

117TH CONGRESS  
2D SESSION

# S. 4594

To establish a National Regulatory Budget, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 21, 2022

Mr. MARSHALL (for himself and Mr. CRUZ) introduced the following bill;  
which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To establish a National Regulatory Budget, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Regulatory  
5 Budget Act of 2022”.

6 **SEC. 2. ESTABLISHMENT OF THE OFFICE OF REGULATORY**

7 **ANALYSIS.**

8 (a) IN GENERAL.—Part I of title 5, United States  
9 Code, is amended by inserting after chapter 6 the fol-  
10 lowing:

1 **“CHAPTER 6A—NATIONAL REGULATORY**  
 2 **BUDGET AND OFFICE OF REGU-**  
 3 **LATORY ANALYSIS**

“Sec.

“613. Definitions.

“614. Office of Regulatory Analysis; establishment; powers.

“615. Functions of Office of Regulatory Analysis; Executive branch agency compliance.

“616. Public disclosure of estimate methodology and data; privacy.

“617. National Regulatory Budget; timeline.

“618. Executive branch agency cooperation mandatory; information sharing.

“619. Enforcement.

“620. Regulatory Analysis Advisory Board.

4 **“§ 613. Definitions**

5 “In this chapter—

6 “(1) the term ‘aggregate costs’, with respect to  
 7 a covered Federal rule, means the sum of—

8 “(A) the direct costs of the covered Fed-  
 9 eral rule; and

10 “(B) the regulatory costs of the covered  
 11 Federal rule;

12 “(2) the term ‘covered Federal rule’ means—

13 “(A) a rule (as defined in section 551);

14 “(B) an information collection requirement  
 15 given a control number by the Office of Man-  
 16 agement and Budget; or

17 “(C) guidance or a directive that—

18 “(i) is not described in subparagraph  
 19 (A) or (B);

1 “(ii)(I) is mandatory in its application  
2 to regulated entities; or

3 “(II) represents a statement of agency  
4 position that regulated entities would rea-  
5 sonably construe as reflecting the enforce-  
6 ment or litigation position of the agency;  
7 and

8 “(iii) imposes not less than  
9 \$25,000,000 in annual costs on regulated  
10 entities;

11 “(3) the term ‘direct costs’ means—

12 “(A) expenditures made by an Executive  
13 branch agency that relate to the promulgation,  
14 administration, or enforcement of a covered  
15 Federal rule; or

16 “(B) costs incurred by an Executive  
17 branch agency or any other instrumentality of  
18 the Federal Government because of a covered  
19 Federal rule;

20 “(4) the term ‘Director’ means the Director of  
21 the Office of Regulatory Analysis established under  
22 section 614(b);

23 “(5) the term ‘Executive branch agency’ has  
24 the meaning given the term ‘agency’ in section 551,  
25 except that it shall not include an authority of the

1 Government of the United States that is within an-  
2 other agency;

3 “(6) the term ‘regulated entity’ means—

4 “(A) a for-profit private sector entity (in-  
5 cluding an individual who is in business as a  
6 sole proprietor);

7 “(B) a not-for-profit private sector entity;

8 or

9 “(C) a State or local government; and

10 “(7) the term ‘regulatory costs’ means all costs  
11 incurred by a regulated entity because of covered  
12 Federal rules.

13 **“§ 614. Office of Regulatory Analysis; establishment;  
14 powers**

15 “(a) ESTABLISHMENT.—There is established in the  
16 executive branch an independent establishment to be  
17 known as the ‘Office of Regulatory Analysis’.

18 “(b) DIRECTOR.—

19 “(1) ESTABLISHMENT OF POSITION.—There  
20 shall be at the head of the Office of Regulatory  
21 Analysis a Director, who shall be appointed by the  
22 President, by and with the advice and consent of the  
23 Senate.

24 “(2) TERM.—

1           “(A) IN GENERAL.—The term of office of  
2 the Director shall—

3                   “(i) be 4 years; and

4                   “(ii) expire on the last day of Feb-  
5 ruary following each Presidential election.

6           “(B) APPOINTMENTS PRIOR TO EXPIRA-  
7 TION OF TERM.—Subject to subparagraph (C),  
8 an individual appointed as Director to fill a va-  
9 cancy prior to the expiration of a term shall  
10 serve only for the unexpired portion of the  
11 term.

