



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 12, 2016

H.R. 3438 **REVIEW Act of 2016**

As ordered reported by the House Committee on the Judiciary on September 8, 2016

H.R. 3438 would require federal agencies to postpone the implementation of any rule imposing an annual cost on the economy of at least \$1 billion if a petition seeking judicial review of that regulation is filed within 60 days of the rule taking effect. Under the bill, implementation would be postponed until any judicial review is resolved.

An analysis of recent reports by the Office of Information and Regulatory Affairs within the Office of Management and Budget indicates that about five regulations are issued each year that would have an estimated annual impact on the economy of \$1 billion or more. A delay in implementing such regulations could affect spending subject to appropriation, direct spending, and revenues. For example, implementing the legislation could affect when rules related to federal entitlement programs or the collection of fees would take effect and those timing delays could either increase or decrease federal spending and revenues. However, CBO has no basis for estimating how long such delays would last, how delays in the implementation of such rules would affect the regulatory process, or what effect they might have on the federal budget.

Because enacting the legislation could affect direct spending and revenues, pay-as-you-go procedures apply.

CBO cannot determine whether enacting H.R. 3438 would increase net direct spending or on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2027.

H.R. 3438 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.