

Union Calendar No. 552

119TH CONGRESS
2D SESSION

H. R. 1163

[Report No. 119–108, Parts I and II]

To amend title 5, United States Code, to require greater transparency for Federal regulatory decisions that impact small businesses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 2025

Mr. FINSTAD (for himself, Ms. HAGEMAN, Mr. MORAN, Ms. SALAZAR, Mr. MEUSER, Mr. NUNN of Iowa, Mr. STEIL, and Mr. STAUBER) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

MAY 21, 2025

Reported from the Committee on Small Business with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

MAY 4, 2026

Additional sponsors: Mr. FLOOD, Mrs. FISCHBACH, Mr. CAREY, Mr. THOMPSON of Pennsylvania, Mr. VAN DREW, Mr. CALVERT, Mr. WEBER of Texas, Mr. BACON, Mr. BEAN of Florida, Mr. BALDERSON, Ms. VAN DUYN, Mr. CARTER of Georgia, Mr. CRANK, Mr. TAYLOR, Mr. CISCOMANI, Mr. MANN, Mr. KENNEDY of Utah, Mr. SCHMIDT, Mrs. MILLER of West Virginia, Mr. VALADAO, Mrs. HINSON, and Mr. LAWLER

MAY 4, 2026

Reported from the Committee on the Judiciary, with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in **boldface roman**]

[For text of introduced bill, see copy of bill as introduced on February 10, 2025]

A BILL

To amend title 5, United States Code, to require greater transparency for Federal regulatory decisions that impact small businesses, 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 “Prove It Act”.*

5 **SEC. 2. INITIAL REGULATORY FLEXIBILITY ANALYSIS.**

6 *(a) IN GENERAL.—Chapter 6 of title 5, United States*
 7 *Code, is amended—*

8 *(1) in section 603(b)—*

9 *(A) in paragraph (5), by striking the period*
 10 *at the end and inserting “; and”; and*

11 *(B) by adding at the end the following:*

12 *“(6) where feasible, any reasonably foreseeable*
 13 *potential indirect costs the proposed rule may impose*
 14 *on small entities, including small entities that—*

15 *“(A) purchase products or services from, sell*
 16 *products or services to, or otherwise conduct*
 17 *business with entities directly regulated by the*
 18 *rule;*

19 *“(B) are directly regulated by other govern-*
 20 *mental entities as a result of the rule; or*

21 *“(C) are not directly regulated by the agen-*
 22 *cy as a result of the rule but are otherwise sub-*
 23 *ject to other agency rules as a result of the rule.”;*

24 *(2) in section 605(b), by striking “The agency”*
 25 *and inserting “Not later than 10 days after com-*

1 *pleting the certification described in this subsection,*
 2 *the agency’’; and*

3 *(3) by inserting after section 605 the following:*

4 **“§ 605A. Review procedures relating to initial regu-**
 5 ***latory flexibility analysis certifications***

6 *“(a) FILING A PETITION TO REVIEW AGENCY CERTIFI-*
 7 *CATION OF A PROPOSED RULE.—*

8 *“(1) IN GENERAL.—Any small entity, group of*
 9 *small entities, or organization representing the inter-*
 10 *ests of small entities may petition the Chief Counsel*
 11 *for Advocacy of the Small Business Administration*
 12 *(in this section referred to as the ‘Chief Counsel’) to*
 13 *review a certification published under section 605(b)*
 14 *that a proposed rule will not, if promulgated, have a*
 15 *significant economic impact on a substantial number*
 16 *of small entities.*

17 *“(2) FORM.—The Chief Counsel shall—*

18 *“(A) determine the method, timing, and*
 19 *form of disseminating a petition described in*
 20 *paragraph (1); and*

21 *“(B) display the information described in*
 22 *subparagraph (A) on the website of the Office of*
 23 *Advocacy of the Small Business Administration*
 24 *in a conspicuous manner.*

1 “(3) *CONTENTS.*—*Each petition described in*
2 *paragraph (1) with respect to a certification pub-*
3 *lished under section 605(b) for a proposed rule shall*
4 *clearly and concisely—*

5 “(A) *specify the name of the petitioner and*
6 *a telephone number, a mailing address, and an*
7 *email address that the Chief Counsel may use to*
8 *communicate with the petitioner;*