12           “(C) SERVICE UNTIL APPOINTMENT OF  
13 SUCCESSOR.—An individual serving as Director  
14 at the expiration of a term may continue to  
15 serve until a successor is appointed.

16           “(3) POWERS.—

17                   “(A) APPOINTMENT OF DEPUTY DIREC-  
18 TORS, OFFICERS, AND EMPLOYEES.—

19                   “(i) IN GENERAL.—The Director may  
20 appoint Deputy Directors, officers, and  
21 employees, including attorneys, in accord-  
22 ance with chapter 51 and subchapter III of  
23 chapter 53.

24                   “(ii) TERM OF DEPUTY DIRECTORS.—  
25 A Deputy Director shall serve until the ex-

1           piration of the term of office of the Direc-  
2           tor who appointed the Deputy Director  
3           (and until a successor to that Director is  
4           appointed), unless sooner removed by the  
5           Director.

6           “(B) CONTRACTING.—

7                 “(i) IN GENERAL.—The Director may  
8           contract for financial and administrative  
9           services (including those related to budget  
10          and accounting, financial reporting, per-  
11          sonnel, and procurement) with the General  
12          Services Administration, or such other  
13          Federal agency as the Director determines  
14          appropriate, for which payment shall be  
15          made in advance, or by reimbursement,  
16          from funds of the Office of Regulatory  
17          Analysis in such amounts as may be  
18          agreed upon by the Director and the head  
19          of the Federal agency providing the serv-  
20          ices.

21                 “(ii) SUBJECT TO APPROPRIATIONS.—  
22          Contract authority under clause (i) shall be  
23          effective for any fiscal year only to the ex-  
24          tent that appropriations are available for  
25          that purpose.

1       “(c) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be appropriated to the Office of Regu-  
3 latory Analysis for each fiscal year such sums as may be  
4 necessary to enable the Office of Regulatory Analysis to  
5 carry out its duties and functions.

6       “§ 615. Functions of Office of Regulatory Analysis; Ex-  
7                    **ecutive branch agency compliance**

8       “(a) ANNUAL REPORT REQUIRED.—

9               “(1) IN GENERAL.—Not later than January 30  
10 of each year, the Director shall submit to the Com-  
11 mittee on Homeland Security and Governmental Af-  
12 fairs of the Senate, the Committee on Small Busi-  
13 ness and Entrepreneurship of the Senate, the Com-  
14 mittee on Oversight and Reform of the House of  
15 Representatives, and the Committee on Small Busi-  
16 ness of the House of Representatives a Report on  
17 National Regulatory Costs (referred to in this sec-  
18 tion as the ‘Report’) that includes the information  
19 specified under paragraph (2).

20               “(2) CONTENTS.—Each Report shall include—

21                   “(A) an estimate, for the fiscal year during  
22 which the Report is submitted and for the pre-  
23 ceeding fiscal year, of—

1           “(i) the regulatory costs imposed by  
2 each Executive branch agency on regulated  
3 entities;

4           “(ii) the aggregate costs imposed by  
5 each Executive branch agency;

6           “(iii) the aggregate costs imposed by  
7 all Executive branch agencies combined;

8           “(iv) the direct costs incurred by the  
9 Federal Government because of covered  
10 Federal rules issued by each Executive  
11 branch agency;

12           “(v) the sum of the costs described in  
13 clauses (iii) and (iv);

14           “(vi) the regulatory costs imposed by  
15 each Executive branch agency on small  
16 businesses, small organizations, and small  
17 governmental jurisdictions (as those terms  
18 are defined in section 601); and

19           “(vii) the sum of the costs described  
20 in clause (vi);

21           “(B) an analysis of any major changes in  
22 estimation methodology used by the Office of  
23 Regulatory Analysis since the previous annual  
24 report;



1           “(C) an analysis of any major estimate  
2 changes caused by improved or inadequate data  
3 since the previous annual report;

4           “(D) recommendations, both general and  
5 specific, regarding—

6                 “(i) how regulations may be stream-  
7 lined, simplified, and modernized;

8                 “(ii) regulations that should be re-  
9 pealed; and

10                “(iii) how the Federal Government  
11 may reduce the costs of regulations with-  
12 out diminishing the effectiveness of regula-  
13 tions; and

14           “(E) any other information that the Direc-  
15 tor determines may be of assistance to Congress  
16 in determining the National Regulatory Budget  
17 required under section 617.

