

104th Congress, 1st Session - - - - - House Document 104-132

VETO OF H.R. 2586

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

HIS VETO OF H.R. 2586, A BILL TO PROVIDE FOR A TEMPORARY
INCREASE IN THE PUBLIC DEBT LIMIT, AND FOR OTHER PUR-
POSES



NOVEMBER, 13, 1995.—Message and accompanying bill ordered to be
printed

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To the House of Representatives:

I am returning herewith without my approval H.R. 2586, a bill that would provide a temporary increase in the public debt limit while adding extraneous measures that have no place on legislation of this kind.

This bill would make it almost inevitable that the Government would default for the first time in our history. This is deeply irresponsible. A default has never happened before, and it should not happen now.

I have repeatedly urged the Congress to pass promptly legislation raising the debt limit for a reasonable period of time to protect the Nation's creditworthiness and avoid default. Republicans in the Congress have acknowledged the need to raise the debt limit; the budget resolution calls for raising it to \$5.5 trillion, and the House and Senate voted to raise it to that level in passing their reconciliation bills.

This bill, however, would threaten the Nation with default after December 12—the day on which the debt limit increase in the bill would expire—for two reasons:

First, under this bill, on December 13 the debt limit would fall to \$4.8 trillion, an amount \$100 billion below the current level of \$4.9 trillion. The next day, more than \$44 billion in Government securities mature, and the Federal Government would be unable to borrow the funds to redeem them. The owners of those securities would not be paid on time.

Second, the bill would severely limit the cash management options that the Treasury may be able to use to avert a default. Specifically, it would limit the Secretary's flexibility to manage the investments of certain Government funds—flexibility that the Congress first gave to President Reagan. Finally, while the bill purports to protect benefit recipients, it would make it very likely that after December 12, the Federal Government would be unable to make full or timely payments for a wide variety of Government obligations, including interest on the public debt, Medicare, Medicaid, military pay, certain veterans' benefits, and payments to Government contractors.

As I have said clearly and repeatedly, the Congress should keep the debt limit separate from the debate over how to balance the budget. The debt limit has nothing to do with reducing the deficit; it has to do with meeting the obligations that the Government has already incurred.

Nevertheless, Republicans in the Congress have resorted to extraordinary tactics to try to force their extreme budget and priorities into law. In essence, they have said they will not pass legislation to let the Government pay its bills unless I accept their extreme, misguided priorities.

This is an unacceptable choice, and I must veto this legislation.

The Administration also strongly opposes the addition of extraneous provisions on this bill. Items like habeas corpus and regulatory reform are matters that should be considered and debated separately. Extraneous issues of this kind have no place in this bill.

The Congress should pass a clean bill that I can sign. With that in mind, I am sending the Congress a measure to raise the permanent debt limit to \$5.5 trillion as the Congress called for in the budget resolution, without any extraneous provisions.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 13, 1995.*

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ONE HUNDRED FOURTH CONGRESS OF THE UNITED STATES OF AMERICA, AT THE FIRST SESSION, BEGUN AND HELD AT THE CITY OF WASHINGTON ON WEDNESDAY, THE FOURTH DAY OF JANUARY, ONE THOUSAND NINE HUNDRED AND NINETY-FIVE

An Act

To provide for a temporary increase in the public debt limit, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY INCREASE IN PUBLIC DEBT LIMIT.

Subsection (b) of section 3101 of title 31, United States Code, is amended by adding at the end the following new sentence: "During the period after the date of the enactment of this sentence, the preceding sentence shall be applied by substituting for the dollar amount contained therein—

"(1) '\$4,967,000,000,000' for the portion of such period before December 13, 1995, and

"(2) '\$4,800,000,000,000' after December 12, 1995."

SEC. 2. APPLICABILITY OF PUBLIC DEBT LIMIT TO FEDERAL TRUST FUNDS AND OTHER FEDERAL ACCOUNTS.

(a) PROTECTION OF FEDERAL FUNDS.—Notwithstanding any other provision of law—

(1) no officer or employee of the United States may—

(A) delay the deposit of any amount into (or delay the credit of any amount to) any Federal fund or otherwise vary from the normal terms, procedures, or timing for making such deposits or credits, or

(B) refrain from the investment in public debt obligations of amounts in any Federal fund,

if a purpose of such action or inaction is to not increase the amount of outstanding public debt obligations, and

(2) no officer or employee of the United States may disinvest amounts in any Federal fund which are invested in public debt obligations if a purpose of the disinvestment is to reduce the amount of outstanding public debt obligations.

(b) PROTECTION OF BENEFITS AND EXPENDITURES FOR ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—Notwithstanding subsection (a), during any period for which cash benefits or administrative expenses would not otherwise be payable from a covered benefits fund by reason of an inability to issue further public debt obligations because of the applicable public debt limit, public debt obligations held by such covered benefits fund shall be sold or redeemed only for the purpose of making payment of such benefits or administrative expenses and only to the extent cash assets of the covered benefits fund are not available from month to month for making payment of such benefits or administrative expenses.

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(2) **ISSUANCE OF CORRESPONDING DEBT.**—For purposes of undertaking the sale or redemption of public debt obligations held by a covered benefits fund pursuant to paragraph (1), the Secretary of the Treasury may issue corresponding public debt obligations to the public, in order to obtain the cash necessary for payment of benefits or administrative expenses from such covered benefits fund, notwithstanding the public debt limit.

(3) **ADVANCE NOTICE OF SALE OR REDEMPTION.**—Not less than 3 days prior to the date on which, by reason of the public debt limit, the Secretary of the Treasury expects to undertake a sale or redemption authorized under paragraph (1), the Secretary of the Treasury shall report to each House of the Congress and to the Comptroller General of the United States regarding the expected sale or redemption. Upon receipt of such report, the Comptroller General shall review the extent of compliance with subsection (a) and paragraphs (1) and (2) of this subsection and shall issue such findings and recommendations to each House of the Congress as the Comptroller General considers necessary and appropriate.

(c) **PUBLIC DEBT OBLIGATION.**—For purposes of this section, the term “public debt obligation” means any obligation subject to the public debt limit established under section 3101 of title 31, United States Code.

(d) **FEDERAL FUND.**—For purposes of this section, the term “Federal fund” means any Federal trust fund or Government account established pursuant to Federal law to which the Secretary of the Treasury has issued or is expressly authorized by law directly to issue obligations under chapter 31 of title 31, United States Code, in respect of public money, money otherwise required to be deposited in the Treasury, or amounts appropriated.

(e) **COVERED BENEFITS FUND.**—For purposes of subsection (b), the term “covered benefits fund” means any Federal fund from which cash benefits are payable by law in the form of retirement benefits, separation payments, life or disability insurance benefits, or dependent’s or survivor’s benefits, including (but not limited to) the following:

- (1) the Federal Old-Age and Survivors Insurance Trust Fund;
- (2) the Federal Disability Insurance Trust Fund;
- (3) the Civil Service Retirement and Disability Fund;
- (4) the Government Securities Investment Fund;
- (5) the Department of Defense Military Retirement Fund;
- (6) the Unemployment Trust Fund;
- (7) each of the railroad retirement funds and accounts;
- (8) the Department of Defense Education Benefits Fund and the Post-Vietnam Era Veterans Education Fund; and
- (9) the Black Lung Disability Trust Fund.

SEC. 3. CONFORMING AMENDMENTS.

Subsections (j), (k), and (l) of section 8348 of title 5, United States Code, and subsections (g) and (h) of section 8438 of such title are hereby repealed.

SEC. 4. COMMITMENT TO A SEVEN-YEAR BALANCED BUDGET.

(a) With the enactment of this Act the President and the Congress commit to enacting legislation in calendar year 1995 to achieve

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a balanced budget, as scored by the non-partisan Congressional Budget Office, not later than the fiscal year 2002.

(b) The Congress affirms that it will not enact legislation providing for a further increase in the permanent statutory limit on the public debt unless the President signs into law the balanced budget legislation referred to in subsection (a).

SEC. 5. MEDICARE COVERAGE OF CERTAIN ANTI-CANCER DRUG TREATMENTS.

(a) **COVERAGE OF CERTAIN SELF-ADMINISTERED ANTICANCER DRUGS.**—Section 1861(s)(2)(Q) of the Social Security Act (42 U.S.C. 1395x(s)(2)(Q)) is amended—

(1) by striking “(Q)” and inserting “(Q)(i)”; and

(2) by striking the semicolon at the end and inserting “, and”; and

(3) by adding at the end the following:

“(ii) an oral drug (which is approved by the Federal Food and Drug Administration) prescribed for use as an anticancer nonsteroidal antiestrogen for the treatment of breast cancer or nonsteroidal antiandrogen agent for the treatment of prostate cancer;”.

(b) **UNIFORM COVERAGE OF ANTICANCER DRUGS IN ALL SETTINGS.**—Section 1861(t)(2)(A) of such Act (42 U.S.C. 1395x(t)(2)(A)) is amended by adding (including a nonsteroidal antiestrogen or nonsteroidal antiandrogen regimen)” after “regimen”.

(c) **CONFORMING AMENDMENT.**—Section 1834(j)(5)(F)(iv) of such Act (42 U.S.C. 1395m(j)(5)(F)(iv)) is amended by striking “prescribed for use” and all that follows through “1861(s)(2)(Q))” and inserting “described in section 1861(s)(2)(Q))”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to drugs furnished on or after the date of the enactment of this section.

TITLE I—HABEAS CORPUS REFORM

SEC. 101. FILING DEADLINES.

Section 2244 of title 28, United States Code, is amended by adding at the end the following new subsection:

“(d)(1) A 1-year period of limitation shall apply to an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State court. The limitation period shall run from the latest of—

“(A) the date on which the judgment became final by the conclusion of direct review or the expiration of the time for seeking such review;

“(B) the date on which the impediment to filing an application created by State action in violation of the Constitution or laws of the United States is removed, if the applicant was prevented from filing by such State action;

“(C) the date on which the constitutional right asserted was initially recognized by the Supreme Court, if the right has been newly recognized by the Supreme Court and made retroactively applicable to cases on collateral review; or

“(D) the date on which the factual predicate of the claim or claims presented could have been discovered through the exercise of due diligence.

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"(2) The time during which a properly filed application for State post-conviction or other collateral review with respect to the pertinent judgment or claim shall not be counted toward any period of limitation under this subsection."

SEC. 102. APPEAL.

Section 2253 of title 28, United States Code, is amended to read as follows:

"§ 2253. Appeal

"(a) In a habeas corpus proceeding or a proceeding under section 2255 before a district judge, the final order shall be subject to review, on appeal, by the court of appeals for the circuit in which the proceeding is held.

"(b) There shall be no right of appeal from a final order in a proceeding to test the validity of a warrant to remove to another district or place for commitment or trial a person charged with a criminal offense against the United States, or to test the validity of such person's detention pending removal proceedings.

"(c)(1) Unless a circuit justice or judge issues a certificate of appealability, an appeal may not be taken to the court of appeals from—

"(A) the final order in a habeas corpus proceeding in which the detention complained of arises out of process issued by a State court; or

"(B) the final order in a proceeding under section 2255.

"(2) A certificate of appealability may issue under paragraph (1) only if the applicant has made a substantial showing of the denial of a constitutional right.

"(3) The certificate of appealability under paragraph (1) shall indicate which specific issue or issues satisfy the showing required by paragraph (2)."

SEC. 103. AMENDMENT OF FEDERAL RULES OF APPELLATE PROCEDURE.

Rule 22 of the Federal Rules of Appellate Procedure is amended to read as follows:

"Rule 22. Habeas corpus and section 2255 proceedings

"(a) APPLICATION FOR THE ORIGINAL WRIT.—An application for a writ of habeas corpus shall be made to the appropriate district court. If application is made to a circuit judge, the application shall be transferred to the appropriate district court. If an application is made to or transferred to the district court and denied, renewal of the application before a circuit judge shall not be permitted. The applicant may, pursuant to section 2253 of title 28, United States Code, appeal to the appropriate court of appeals from the order of the district court denying the writ.

