OVERSIGHT

THE COMMITTEE ON OVERSIGHT & GOVERNMENT REFORM

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H.R. 50, the Unfunded Mandates Information and Transparency Act

H.R. 50 is needed to fix serious loopholes in UMRA

- The Unfunded Mandates Reform Act of 1995 (UMRA) was enacted to curb the practice of imposing unfunded federal mandates on state and local governments, and the private sector.
- UMRA was supposed to promote informed and deliberate decisions about federal mandates by Congress and agencies, but UMRA has not lived up to its original intent.
- H.R. 50 offers serious reforms to ensure that states, localities, and private sector job creators are not continually burdened by onerous federal mandates.

H.R. 50 provides transparency, accountability and awareness of federal mandates

- To enhance transparency, accountability, and awareness of federal mandates, H.R. 50 closes loopholes in the current law and requires more comprehensive cost estimates.
- H.R. 50 extends UMRA requirements, including cost-benefit analyses, to independent regulatory agencies like the Securities Exchange and Commission.
- The bill codifies principles of regulation in Executive Order 12866, as well as cost-benefit analysis, which were reaffirmed by President Obama in EO13563.
- H.R. 50 requires agencies to conduct UMRA analyses, regardless of whether they issued a notice of proposed rulemaking, closing a loophole that allowed agencies to forego analyses on nearly half of all final rules.
- H.R. 50 allows the chairman or ranking member of any Congressional committee to request an agency conduct a retrospective analysis of an existing federal regulatory mandate.
- H.R. 50 extends judicial review to the selection of the least costly/least burdensome regulatory alternative and to whether the agency adhered to the principles of EO12866.
- UMRA requires agencies to consult with state, local, and tribal governments in the development of significant regulatory mandates. H.R. 50 extends the consultation requirement to the private sector.
- H.R. 50 allows the chairman or ranking member of any Congressional committee to request CBO to conduct an assessment comparing the authorized level of funding in a bill to the prospective costs of carrying out any changes to a condition of federal assistance.
- To reflect current CBO practice, the bill expands the definition of direct costs to ensure costs include forgone profits, costs passed on to consumers, and behavioral changes.