

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1636

To provide a more complete accounting of national expenditures and the corresponding benefits of Federal regulatory programs through issuance of an accounting statement and associated report every 2 years, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 15, 1995

Mr. BLILEY (for himself, Mr. MCINTOSH, Mr. CONDIT, and Mr. STENHOLM) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

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## A BILL

To provide a more complete accounting of national expenditures and the corresponding benefits of Federal regulatory programs through issuance of an accounting statement and associated report every 2 years, 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 “Regulatory Accounting  
5 Act of 1995”.

1 **SEC. 2. ACCOUNTING STATEMENT.**

2 (a) IN GENERAL.—Every 2 years after the enactment  
3 of this Act the President shall prepare and submit to Con-  
4 gress an accounting statement that estimates the costs of  
5 Federal regulatory programs and corresponding benefits  
6 in accordance with this section.

7 (b) YEARS COVERED BY ACCOUNTING STATE-  
8 MENT.—Each accounting statement shall cover, at a mini-  
9 mum, the 5 fiscal years beginning on October 1 of the  
10 year in which the report is submitted and may cover any  
11 fiscal year preceding such fiscal years for purposes of re-  
12 vising previous estimates.

13 (c) TIMING AND PROCEDURES.—

14 (1) NOTICE AND COMMENT.—The President  
15 shall provide notice and opportunity for comment for  
16 each accounting statement. The President may dele-  
17 gate to an agency the requirement to provide notice  
18 and opportunity for comment for the portion of the  
19 accounting statement relating to that agency.

20 (2) DEADLINES FOR FIRST STATEMENT.—The  
21 President shall propose the first accounting state-  
22 ment under this section not later than 2 years after  
23 the date of the enactment of this Act and shall issue  
24 the first accounting statement in final form not later  
25 than 3 years after the date of the enactment of this  
26 Act. Such statement shall cover, at a minimum, each

1 of the 8 fiscal years beginning after the date of the  
2 enactment of this Act.

3 (d) CONTENT OF ACCOUNTING STATEMENT.—

4 (1) IN GENERAL.—Each accounting statement  
5 shall contain estimates of costs and benefits with re-  
6 spect to each fiscal year covered by the statement in  
7 accordance with this subsection. For each such fiscal  
8 year for which estimates were made in a previous ac-  
9 counting statement, the statement shall revise those  
10 estimates and state the reasons for the revisions.

11 (2) STATEMENT OF COSTS.—

12 (A) IN GENERAL.—An accounting state-  
13 ment shall estimate the costs of Federal regu-  
14 latory programs by setting forth, for each year  
15 covered by the statement—

16 (i) the annual expenditure of national  
17 economic resources for the regulatory pro-  
18 gram; and

19 (ii) such other quantitative and quali-  
20 tative measures of costs as the President  
21 considers appropriate.

22 Costs shall be quantified to the extent feasible and  
23 appropriate and otherwise shall be qualitatively de-  
24 scribed.

1 (B) NATIONAL ECONOMIC RESOURCES.—  
2 For purposes of the estimate of costs in the ac-  
3 counting statement, national economic re-  
4 sources include, and shall be listed under, at  
5 least the following categories:

6 (i) Private sector costs, including di-  
7 rect costs and appropriate indirect costs.

8 (ii) Federal sector administrative  
9 costs.

10 (iii) Federal sector compliance costs.

11 (iv) State government administrative  
12 costs.

13 (v) Local government administrative  
14 costs.

15 (vi) State government compliance  
16 costs.

17 (vii) Local government compliance  
18 costs.

19 (3) STATEMENT OF CORRESPONDING BENE-  
20 FITS.—An accounting statement shall estimate the  
21 benefits of Federal regulatory programs by setting  
22 forth, for each year covered by the statement, quan-  
23 titative and qualitative measures of benefits. Costs  
24 shall be quantified to the extent feasible and appro-  
25 priate and otherwise shall be qualitatively described.