9 “(B) *if the petitioner is an organization,*
10 *provide additional identifying information, as*
11 *applicable, including the organizational or cor-*
12 *porate status of the petitioner, the State of incor-*
13 *poration of the petitioner, the registered agent of*
14 *the petitioner, the interest of the petitioner in*
15 *representing small entities affected by the pro-*
16 *posed rule and the certification at issue, and the*
17 *name and authority of the individual who signed*
18 *the petition on behalf of the organizational or*
19 *corporate petitioner;*

20 “(C) *present the specific problems or issues*
21 *that the petitioner believes should be addressed or*
22 *considered through a review of the certification,*
23 *such as—*

24 “(i) *any specific circumstances in*
25 *which the determination of the certification*

1 that the proposed rule will not, if promul-
2 gated, have a significant economic impact
3 on a substantial number of small entities is
4 incorrect, incomplete, or inadequate; or

5 “(ii) why the proposed rule would, if
6 promulgated, have a significant economic
7 impact on a substantial number of small
8 entities;

9 “(D) cite, enclose, or reference any relevant
10 and non-protected or confidential technical, sci-
11 entific, or other data or information supporting
12 any assertion of the problems or issues with the
13 certification;

14 “(E) present a proposed solution to the
15 problems or issues raised in the petition, includ-
16 ing potential regulatory or compliance alter-
17 natives to the proposed rule;

18 “(F) provide an analysis, discussion, or ar-
19 gument that explains how the proposed solution
20 described in subparagraph (E) solves the prob-
21 lems or issues raised in the petition; and

22 “(G) cite, enclose, or reference any other
23 publicly available data or information sup-
24 porting the proposed solution described in sub-
25 paragraph (E).

1 “(b) *CONSULTATION.*—

2 “(1) *IN GENERAL.*—*Any entity or organization*
3 *desiring to file a petition under subsection (a) may*
4 *request a consultation with the Chief Counsel before*
5 *or after filing the petition.*

6 “(2) *FORM.*—*The Chief Counsel shall—*

7 “(A) *determine the method, timing, and*
8 *form of requesting a consultation with the Chief*
9 *Counsel under paragraph (1); and*

10 “(B) *display the information described in*
11 *subparagraph (A) on the website of the Office of*
12 *Advocacy of the Small Business Administration*
13 *in a conspicuous manner.*

14 “(3) *LIMITATIONS ON ASSISTANCE.*—*In any con-*
15 *sultation regarding a petition under paragraph (1),*
16 *the Chief Counsel—*

17 “(A) *may only—*

18 “(i) *describe the process for filing,*
19 *docketing, tracking, closing, amending,*
20 *withdrawing, and resolving the petition;*
21 *and*

22 “(ii) *assist the petitioner to clarify the*
23 *petition so that the Chief Counsel is able to*
24 *understand the issues of concern to the peti-*
25 *tioner; and*

1 “(B) may not advise a petitioner on wheth-
2 er the petition should be amended or withdrawn.

3 “(c) *PRIMA FACIE REVIEW*.—

4 “(1) *IN GENERAL*.—Upon receipt of a petition
5 filed under this section with respect to the certifi-
6 cation of a proposed rule, the Chief Counsel shall
7 make an initial *prima facie* determination on the
8 merit of the issues raised in the petition as to the
9 properness of the certification and whether the pro-
10 posed rule in question would, if promulgated, have a
11 significant economic impact on a substantial number
12 of small entities.

13 “(2) *NO FURTHER REVIEW*.—If, following the
14 *prima facie* review of a petition under paragraph (1),
15 the Chief Counsel determines that the issues raised in
16 the petition do not merit further review by the Chief
17 Counsel, the Chief Counsel shall, not later than 10
18 days after receipt of the petition, inform the peti-
19 tioner of that determination and the matter shall be
20 closed.

