



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 21, 2016

H.R. 998 SCRUB Act

*As ordered reported by the House Committee on Oversight and Government Reform
on February 14, 2017*

SUMMARY

H.R. 998 would establish a commission to review existing federal regulations and to identify those that should be repealed to reduce the cost of regulations on the economy. In addition, the legislation would require agencies to create a plan to review all new regulations within 10 years of their issuance. Finally, H.R. 998 would authorize the appropriation of up to \$30 million to fund the commission.

CBO estimates that, assuming appropriation of the specified amounts, implementing H.R. 998 would cost \$30 million over the 2018-2022 period to operate the commission. CBO estimates that enacting the bill could affect direct spending or revenues; therefore, pay-as-you-go procedures apply. However, CBO cannot estimate the direction or magnitude of those effects.

CBO estimates that enacting H.R. 998 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 998 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 998 is shown in the following table. The costs of this legislation fall within function 800 (general government) and all budget functions that include funding for agencies that issue regulations.

	By Fiscal Year, in Millions of Dollars					2018-2022
	2018	2019	2020	2021	2022	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	6	6	6	6	6	30
Estimated Outlays	6	6	6	6	6	30

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted by the end of fiscal year 2017 and that the funds for the commission will be provided each year.

Title I would establish a commission to review the Code of Federal Regulations to determine if any rules should be repealed to lower the cost of regulations on the U.S. economy. The commission would recommend to the Congress a list of rules to be repealed. Under the bill, no existing regulations could be repealed unless subsequent legislation to authorize the repeal was enacted.

The commission would consist of nine members appointed by the President and confirmed by the Senate. Members would be paid and reimbursed for travel expenses. In addition, the commission could hire staff and would end after either five years and a half after enactment or five years after all commissioner terms have commenced, whichever is later. H.R. 998 also would direct the commission to produce annual and final reports on its activities and would authorize the appropriation of up to \$30 million to cover the costs of the commission. Assuming appropriation of those amounts, CBO estimates that implementing this title would cost \$30 million over the 2018-2022 period.

Under title II, federal agencies would be directed to offset the estimated costs that new regulations would impose on the economy by repealing existing regulations that have been recommended for repeal by the commission. How agencies would comply with this requirement is unclear because repeal of existing regulations would depend on future Congressional action. It is also not clear how implementation of new rules would be delayed or postponed until existing regulations were approved for repeal. Consequently, CBO cannot estimate the budgetary effects of implementing title II.

Title III would require agencies to create a plan to review all new regulations within 10 years of being issued. Because agencies are already required to review regulations after they are issued, CBO expects that implementing title III would have no significant costs.

PAY-AS-YOU-GO CONSIDERATIONS

CBO estimates that enacting the bill could affect direct spending or revenues; therefore, pay-as-you-go procedures apply. However, CBO cannot estimate the direction or magnitude of those effects.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 998 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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