18           “(b) REGULATORY ANALYSIS OF NEW RULES.—

19                 “(1) REQUIREMENT.—The Director shall pub-  
20 lish in the Federal Register and on the website of  
21 the Office of Regulatory Analysis a regulatory anal-  
22 ysis of each proposed covered Federal rule issued by  
23 an Executive branch agency, and each proposed  
24 withdrawal or modification of a covered Federal rule  
25 by an Executive branch agency, that—

1           “(A) imposes costs on a regulated entity;

2           or

3           “(B) reduces costs imposed on a regulated  
4           entity.

5           “(2) CONTENTS.—Each regulatory analysis  
6           published under paragraph (1) shall include—

7           “(A) an estimate of the change in regu-  
8           latory cost of each proposed covered Federal  
9           rule (or proposed withdrawal or modification of  
10          a covered Federal rule); and

11          “(B) any other information or rec-  
12          ommendation that the Director may choose to  
13          provide.

14          “(3) TIMING OF REGULATORY ANALYSIS.—

15          “(A) INITIAL REGULATORY ANALYSIS.—  
16          Not later than 60 days after the date on which  
17          the Director receives a copy of a proposed cov-  
18          ered Federal rule from the head of an Execu-  
19          tive branch agency under paragraph (4), the  
20          Director shall publish an initial regulatory anal-  
21          ysis.

22          “(B) REVISED REGULATORY ANALYSIS.—  
23          The Director may publish a revised regulatory  
24          analysis at any time.

1           “(4) NOTICE TO DIRECTOR OF PROPOSED COV-  
 2           ERED FEDERAL RULE.—The head of an Executive  
 3           branch agency shall provide a copy of each proposed  
 4           covered Federal rule to the Director in a manner  
 5           prescribed by the Director.

6           “(c) EFFECTIVE DATES.—

7           “(1) IN GENERAL.—Except as provided in para-  
 8           graph (2), a covered Federal rule may not take ef-  
 9           fect earlier than 75 days after the date on which the  
 10          head of the Executive branch agency proposing the  
 11          covered Federal rule submits a copy of the proposed  
 12          covered Federal rule to the Director in the manner  
 13          prescribed by the Director under subsection (b)(4).

14          “(2) EXCEPTION.—If the head of the Executive  
 15          branch agency proposing a covered Federal rule de-  
 16          termines that the public health or safety or national  
 17          security requires that the covered Federal rule be  
 18          promulgated earlier than the date specified under  
 19          paragraph (1), the head of the Executive branch  
 20          agency may promulgate the covered Federal rule  
 21          without regard to paragraph (1).

22       **“§ 616. Public disclosure of estimate methodology and**  
 23                               **data; privacy**

24          “(a) PRIVACY.—The Director shall comply with all  
 25          relevant privacy laws, including—

1           “(1) the Confidential Information Protection  
2           and Statistical Efficiency Act of 2002 (44 U.S.C.  
3           3501 note);

4           “(2) section 9 of title 13; and

5           “(3) section 6103 of the Internal Revenue Code  
6           of 1986.

7           “(b) DISCLOSURE.—

8           “(1) IN GENERAL.—To the maximum extent  
9           permitted by law, the Director shall disclose, by pub-  
10          lication in the Federal Register and on the website  
11          of the Office of Regulatory Analysis, the method-  
12          ology and data used to generate the estimates in the  
13          Report on National Regulatory Costs required under  
14          section 615.

15          “(2) GOAL OF DISCLOSURE.—In disclosing the  
16          methodology and data under paragraph (1), the Di-  
17          rector shall seek to provide sufficient information so  
18          that outside researchers may replicate the results  
19          contained in the Report on National Regulatory  
20          Costs.

21       **“§ 617. National Regulatory Budget; timeline**

22          “(a) DEFINITION.—In this section—

23               “(1) the term ‘annual overall regulatory cost  
24               cap’ means the maximum amount of regulatory costs

1 that all Executive branch agencies combined may  
2 impose in a fiscal year;

3 “(2) the term ‘annual agency regulatory cost  
4 cap’ means the maximum amount of regulatory costs  
5 that an Executive branch agency may impose in a  
6 fiscal year; and

7 “(3) the term ‘National Regulatory Budget’  
8 means an Act of Congress that establishes, for a fis-  
9 cal year—

10 “(A) the annual overall regulatory cost  
11 cap; and

12 “(B) an annual agency regulatory cost cap  
13 for each Executive branch agency.

14 “(b) COMMITTEE DEADLINES.—

15 “(1) REFERRAL.—Not later than March 31 of  
16 each year—

17 “(A) the Committee on Small Business  
18 and Entrepreneurship of the Senate shall refer  
19 to the Committee on Homeland Security and  
20 Governmental Affairs of the Senate a bill that  
21 sets forth a National Regulatory Budget for the  
22 fiscal year beginning on October 1 of that year;  
23 and

24 “(B) the Committee on Small Business of  
25 the House of Representatives shall refer to the

1           Committee on Oversight and Reform of the  
2           House of Representatives a bill that sets forth  
3           a National Regulatory Budget for the fiscal  
4           year beginning on October 1 of that year.

5           “(2) REPORTING.—Not later than May 31 of  
6           each year—

7                   “(A) the Committee on Homeland Security  
8                   and Governmental Affairs of the Senate shall  
9                   report a bill establishing a National Regulatory  
10                  Budget for the fiscal year beginning on October  
11                  1 of that year; and

12                   “(B) the Committee on Oversight and Re-  
13                   form of the House of Representatives shall re-  
14                   port a bill establishing a National Regulatory  
15                  Budget for the fiscal year beginning on October  
16                  1 of that year.

17           “(c) PASSAGE.—Not later than July 31 of each year,  
18           the House of Representatives and the Senate shall each  
19           pass a bill establishing a National Regulatory Budget for  
20           the fiscal year beginning on October 1 of that year.

21           “(d) PRESENTMENT.—Not later than September 15  
22           of each year, Congress shall pass and present to the Presi-  
23           dent a National Regulatory Budget for the fiscal year be-  
24           ginning on October 1 of that year.

25           “(e) DEFAULT BUDGET.—

1           “(1) IN GENERAL.—If a National Regulatory  
2 Budget is not enacted with respect to a fiscal year,  
3 the most recently enacted National Regulatory  
4 Budget shall apply to that fiscal year.

5           “(2) DEFAULT INITIAL BUDGET.—

6           “(A) CALCULATION.—If a National Regu-  
7 latory Budget is not enacted with respect to a  
8 fiscal year, and no National Regulatory Budget  
9 has previously been enacted—

10           “(i) the annual agency regulatory cost  
11 cap for an Executive branch agency for the  
12 fiscal year shall be equal to the amount of  
13 regulatory costs imposed by that Executive  
14 branch agency on regulated entities during  
15 the preceding fiscal year, as estimated by  
16 the Director in the annual report sub-  
17 mitted to Congress under section 615(a);  
18 and

19           “(ii) the annual overall regulatory cost  
20 cap for the fiscal year shall be equal to the  
21 sum of the amounts described in clause (i).

22           “(B) EFFECT.—For purposes of section  
23 619, an annual agency regulatory cost cap de-  
24 scribed in subparagraph (A) that applies to a  
25 fiscal year shall have the same effect as if the

1           annual agency regulatory cost cap were part of  
2           a National Regulatory Budget applicable to  
3           that fiscal year.

4           “(f) INITIAL BUDGET.—The first National Regu-  
5           latory Budget shall be with respect to fiscal year 2024.

6           **“§ 618. Executive branch agency cooperation manda-  
7           tory; information sharing**

8           “(a) EXECUTIVE BRANCH AGENCY COOPERATION  
9           MANDATORY.—Not later than 45 days after the date on  
10          which the Director requests any information from an Ex-  
11          ecutive branch agency, the Executive branch agency shall  
12          provide the Director with the information.

13          “(b) MEMORANDA OF UNDERSTANDING REGARDING  
14          CONFIDENTIALITY.—

15                 “(1) IN GENERAL.—An Executive branch agen-  
16          cy may require the Director to enter into a memo-  
17          randum of understanding regarding the confiden-  
18          tiality of information provided by the Executive  
19          branch agency to the Director under subsection (a)  
20          as a condition precedent to providing any requested  
21          information.

22                 “(2) DEGREE OF CONFIDENTIALITY OR DATA  
23          PROTECTION.—An Executive branch agency may not  
24          require a greater degree of confidentiality or data  
25          protection from the Director in a memorandum of



1 understanding entered into under paragraph (1)  
2 than the Executive branch agency itself must adhere  
3 to.