1 Any quantitative estimate of benefits concerning re-  
2 duction in human health, safety, or environmental  
3 risks shall, to the extent feasible and appropriate,  
4 present the most plausible level of risk, along with  
5 a statement of the reasonable degree of scientific un-  
6 certainty.

7 **SEC. 3. ASSOCIATED REPORT TO CONGRESS.**

8 (a) IN GENERAL.—At the same time as the President  
9 submits an accounting statement under section 2, the  
10 President, acting through the Director of the Office of  
11 Management and Budget, shall submit to Congress a re-  
12 port associated with the accounting statement (hereinafter  
13 referred to as the “associated report”). The associated re-  
14 port shall contain an analyses of impacts prepared in, in  
15 accordance with subsection (b).

16 (b) ANALYSES OF IMPACTS.—The President shall in-  
17 clude in the associated report the following:

18 (1) Analyses prepared by the President of the  
19 cumulative impact of Federal regulatory programs  
20 covered in the accounting statement on the follow-  
21 ing:

22 (A) The ability of State and local govern-  
23 ments to provide essential services, including  
24 police, fire protection, and education.

25 (B) Small business.

1 (C) Job growth.

2 (D) International competitiveness.

3 (E) Technological innovation.

4 (F) Consumer prices for goods and serv-  
5 ices.

6 (G) Such other factors considered appro-  
7 priate by the President.

8 (2) A summary of any independent analyses of  
9 impacts prepared by persons commenting during the  
10 comment period on the accounting statement.

11 **SEC. 4. GUIDANCE FROM OFFICE OF MANAGEMENT AND**  
12 **BUDGET.**

13 The Director of the Office of Management and Budg-  
14 et shall provide guidance to agencies—

15 (1) to standardize measures of costs and bene-  
16 fits in accounting statements prepared pursuant to  
17 this Act; and

18 (2) to standardize the format of the accounting  
19 statements.

20 **SEC. 5. RECOMMENDATIONS FROM CONGRESSIONAL BUDG-**  
21 **ET OFFICE.**

22 After each accounting statement and associated re-  
23 port are submitted to Congress, the Director of the Con-  
24 gressional Budget Office shall make recommendations to  
25 the President—

1 (1) for improving accounting statements pre-  
2 pared pursuant to this Act, including recommenda-  
3 tions on level of detail and accuracy; and

4 (2) for improving associated reports prepared  
5 pursuant to this Act, including recommendations on  
6 the quality of analysis.

7 **SEC. 6. DEFINITIONS.**

8 For purposes of this Act, the following definitions  
9 apply:

10 (1) The term “Federal regulatory program”  
11 means a program carried out pursuant to a related  
12 group of Federal statutes and regulations, as deter-  
13 mined by the President.

14 (2) The term “regulation” means an agency  
15 statement of general applicability and future effect  
16 designed to implement, interpret, or prescribe law or  
17 policy or describing the procedure or practice re-  
18 quirements of an agency. The term does not in-  
19 clude—

20 (A) administrative actions governed by sec-  
21 tions 556 and 557 of title 5, United States  
22 Code;

23 (B) regulations issued with respect to a  
24 military or foreign affairs function of the  
25 United States; or

1 (C) regulations related to agency organiza-  
2 tion, management, or personnel.

3 (3) The term “agency” means any executive de-  
4 partment, military department, Government corpora-  
5 tion, Government controlled corporation, or other es-  
6 tablishment in the executive branch of the Govern-  
7 ment (including the executive Office of the Presi-  
8 dent), but does not include the General Accounting  
9 Office, Federal Election Commission, the govern-  
10 ments of the District of Columbia and of the terri-  
11 tories and possessions of the United States, and  
12 their various subdivisions, or Government-owned  
13 contractor-operated facilities including laboratories  
14 engaged in national defense research and production  
15 activities.

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