



National Regulatory Budget Act

Senator Marshall's National Regulatory Budget Act sets a cap on the total net economic cost of an agency's rules.

The bill establishes a new independent agency that would be required to assess and report on the economic costs of existing and new federal regulations. The legislation also provides for a regulatory budget process where Congress would establish caps for each federal agency and require federal agencies' compliance with the caps.

It applies to all agencies, including independent agencies.

This bill allows Congress to set parameters for regulatory costs without having to debate the merits and soundness of individual rulemakings.

If enacted, the National Regulatory Budget would establish the following oversight and control of the federal regulatory system:

- A new independent agency – the Office of Regulatory Analysis (ORA) – would be created to provide an annual regulatory analysis of federal rules and their economic costs for the upcoming year, in dollars.
- The ORA's director would be nominated by the President for a four year term subject to the advice and consent of the U.S. Senate.
- An Annual Report on National Regulatory Costs would be required to be submitted to the Senate Homeland Security & Governmental Affairs Committee of the Senate; the Senate Committee on Small Business and Entrepreneurship, the House Oversight and Government Reform Committee, and the House Committee on Small Business.
- Congress would set a National Regulatory Budget, establishing a cap on the total economic cost of regulations that can be implemented and enforced by the federal government. Congress would base its cap on estimates totaling the cost of all existing federal regulations provided by a new independent agency.
 - Congress would establish an annual overall regulatory cost cap, as well as an annual agency regulatory cost cap for each executive branch agency.
- New regulations may not take effect earlier than 75 days after an agency has submitted an estimate performed by an independent agency
- Public disclosure would be required of estimate methodology and data used to generate the estimates in the Annual Report on National Regulatory Costs.
- Sanctions would be established for non-cooperation of executive branch agencies with regard to information requests by the ORA director. These sanctions would include a reduced fiscal year appropriations of 0.5 percent from the previous budget.
- An agency that exceeds the annual agency regulatory cost cap may not promulgate a new federal rule that increases regulatory costs and, if it does, the rule in violation will have no force or effect.
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- Establishes timeline requirements for Congress to ensure passage of the National Regulatory Budget each year.
 - If enacted in this Congress, the first National Regulatory Budget is required in FY2024.