21 “(3) *FURTHER REVIEW*.—If, following the *prima*
22 *facie* review of a petition under paragraph (1), the
23 Chief Counsel determines that the issues raised in the
24 petition do merit further review by the Chief Counsel,
25 the Chief Counsel shall, not later than 10 days after

1 *receipt of the petition, inform the petitioner and the*
 2 *agency that promulgated the proposed rule that the*
 3 *Chief Counsel shall conduct a full review of the cer-*
 4 *tification and proposed rule to which the petition re-*
 5 *lates under subsection (d).*

6 “(d) *FULL REVIEW.*—

7 “(1) *CONSIDERATIONS; MEETING.*—*In con-*
 8 *ducting a full review under this subsection with re-*
 9 *spect to the certification made under section 605(b),*
 10 *the Chief Counsel shall—*

11 “(A) *consider—*

12 “(i) *whether the agency that promul-*
 13 *gated the proposed rule correctly determined*
 14 *which small entities will be affected by the*
 15 *proposed rule;*

16 “(ii) *whether the agency considered*
 17 *adequate economic data to assess whether*
 18 *the proposed rule will have a significant*
 19 *impact on a substantial number of small*
 20 *entities; and*

21 “(iii) *the economic implications of the*
 22 *proposed rule; and*

23 “(B) *convene a virtual or in-person meeting*
 24 *between the Chief Counsel, the petitioner, rep-*
 25 *resentatives of the agency that promulgated the*

1 *proposed rule who are determined appropriate*
2 *by the Chief Counsel, and the Administrator of*
3 *the Office of Information and Regulatory Affairs*
4 *to—*

5 *“(i) provide positions and support for*
6 *those positions regarding the certification of*
7 *the proposed rule; and*

8 *“(ii) allow the Chief Counsel to ask*
9 *questions as the Chief Counsel determines*
10 *necessary to make a final determination as*
11 *to the validity of the certification.*

12 *“(2) PUBLICATION.—Not later than 30 days*
13 *after the date on which the Chief Counsel begins a full*
14 *review of a certification made with respect to a pro-*
15 *posed rule under paragraph (1), the Chief Counsel*
16 *shall submit to the petitioner and the agency that*
17 *promulgated the proposed rule, and publish in the*
18 *Federal Register and on the website of the Office of*
19 *Advocacy of the Small Business Administration, the*
20 *results of the review conducted under paragraph (1).*

21 *“(3) REQUIREMENT TO PERFORM ANALYSES.—If,*
22 *after a full review of a certification made with respect*
23 *to a proposed rule under paragraph (1), the Chief*
24 *Counsel determines that the proposed rule will, if pro-*
25 *mulgated, have a significant economic impact on a*

1 *substantial number of small entities, the agency that*
2 *promulgated the proposed rule shall perform an ini-*
3 *tial regulatory flexibility analysis and a final regu-*
4 *latory flexibility analysis for the proposed rule under*
5 *sections 603 and 604, respectively.*

6 “(4) *PENALTY.*—*If an agency fails to attend the*
7 *required meeting under paragraph (1)(B) or in any*
8 *other way fails to assist the Chief Counsel in a full*
9 *review under paragraph (1) with respect to a pro-*
10 *posed rule of the agency, as determined by the Chief*
11 *Counsel, the final rule shall not apply to small enti-*
12 *ties.*

13 “(5) *JUDICIAL REVIEW.*—*For purposes of judi-*
14 *cial review under chapter 7 of this title, a certifi-*
15 *cation made by an agency under section 605(b) for*
16 *which a petition is filed under subsection (a) shall be*
17 *considered final agency action as of the date on which*
18 *the Chief Counsel—*

19 “(A) *makes a determination under sub-*
20 *section (c)(2) that the issues raised in the peti-*
21 *tion do not merit further review; or*

22 “(B) *publishes the results of a full review of*
23 *the certification under paragraph (1).”.*

24 (b) *TECHNICAL AND CONFORMING AMENDMENT.*—*The*
25 *table of sections for chapter 6 of title 5, United States Code,*

1 *is amended by inserting after the item relating to section*
 2 *605 the following:*

“605A. Review procedures relating to initial regulatory flexibility analysis certifications.”.

