

OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

February 3, 2015 (House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 50 - Unfunded Mandates Information and Transparency Act

(Rep. Foxx, R-NC, and four cosponsors)

The Administration is committed to ensuring that regulations are tailored to advance statutory goals in a manner that is efficient and cost-effective, and that minimizes uncertainty. By layering on additional, burdensome judicial review and other unnecessary changes to the regulatory process, H.R. 50, the Unfunded Mandates Information and Transparency Act of 2015, would introduce needless uncertainty into agency decision-making and undermine the ability of agencies to provide critical public health and safety protections. Accordingly, the Administration strongly opposes House passage of H.R. 50.

When a Federal agency promulgates a regulation, the agency must adhere to the robust and well-understood procedural requirements of Federal law, including the Administrative Procedure Act, the Regulatory Flexibility Act, the Unfunded Mandates Reform Act, the Paperwork Reduction Act, and the Congressional Review Act. In addition, for decades, agency rulemaking has been guided by executive orders issued and followed by administrations of both political parties. These require regulatory agencies to promulgate regulations upon a reasoned determination that the benefits justify the costs, to consider regulatory alternatives, to promote regulatory flexibility, and to reach out to the parties affected by their rules, including State, Tribal and local governments.

The President's regulatory approach has been consistent throughout his Administration. We don't have to choose between protecting the health, welfare, and safety of Americans and promoting economic growth, job creation, competitiveness, and innovation — we can do both. To this end, Executive Order 13563 requires careful cost-benefit analysis, increased public participation, harmonization of rulemaking across agencies, and flexible regulatory approaches. Furthermore, existing executive orders and other presidential directives ask agencies to ensure that they take into account the consequences of rulemaking on small businesses. Through Executive Orders 13579 and 13610, the Administration has also taken important steps to promote systematic retrospective review of regulations by all agencies. These executive orders also encourage independent agencies to conduct retrospective review of regulations. Collectively, these requirements promote flexible, cost-effective regulation.

H.R. 50 would create needless grounds for judicial review, unduly slowing and increasing the cost of the regulatory process. Creating new requirements subject to judicial review would unnecessarily add to the already robust analytical and procedural requirements of the rulemaking process, and potentially lowers the flexibility of future Administrations of either party to tailor regulatory review procedures to changing circumstances.

If H.R. 50 were presented to the President, his senior advisors would recommend that he veto the bill.

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