



H.R. 50 – The Unfunded Mandates Information and Transparency Act

Purpose:

The Unfunded Mandates Information and Transparency Act (UMITA) aims to increase transparency about the costs of unfunded federal mandates and hold the federal government accountable for considering those costs before passing them on to local governments and the private sector.

Specifics:

- **The legislation imposes stricter and more clearly defined requirements for how and when federal agencies must disclose the cost of federal mandates:**
 - Under H.R. 50 agencies must conduct UMRA analyses unless a law “expressly” prohibits them from doing so.
 - Under H.R. 50 agencies must measure a proposed rule’s annual effect on the economy, not just “expenditures” as is currently required.
- **The legislation ensures those affected have the opportunity to weigh in on proposed mandates:**
 - H.R. 50 requires UMRA analyses for all final rules, regardless of whether or not the regulation was subject to a notice of proposed rulemaking (NPRM). Currently, agencies can avoid conducting UMRA analyses if they decide a particular regulation is not subject to a NPRM. This creates an incentive for agencies not to seek public comments on regulations.
 - H.R. 50 directs agencies to consult with private sector entities, such as small businesses, that will be directly impacted by proposed regulations in the same way they currently do with state, local and tribal governments.
- **The legislation equips Congress and the public with tools to determine the true costs of regulations:**
 - H.R. 50 codifies the CBO practice of accounting for specific costs of federal mandates such as forgone business profits, costs passed onto consumers and other entities and behavioral changes.
 - H.R. 50 grants committee chairmen and ranking members the authority to request that the CBO perform analyses comparing the authorized levels of funding in bills or resolutions with the potential loss of federal aid dollars when mandate compliance is a condition for financial aid.
- **The legislation ensures accountability for adhering to its provisions and those set forth by UMRA:**
 - H.R. 50 designates the Office of Information and Regulatory Affairs (OIRA) as responsible for determining whether agencies have satisfied UMRA’s cost disclosure requirements.
 - H.R. 50 allows the judicial branch to place a stay on regulations or invalidate rules if the originating federal agency fails to complete statutorily required UMRA analyses.
 - H.R. 50 requires agencies to include in their annual reports to Congress an appendix detailing their regulatory consultation activities with state, local and tribal governments and the private sector.