3 **SEC. 3. PUBLICATION OF GUIDANCE.**

4 *Section 609 of title 5, United States Code, is amended*
 5 *by adding at the end the following:*

6 *“(f) With respect to any rule that an agency deter-*
 7 *mines is likely to have a significant economic impact on*
 8 *a substantial number of small entities, the head of the agen-*
 9 *cy shall, on regulations.gov or any similar internet*
 10 *website—*

11 *“(1) publish all guidance documents and other*
 12 *relevant documents, as determined by the agency, in-*
 13 *cluding any updated guidance documents that set*
 14 *forth interpretations of the rule; and*

15 *“(2) allow for comments on the documents de-*
 16 *scribed in paragraph (1) to ensure that small entities*
 17 *may access and provide feedback on those docu-*
 18 *ments.”.*

19 **SEC. 4. REVIEW PROCEDURES FOR SECTION 610 PERIODIC**
 20 **REVIEW OF RULES.**

21 *(a) IN GENERAL.—Section 610 of title 5, United*
 22 *States Code, is amended—*

23 *(1) in subsection (b)—*

1 (A) in the matter preceding paragraph (1),
2 by striking “the following factors”;

3 (B) in paragraph (4), by striking “and” at
4 the end;

5 (C) in paragraph (5), by striking the period
6 at the end and inserting “; and”; and

7 (D) by adding at the end the following:

8 “(6) any indirect costs described in the initial
9 regulatory flexibility analysis under section 603(b)(6),
10 and any other indirect costs that may have arisen
11 during the 10-year period described in subsection
12 (a).”; and

13 (2) by adding at the end the following:

14 “(d) If an agency fails to conduct a review of a rule
15 as required under this section within the 10-year period
16 described in subsection (a)—

17 “(1) the Chief Counsel for Advocacy of the Small
18 Business Administration shall notify the agency that
19 the rule has ceased to be effective;

20 “(2) the agency shall publish in the Federal Reg-
21 ister a notification that the rule has ceased to be effec-
22 tive, and solicit comments for why the rule should be
23 reinstated; and

1 “(3) if, based on the comments received under
2 paragraph (2), the agency determines that the rule
3 should be reinstated—

4 “(A) the agency shall have 180 days begin-
5 ning on the date of that determination to com-
6 plete the review of the rule under this section;
7 and

8 “(B) upon completion of the review under
9 subparagraph (A), the rule shall be reinstated,
10 notwithstanding the notice and comment rule-
11 making procedures under section 553 of this
12 title.”.

13 (b) *APPLICATION.*—The amendment made by sub-
14 section (a)(2) shall apply with respect to any final rule
15 issued by an agency—

16 (1) during the 5-year period preceding the date
17 of enactment of this Act; or

18 (2) on or after the date of enactment of this Act.

19 **SEC. 5. NO ADDITIONAL FUNDS.**

20 No additional funds are authorized to be appropriated
21 for the purpose of carrying out this Act or the amendments
22 made by this Act.

1 SECTION 1. SHORT TITLE.

2 **This Act may be cited as the “Prove It**
3 **Act”.**

4 SEC. 2. INITIAL REGULATORY FLEXIBILITY ANALYSIS.

5 **(a) IN GENERAL.—Chapter 6 of title 5,**
6 **United States Code, is amended—**

7 **(1) in section 603(b)—**

8 **(A) in paragraph (5), by striking**
9 **the period at the end and inserting “;**
10 **and”;** and

11 **(B) by adding at the end the fol-**
12 **lowing:**

13 **“(6) where feasible, any reasonably**
14 **foreseeable potential indirect costs the**
15 **proposed rule may impose on small enti-**
16 **ties, including small entities that—**

17 **“(A) purchase products or serv-**
18 **ices from, sell products or services to,**
19 **or otherwise conduct business with**
20 **entities directly regulated by the**
21 **rule;**

22 **“(B) are directly regulated by**
23 **other governmental entities as a re-**
24 **sult of the rule; or**

25 **“(C) are not directly regulated by**
26 **the agency as a result of the rule but**

1 are otherwise subject to other agency
2 rules as a result of the rule.”;

3 (2) in section 605(b), by striking “The
4 agency” and inserting “Not later than 10
5 days after completing the certification
6 described in this subsection, the agency”;
7 and

8 (3) by inserting after section 605 the
9 following:

10 “§ 605A. Review procedures relating to initial regu-
11 latory flexibility analysis certifications

12 “(a) FILING A PETITION TO REVIEW AGENCY
13 CERTIFICATION OF A PROPOSED RULE.—

14 “(1) IN GENERAL.—Any small entity,
15 group of small entities, or organization
16 representing the interests of small enti-
17 ties may petition the Chief Counsel for
18 Advocacy of the Small Business Adminis-
19 tration (in this section referred to as the
20 ‘Chief Counsel’) to review a certification
21 published under section 605(b) that a
22 proposed rule will not, if promulgated,
23 have a significant economic impact on a
24 substantial number of small entities.