"(b) CERTIFICATE OF APPEALABILITY.—In a habeas corpus proceeding in which the detention complained of arises out of process issued by a State court, an appeal by the applicant for the writ may not proceed unless a district or a circuit judge issues a certificate of appealability pursuant to section 2253(c) of title 28, United States Code. If an appeal is taken by the applicant, the district judge who rendered the judgment shall either issue a certificate of appealability or state the reasons why such a certificate should not issue. The certificate or the statement shall be forwarded to the court of appeals with the notice of appeal and

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the file of the proceedings in the district court. If the district judge has denied the certificate, the applicant for the writ may then request issuance of the certificate by a circuit judge. If such a request is addressed to the court of appeals, it shall be deemed addressed to the judges thereof and shall be considered by a circuit judge or judges as the court deems appropriate. If no express request for a certificate is filed, the notice of appeal shall be deemed to constitute a request addressed to the judges of the court of appeals. If an appeal is taken by a State or its representative, a certificate of appealability is not required."

SEC. 104. SECTION 2254 AMENDMENTS.

Section 2254 of title 28, United States Code, is amended—

(1) by amending subsection (b) to read as follows:

"(b)(1) An application for a writ of habeas corpus on behalf of a person in custody pursuant to the judgment of a State court shall not be granted unless it appears that—

"(A) the applicant has exhausted the remedies available in the courts of the State; or

"(B)(i) there is an absence of available State corrective process; or

"(ii) circumstances exist that render such process ineffective to protect the rights of the applicant.

"(2) An application for a writ of habeas corpus may be denied on the merits, notwithstanding the failure of the applicant to exhaust the remedies available in the courts of the State.

"(3) A State shall not be deemed to have waived the exhaustion requirement or be estopped from reliance upon the requirement unless the State, through counsel, expressly waives the requirement.";

(2) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively;

(3) by inserting after subsection (c) the following new subsection:

"(d) An application for a writ of habeas corpus on behalf of a person in custody pursuant to the judgment of a State court shall not be granted with respect to any claim that was adjudicated on the merits in State court proceedings unless the adjudication of the claim—

"(1) resulted in a decision that was contrary to, or involved an unreasonable application of, clearly established Federal law, as determined by the Supreme Court of the United States; or

"(2) resulted in a decision that was based on an unreasonable determination of the facts in light of the evidence presented in the State court proceeding.";

(4) by amending subsection (e), as redesignated by paragraph (2), to read as follows:

"(e)(1) In a proceeding instituted by an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State court, a determination of a factual issue made by a State court shall be presumed to be correct. The applicant shall have the burden of rebutting the presumption of correctness by clear and convincing evidence.

"(2) If the applicant has failed to develop the factual basis of a claim in State court proceedings, the court shall not hold

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an evidentiary hearing on the claim unless the applicant shows that—

“(A) the claim relies on—

“(i) a new rule of constitutional law, made retroactive to cases on collateral review by the Supreme Court, that was previously unavailable; or

“(ii) a factual predicate that could not have been previously discovered through the exercise of due diligence; and

“(B) the facts underlying the claim would be sufficient to establish by clear and convincing evidence that but for constitutional error, no reasonable factfinder would have found the applicant guilty of the underlying offense.”; and

(5) by adding at the end the following new subsections:

“(h) Except as provided in title 21, United States Code, section 848, in all proceedings brought under this section, and any subsequent proceedings on review, the court may appoint counsel for an applicant who is or becomes financially unable to afford counsel, except as provided by a rule promulgated by the Supreme Court pursuant to statutory authority. Appointment of counsel under this section shall be governed by section 3006A of title 18.

“(i) The ineffectiveness or incompetence of counsel during Federal or State collateral post-conviction proceedings shall not be a ground for relief in a proceeding arising under section 2254.”.

SEC. 105. SECTION 2255 AMENDMENTS.

Section 2255 of title 28, United States Code, is amended—

(1) by striking the second and fifth undesignated paragraphs; and

(2) by adding at the end the following new undesignated paragraphs:

“A 1-year period of limitation shall apply to a motion under this section. The limitation period shall run from the latest of—

“(1) the date on which the judgment of conviction becomes final;

“(2) the date on which the impediment to making a motion created by governmental action in violation of the Constitution or laws of the United States is removed, if the movant was prevented from making a motion by such governmental action;

“(3) the date on which the right asserted was initially recognized by the Supreme Court, if that right has been newly recognized by the Supreme Court and made retroactively applicable to cases on collateral review; or

“(4) the date on which the facts supporting the claim or claims presented could have been discovered through the exercise of due diligence.

“Except as provided in title 21, United States Code, section 848, in all proceedings brought under this section, and any subsequent proceedings on review, the court may appoint counsel for a movant who is or becomes financially unable to afford counsel shall be in the discretion of the court, except as provided by a rule promulgated by the Supreme Court pursuant to statutory authority. Appointment of counsel under this section shall be governed by section 3006A of title 18.

“A second or successive motion must be certified as provided in section 2244 by a panel of the appropriate court of appeals to contain—

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“(1) newly discovered evidence that, if proven and viewed in light of the evidence as a whole, would be sufficient to establish by clear and convincing evidence that no reasonable factfinder would have found the movant guilty of the offense; or

“(2) a new rule of constitutional law, made retroactive to cases on collateral review by the Supreme Court, that was previously unavailable.”

SEC. 104. LIMITS ON SECOND OR SUCCESSIVE APPLICATIONS.

(a) **CONFORMING AMENDMENT TO SECTION 2244(a).**—Section 2244(a) of title 28, United States Code, is amended by striking “and the petition” and all that follows through “by such inquiry.” and inserting “, except as provided in section 2255.”

(b) **LIMITS ON SECOND OR SUCCESSIVE APPLICATIONS.**—Section 2244(b) of title 28, United States Code, is amended to read as follows:

“(b)(1) A claim presented in a second or successive habeas corpus application under section 2254 that was presented in a prior application shall be dismissed.

“(2) A claim presented in a second or successive habeas corpus application under section 2254 that was not presented in a prior application shall be dismissed unless—

“(A) the applicant shows that the claim relies on a new rule of constitutional law, made retroactive to cases on collateral review by the Supreme Court, that was previously unavailable; or

“(B)(i) the factual predicate for the claim could not have been discovered previously through the exercise of due diligence; and

“(ii) the facts underlying the claim, if proven and viewed in light of the evidence as a whole, would be sufficient to establish by clear and convincing evidence that, but for constitutional error, no reasonable factfinder would have found the applicant guilty of the underlying offense.

“(3)(A) Before a second or successive application permitted by this section is filed in the district court, the applicant shall move in the appropriate court of appeals for an order authorizing the district court to consider the application.

“(B) A motion in the court of appeals for an order authorizing the district court to consider a second or successive application shall be determined by a three-judge panel of the court of appeals.

“(C) The court of appeals may authorize the filing of a second or successive application only if it determines that the application makes a prima facie showing that the application satisfies the requirements of this subsection.

“(D) The court of appeals shall grant or deny the authorization to file a second or successive application not later than 30 days after the filing of the motion.

“(E) The grant or denial of an authorization by a court of appeals to file a second or successive application shall not be appealable and shall not be the subject of a petition for rehearing or for a writ of certiorari.

“(4) A district court shall dismiss any claim presented in a second or successive application that the court of appeals has authorized to be filed unless the applicant shows that the claim satisfies the requirements of this section.”

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SEC. 107. DEATH PENALTY LITIGATION PROCEDURES.

(a) ADDITION OF CHAPTER TO TITLE 28, UNITED STATES CODE.—
Title 28, United States Code, is amended by inserting after chapter 153 the following new chapter:

**“CHAPTER 154—SPECIAL HABEAS CORPUS
PROCEDURES IN CAPITAL CASES**

“Sec.

“2261. Prisoners in State custody subject to capital sentence; appointment of counsel; requirement of rule of court or statute; procedures for appointment.

“2262. Mandatory stay of execution; duration; limits on stays of execution; successive petitions.

“2263. Filing of habeas corpus application; time requirements; tolling rules.

“2264. Scope of Federal review; district court adjudications.

“2265. Application to State unitary review procedure.

“2266. Limitation periods for determining applications and motions.

“§ 2261. Prisoners in State custody subject to capital sentence; appointment of counsel; requirement of rule of court or statute; procedures for appointment

“(a) This chapter shall apply to cases arising under section 2254 brought by prisoners in State custody who are subject to a capital sentence. It shall apply only if the provisions of subsections (b) and (c) are satisfied.

“(b) This chapter is applicable if a State establishes by statute, rule of its court of last resort, or by another agency authorized by State law, a mechanism for the appointment, compensation, and payment of reasonable litigation expenses of competent counsel in State post-conviction proceedings brought by indigent prisoners whose capital convictions and sentences have been upheld on direct appeal to the court of last resort in the State or have otherwise become final for State law purposes. The rule of court or statute must provide standards of competency for the appointment of such counsel.

“(c) Any mechanism for the appointment, compensation, and reimbursement of counsel as provided in subsection (b) must offer counsel to all State prisoners under capital sentence and must provide for the entry of an order by a court of record—

“(1) appointing one or more counsels to represent the prisoner upon a finding that the prisoner is indigent and accepted the offer or is unable competently to decide whether to accept or reject the offer;

“(2) finding, after a hearing if necessary, that the prisoner rejected the offer of counsel and made the decision with an understanding of its legal consequences; or

“(3) denying the appointment of counsel upon a finding that the prisoner is not indigent.

“(d) No counsel appointed pursuant to subsections (b) and (c) to represent a State prisoner under capital sentence shall have previously represented the prisoner at trial or on direct appeal in the case for which the appointment is made unless the prisoner and counsel expressly request continued representation.

“(e) The ineffectiveness or incompetence of counsel during State or Federal post-conviction proceedings in a capital case shall not be a ground for relief in a proceeding arising under section 2254. This limitation shall not preclude the appointment of different counsel, on the court's own motion or at the request of the prisoner,

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at any phase of State or Federal post-conviction proceedings on the basis of the ineffectiveness or incompetence of counsel in such proceedings.

“§ 2262. Mandatory stay of execution; duration; limits on stays of execution; successive petitions

“(a) Upon the entry in the appropriate State court of record of an order under section 2261(c), a warrant or order setting an execution date for a State prisoner shall be stayed upon application to any court that would have jurisdiction over any proceedings filed under section 2254. The application shall recite that the State has invoked the post-conviction review procedures of this chapter and that the scheduled execution is subject to stay.

“(b) A stay of execution granted pursuant to subsection (a) shall expire if—

“(1) a State prisoner fails to file a habeas corpus application under section 2254 within the time required in section 2263;

“(2) before a court of competent jurisdiction, in the presence of counsel, unless the prisoner has competently and knowingly waived such counsel, and after having been advised of the consequences, a State prisoner under capital sentence waives the right to pursue habeas corpus review under section 2254; or

“(3) a State prisoner files a habeas corpus petition under section 2254 within the time required by section 2263 and fails to make a substantial showing of the denial of a Federal right or is denied relief in the district court or at any subsequent stage of review.

“(c) If one of the conditions in subsection (b) has occurred, no Federal court thereafter shall have the authority to enter a stay of execution in the case, unless the court of appeals approves the filing of a second or successive application under section 2244(b).

“§ 2263. Filing of habeas corpus application; time requirements; tolling rules

“(a) Any application under this chapter for habeas corpus relief under section 2254 must be filed in the appropriate district court not later than 180 days after final State court affirmance of the conviction and sentence on direct review or the expiration of the time for seeking such review.

“(b) The time requirements established by subsection (a) shall be tolled—

“(1) from the date that a petition for certiorari is filed in the Supreme Court until the date of final disposition of the petition if a State prisoner files the petition to secure review by the Supreme Court of the affirmance of a capital sentence on direct review by the court of last resort of the State or other final State court decision on direct review;

“(2) from the date on which the first petition for post-conviction review or other collateral relief is filed until the final State court disposition of such petition; and

“(3) during an additional period not to exceed 30 days, if—

“(A) a motion for an extension of time is filed in the Federal district court that would have jurisdiction over the case upon the filing of a habeas corpus application under section 2254; and

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“(B) a showing of good cause is made for the failure to file the habeas corpus application within the time period established by this section.

“§ 2264. Scope of Federal review; district court adjudications

“(a) Whenever a State prisoner under capital sentence files a petition for habeas corpus relief to which this chapter applies, the district court shall only consider a claim or claims that have been raised and decided on the merits in the State courts, unless the failure to raise the claim properly is—

“(1) the result of State action in violation of the Constitution or laws of the United States;

“(2) the result of the Supreme Court recognition of a new Federal right that is made retroactively applicable; or

“(3) based on a factual predicate that could not have been discovered through the exercise of due diligence in time to present the claim for State or Federal post-conviction review.

