 year not later than the date on which the CBO submits  
6 the report required under section 202(e)(1) with respect  
7 to that fiscal year.

8 “(c) REGULAR UPDATES ON DEVELOPMENT OF REG-  
9 ULATORY BASELINE.—Not later than the date on which  
10 the CBO submits the report required under section  
11 202(e)(1) with respect to each fiscal year during the pe-  
12 riod beginning on the date of enactment of this section  
13 and ending on the date on which the CBO submits the  
14 first projection of the Federal regulatory cost under sub-  
15 section (a), the CBO shall submit to the Committee on  
16 the Budget of the Senate and the Committee on the Budg-  
17 et of the House of Representatives an annual update on  
18 the progress of the CBO in developing the regulatory base-  
19 line.”.

20 (b) TECHNICAL AND CONFORMING AMENDMENT.—  
21 The table of contents set forth in section 1(b) of the Con-  
22 gressional Budget and Impoundment Control Act of 1974  
23 is amended—

24 (1) by inserting before the item relating to sec-  
25 tion 300 the following:

“PART A. GENERAL PROVISIONS”;



1 and

2 (2) by inserting after the item relating to sec-  
3 tion 315 the following:

“PART B. FEDERAL REGULATORY BUDGET COST CONTROL

“Sec. 321. Definitions.

“Sec. 322. Establishment of level and allocations.

“Sec. 323. Analysis of Federal regulatory cost by Congressional Budget Office.

“Sec. 324. Enforcement.

“Sec. 325. OMB–CBO reports.

“Sec. 326. Regulatory baseline.”.

4 **SEC. 6. STUDY OF NONMAJOR RULES.**

5 (a) DEFINITIONS.—In this section—

6 (1) the term “agency” has the meaning given  
7 that term in section 551 of title 5, United States  
8 Code;

9 (2) the term “covered guidance document”  
10 means any guidance document that has resulted or  
11 is likely to result in an annual effect on the economy  
12 of not less than \$10,000,000;

13 (3) the term “covered nonmajor rule” means  
14 any rule that has resulted in or is likely to result in  
15 an annual effect on the economy of not less than  
16 \$10,000,000 and not more than \$100,000,000;

17 (4) the term “guidance document” means an  
18 agency statement of general applicability and future  
19 effect, other than a rule, that sets forth a policy on  
20 a statutory, regulatory, or technical issue or an in-  
21 terpretation of a statutory or regulatory issue;

1           (5) the term “Federal regulatory cost” has the  
2 meaning given that term under section 321 of the  
3 Congressional Budget Act of 1974, as added by this  
4 Act; and

5           (6) the term “rule” has the meaning given that  
6 term in section 804 of title 5, United States Code.

7       (b) REPORTS.—Not later than 120 days after the  
8 date of enactment of this Act and every 2 years thereafter,  
9 the Comptroller General of the United States shall submit  
10 to Congress a report regarding covered nonmajor rules  
11 and covered guidance documents, which shall include, for  
12 the 4-year period immediately preceding the report—

13           (1) the number of covered nonmajor rules pro-  
14 mulgated;

15           (2) the number of covered nonmajor rules im-  
16 plemented;

17           (3) the number of covered guidance documents  
18 developed;

19           (4) the number of covered guidance documents  
20 issued;

21           (5) the Federal regulatory cost of each covered  
22 nonmajor rule implemented;

23           (6) the Federal regulatory cost of each covered  
24 guidance document issued;

1           (7) the aggregate Federal regulatory cost of all  
2 covered nonmajor rules implemented;

3           (8) the aggregate Federal regulatory cost of all  
4 covered guidance documents issued; and

5           (9) a discussion of any covered nonmajor rule  
6 for which an initial regulatory flexibility analysis was  
7 prepared under section 603 of title 5, United States  
8 Code, a final regulatory flexibility analysis was pre-  
9 pared under section 604 of title 5, United States  
10 Code, or a cost benefit analysis was prepared that  
11 underestimated the actual Federal regulatory cost of  
12 implementing the covered nonmajor rule.

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