25 “(2) FORM.—The Chief Counsel shall—

1 “(A) determine the method, tim-
2 ing, and form of disseminating a peti-
3 tion described in paragraph (1); and

4 “(B) display the information de-
5 scribed in subparagraph (A) on the
6 website of the Office of Advocacy of
7 the Small Business Administration in
8 a conspicuous manner.

9 “(3) CONTENTS.—Each petition de-
10 scribed in paragraph (1) with respect to a
11 certification published under section
12 605(b) for a proposed rule shall clearly
13 and concisely—

14 “(A) specify the name of the peti-
15 tioner and a telephone number, a
16 mailing address, and an email ad-
17 dress that the Chief Counsel may use
18 to communicate with the petitioner;

19 “(B) if the petitioner is an organi-
20 zation, provide additional identifying
21 information, as applicable, including
22 the organizational or corporate status
23 of the petitioner, the State of incorpo-
24 ration of the petitioner, the reg-
25 istered agent of the petitioner, the in-

1 **terest of the petitioner in rep-**
2 **resenting small entities affected by**
3 **the proposed rule and the certifi-**
4 **cation at issue, and the name and au-**
5 **thority of the individual who signed**
6 **the petition on behalf of the organiza-**
7 **tional or corporate petitioner;**

8 **“(C) present the specific problems**
9 **or issues that the petitioner believes**
10 **should be addressed or considered**
11 **through a review of the certification,**
12 **such as—**

13 **“(i) any specific cir-**
14 **cumstances in which the deter-**
15 **mination of the certification that**
16 **the proposed rule will not, if pro-**
17 **mulgated, have a significant eco-**
18 **nom ic impact on a substantial**
19 **number of small entities is incor-**
20 **rect, incomplete, or inadequate;**
21 **or**

22 **“(ii) why the proposed rule**
23 **would, if promulgated, have a sig-**
24 **nificant economic impact on a**

1 substantial number of small enti-
2 ties;

3 “(D) cite, enclose, or reference
4 any relevant and non-protected or
5 confidential technical, scientific, or
6 other data or information supporting
7 any assertion of the problems or
8 issues with the certification;

9 “(E) present a proposed solution
10 to the problems or issues raised in
11 the petition, including potential regu-
12 latory or compliance alternatives to
13 the proposed rule;

14 “(F) provide an analysis, discus-
15 sion, or argument that explains how
16 the proposed solution described in
17 subparagraph (E) solves the problems
18 or issues raised in the petition; and

19 “(G) cite, enclose, or reference
20 any other publicly available data or
21 information supporting the proposed
22 solution described in subparagraph
23 (E).

24 “(b) CONSULTATION.—

1 **“(1) IN GENERAL.—Any entity or orga-**
2 **nization desiring to file a petition under**
3 **subsection (a) may request a consultation**
4 **with the Chief Counsel before or after fil-**
5 **ing the petition.**

6 **“(2) FORM.—The Chief Counsel shall—**

7 **“(A) determine the method, tim-**
8 **ing, and form of requesting a con-**
9 **sultation with the Chief Counsel**
10 **under paragraph (1); and**

11 **“(B) display the information de-**
12 **scribed in subparagraph (A) on the**
13 **website of the Office of Advocacy of**
14 **the Small Business Administration in**
15 **a conspicuous manner.**

16 **“(3) LIMITATIONS ON ASSISTANCE.—In**
17 **any consultation regarding a petition**
18 **under paragraph (1), the Chief Counsel—**

19 **“(A) may only—**

20 **“(i) describe the process for**
21 **filing, docketing, tracking, clos-**
22 **ing, amending, withdrawing, and**
23 **resolving the petition; and**

24 **“(ii) assist the petitioner to**
25 **clarify the petition so that the**

1 Chief Counsel is able to under-
2 stand the issues of concern to the
3 petitioner; and

4 “(B) may not advise a petitioner
5 on whether the petition should be
6 amended or withdrawn.