4 “(3) SCOPE.—A memorandum of understanding  
5 entered into by the Director and an Executive  
6 branch agency under paragraph (1) shall—

7 “(A) be general in scope; and

8 “(B) govern all pending and future re-  
9 quests made to the Executive branch agency by  
10 the Director.

11 “(c) SANCTIONS FOR NON-COOPERATION.—

12 “(1) IN GENERAL.—The appropriations of an  
13 Executive branch agency for a fiscal year shall be re-  
14 duced by one-half of 1 percent if, during that fiscal  
15 year, the Director finds that—

16 “(A) the Executive branch agency has  
17 failed to timely provide information that the Di-  
18 rector requested under subsection (a);

19 “(B) the Director has provided notice of  
20 the failure described in subparagraph (A) to the  
21 Executive branch agency;

22 “(C) the Executive branch agency has  
23 failed to cure the failure described in subpara-  
24 graph (A) within 30 days of being notified  
25 under subparagraph (B); and

1           “(D) the information that the Director re-  
2           quested under subsection (a)—

3                   “(i) is in the possession of the Execu-  
4                   tive branch agency; or

5                   “(ii) may reasonably be developed by  
6                   the Executive branch agency.

7           “(2) SEQUESTRATION.—The Office of Manage-  
8           ment and Budget, in consultation with the Office of  
9           Federal Financial Management and Financial Man-  
10          agement Service, shall enforce a reduction in appro-  
11          priations under paragraph (1) by sequestering the  
12          appropriate amount of funds and returning the  
13          funds to the Treasury.

14          “(3) APPEALS.—

15                   “(A) IN GENERAL.—The Director of the  
16                   Office of Management and Budget may reduce  
17                   the amount of, or except as provided in sub-  
18                   paragraph (B), waive, a sanction imposed under  
19                   paragraph (1) if the Director of the Office of  
20                   Management and Budget finds that—

21                           “(i) the sanction is unwarranted;

22                           “(ii) the sanction is disproportionate  
23                   to the gravity of the failure;

24                           “(iii) the failure has been cured; or

1                   “(iv) providing the requested informa-  
2                   tion would adversely affect national secu-  
3                   rity.

4                   “(B) NO WAIVER FOR HISTORICALLY NON-  
5                   COMPLIANT AGENCIES.—The Director of the  
6                   Office of Management and Budget may not  
7                   waive a sanction imposed on an Executive  
8                   branch agency under paragraph (1) if the Exec-  
9                   utive branch agency has a history of non-com-  
10                  pliance with requests for information by the Di-  
11                  rector of the Office of Regulatory Analysis  
12                  under subsection (a).

13                  “(d) NATIONAL SECURITY.—The Director may not  
14                  require an Executive branch agency to provide information  
15                  under subsection (a) that would adversely affect national  
16                  security.

17                  **“§ 619. Enforcement**

18                  “(a) EXCEEDING ANNUAL AGENCY REGULATORY  
19                  COST CAP.—An Executive branch agency that exceeds the  
20                  annual agency regulatory cost cap imposed by the Na-  
21                  tional Regulatory Budget for a fiscal year may not pro-  
22                  mulgate a new covered Federal rule that increases regu-  
23                  latory costs until the Executive branch agency no longer  
24                  exceeds the annual agency regulatory cost cap imposed by  
25                  the applicable National Regulatory Budget.

1 “(b) DETERMINATION OF DIRECTOR.—

2 “(1) IN GENERAL.—An Executive branch agen-  
3 cy may not promulgate a covered Federal rule unless  
4 the Director determines, in conducting the regu-  
5 latory analysis of the covered Federal rule under  
6 section 615(b)(3)(A) that, after the Executive  
7 branch agency promulgates the covered Federal rule,  
8 the Executive branch agency will not exceed the an-  
9 nual agency regulatory cost cap for that Executive  
10 branch agency.

11 “(2) TIMING.—The Director shall make a de-  
12 termination under paragraph (1) with respect to a  
13 proposed covered Federal rule not later than 60  
14 days after the Director receives a copy of the pro-  
15 posed covered Federal rule under section 615(b)(4).

16 “(c) EFFECT OF VIOLATION OF THIS SECTION.—

17 “(1) NO FORCE OR EFFECT.—A covered Fed-  
18 eral rule that is promulgated in violation of this sec-  
19 tion shall have no force or effect.

20 “(2) JUDICIAL ENFORCEMENT.—Any party  
21 may bring an action in a district court of the United  
22 States to declare that a covered Federal rule has no  
23 force or effect because the covered Federal rule was  
24 promulgated in violation of this section.

