



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 15, 2018

H.R. 2623 **Lessening Regulatory Costs and Establishing** **a Federal Regulatory Budget Act of 2017**

*As ordered reported by the House Committee on Oversight and Government Reform
on November 30, 2017*

H.R. 2623 would amend current laws related to the regulatory analysis process. The bill also would require each agency to designate a regulatory reform officer and to establish a task force to oversee steps for reducing the burden of federal regulations on the economy. In addition, under the bill, an agency would need to eliminate two existing regulations for any new regulation it issued. H.R. 2623 also would set a regulatory budget at each agency and require agencies to submit an annual regulatory plan to the Office of Management and Budget.

H.R. 2623 would effectively codify Executive Orders 13771 and 13777, which direct agencies to alleviate unnecessary regulatory burdens, establish task forces to review regulations, and eliminate some regulations. Because the bill would put into statute current policy and practice, CBO estimates that implementing those provisions of H.R. 2623 would have no significant cost over the next five years.

CBO cannot determine whether any regulations would be affected by H.R. 2623 that would not otherwise be affected by Executive Orders 13771 and 13777. However, CBO expects any changes to the content or timing of rules issued because of the enactment of H.R. 2623 could lead to increases or decreases in direct spending and revenues.¹ Therefore, pay-as-you-go procedures apply. However, CBO cannot determine the direction or magnitude of those effects.

CBO cannot determine whether enacting H.R. 2623 would increase net direct spending or on-budget deficits by more than \$2.5 billion in any of the four consecutive 10-year periods beginning in 2028.

1. While most federal regulations are aimed at the private and local government sectors of the economy, some regulations directly affect the federal budget. For example, last year the Department of the Interior relied partly on Executive Order 13771 when it issued a final rule to overturn the Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform Final Rule. In its regulatory analysis of this action (*Federal Register*, Vol. 82, No. 150, Monday, August 7, 2017) the Department estimated that repealing the earlier value would lead to a loss of \$56 million in federal receipts each year.

H.R. 2623 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.