“(b) Following review subject to subsections (a), (d), and (e) of section 2254, the court shall rule on the claims properly before it.

“§ 2265. Application to State unitary review procedure

“(a) For purposes of this section, a ‘unitary review’ procedure means a State procedure that authorizes a person under sentence of death to raise, in the course of direct review of the judgment, such claims as could be raised on collateral attack. This chapter shall apply, as provided in this section, in relation to a State unitary review procedure if the State establishes by rule of its court of last resort or by statute a mechanism for the appointment, compensation, and payment of reasonable litigation expenses of competent counsel in the unitary review proceedings, including expenses relating to the litigation of collateral claims in the proceedings. The rule of court or statute must provide standards of competency for the appointment of such counsel.

“(b) To qualify under this section, a unitary review procedure must include an offer of counsel following trial for the purpose of representation on unitary review, and entry of an order, as provided in section 2261(c), concerning appointment of counsel or waiver or denial of appointment of counsel for that purpose. No counsel appointed to represent the prisoner in the unitary review proceedings shall have previously represented the prisoner at trial in the case for which the appointment is made unless the prisoner and counsel expressly request continued representation.

“(c) Sections 2262, 2263, 2264, and 2266 shall apply in relation to cases involving a sentence of death from any State having a unitary review procedure that qualifies under this section. References to State ‘post-conviction review’ and ‘direct review’ in such sections shall be understood as referring to unitary review under the State procedure. The reference in section 2262(a) to ‘an order under section 2261(c)’ shall be understood as referring to the post-trial order under subsection (b) concerning representation in the unitary review proceedings, but if a transcript of the trial proceedings is unavailable at the time of the filing of such an order in the appropriate State court, then the start of the 180-day limitation period under section 2263 shall be deferred until a transcript is made available to the prisoner or counsel of the prisoner.

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"§ 2266. Limitation periods for determining applications and motions

"(a) The adjudication of any application under section 2254 that is subject to this chapter, and the adjudication of any motion under section 2255 by a person under sentence of death, shall be given priority by the district court and by the court of appeals over all noncapital matters.

"(b)(1)(A) A district court shall render a final determination and enter a final judgment on any application for a writ of habeas corpus brought under this chapter in a capital case not later than 180 days after the date on which the application is filed.

"(B) A district court shall afford the parties at least 120 days in which to complete all actions, including the preparation of all pleadings and briefs, and if necessary, a hearing, prior to the submission of the case for decision.

"(C)(i) A district court may delay for not more than one additional 30-day period beyond the period specified in subparagraph (A), the rendering of a determination of an application for a writ of habeas corpus if the court issues a written order making a finding, and stating the reasons for the finding, that the ends of justice that would be served by allowing the delay outweigh the best interests of the public and the applicant in a speedy disposition of the application.

"(ii) The factors, among others, that a court shall consider in determining whether a delay in the disposition of an application is warranted are as follows:

"(I) Whether the failure to allow the delay would be likely to result in a miscarriage of justice.

"(II) Whether the case is so unusual or so complex, due to the number of defendants, the nature of the prosecution, or the existence of novel questions of fact or law, that it is unreasonable to expect adequate briefing within the time limitations established by subparagraph (A).

"(III) Whether the failure to allow a delay in a case, that, taken as a whole, is not so unusual or so complex as described in subclause (II), but would otherwise deny the applicant reasonable time to obtain counsel, would unreasonably deny the applicant or the government continuity of counsel, or would deny counsel for the applicant or the government the reasonable time necessary for effective preparation, taking into account the exercise of due diligence.

"(iii) No delay in disposition shall be permissible because of general congestion of the court's calendar.

"(iv) The court shall transmit a copy of any order issued under clause (i) to the Director of the Administrative Office of the United States Courts for inclusion in the report under paragraph (5).

"(2) The time limitations under paragraph (1) shall apply to—

"(A) an initial application for a writ of habeas corpus;

"(B) any second or successive application for a writ of habeas corpus; and

"(C) any redetermination of an application for a writ of habeas corpus following a remand by the court of appeals or the Supreme Court for further proceedings, in which case the limitation period shall run from the date the remand is ordered.

"(3)(A) The time limitations under this section shall not be construed to entitle an applicant to a stay of execution, to which

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the applicant would otherwise not be entitled, for the purpose of litigating any application or appeal.

"(B) No amendment to an application for a writ of habeas corpus under this chapter shall be permitted after the filing of the answer to the application, except on the grounds specified in section 2244(b).

"(4)(A) The failure of a court to meet or comply with a time limitation under this section shall not be a ground for granting relief from a judgment of conviction or sentence.

"(B) The State may enforce a time limitation under this section by petitioning for a writ of mandamus to the court of appeals. The court of appeals shall act on the petition for a writ of mandamus not later than 30 days after the filing of the petition.

"(5)(A) The Administrative Office of United States Courts shall submit to Congress an annual report on the compliance by the district courts with the time limitations under this section.

"(B) The report described in subparagraph (A) shall include copies of the orders submitted by the district courts under paragraph (1)(B)(iv).

"(c)(1)(A) A court of appeals shall hear and render a final determination of any appeal of an order granting or denying, in whole or in part, an application brought under this chapter in a capital case not later than 120 days after the date on which the reply brief is filed, or if no reply brief is filed, not later than 120 days after the date on which the answering brief is filed.

"(B)(i) A court of appeals shall decide whether to grant a petition for rehearing or other request for rehearing en banc not later than 30 days after the date on which the petition for rehearing is filed unless a responsive pleading is required, in which case the court shall decide whether to grant the petition not later than 30 days after the date on which the responsive pleading is filed.

"(ii) If a petition for rehearing or rehearing en banc is granted, the court of appeals shall hear and render a final determination of the appeal not later than 120 days after the date on which the order granting rehearing or rehearing en banc is entered.

"(2) The time limitations under paragraph (1) shall apply to—

"(A) an initial application for a writ of habeas corpus;

"(B) any second or successive application for a writ of habeas corpus; and

"(C) any redetermination of an application for a writ of habeas corpus or related appeal following a remand by the court of appeals en banc or the Supreme Court for further proceedings, in which case the limitation period shall run from the date the remand is ordered.

"(3) The time limitations under this section shall not be construed to entitle an applicant to a stay of execution, to which the applicant would otherwise not be entitled, for the purpose of litigating any application or appeal.

"(4)(A) The failure of a court to meet or comply with a time limitation under this section shall not be a ground for granting relief from a judgment of conviction or sentence.

"(B) The State may enforce a time limitation under this section by applying for a writ of mandamus to the Supreme Court.

"(5) The Administrative Office of United States Courts shall submit to Congress an annual report on the compliance by the courts of appeals with the time limitations under this section."

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(b) **TECHNICAL AMENDMENT.**—The part analysis for part IV of title 28, United States Code, is amended by adding after the item relating to chapter 153 the following new item:

“154. Special habeas corpus procedures in capital cases 2261.”.

(c) **EFFECTIVE DATE.**—Chapter 154 of title 28, United States Code (as added by subsection (a)), shall apply to cases pending on or after the date of enactment of this Act.

SEC. 108. TECHNICAL AMENDMENT.

Section 408(q) of the Controlled Substances Act (21 U.S.C. 848(q)) is amended by amending paragraph (9) to read as follows:

“(9) Upon a finding that investigative, expert, or other services are reasonably necessary for the representation of the defendant, whether in connection with issues relating to guilt or the sentence, the court may authorize the defendant's attorneys to obtain such services on behalf of the defendant and, if so authorized, shall order the payment of fees and expenses therefor under paragraph (10). No *ex parte* proceeding, communication, or request may be considered pursuant to this section unless a proper showing is made concerning the need for confidentiality. Any such proceeding, communication, or request shall be transcribed and made a part of the record available for appellate review.”.

SEC. 109. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstances shall not be affected thereby.

TITLE II—REGULATORY REFORM

SEC. 2001. SHORT TITLE.

This title may be cited as the “Comprehensive Regulatory Reform Act of 1995”.

SEC. 2002. ANALYSIS OF AGENCY RULES.

(a) **IN GENERAL.**—(1) Section 551 of title 5, United States Code, is amended by striking “and” at the end of paragraph (13), by striking the period at the end of paragraph (14) and inserting a semicolon, and by adding at the end the following:

“(15) ‘major rule’ means any rule subject to section 553(c) that is likely to result in—

“(A) an annual effect on the economy of \$100,000,000 or more;

“(B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions, or

“(C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets;

“(16) ‘Director’ means the Director of the Office of Management and Budget;

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"(17) 'cost' means the reasonably identifiable significant adverse effects, quantifiable and nonquantifiable, including social, environmental, health, and economic effects that are expected to result directly or indirectly from implementation of a rule or other agency action;

"(18) 'cost-benefit analysis' means an evaluation of the costs and benefits of a rule, quantified to the extent feasible and appropriate and otherwise qualitatively described, that is prepared in accordance with the requirements of this subchapter at the level of detail appropriate and practicable for reasoned decision making on the matter involved, taking into consideration the significance and complexity of the decision and any need for expedition; and

"(19) 'reasonable alternatives' means the range of reasonable regulatory options that the agency has authority to consider under the statute granting rulemaking authority, including flexible regulatory options, unless precluded by the statute granting the rulemaking authority."

(2) Section 553 of title 5, United States Code, is amended by adding at the end the following:

"(f)(1) Each agency shall for a proposed major rule publish in the Federal Register, at least 90 days before the date of publication of the general notice required under subsection (b), a notice of intent to engage in rulemaking.

"(2) A notice under paragraph (1) for a proposed major rule shall include, to the extent possible, the information required to be included in a regulatory impact analysis for the rule under subsection (i)(4)(B) and (D).

"(3) For a major rule proposed by an agency, the head of the agency shall include in a general notice under subsection (b), a preliminary regulatory impact analysis for the rule prepared in accordance with subsection (i).

"(4) For a final major rule, the agency shall include with the statement of basis and purpose—

"(A) a summary of a final regulatory impact analysis of the rule in accordance with subsection (i); and

"(B) a clear delineation of all changes in the information included in the final regulatory impact analysis under subsection (i) from any such information that was included in the notice for the rule under subsection (b).

The agency shall provide the complete text of a final regulatory impact analysis upon request.

"(5) The issuance of a notice of intent to engage in rulemaking under paragraph (1) and the issuance of a preliminary regulatory impact analysis under paragraph (3) shall not be considered final agency action for purposes of section 704.

"(6) In a rulemaking involving a major rule, the agency conducting the rulemaking shall make a written record describing the subject of all contacts the agency made with persons outside the agency relating to such rulemaking. If the contact was made with a non-governmental person, the written record of such contact shall be made available, upon request to the public."

(3)(A) HEARING REQUIREMENT.—Section 553 of title 5, United States Code, is further amended by adding after subsection (f) the following:

"(g) If more than 100 interested persons acting individually submit requests for a hearing to an agency regarding any major

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rule proposed by the agency, the agency shall hold such a hearing on the proposed rule."

(B) **EXTENSION OF COMMENT PERIOD.**—Section 553 of title 5, United States Code, is further amended by adding after subsection (g) the following:

"(h) If during the 90-day period beginning on the date of publication of a notice under subsection (f) for a proposed major rule, or if during the period beginning on the date of publication or service of notice required by subsection (b) for a proposed major rule, more than 100 persons individually contact the agency to request an extension of the period for making submissions under subsection (c) pursuant to the notice, the agency—

"(1) shall provide an additional 30-day period for making those submissions; and

"(2) may not adopt the rule until after the additional period."

(C) **RESPONSE TO COMMENTS.**—Section 553(c) of title 5, United States Code, is amended—

(i) by inserting "(1)" after "(c)"; and

(ii) by adding at the end the following:

"(2) Each agency shall publish in the Federal Register, with each rule published under section 552(a)(1)(D), responses to the substance of the comments received by the agency regarding the rule."

(4) Section 553 of title 5, United States Code, is further amended by adding after subsection (h) the following:

"(i)(1) Each agency shall, in connection with every major rule, prepare, and, to the extent permitted by law, consider, a regulatory impact analysis. Such analysis may be combined with any regulatory flexibility analysis performed under sections 603 and 604.

"(2) Each agency shall initially determine whether a rule it intends to propose or issue is a major rule. The Director shall have authority to order a rule to be treated as a major rule and to require any set of related rules to be considered together as a major rule.