1 **“§ 620. Regulatory Analysis Advisory Board**

2       “(a) ESTABLISHMENT OF BOARD.—In accordance  
3 with the Federal Advisory Committee Act (5 U.S.C. App.),  
4 the Director shall—

5               “(1) establish a Regulatory Analysis Advisory  
6 Board; and

7               “(2) appoint not fewer than 9 and not more  
8 than 15 individuals as members of the Regulatory  
9 Analysis Advisory Board.

10       “(b) QUALIFICATIONS.—The Director shall appoint  
11 individuals with technical and practical expertise in eco-  
12 nomics, law, accounting, science, management, and other  
13 areas that will aid the Director in preparing the annual  
14 Report on National Regulatory Costs required under sec-  
15 tion 615.”.

16       (b) TECHNICAL AND CONFORMING AMENDMENTS.—

17               (1) TABLE OF CHAPTERS.—The table of chap-  
18 ters for part I of title 5, United States Code, is  
19 amended by inserting after the item relating to  
20 chapter 6 the following:

“6A. National Regulatory Budget and Office of Regulatory Analysis 613”.

21               (2) INTERNAL REVENUE CODE OF 1986.—Sec-  
22 tion 6103(j) of the Internal Revenue Code of 1986  
23 is amended by adding at the end the following:

24               “(7) OFFICE OF REGULATORY ANALYSIS.—  
25 Upon written request by the Director of the Office

1 of Regulatory Analysis established under section 614  
2 of title 5, United States Code, the Secretary shall  
3 furnish to officers and employees of the Office of  
4 Regulatory Analysis return information for the pur-  
5 pose of, but only to the extent necessary for, an  
6 analysis of regulatory costs.”.

7 **SEC. 3. REPORT ON DUPLICATIVE PERSONNEL; REPORT ON**  
8 **REGULATORY ANALYSIS.**

9 (a) DEFINITION.—In this section, the term “Direc-  
10 tor” means the Director of the Office of Regulatory Anal-  
11 ysis established under section 614(b) of title 5, United  
12 States Code, as added by section 2.

13 (b) REPORT ON DUPLICATIVE PERSONNEL.—Not  
14 later than December 31, 2022, the Director shall submit  
15 to Congress a report determining positions in the Federal  
16 Government that are—

17 (1) duplicative of the work performed by the  
18 Office of Regulatory Analysis established under sec-  
19 tion 614 of title 5, United States Code, as added by  
20 section 2; or

21 (2) otherwise rendered cost ineffective by the  
22 work of the Office of Regulatory Analysis.

23 (c) REPORT ON REGULATORY ANALYSIS.—

24 (1) REPORT REQUIRED.—Not later than June  
25 30, 2023, the Director shall submit to Congress a

1 report analyzing the practice of Federal regulatory  
2 analysis with respect to, and the effectiveness of—

3 (A) chapter 6 of title 5, United States  
4 Code (commonly known as the “Regulatory  
5 Flexibility Act”);

6 (B) the Small Business Regulatory En-  
7 forcement Fairness Act of 1996 (5 U.S.C. 601  
8 note);

9 (C) chapter 35 of title 44, United States  
10 Code (commonly known as the “Paperwork Re-  
11 duction Act”);

12 (D) each Executive order that mandates  
13 economic analysis of Federal regulations; and

14 (E) Office of Management and Budget cir-  
15 culars, directives, and memoranda that mandate  
16 economic analysis of Federal regulations.

17 (2) RECOMMENDATIONS.—The report under  
18 paragraph (1) shall include recommendations about  
19 how Federal regulatory analysis may be improved.

20 **SEC. 4. ADMINISTRATIVE PROCEDURE.**

21 (a) DEFINITION OF “RULE”.—Section 551(4) of title  
22 5, United States Code, is amended by inserting after “re-  
23 quirements of an agency” the following: “, whether or not  
24 the agency statement amends the Code of Federal Regula-  
25 tions and including, without limitation, a statement de-

1 scribed by the agency as a regulation, rule, directive, or  
2 guidance.”.

3 (b) NOTICE OF PROPOSED RULEMAKING.—Section  
4 553(b) of title 5, United States Code, is amended, fol-  
5 lowing the flush text, in subparagraph (A) by striking “in-  
6 terpretative rules, general statements of policy, or”.

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