7 “(c) PRIMA FACIE REVIEW.—

8 “(1) IN GENERAL.—Upon receipt of a
9 petition filed under this section with re-
10 spect to the certification of a proposed
11 rule, the Chief Counsel shall make an ini-
12 tial prima facie determination on the
13 merit of the issues raised in the petition
14 as to the properness of the certification
15 and whether the proposed rule in ques-
16 tion would, if promulgated, have a signifi-
17 cant economic impact on a substantial
18 number of small entities.

19 “(2) NO FURTHER REVIEW.—If, following
20 the prima facie review of a petition
21 under paragraph (1), the Chief Counsel
22 determines that the issues raised in the
23 petition do not merit further review by
24 the Chief Counsel, the Chief Counsel
25 shall, not later than 10 days after receipt

1 of the petition, inform the petitioner of
2 that determination and the matter shall
3 be closed.

4 “(3) FURTHER REVIEW.—If, following
5 the prima facie review of a petition
6 under paragraph (1), the Chief Counsel
7 determines that the issues raised in the
8 petition do merit further review by the
9 Chief Counsel, the Chief Counsel shall,
10 not later than 10 days after receipt of the
11 petition, inform the petitioner and the
12 agency that promulgated the proposed
13 rule that the Chief Counsel shall conduct
14 a full review of the certification and pro-
15 posed rule to which the petition relates
16 under subsection (d).

17 “(d) FULL REVIEW.—

18 “(1) CONSIDERATIONS; MEETING.—In
19 conducting a full review under this sub-
20 section with respect to the certification
21 made under section 605(b), the Chief
22 Counsel shall—

23 “(A) consider—

24 “(i) whether the agency that
25 promulgated the proposed rule

1 **correctly determined which small**
2 **entities will be affected by the**
3 **proposed rule;**

4 **“(ii) whether the agency con-**
5 **sidered adequate economic data**
6 **to assess whether the proposed**
7 **rule will have a significant impact**
8 **on a substantial number of small**
9 **entities; and**

10 **“(iii) the economic implica-**
11 **tions of the proposed rule; and**

12 **“(B) convene a virtual or in-per-**
13 **son meeting between the Chief Coun-**
14 **sel, the petitioner, representatives of**
15 **the agency that promulgated the pro-**
16 **posed rule who are determined ap-**
17 **propriate by the Chief Counsel, and**
18 **the Administrator of the Office of In-**
19 **formation and Regulatory Affairs to—**

20 **“(i) provide positions and sup-**
21 **port for those positions regarding**
22 **the certification of the proposed**
23 **rule; and**

24 **“(ii) allow the Chief Counsel**
25 **to ask questions as the Chief**

1 **Counsel determines necessary to**
2 **make a final determination as to**
3 **the validity of the certification.**

4 **“(2) PUBLICATION.—Not later than 30**
5 **days after the date on which the Chief**
6 **Counsel begins a full review of a certifi-**
7 **cation made with respect to a proposed**
8 **rule under paragraph (1), the Chief Coun-**
9 **sel shall submit to the petitioner and the**
10 **agency that promulgated the proposed**
11 **rule, and publish in the Federal Register**
12 **and on the website of the Office of Advo-**
13 **cacy of the Small Business Administra-**
14 **tion, the results of the review conducted**
15 **under paragraph (1).**

16 **“(3) REQUIREMENT TO PERFORM ANAL-**
17 **YSES.—If, after a full review of a certifi-**
18 **cation made with respect to a proposed**
19 **rule under paragraph (1), the Chief Coun-**
20 **sel determines that the proposed rule**
21 **will, if promulgated, have a significant**
22 **economic impact on a substantial number**
23 **of small entities, the agency that promul-**
24 **gated the proposed rule shall perform an**
25 **initial regulatory flexibility analysis and**

1 **a final regulatory flexibility analysis for**
2 **the proposed rule under sections 603 and**
3 **604, respectively.**

4 **“(4) PENALTY.—If an agency fails to at-**
5 **tend the required meeting under para-**
6 **graph (1)(B) or in any other way fails to**
7 **assist the Chief Counsel in a full review**
8 **under paragraph (1) with respect to a**
9 **proposed rule of the agency, as deter-**
10 **mined by the Chief Counsel, the final rule**
11 **shall not apply to small entities.**