"(3) Except as provided in subsection (j), agencies shall prepare—

"(A) a preliminary regulatory impact analysis, which shall be transmitted, along with a notice of proposed rulemaking, to the Director at least 60 days prior to the publication of notice of proposed rulemaking, and

"(B) a final regulatory impact analysis, which shall be transmitted along with the final rule at least 30 days prior to the publication of a major rule.

"(4) Each preliminary and final regulatory impact analysis shall contain the following information:

"(A) A description of the potential benefits of the rule, including any beneficial effects that cannot be quantified in monetary terms and the identification of those likely to receive the benefits.

"(B) An explanation of the necessity, legal authority, and reasonableness of the rule and a description of the condition that the rule is to address.

"(C) A description of the potential costs of the rule, including any adverse effects that cannot be quantified in monetary terms, and the identification of those likely to bear the costs.

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"(D) An analysis of alternative approaches, including market based mechanisms or other flexible regulatory options that could substantially achieve the same regulatory goal at a lower cost and an explanation of the reasons why such alternative approaches were not adopted, together with a demonstration that the rule provides for the least costly approach.

"(E) A statement that the rule does not conflict with, or duplicate, any other rule or a statement of the reasons why such a conflict or duplication exists.

"(F) A statement of whether the rule will require on-site inspections or whether persons will be required by the rule to maintain any records which will be subject to inspection, and a statement of whether the rule will require persons to obtain licenses, permits, or other certifications, including specification of any associated fees or fines.

"(G) An estimate of the costs to the agency for implementation and enforcement of the rule and of whether the agency can be reasonably expected to implement the rule with the current level of appropriations.

"(5)(A) The Director is authorized to review and prepare comments on any preliminary or final regulatory impact analysis, notice of proposed rulemaking, or final rule based on the requirements of this subsection.

"(B) Upon the request of the Director, an agency shall consult with the Director concerning the review of a preliminary impact analysis or notice of proposed rulemaking and shall refrain from publishing its preliminary regulatory impact analysis or notice of proposed rulemaking until such review is concluded. The Director's review may not take longer than 90 days after the date of the request of the Director.

"(6)(A) An agency may not adopt a major rule unless the final regulatory impact analysis for the rule is approved or commented upon in writing by the Director or by an individual designated by the Director for that purpose.

"(B) Upon receiving notice that the Director intends to comment in writing with respect to any final regulatory impact analysis or final rule, the agency shall refrain from publishing its final regulatory impact analysis or final rule until the agency has responded to the Director's comments and incorporated those comments in the agency's response in the rulemaking file.

"(7)(A) Except as provided in subparagraph (B), no final major rule subject to this section shall be promulgated unless the agency head publishes in the Federal Register a finding that—

"(i) the benefits of the rule justify the costs of the rule; and

"(ii) the rule employs to the extent practicable flexible alternatives as set forth in paragraph (4)(D) and adopts the reasonable alternative which has the greater net benefits and achieves the objectives of the statute.

"(B) If, applying the statutory requirements upon which the rule is based, a rule cannot satisfy the criteria of subparagraph (A), the agency head may promulgate the rule if the agency head finds that—

"(i) the rule employs to the extent practicable flexible reasonable alternatives of the type described in paragraph (4)(D); and

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"(ii) the rule adopts the alternative with the least net cost of the reasonable alternatives that achieve the objectives of the statute.

"(8) Notwithstanding section 551(16), for purposes of this subsection with regard to any rule proposed or issued by an appropriate Federal banking agency (as that term is defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), the National Credit Union Administration, or the Office of Federal Housing Enterprise Oversight, the term 'Director' means the head of such agency, Administration, or Office."

(5) Section 553 of title 5, United States Code, is further amended by adding after subsection (i) the following:

"(j) To the extent practicable, the head of an agency shall seek to ensure that any proposed major rule or regulatory impact analysis of such a rule is written in a reasonably simple and understandable manner and provides adequate notice of the content of the rule to affected persons."

(6) Section 553 of title 5, United States Code, is further amended by adding after subsection (j) the following:

"(k)(1) The provisions of this section regarding major rules shall not apply if—

"(A) the agency for good cause finds that conducting cost-benefit analysis is impracticable due to an emergency, or health or safety threat, or a food safety threat that is likely to result in significant harm to the public or natural resources; and

"(B) the agency publishes in the Federal Register, together with such finding, a succinct statement of the basis for the finding.

"(2) Not later than one year after the promulgation of a final major rule to which paragraph (1) applies, the agency shall comply with the provisions of this subchapter and, as thereafter necessary, revise the rule.

(7) Section 553 of title 5, United States Code, is further amended by adding after subsection (k) the following:

"(l) The provisions of this section regarding major rules shall not apply to—

"(1) any regulation proposed or issued in connection with the implementation of monetary policy or to ensure the safety and soundness of federally insured depository institutions, any affiliate of such institution, credit unions, or government sponsored housing enterprises regulated by the Office of Federal Housing Enterprise Oversight;

"(2) any agency action that the head of the agency certifies is limited to interpreting, implementing, or administering the internal revenue laws of the United States, including any regulation proposed or issued in connection with ensuring the collection of taxes from a subsidiary of a foreign company doing business in the United States; and

"(3) any regulation proposed or issued pursuant to section 553 of title 5, United States Code, in connection with imposing trade sanctions against any country that engages in illegal trade activities against the United States that are injurious to American technology, jobs, pensions, or general economic well-being."

(8) The Director of the Office of Management and Budget shall submit a report to the Congress no later than 24 months after the date of the enactment of this Act containing an analysis of

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"(D) An analysis of alternative approaches, including market based mechanisms or other flexible regulatory options that could substantially achieve the same regulatory goal at a lower cost and an explanation of the reasons why such alternative approaches were not adopted, together with a demonstration that the rule provides for the least costly approach.

"(E) A statement that the rule does not conflict with, or duplicate, any other rule or a statement of the reasons why such a conflict or duplication exists.

"(F) A statement of whether the rule will require on-site inspections or whether persons will be required by the rule to maintain any records which will be subject to inspection, and a statement of whether the rule will require persons to obtain licenses, permits, or other certifications, including specification of any associated fees or fines.

"(G) An estimate of the costs to the agency for implementation and enforcement of the rule and of whether the agency can be reasonably expected to implement the rule with the current level of appropriations.

"(5)(A) The Director is authorized to review and prepare comments on any preliminary or final regulatory impact analysis, notice of proposed rulemaking, or final rule based on the requirements of this subsection.

"(B) Upon the request of the Director, an agency shall consult with the Director concerning the review of a preliminary impact analysis or notice of proposed rulemaking and shall refrain from publishing its preliminary regulatory impact analysis or notice of proposed rulemaking until such review is concluded. The Director's review may not take longer than 90 days after the date of the request of the Director.

"(6)(A) An agency may not adopt a major rule unless the final regulatory impact analysis for the rule is approved or commented upon in writing by the Director or by an individual designated by the Director for that purpose.

"(B) Upon receiving notice that the Director intends to comment in writing with respect to any final regulatory impact analysis or final rule, the agency shall refrain from publishing its final regulatory impact analysis or final rule until the agency has responded to the Director's comments and incorporated those comments in the agency's response in the rulemaking file.

"(7)(A) Except as provided in subparagraph (B), no final major rule subject to this section shall be promulgated unless the agency head publishes in the Federal Register a finding that—

"(i) the benefits of the rule justify the costs of the rule; and

"(ii) the rule employs to the extent practicable flexible alternatives as set forth in paragraph (4)(D) and adopts the reasonable alternative which has the greater net benefits and achieves the objectives of the statute.

"(B) If, applying the statutory requirements upon which the rule is based, a rule cannot satisfy the criteria of subparagraph (A), the agency head may promulgate the rule if the agency head finds that—

"(i) the rule employs to the extent practicable flexible reasonable alternatives of the type described in paragraph (4)(D); and

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"(i) Any proposed or final major rule, including any analysis or certification under subchapter II, promulgated as part of any Federal regulatory program designed to protect human health, safety, or the environment.

"(ii) Any proposed or final environmental clean-up plan for a facility or Federal guidelines for the issuance of any such plan. As used in this clause, the term 'environmental clean-up' means a corrective action under the Solid Waste Disposal Act, a removal or remedial action under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and any other environmental restoration and waste management carried out by or on behalf of a covered Federal agency with respect to any substance other than municipal waste.

"(iii) Any proposed or final permit condition placing a restriction on facility siting or operation under Federal laws administered by the Environmental Protection Agency or the Department of the Interior. Nothing in this section (iii) shall apply to the requirements of section 404 of the Clean Water Act.

"(iv) Any report to Congress.

"(v) Any regulatory action to place a substance on any official list of carcinogens or toxic or hazardous substances or to place a new health effects value on such list, including the Integrated Risk Information System Database maintained by the Environmental Protection Agency.

"(vi) Any guidance, including protocols of general applicability, establishing policy regarding risk assessment or risk characterization.

"(C) The terms 'significant risk assessment document' and 'significant risk characterization document' shall also include the following:

"(i) Any such risk assessment and risk characterization documents provided by a covered Federal agency to the public and which are likely to result in an annual effect on the economy of \$75,000,000 or more.

"(ii) Environmental restoration and waste management carried out by or on behalf of the Department of Defense with respect to any substance other than municipal waste.

"(D) Within 15 months after the date of the enactment of this subchapter, each covered Federal agency administering a regulatory program designed to protect human health, safety, or the environment shall promulgate a rule establishing those additional categories, if any, of risk assessment and risk characterization documents prepared by or on behalf of the covered Federal agency that the agency will consider significant risk assessment documents or significant risk characterization documents for purposes of this subchapter. In establishing such categories, the head of the agency shall consider each of the following:

"(i) The benefits of consistent compliance by documents of the covered Federal agency in the categories.

"(ii) The administrative burdens of including documents in the categories.

"(iii) The need to make expeditious administrative decisions regarding documents in the categories.

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"(iv) The possible use of a risk assessment or risk characterization in any compilation of risk hazards or health or environmental effects prepared by an agency and commonly made available to, or used by, any Federal, State, or local government agency.

"(v) Such other factors as may be appropriate.

"(E)(i) Not later than 18 months after the date of the enactment of this subchapter, the President, acting through the Director of the Office of Management and Budget, shall determine whether any other Federal agencies should be considered covered Federal agencies for purposes of this subchapter. Such determination, with respect to a particular Federal agency, shall be based on the impact of risk assessment documents and risk characterization documents on—

"(I) regulatory programs administered by that agency;

and

"(II) the communication of risk information by that agency to the public.

The effective date of such a determination shall be no later than 6 months after the date of the determination.

"(ii) Not later than 15 months after the President, acting through the Director of the Office of Management and Budget, determines pursuant to clause (i) that a Federal agency should be considered a covered Federal agency for purposes of this subchapter, the head of that agency shall promulgate a rule pursuant to subparagraph (D) to establish additional categories of risk assessment and risk characterization documents described in that subparagraph.

"(3) EXCEPTIONS.—(A) This subchapter does not apply to risk assessment or risk characterization documents containing risk assessments or risk characterizations performed with respect to the following:

"(i) A screening analysis, where appropriately labeled as such, including a screening analysis for purposes of product regulation or premanufacturing notices.

"(ii) Any health, safety, or environmental inspections.

"(iii) The sale or lease of Federal resources or regulatory activities that directly result in the collection of Federal receipts.

"(B) No analysis shall be treated as a screening analysis for purposes of subparagraph (A) if the results of such analysis are used as the basis for imposing restrictions on substances or activities.

"(C) The risk assessment principle set forth in section 634(b)(1) need not apply to any risk assessment or risk characterization document described in clause (iii) of paragraph (2)(B). The risk characterization and communication principle set forth in section 635(4) need not apply to any risk assessment or risk characterization document described in clause (v) or (vi) of paragraph (2)(B).

"(c) SAVINGS PROVISIONS.—The provisions of this subchapter shall be supplemental to any other provisions of law relating to risk assessments and risk characterizations, except that nothing in this subchapter shall be construed to modify any statutory standard or statutory requirement designed to protect health, safety, or the environment. Nothing in this subchapter shall be interpreted to preclude the consideration of any data or the calculation of

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any estimate to more fully describe risk or provide examples of scientific uncertainty or variability. Nothing in this subchapter shall be construed to require the disclosure of any trade secret or other confidential information.

“§ 634. Principles for risk assessment

“(a) IN GENERAL.—The head of each covered Federal agency shall apply the principles set forth in subsection (b) in order to assure that significant risk assessment documents and all of their components distinguish scientific findings from other considerations and are, to the extent feasible, scientifically objective, unbiased, and inclusive of all relevant data and rely, to the extent available and practicable, on scientific findings. Discussions or explanations required under this section need not be repeated in each risk assessment document as long as there is a reference to the relevant discussion or explanation in another agency document which is available to the public.

“(b) PRINCIPLES.—The principles to be applied are as follows:

“(1) When discussing human health risks, a significant risk assessment document shall contain a discussion of both relevant laboratory and relevant epidemiological data of sufficient quality which finds, or fails to find, a correlation between health risks and a potential toxin or activity. Where conflicts among such data appear to exist, or where animal data is used as a basis to assess human health, the significant risk assessment document shall, to the extent feasible and appropriate, include discussion of possible reconciliation of conflicting information, and as relevant, differences in study designs, comparative physiology, routes of exposure, bioavailability, pharmacokinetics, and any other relevant factor, including the sufficiency of basic data for review. The discussion of possible reconciliation should indicate whether there is a biological basis to assume a resulting harm in humans. Animal data shall be reviewed with regard to its relevancy to humans.

“(2) Where a significant risk assessment document involves selection of any significant assumption, inference, or model, the document shall, to the extent feasible—

“(A) present a representative list and explanation of plausible and alternative assumptions, inferences, or models;

“(B) explain the basis for any choices;

“(C) identify any policy or value judgments;

“(D) fully describe any model used in the risk assessment and make explicit the assumptions incorporated in the model; and

“(E) indicate the extent to which any significant model has been validated by, or conflicts with, empirical data.

“§ 635. Principles for risk characterization and communication

“Each significant risk characterization document shall meet each of the following requirements:

“(1) ESTIMATES OF RISK.—The risk characterization shall describe the populations or natural resources which are the subject of the risk characterization. If a numerical estimate of risk is provided, the agency shall, to the extent feasible, provide—

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“(A) the best estimate or estimates for the specific populations or natural resources which are the subject of the characterization (based on the information available to the Federal agency); and

“(B) a statement of the reasonable range of scientific uncertainties.

In addition to such best estimate or estimates, the risk characterization document may present plausible upper-bound or conservative estimates in conjunction with plausible lower bound estimates. Where appropriate, the risk characterization document may present, in lieu of a single best estimate, multiple best estimates based on assumptions, inferences, or models which are equally plausible, given current scientific understanding. To the extent practical and appropriate, the document shall provide descriptions of the distribution and probability of risk estimates to reflect differences in exposure variability or sensitivity in populations and attendant uncertainties. Sensitive subpopulations or highly exposed subpopulations include, where relevant and appropriate, children, the elderly, pregnant women, and disabled persons.

“(2) EXPOSURE SCENARIOS.—The risk characterization document shall explain the exposure scenarios used in any risk assessment, and, to the extent feasible, provide a statement of the size of the corresponding population at risk and the likelihood of such exposure scenarios.

“(3) COMPARISONS.—The document shall contain a statement that places the nature and magnitude of risks to human health, safety, or the environment in context. Such statement shall, to the extent feasible, provide comparisons with estimates of greater, lesser, and substantially equivalent risks that are familiar to and routinely encountered by the general public as well as other risks, and, where appropriate and meaningful, comparisons of those risks with other similar risks regulated by the Federal agency resulting from comparable activities and exposure pathways. Such comparisons should consider relevant distinctions among risks, such as the voluntary or involuntary nature of risks and the preventability or nonpreventability of risks.

“(4) SUBSTITUTION RISKS.—Each significant risk assessment or risk characterization document shall include a statement of any significant substitution risks to human health, where information on such risks has been provided to the agency.

“(5) SUMMARIES OF OTHER RISK ESTIMATES.—If—

“(A) a commenter provides a covered Federal agency with a relevant risk assessment document or a risk characterization document, and a summary thereof, during a public comment provided by the agency for a significant risk assessment document or a significant risk characterization document, or, where no comment period is provided but a commenter provides the covered Federal agency with the relevant risk assessment document or risk characterization document, and a summary thereof, in a timely fashion, and

“(B) the risk assessment document or risk characterization document is consistent with the principles and the guidance provided under this subchapter,

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the agency shall, to the extent feasible, present such summary in connection with the presentation of the agency's significant risk assessment document or significant risk characterization document. Nothing in this paragraph shall be construed to limit the inclusion of any comments or material supplied by any person to the administrative record of any proceeding. A document may satisfy the requirements of paragraph (3), (4) or (5) by reference to information or material otherwise available to the public if the document provides a brief summary of such information or material.

“§ 636. Recommendations or classifications by a non-United States-based entity

“No covered Federal agency shall automatically incorporate or adopt any recommendation or classification made by a non-United States-based entity concerning the health effects value of a substance without an opportunity for notice and comment, and any risk assessment document or risk characterization document adopted by a covered Federal agency on the basis of such a recommendation or classification shall comply with the provisions of this subchapter. For the purposes of this section, the term ‘non-United States-based entity’ means—

- “(1) any foreign government and its agencies;
- “(2) the United Nations or any of its subsidiary organizations;
- “(3) any other international governmental body or international standards-making organization; or
- “(4) any other organization or private entity without a place of business located in the United States or its territories.

“§ 637. Guidelines and report

“(a) **GUIDELINES.**—Within 15 months after the date of enactment of this subchapter, the President shall issue guidelines for Federal agencies consistent with the risk assessment and characterization principles set forth in sections 634 and 635 and shall provide a format for summarizing risk assessment results. In addition, such guidelines shall include guidance on at least the following subjects: criteria for scaling animal studies to assess risks to human health; use of different types of dose-response models; thresholds; definitions, use, and interpretations of the maximum tolerated dose; weighting of evidence with respect to extrapolating human health risks from sensitive species; evaluation of benign tumors, and evaluation of different human health endpoints.

“(b) **REPORT.**—Within 3 years after the date of the enactment of this subchapter, each covered Federal agency shall provide a report to the Congress evaluating the categories of policy and value judgments identified under subparagraph (C) of section 634(b)(2).

“(c) **PUBLIC COMMENT AND CONSULTATION.**—The guidelines and report under this section, shall be developed after notice and opportunity for public comment, and after consultation with representatives of appropriate State, local, and tribal governments, and such other departments and agencies, offices, organizations, or persons as may be advisable.

“(d) **REVIEW.**—The President shall review and, where appropriate, revise the guidelines published under this section at least every 4 years.

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"§ 638. Research and training in risk assessment

"(a) **EVALUATION.**—The head of each covered agency shall regularly and systematically evaluate risk assessment research and training needs of the agency, including, where relevant and appropriate, the following:

"(1) Research to reduce generic data gaps, to address modeling needs (including improved model sensitivity), and to validate default options, particularly those common to multiple risk assessments.

"(2) Research leading to improvement of methods to quantify and communicate uncertainty and variability among individuals, species, populations, and, in the case of ecological risk assessment, ecological communities.

"(3) Emerging and future areas of research, including research on comparative risk analysis, exposure to multiple chemicals and other stressors, noncancer endpoints, biological markers of exposure and effect, mechanisms of action in both mammalian and nonmammalian species, dynamics and probabilities of physiological and ecosystem exposures, and prediction of ecosystem-level responses.

"(4) Long-term needs to adequately train individuals in risk assessment and risk assessment application. Evaluations under this paragraph shall include an estimate of the resources needed to provide necessary training.

"(b) **STRATEGY AND ACTIONS TO MEET IDENTIFIED NEEDS.**—The head of each covered agency shall develop a strategy and schedule for carrying out research and training to meet the needs identified in subsection (a).

"(c) **REPORT.**—Not later than 6 months after the date of the enactment of this subchapter, the head of each covered agency shall submit to the Congress a report on the evaluations conducted under subsection (a) and the strategy and schedule developed under subsection (b). The head of each covered agency shall report to the Congress periodically on the evaluations, strategy, and schedule.

"§ 639. Study of comparative risk analysis

"(a) **IN GENERAL.**—(1) The Director of the Office of Management and Budget, in consultation with the Office of Science and Technology Policy, shall conduct, or provide for the conduct of, a study using comparative risk analysis to rank health, safety, and environmental risks and to provide a common basis for evaluating strategies for reducing or preventing those risks. The goal of the study shall be to improve methods of comparative risk analysis.

"(2) Not later than 90 days after the date of the enactment of this subchapter, the Director, in collaboration with the heads of appropriate Federal agencies, shall enter into a contract with the National Research Council to provide technical guidance on approaches to using comparative risk analysis and other considerations in setting health, safety, and environmental risk reduction priorities.

"(b) **SCOPE OF STUDY.**—The study shall have sufficient scope and breadth to evaluate comparative risk analysis and to test approaches for improving comparative risk analysis and its use in setting priorities for health, safety, and environmental risk reduction. The study shall compare and evaluate a range of diverse health, safety, and environmental risks.

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"(c) **STUDY PARTICIPANTS.**—In conducting the study, the Director shall provide for the participation of a range of individuals with varying backgrounds and expertise, both technical and non-technical, comprising broad representation of the public and private sectors.

"(d) **DURATION.**—The study shall begin within 180 days after the date of the enactment of this subchapter and terminate within 2 years after the date on which it began.

"(e) **RECOMMENDATIONS FOR IMPROVING COMPARATIVE RISK ANALYSIS AND ITS USE.**—Not later than 90 days after the termination of the study, the Director shall submit to the Congress the report of the National Research Council with recommendations regarding the use of comparative risk analysis and ways to improve the use of comparative risk analysis for decision-making in appropriate Federal agencies.

§ 639a. Definitions

"For purposes of this subchapter:

"(1) **RISK ASSESSMENT DOCUMENT.**—The term 'risk assessment document' means a document containing the explanation of how hazards associated with a substance, activity, or condition have been identified, quantified, and assessed. The term also includes a written statement accepting the findings of any such document.

"(2) **RISK CHARACTERIZATION DOCUMENT.**—The term 'risk characterization document' means a document quantifying or describing the degree of toxicity, exposure, or other risk posed by hazards associated with a substance, activity, or condition to which individuals, populations, or resources are exposed. The term also includes a written statement accepting the findings of any such document.

"(3) **BEST ESTIMATE.**—The term 'best estimate' means a scientifically appropriate estimate which is based, to the extent feasible, on one of the following:

"(A) Central estimates of risk using the most plausible assumptions.

"(B) An approach which combines multiple estimates based on different scenarios and weighs the probability of each scenario.

"(C) Any other methodology designed to provide the most unbiased representation of the most plausible level of risk, given the current scientific information available to the Federal agency concerned.

"(4) **SUBSTITUTION RISK.**—The term 'substitution risk' means a potential risk to human health, safety, or the environment from a regulatory alternative designed to decrease other risks.

"(5) **COVERED FEDERAL AGENCY.**—The term 'covered Federal agency' means each of the following:

"(A) The Environmental Protection Agency.

"(B) The Occupational Safety and Health Administration.

"(C) The Department of Transportation (including the National Highway Transportation Safety Administration).

"(D) The Food and Drug Administration.

"(E) The Department of Energy.

"(F) The Department of the Interior

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"(G) The Department of Agriculture.

"(H) The Consumer Product Safety Commission.

"(I) The National Oceanic and Atmospheric Administration.

"(J) The United States Army Corps of Engineers.

"(K) The Mine Safety and Health Administration.

"(L) The Nuclear Regulatory Commission.

"(M) Any other Federal agency considered a covered Federal agency pursuant to section 418(b)(2)(E).

"(6) **FEDERAL AGENCY.**—The term 'Federal agency' means an executive department, military department, or independent establishment as defined in part I of title 5 of the United States Code, except that such term also includes the Office of Technology Assessment.

"(7) **DOCUMENT.**—The term 'document' includes material stored in electronic or digital form.

"§ 639b. Peer review program

"(a) **ESTABLISHMENT.**—For regulatory programs designed to protect human health, safety, or the environment, the head of each Federal agency shall develop a systematic program for independent and external peer review required by subsection (b). Such program shall be applicable across the agency and—

"(1) shall provide for the creation of peer review panels consisting of experts and shall be broadly representative and balanced and to the extent relevant and appropriate, may include representatives of State, local, and tribal governments, small businesses, other representatives of industry, universities, agriculture, labor, consumers, conservation organizations, or other public interest groups and organizations;

"(2) may provide for differing levels of peer review and differing numbers of experts on peer review panels, depending on the significance or the complexity of the problems or the need for expeditiousness;

"(3) shall not exclude peer reviewers with substantial and relevant expertise merely because they represent entities that may have a potential interest in the outcome, provided that interest is fully disclosed to the agency and in the case of a regulatory decision affecting a single entity, no peer reviewer representing such entity may be included on the panel;

"(4) may provide specific and reasonable deadlines for peer review panels to submit reports under subsection (c); and

"(5) shall provide adequate protections for confidential business information and trade secrets, including requiring peer reviewers to enter into confidentiality agreements.

"(b) **REQUIREMENT FOR PEER REVIEW.**—In connection with any rule that is likely to result in an annual increase in costs of \$100,000,000 or more (other than any rule or other action taken by an agency to authorize or approve any individual substance or product), each Federal agency shall provide for peer review in accordance with this section of any risk assessment or cost analysis which forms the basis for such rule or of any analysis under section 431(a). In addition, the Director of the Office of Management and Budget may order that peer review be provided for any major risk assessment or cost assessment that is likely to have a significant impact on public policy decisions.

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"(c) CONTENTS.—Each peer review under this section shall include a report to the Federal agency concerned with respect to the scientific and economic merit of data and methods used for the assessments and analyses.

"(d) RESPONSE TO PEER REVIEW.—The head of the Federal agency shall provide a written response to all significant peer review comments.

"(e) AVAILABILITY TO PUBLIC.—All peer review comments or conclusions and the agency's responses shall be made available to the public and shall be made part of the administrative record.

"(f) PREVIOUSLY REVIEWED DATA AND ANALYSIS.—No peer review shall be required under this section for any data or method which has been previously subjected to peer review or for any component of any analysis or assessment previously subjected to peer review.

"(g) NATIONAL PANELS.—The President shall appoint National Peer Review Panels to annually review the risk assessment and cost assessment practices of each Federal agency for programs designed to protect human health, safety, or the environment. The Panel shall submit a report to the Congress no less frequently than annually containing the results of such review.

"§ 639c. Petition for review of a major free-standing risk assessment

"(a) Any interested person may petition an agency to conduct a scientific review of a risk assessment conducted or adopted by the agency, except for a risk assessment used as the basis for a major rule or a site-specific risk assessment.

"(b) The agency shall utilize external peer review, as appropriate, to evaluate the claims and analyses in the petition, and shall consider such review in making its determination of whether to grant the petition.

"(c) The agency shall grant the petition if the petition establishes that there is a reasonable likelihood that—

"(1)(A) the risk assessment that is the subject of the petition was carried out in a manner substantially inconsistent with the principles in section 633; or

"(B) the risk assessment that is the subject of the petition does not take into account material significant new scientific data and scientific understanding;

"(2) the risk assessment that is the subject of the petition contains significantly different results than if it had been properly conducted pursuant to subchapter III; and

"(3) a revised risk assessment will provide the basis for reevaluating an agency determination of risk, and such determination currently has an effect on the United States economy equivalent to that of major rule.

"(d) A decision to grant, or final action to deny, a petition under this subsection shall be made not later than 180 days after the petition is submitted.

"(e) If the agency grants the petition, it shall complete its review of the risk assessment not later than 1 year after its decision to grant the petition. If the agency revises the risk assessment, in response to its review, it shall do so in accordance with section 633.

“§ 639d. Risk-based priorities

“(a) PURPOSES.—The purposes of this section are to—

“(1) encourage Federal agencies engaged in regulating risks to human health, safety, and the environment to achieve the greatest risk reduction at the least cost practical;

“(2) promote the coordination of policies and programs to reduce risks to human health, safety, and the environment; and

“(3) promote open communication among Federal agencies, the public, the President, and Congress regarding environmental, health, and safety risks, and the prevention and management of those risks.

“(b) DEFINITIONS.—For the purposes of this section:

“(1) **COMPARATIVE RISK ANALYSIS.**—The term ‘comparative risk analysis’ means a process to systematically estimate, compare, and rank the size and severity of risks to provide a common basis for evaluating strategies for reducing or preventing those risks.

“(2) **COVERED AGENCY.**—The term ‘covered agency’ means each of the following:

“(A) The Environmental Protection Agency.

“(B) The Department of Labor.

“(C) The Department of Transportation.

“(D) The Food and Drug Administration.

“(E) The Department of Energy.

“(F) The Department of the Interior.

“(G) The Department of Agriculture.

“(H) The Consumer Product Safety Commission.

“(I) The National Oceanic and Atmospheric Administration.

“(J) The United States Army Corps of Engineers.

“(K) The Nuclear Regulatory Commission.

“(3) **EFFECT.**—The term ‘effect’ means a deleterious change in the condition of—

“(A) a human or other living thing (including death, cancer, or other chronic illness, decreased reproductive capacity, or disfigurement); or

“(B) an inanimate thing important to human welfare (including destruction, degeneration, the loss of intended function, and increased costs for maintenance).

“(4) **IRREVERSIBILITY.**—The term ‘irreversibility’ means the extent to which a return to conditions before the occurrence of an effect are either very slow or will never occur.

“(5) **LIKELIHOOD.**—The term ‘likelihood’ means the estimated probability that an effect will occur.

“(6) **MAGNITUDE.**—The term ‘magnitude’ means the number of individuals or the quantity of ecological resources or other resources that contribute to human welfare that are affected by exposure to a stressor.

“(7) **SERIOUSNESS.**—The term ‘seriousness’ means the intensity of effect, the likelihood, the irreversibility, and the magnitude.

“(c) DEPARTMENT AND AGENCY PROGRAM GOALS.—

“(1) **SETTING PRIORITIES.**—In exercising authority under applicable laws protecting human health, safety, or the environment, the head of each covered agency shall set priorities

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for the use of resources available under those laws to address those risks to human health, safety, and the environment that—

“(A) the covered agency determines to be most serious; and

“(B) can be addressed in a cost-effective manner, with the goal of achieving the greatest overall net reduction in risks with the public and private sector resources expended.

“(2) DETERMINING THE MOST SERIOUS RISKS.—In identifying the greatest risks under paragraph (1) of this subsection, each covered agency shall consider, at a minimum—

“(A) the likelihood, irreversibility, and severity of the effect; and

“(B) the number and classes of individuals potentially affected,

and shall explicitly take into account the results of the comparative risk analysis conducted under subsection (d) of this section.

“(3) OMB REVIEW.—The covered agency's determinations of the most serious risks for purposes of setting priorities shall be reviewed and approved by the Director of the Office of Management and Budget before submission of the covered agency's annual budget requests to Congress.

“(4) INCORPORATING RISK-BASED PRIORITIES INTO BUDGET AND PLANNING.—The head of each covered agency shall incorporate the priorities identified under paragraph (1) into the agency budget, strategic planning, regulatory agenda, enforcement, and research activities. When submitting its budget request to Congress and when announcing its regulatory agenda in the Federal Register, each covered agency shall identify the risks that the covered agency head has determined are the most serious and can be addressed in a cost-effective manner under paragraph (1), the basis for that determination, and explicitly identify how the covered agency's requested budget and regulatory agenda reflect those priorities.

“(5) EFFECTIVE DATE.—This subsection shall take effect 12 months after the date of enactment of this Act.

“(d) COMPARATIVE RISK ANALYSIS.—

“(1) REQUIREMENT.—

“(A)(i) No later than 6 months after the effective date of this Act, the Director of the Office of Management and Budget shall enter into appropriate arrangements with a nationally recognized scientific institution or scholarly organization—

“(I) to conduct a study of the methodologies for using comparative risk to rank dissimilar human health, safety, and environmental risks; and

“(II) to conduct a comparative risk analysis.

“(ii) The comparative risk analysis shall compare and rank, to the extent feasible, human health, safety, and environmental risks potentially regulated across the spectrum of programs administered by all covered agencies.

“(B) The Director shall consult with the Office of Science and Technology Policy regarding the scope of the study and the conduct of the comparative risk analysis.

“(C) Nothing in this subsection should be construed to prevent the Director from entering into a sole-source

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arrangement with a nationally recognized scientific institution or scholarly organization.

"(2) CRITERIA.—The Director shall ensure that the arrangement under paragraph (1) provides that—

"(A) the scope and specificity of the analysis are sufficient to provide the President and agency heads guidance in allocating resources across agencies and among programs in agencies to achieve the greatest degree of risk prevention and reduction for the public and private resources expended;

"(B) the analysis is conducted through an open process, including opportunities for the public to submit views, data, and analyses and to provide public comment on the results before making them final;

"(C) the analysis is conducted by a balanced group of individuals with relevant expertise, including toxicologists, biologists, engineers, and experts in medicine, industrial hygiene, and environmental effects, and the selection of members for such study shall be at the sole discretion of the scientific institution or scholarly organization;

"(D) the analysis is conducted, to the extent feasible and relevant, consistent with the risk assessment and risk characterization principles in section 633 of this subchapter;

"(E) the methodologies and principal scientific determinations made in the analysis are subjected to independent peer review consistent with section 633(g), and the conclusions of the peer review are made publicly available as part of the final report required under subsection (e); and

"(F) the results are presented in a manner that distinguishes between the scientific conclusions and any policy or value judgments embodied in the comparisons.

"(3) COMPLETION AND REVIEW.—No later than 3 years after the effective date of this Act, the comparative risk analysis required under paragraph (1) shall be completed. The comparative risk analysis shall be reviewed and revised at least every 5 years thereafter for a minimum of 15 years following the release of the first analysis. The Director shall arrange for such review and revision by an accredited scientific body in the same manner as provided under paragraphs (1) and (2).

"(4) STUDY.—The study of methodologies provided under paragraph (1) shall be conducted as part of the first comparative risk analysis and shall be completed no later than 180 days after the completion of that analysis. The goal of the study shall be to develop and rigorously test methods of comparative risk analysis. The study shall have sufficient scope and breadth to test approaches for improving comparative risk analysis and its use in setting priorities for human health, safety, and environmental risk prevention and reduction.

"(5) TECHNICAL GUIDANCE.—No later than 180 days after the effective date of this Act, the Director, in collaboration with other heads of covered agencies shall enter into a contract with the National Research Council to provide technical guidance to agencies on approaches to using comparative risk analysis in setting human health, safety, and environmental prior-

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ities to assist agencies in complying with subsection (c) of this section.

"(e) REPORTS AND RECOMMENDATIONS TO CONGRESS AND THE PRESIDENT.—No later than 24 months after the effective date of this Act, each covered agency shall submit a report to Congress and the President—

"(1) detailing how the agency has complied with subsection (c) and describing the reason for any departure from the requirement to establish priorities to achieve the greatest overall net reduction in risk;

"(2) recommending—

"(A) modification, repeal, or enactment of laws to reform, eliminate, or enhance programs or mandates relating to human health, safety, or the environment; and

"(B) modification or elimination of statutory or judicially mandated deadlines, that would assist the covered agency to set priorities in activities to address the risks to human health, safety, or the environment in a manner consistent with the requirements of subsection (c)(1);

"(3) evaluating the categories of policy and value judgment used in risk assessment, risk characterization, or cost-benefit analysis; and

"(4) discussing risk assessment research and training needs, and the agency's strategy and schedule for meeting those needs.

"(f) SAVINGS PROVISION AND JUDICIAL REVIEW.—

"(1) **IN GENERAL.**—Nothing in this section shall be construed to modify any statutory standard or requirement designed to protect human health, safety, or the environment.

"(2) **JUDICIAL REVIEW.**—Compliance or noncompliance by an agency with the provisions of this section shall not be subject to judicial review.

"(3) **AGENCY ANALYSIS.**—Any analysis prepared under this section shall not be subject to judicial consideration separate or apart from the requirement, rule, program, or law to which it relates. When an action for judicial review of a covered agency action is instituted, any analysis for, or relating to, the action shall constitute part of the whole record of agency action for the purpose of judicial review of the action and shall, to the extent relevant, be considered by a court in determining the legality of the covered agency action."

(b) CLERICAL AMENDMENT.—The table of sections appearing at the beginning of chapter 6 of title 5, United States Code, is amended—

(1) by inserting immediately below the chapter heading the following:

"SUBCHAPTER I—REGULATORY ANALYSIS";

and

(2) by adding at the end the following:

"SUBCHAPTER III—RISK ASSESSMENTS

"631. Short title.

"632. Purposes.

"633. Effective date; applicability; savings provisions.

"634. Principles for risk assessment.

"635. Principles for risk characterization and communication.

"636. Recommendations or classifications by a non-United States-based entity.

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- "637. Guidelines and report.
- "638. Research and training in risk assessment.
- "639. Study of comparative risk analysis.
- "639a. Definitions.
- "639b. Peer review program.
- "639c. Petition for review of a major free-standing risk assessment.
- "639d. Risk-based priorities."

SEC. 2004. REGULATORY FLEXIBILITY ANALYSIS.**(a) IN GENERAL.—****(1) JUDICIAL REVIEW.—**

(A) AMENDMENT.—Section 611 of title 5, United States Code, is amended to read as follows:

"§ 611. Judicial review

"(a)(1) Not later than one year, notwithstanding any other provision of law, after the effective date of a final rule with respect to which an agency—

"(A) certified, pursuant to section 605(b), that such rule would not have a significant economic impact on a substantial number of small entities; or

"(B) prepared a final regulatory flexibility analysis pursuant to section 604,

an affected small entity may petition for the judicial review of such certification or analysis in accordance with the terms of this subsection. A court having jurisdiction to review such rule for compliance with the provisions of section 553 or under any other provision of law shall have jurisdiction to review such certification or analysis. In the case where an agency delays the issuance of a final regulatory flexibility analysis pursuant to section 608(b), a petition for judicial review under this subsection shall be filed not later than one year, notwithstanding any other provision of law, after the date the analysis is made available to the public.

"(2) For purposes of this subsection, the term 'affected small entity' means a small entity that is or will be adversely affected by the final rule.

"(3) Nothing in this subsection shall be construed to affect the authority of any court to stay the effective date of any rule or provision thereof under any other provision of law.

"(4)(A) In the case where the agency certified that such rule would not have a significant economic impact on a substantial number of small entities, the court may order the agency to prepare a final regulatory flexibility analysis pursuant to section 604 if the court determines, on the basis of the rulemaking record, that the certification was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(B) In the case where the agency prepared a final regulatory flexibility analysis, the court may order the agency to take corrective action consistent with the requirements of section 604 if the court determines, on the basis of the rulemaking record, that the final regulatory flexibility analysis was prepared by the agency without observance of procedure required by section 604.

"(5) If, by the end of the 90-day period beginning on the date of the order of the court pursuant to paragraph (4) (or such longer period as the court may provide), the agency fails, as appropriate—

"(A) to prepare the analysis required by section 604; or

"(B) to take corrective action consistent with the requirements of section 604,

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the court may stay the rule or grant such other relief as it deems appropriate.

"(6) In making any determination or granting any relief authorized by this subsection, the court shall take due account of the rule of prejudicial error.

"(b) In an action for the judicial review of a rule, any regulatory flexibility analysis for such rule (including an analysis prepared or corrected pursuant to subsection (a)(4)) shall constitute part of the whole record of agency action in connection with such review.

"(c) Nothing in this section bars judicial review of any other impact statement or similar analysis required by any other law if judicial review of such statement or analysis is otherwise provided by law."

(B) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply only to final agency rules issued after the date of enactment of this Act.

(2) RULES COMMENTED ON BY SBA CHIEF COUNSEL FOR ADVOCACY.—

(A) IN GENERAL.—Section 612 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(d) ACTION BY THE SBA CHIEF COUNSEL FOR ADVOCACY.—

"(1) TRANSMITTAL OF PROPOSED RULES AND INITIAL REGULATORY FLEXIBILITY ANALYSIS TO SBA CHIEF COUNSEL FOR ADVOCACY.—On or before the 30th day preceding the date of publication by an agency of general notice of proposed rulemaking for a rule, the agency shall transmit to the Chief Counsel for Advocacy of the Small Business Administration—

"(A) a copy of the proposed rule; and

"(B)(i) a copy of the initial regulatory flexibility analysis for the rule if required under section 603; or

"(ii) a determination by the agency that an initial regulatory flexibility analysis is not required for the proposed rule under section 603 and an explanation for the determination.

"(2) STATEMENT OF EFFECT.—On or before the 15th day following receipt of a proposed rule and initial regulatory flexibility analysis from an agency under paragraph (1), the Chief Counsel for Advocacy may transmit to the agency a written statement of the effect of the proposed rule on small entities.

"(3) RESPONSE.—If the Chief Counsel for Advocacy transmits to an agency a statement of effect on a proposed rule in accordance with paragraph (2), the agency shall publish the statement, together with the response of the agency to the statement, in the Federal Register at the time of publication of general notice of proposed rulemaking for the rule.

"(4) SPECIAL RULE.—Any proposed rules issued by an appropriate Federal banking agency (as that term is defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), the National Credit Union Administration, or the Office of Federal Housing Enterprise Oversight, in connection with the implementation of monetary policy or to ensure the safety and soundness of federally insured depository institutions, any affiliate of such an institution, credit unions, or government sponsored housing enterprises or to protect the Federal deposit insurance funds shall not be subject to the requirements of this subsection."

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(B) CONFORMING AMENDMENT.—Section 603(a) of title 5, United States Code, is amended by inserting “in accordance with section 612(d)” before the period at the end of the last sentence.

(3) SENSE OF CONGRESS REGARDING SBA CHIEF COUNSEL FOR ADVOCACY.—It is the sense of Congress that the Chief Counsel for Advocacy of the Small Business Administration should be permitted to appear as *amicus curiae* in any action or case brought in a court of the United States for the purpose of reviewing a rule.

(b) SUBCHAPTER HEADING.—Chapter 6 of title 5, United States Code, is amended by inserting immediately before section 601, the following subchapter heading:

“SUBCHAPTER I—REGULATORY ANALYSIS”.

SEC. 2005. GUIDANCE FOR JUDICIAL INTERPRETATION.

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

- (1) by striking section 706; and
- (2) by adding at the end the following new sections:

“§ 706. Scope of review

“(a) To the extent necessary to reach a decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action. The reviewing court shall—

“(1) compel agency action unlawfully withheld or unreasonably delayed; and

“(2) hold unlawful and set aside agency action, findings and conclusions found to be—

“(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

“(B) contrary to constitutional right, power, privilege, or immunity;

“(C) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right;

“(D) without observance of procedure required by law;

“(E) unsupported by substantial evidence in a proceeding subject to sections 556 and 557 or otherwise reviewed on the record of an agency hearing provided by statute; or

“(F) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court.

“(b) In making the determinations set forth in subsection (a), the court shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule of prejudicial error.

“§ 707. Consent decrees

“In interpreting any consent decree in effect on or after the date of enactment of this section that imposes on an agency an obligation to initiate, continue, or complete rulemaking proceedings, the court shall not enforce the decree in a way that divests the agency of discretion clearly granted to the agency by statute to

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respond to changing circumstances, make policy or managerial choices, or protect the rights of third parties.

“§ 708. Affirmative defense

“Notwithstanding any other provision of law, it shall be an affirmative defense in any enforcement action brought by an agency that the regulated person or entity reasonably relied on and is complying with a rule, regulation, adjudication, directive, or order of such agency or any other agency that is incompatible, contradictory, or otherwise cannot be reconciled with the agency rule, regulation, adjudication, directive, or order being enforced.

“§ 709. Agency interpretations in civil and criminal actions

“(a) No civil or criminal penalty shall be imposed by a court, and no civil administrative penalty shall be imposed by an agency, for the violation of a rule—

“(1) if the court or agency, as appropriate, finds that the rule failed to give the defendant fair warning of the conduct that the rule prohibits or requires; or

“(2) if the court or agency, as appropriate, finds that the defendant acted reasonably in good faith based upon the language of the rule as published in the Federal Register.

“(b) Nothing in this section shall be construed to preclude an agency—

“(1) from revising a rule or changing its interpretation of a rule in accordance with sections 552 and 553 of this title, and subject to the provisions of this section, prospectively enforcing the requirements of such rule as revised or reinterpreted and imposing or seeking a civil or criminal penalty for any subsequent violation of such rule as revised or reinterpreted; or

“(2) from making a new determination of fact, and based upon such determination, prospectively applying a particular legal requirement.

“(c) This section shall apply to any action filed after the date of the enactment of the Comprehensive Regulatory Reform Act of 1995.”

(b) **TECHNICAL AMENDMENT.**—The analysis for chapter 7 of title 5, United States Code, is amended by striking the item relating to section 706 and inserting the following new items:

“706. Scope of review.

“707. Consent decrees.

“708. Affirmative defense.

“709. Agency interpretations in civil and criminal actions.”.

SEC. 2006. CONGRESSIONAL REVIEW.

(a) **FINDING.**—The Congress finds that effective steps for improving the efficiency and proper management of Government operations will be promoted if a moratorium on the implementation of certain major final and proposed rules is imposed in order to provide Congress an opportunity for review.

(b) **IN GENERAL.**—Title 5, United States Code, is amended by inserting immediately after chapter 7 the following new chapter:

“CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY RULEMAKING

“Sec.

“801. Congressional review.

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- *802. Congressional disapproval procedure.
- *803. Special rule on statutory, regulatory, and judicial deadlines.
- *804. Definitions.
- *805. Judicial review.
- *806. Applicability; severability.
- *807. Exemption for monetary policy.

“§ 801. Congressional review

“(a)(1)(A) Before a rule can take effect as a final rule, the Federal agency promulgating such rule shall submit to each House of the Congress and to the Comptroller General a report containing—

- “(i) a copy of the rule;
- “(ii) a concise general statement relating to the rule; and
- “(iii) the proposed effective date of the rule.

“(B) The Federal agency promulgating the rule shall make available to each House of Congress and the Comptroller General, upon request—

- “(i) a complete copy of the cost-benefit analysis of the rule, if any;
- “(ii) the agency’s actions relevant to sections 603, 604, 605, 607, and 609;
- “(iii) the agency’s actions relevant to sections 202, 203, 204, and 205 of the Unfunded Mandates Reform Act of 1995; and
- “(iv) any other relevant information or requirements under any other Act and any relevant Executive orders, such as Executive Order No. 12866.

“(C) Upon receipt, each House shall provide copies to the Chairman and Ranking Member of each committee with jurisdiction.

“(2)(A) The Comptroller General shall provide a report on each major rule to the committees of jurisdiction to each House of the Congress by the end of 12 calendar days after the submission or publication date as provided in section 802(b)(2). The report of the Comptroller General shall include an assessment of the agency’s compliance with procedural steps required by paragraph (1)(B).

“(B) Federal agencies shall cooperate with the Comptroller General by providing information relevant to the Comptroller General’s report under subparagraph (A).

“(3) A major rule relating to a report submitted under paragraph (1) shall take effect as a final rule, the latest of—

“(A) the later of the date occurring 60 days (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress) after the date on which—

“(i) the Congress receives the report submitted under paragraph (1); or

“(ii) the rule is published in the Federal Register;

“(B) if the Congress passes a joint resolution of disapproval described under section 802 relating to the rule, and the President signs a veto of such resolution, the earlier date—

“(i) on which either House of Congress votes and fails to override the veto of the President; or

“(ii) occurring 30 session days after the date on which the Congress received the veto and objections of the President; or

“(C) the date the rule would have otherwise taken effect, if not for this section (unless a joint resolution of disapproval under section 802 is enacted).

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"(4) Except for a major rule, a rule shall take effect as otherwise provided by law after submission to Congress under paragraph (1).

"(5) Notwithstanding paragraph (3), the effective date of a rule shall not be delayed by operation of this chapter beyond the date on which either House of Congress votes to reject a joint resolution of disapproval under section 802.

"(b)(1) A rule or proposed rule shall not take effect (or continue) as a final rule, if the Congress passes a joint resolution of disapproval described under section 802.

"(2) A rule or proposed rule that does not take effect (or does not continue) under paragraph (1) may not be reissued in substantially the same form, and a new rule that is substantially the same as such a rule or proposed rule may not be issued, unless the reissued or new rule is specifically authorized by a law enacted after the date of the joint resolution disapproving the original rule.

"(c)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a rule that would not take effect by reason of this chapter may take effect, if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

"(2) Paragraph (1) applies to a determination made by the President by Executive order that the rule should take effect because such rule is—

"(A) necessary because of an imminent threat to health or safety or other emergency;

"(B) necessary for the enforcement of criminal laws;

"(C) necessary for national security; or

"(D) issued pursuant to a statute implementing an international trade agreement.

"(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under section 802 or the effect of a joint resolution of disapproval under this section.

"(d)(1) In addition to the opportunity for review otherwise provided under this chapter, in the case of any rule that is published in the Federal Register (as a rule that shall take effect as a final rule) during the period beginning on the date occurring 60 days before the date the Congress adjourns a session of Congress through the date on which the same or succeeding Congress first convenes its next session, section 802 shall apply to such rule in the succeeding session of Congress.

"(2)(A) In applying section 802 for purposes of such additional review, a rule described under paragraph (1) shall be treated as though—

"(i) such rule were published in the Federal Register (as a rule that shall take effect as a final rule) on the 15th session day after the succeeding Congress first convenes; and

"(ii) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

"(B) Nothing in this paragraph shall be construed to affect the requirement under subsection (a)(1) that a report shall be submitted to Congress before a final rule can take effect.

"(3) A rule described under paragraph (1) shall take effect as a final rule as otherwise provided by law (including other subsections of this section).

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"(e)(1) Section 802 shall apply in accordance with its terms to any major rule that was published in the Federal Register (as a rule that shall take effect as a final rule) in the period beginning on November 20, 1994, through the date of enactment of the Comprehensive Regulatory Reform Act of 1995.

"(2) In applying section 802 for purposes of Congressional review, a rule described under paragraph (1) shall be treated as though—

"(A) such rule were published in the Federal Register (as a rule that shall take effect as a final rule) on the date of enactment of the Comprehensive Regulatory Reform Act of 1995; and

"(B) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

"(3) The effectiveness of a rule described under paragraph (1) shall be as otherwise provided by law, unless the rule is made of no force or effect under section 802.

"(f) Any rule that takes effect, and later is made of no force or effect by enactment of a joint resolution under section 802 shall be treated as though such rule had never taken effect.

"(g) If the Congress does not enact a joint resolution of disapproval under section 802, no court or agency may infer any intent of the Congress from any action or inaction of the Congress with regard to such rule, related statute, or joint resolution of disapproval.

"§ 802. Congressional disapproval procedure

"(a) JOINT RESOLUTION DEFINED.—For purposes of this section, the term 'joint resolution' means only—

"(1) a joint resolution introduced in the period beginning on the date on which the report referred to in section 801(a) is received by Congress and ending 60 days thereafter (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), the matter after the resolving clause of which is as follows: 'That Congress disapproves the rule submitted by the _____ relating to _____, and such rule shall have no force or effect.' (the blank spaces being appropriately filled in); or

"(2) a joint resolution the matter after the resolving clause of which is as follows: 'That the Congress disapproves the proposed rule published by the _____ relating to _____, and such proposed rule shall not be issued or take effect as a final rule.' (the blank spaces being appropriately filled in).

"(b)(1) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

"(2) For purposes of this section, the term 'submission or publication date' means—

"(A) in the case of a joint resolution described in subsection

(a)(1) the later of the date on which—

"(i) the Congress receives the report submitted under section 801(a)(1); or

"(ii) the rule is published in the Federal Register; or

"(B) in the case of a joint resolution described in subsection (a)(2), the date of introduction of the joint resolution.

"(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has not reported such

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joint resolution (or an identical joint resolution) at the end of 20 calendar days after the submission or publication date defined under subsection (b)(2), such committee may be discharged from further consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the appropriate calendar.

"(d)(1) In the Senate, when the committee to which a joint resolution is referred has reported, or when a committee is discharged (under subsection (c)) from further consideration of, a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

"(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

"(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

"(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

"(e) If, before the passage by one House of a joint resolution of that House described in subsection (a), that House receives from the other House a joint resolution described in subsection (a), then the following procedures shall apply:

"(1) The joint resolution of the other House shall not be referred to a committee.

"(2) With respect to a joint resolution described in subsection (a) of the House receiving the joint resolution—

"(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

"(B) the vote on final passage shall be on the joint resolution of the other House.

"(f) This section is enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in

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subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"§ 803. Special rule on statutory, regulatory, and judicial deadlines

"(a) In the case of any deadline for, relating to, or involving any rule which does not take effect (or the effectiveness of which is terminated) because of enactment of a joint resolution under section 802, that deadline is extended until the date 1 year after the date of the joint resolution. Nothing in this subsection shall be construed to affect a deadline merely by reason of the postponement of a rule's effective date under section 801(a).

"(b) The term 'deadline' means any date certain for fulfilling any obligation or exercising any authority established by or under any Federal statute or regulation, or by or under any court order implementing any Federal statute or regulation.

"§ 804. Definitions

"(a) For purposes of this chapter—

"(1) the term 'Federal agency' means any agency as that term is defined in section 551(1) (relating to administrative procedure);

"(2) the term 'major rule' has the same meaning given such term in section 621(5); and

"(3) the term 'final rule' means any final rule or interim final rule.

"(b) As used in subsection (a)(3), the term 'rule' has the meaning given such term in section 551, except that such term does not include any rule of particular applicability including a rule that approves or prescribes for the future rates, wages, prices, services, or allowances therefor, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing or any rule of agency organization, personnel, procedure, practice or any routine matter.

"§ 805. Judicial review

"No determination, finding, action, or omission under this chapter shall be subject to judicial review.

"§ 806. Applicability; severability

"(a) This chapter shall apply notwithstanding any other provision of law.

"(b) If any provision of this chapter or the application of any provision of this chapter to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this chapter, shall not be affected thereby.

"§ 807. Exemption for monetary policy

"Nothing in this chapter shall apply to rules that concern monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee."

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(c) **Effective Date.**—The amendment made by subsection (b) shall take effect on the date of enactment of this Act.

(d) **TECHNICAL AMENDMENT.**—The table of chapters for part I of title 5, United States Code, is amended by inserting immediately after the item relating to chapter 7 the following:

“8. Congressional Review of Agency Rulemaking 801”.

SEC. 2007. REGULATORY ACCOUNTING STATEMENT.

(a) **DEFINITIONS.**—For purposes of this section, the following definitions apply:

(1) **MAJOR RULE.**—The term “major rule” has the same meaning as defined in section 621(5)(A)(i) of title 5, United States Code. The term shall not include—

(A) administrative actions governed by sections 556 and 557 of title 5, United States Code;

(B) regulations issued with respect to a military or foreign affairs function of the United States or a statute implementing an international trade agreement; or

(C) regulations related to agency organization, management, or personnel.

(2) **AGENCY.**—The term “agency” means any executive department, military department, Government corporation, Government controlled corporation, or other establishment in the executive branch of the Government (including the Executive Office of the President), or any independent regulatory agency, but shall not include—

(A) the General Accounting Office;

(B) the Federal Election Commission;

(C) the governments of the District of Columbia and of the territories and possessions of the United States, and their various subdivisions; or

(D) Government-owned contractor-operated facilities, including laboratories engaged in national defense research and production activities.

(b) **ACCOUNTING STATEMENT.**—

(1) **IN GENERAL.**—

(A) The President shall be responsible for implementing and administering the requirements of this section.

(B) Not later than June 1, 1997, and each June 1 thereafter, the President shall prepare and submit to Congress an accounting statement that estimates the annual costs of major rules and corresponding benefits in accordance with this subsection.

(2) **YEARS COVERED BY ACCOUNTING STATEMENT.**—Each accounting statement shall cover, at a minimum, the 5 fiscal years beginning on October 1 of the year in which the report is submitted and may cover any fiscal year preceding such fiscal years for purpose of revising previous estimates.

(3) **TIMING AND PROCEDURES.**—

(A) The President shall provide notice and opportunity for comment for each accounting statement. The President may delegate to an agency the requirement to provide notice and opportunity to comment for the portion of the accounting statement relating to that agency.

(B) The President shall propose the first accounting statement under this subsection not later than 2 years after the date of enactment of this Act and shall issue

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the first accounting statement in final form not later than 3 years after such effective date. Such statement shall cover, at a minimum, each of the fiscal years beginning after the date of enactment of this Act.

(4) CONTENT OF ACCOUNTING STATEMENT.—

(A) Each accounting statement shall contain estimates of costs and benefits with respect to each fiscal year covered by the statement in accordance with this paragraph. For each such fiscal year for which estimates were made in a previous accounting statement, the statement shall revise those estimates and state the reasons for the revisions.

(B)(i) An accounting statement shall estimate the costs of major rules by setting forth, for each year covered by the statement—

(I) the annual expenditure of national economic resources for major rules, grouped by regulatory program; and

(II) such other quantitative and qualitative measures of costs as the President considers appropriate.

(ii) For purposes of the estimate of costs in the accounting statement, national economic resources shall include, and shall be listed under, at least the following categories:

(I) Private sector costs.

(II) Federal sector costs.

(III) State and local government administrative costs.

(C) An accounting statement shall estimate the benefits of major rules by setting forth, for each year covered by the statement, such quantitative and qualitative measures of benefits as the President considers appropriate. Any estimates of benefits concerning reduction in health, safety, or environmental risks shall present the most plausible level of risk practical, along with a statement of the reasonable degree of scientific certainty.

(c) ASSOCIATED REPORT TO CONGRESS.—

(1) IN GENERAL.—At the same time as the President submits an accounting statement under subsection (b), the President, acting through the Director of the Office of Management and Budget, shall submit to Congress a report associated with the accounting statement (hereinafter referred to as an "associated report"). The associated report shall contain, in accordance with this subsection—

(A) analyses of impacts; and

(B) recommendations for reform.

(2) ANALYSES OF IMPACTS.—The President shall include in the associated report the following:

(A) Analyses prepared by the President of the cumulative impact of major rules in Federal regulatory programs covered in the accounting statement on the following:

(i) The ability of State and local governments to provide essential services, including police, fire protection, and education.

(ii) Small business.

(iii) Productivity.

(iv) Wages.

(v) Economic growth.

(vi) Technological innovation.

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(vii) Consumer prices for goods and services.

(viii) Such other factors considered appropriate by the President.

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

(3) RECOMMENDATIONS FOR REFORM.—The President shall include in the associated report the following:

(A) A summary of recommendations of the President for reform or elimination of any Federal regulatory program or program element that does not represent sound use of national economic resources or otherwise is inefficient.

(B) A summary of any recommendations for such reform or elimination of Federal regulatory programs or program elements prepared by persons commenting during the comment period on the accounting statement.

(d) GUIDANCE FROM OFFICE OF MANAGEMENT AND BUDGET.—The Director of the Office of Management and Budget shall, in consultation with the Council of Economic Advisers, provide guidance to agencies—

(1) to standardize measures of costs and benefits in accounting statements prepared pursuant to sections 3 and 7 of this Act, including—

(A) detailed guidance on estimating the costs and benefits of major rules; and

(B) general guidance on estimating the costs and benefits of all other rules that do not meet the thresholds for major rules; and

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

(e) RECOMMENDATIONS FROM CONGRESSIONAL BUDGET OFFICE.—After each accounting statement and associated report submitted to Congress, the Director of the Congressional Budget Office shall make recommendations to the President—

(1) for improving accounting statements prepared pursuant to this section, including recommendations on level of detail and accuracy; and

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

(f) JUDICIAL REVIEW.—No requirements under this section shall be subject to judicial review in any manner.

SEC. 2008. STUDIES AND REPORTS.

(a) RISK ASSESSMENTS.—The Administrative Conference of the United States shall—

(1) develop and carry out an ongoing study of the operation of the risk assessment requirements of subchapter III of chapter 6 of title 5, United States Code (as added by section 4 of this Act); and

(2) submit an annual report to the Congress on the findings of the study.

(b) ADMINISTRATIVE PROCEDURE ACT.—Not later than December 31, 1996, the Administrative Conference of the United States shall—

(1) carry out a study of the operation of the Administrative Procedure Act (as amended by section 3 of this Act); and

(2) submit a report to the Congress on the findings of the study, including proposals for revision, if any.

SEC. 2009. MISCELLANEOUS PROVISIONS.

(a) **EFFECTIVE DATE.**—Except as otherwise provided, this Act and the amendments made by this Act shall take effect on the date of enactment.

(b) **SEVERABILITY.**—If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

NEWT GINGRICH,
*Speaker of the House of Rep-
resentatives.*

AL GORE,
*Vice President of the United
States and President of the
Senate.*

I certify that this Act originated in the House of Representatives.

ROBIN H. CARLE, *Clerk.*

(By) LINDA NAVE, *Deputy Clerk.*

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