12 **“(5) JUDICIAL REVIEW.—For purposes**
13 **of judicial review under chapter 7 of this**
14 **title, a certification made by an agency**
15 **under section 605(b) for which a petition**
16 **is filed under subsection (a) shall be con-**
17 **sidered final agency action as of the date**
18 **on which the Chief Counsel—**

19 **“(A) makes a determination under**
20 **subsection (c)(2) that the issues**
21 **raised in the petition do not merit**
22 **further review; or**

23 **“(B) publishes the results of a full**
24 **review of the certification under**
25 **paragraph (1).”.**

1 **(b) TECHNICAL AND CONFORMING AMEND-**
2 **MENT.—The table of sections for chapter 6 of**
3 **title 5, United States Code, is amended by in-**
4 **serting after the item relating to section 605**
5 **the following:**

“605A. Review procedures relating to initial regulatory flexi-
 bility analysis certifications.”.

6 **SEC. 3. PUBLICATION OF GUIDANCE.**

7 **Section 609 of title 5, United States Code,**
8 **is amended by adding at the end the fol-**
9 **lowing:**

10 **“(f) With respect to any rule that an agen-**
11 **cy determines is likely to have a significant**
12 **economic impact on a substantial number of**
13 **small entities, the head of the agency shall, on**
14 **regulations.gov or any similar internet**
15 **website—**

16 **“(1) publish all guidance documents**
17 **and other relevant documents, as deter-**
18 **mined by the agency, including any up-**
19 **dated guidance documents that set forth**
20 **interpretations of the rule; and**

21 **“(2) allow for comments on the docu-**
22 **ments described in paragraph (1) to en-**
23 **sure that small entities may access and**
24 **provide feedback on those documents.”.**

1 SEC. 4. REVIEW PROCEDURES FOR SECTION 610 PERIODIC
2 REVIEW OF RULES.

3 (a) IN GENERAL.—Section 610 of title 5,
4 United States Code, is amended—

5 (1) in subsection (b)—

6 (A) in the matter preceding para-
7 graph (1), by striking “the following
8 factors”;

9 (B) in paragraph (4), by striking
10 “and” at the end;

11 (C) in paragraph (5), by striking
12 the period at the end and inserting “;
13 and”; and

14 (D) by adding at the end the fol-
15 lowing:

16 “(6) any indirect costs described in
17 the initial regulatory flexibility analysis
18 under section 603(b)(6), and any other in-
19 direct costs that may have arisen during
20 the 10-year period described in sub-
21 section (a).”; and

22 (2) by adding at the end the fol-
23 lowing:

24 “(d) If an agency fails to conduct a review
25 of a rule as required under this section within

1 the 10-year period described in subsection
2 (a)—

3 “(1) the Chief Counsel for Advocacy of
4 the Small Business Administration shall
5 notify the agency that the rule has ceased
6 to be effective;

7 “(2) the agency shall publish in the
8 Federal Register a notification that the
9 rule has ceased to be effective, and solicit
10 comments for why the rule should be re-
11 instated; and

12 “(3) if, based on the comments re-
13 ceived under paragraph (2), the agency
14 determines that the rule should be rein-
15 stated—

16 “(A) the agency shall have 180
17 days beginning on the date of that de-
18 termination to complete the review of
19 the rule under this section; and

20 “(B) upon completion of the re-
21 view under subparagraph (A), the
22 rule shall be reinstated, notwith-
23 standing the notice and comment
24 rulemaking procedures under section
25 553 of this title.”.

1 **(b) APPLICATION.—The amendment made**
2 **by subsection (a)(2) shall apply with respect**
3 **to any final rule issued by an agency—**

4 **(1) during the 5-year period pre-**
5 **ceding the date of enactment of this Act;**
6 **or**

7 **(2) on or after the date of enactment**
8 **of this Act.**

9 **SEC. 5. NO ADDITIONAL FUNDS.**

10 **No additional funds are authorized to be**
11 **appropriated for the purpose of carrying out**
12 **this Act or the amendments made by this Act.**

Union Calendar No. 552

119TH CONGRESS
2D Session

H. R. 1163

[Report No. 119-108, Parts I and II]

A BILL

To amend title 5, United States Code, to require greater transparency for Federal regulatory decisions that impact small businesses, and for other purposes.

MAY 4, 2026

Reported from the Committee on the Judiciary, with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed