## Regulatory Reform under Executive Order 13771: Final Accounting for Fiscal Year 2019

This chart summarizes government-wide compliance with Executive Order (EO) 13771, which requires federal departments and agencies to: (1) issue two deregulatory actions for each new regulatory action; and (2) not exceed a regulatory cost allowance. For fiscal year 2019, this regulatory budget was set individually by agency, with the instruction to propose, consistent with legal obligations, an overall reduction in regulatory costs (see OMB guidance M-17-31). The Administration continued to exceed the requirements of Executive Order 13771 in its third year.

- Eliminated \$50.9 billion in overall regulatory costs across the government from 2017-2019.
- Eliminated \$13.5 billion in overall regulatory costs across the government in 2019.
- 4.3 to 1: Agencies issued 150 deregulatory actions and 35 significant regulatory actions.
- 61 deregulatory actions were significant. Comparing significant deregulatory actions to significant regulatory actions yields a ratio of 1.7 to 1.

The results for Fiscal Year 2019 are presented by agency in Table 1. All accounting below uses the present value, as of 2019, of the costs or cost savings achieved. For a detailed list of regulatory and deregulatory actions completed in Fiscal Year 2019, see this <u>chart</u>. Executive Order 13771 implementation is further explained in the Office of Management and Budget Guidance <u>M-17-21</u>. For questions about specific regulatory actions, please contact the relevant agency.

Table 1. 13771 actions and costs/cost-savings by agency for Fiscal Year 2019.

Executive Departments and Agencies in FY19	Deregulatory Actions	Regulatory Actions	Costs/Cost Savings Present Value \$millions
Department of Agriculture	Actions   Action	-2,152	
Department of Commerce	18	0	-73.2
Department of Defense	4	0	-21.5
Department of Education	4	0	-3,081.5
Department of Energy	5	0	-305.9
Department of Health and Human Services	14	13	-11,400.7
Department of Homeland Security	11	3	-781.1
Department of Housing and Urban Development	2	1	-365
Department of the Interior	18	0	-1,452.8
Department of Justice	1	1	20.8
Department of Labor	8	2	-7,959.3
Department of State	0	0	0
Department of Transportation	23	4	-2,319.2
Department of the Treasury	4	1	61.7

Department of Veteran Affairs	3	3	8,129.9
Environmental Protection Agency	18	6	8,392.4
Equal Employment Opportunity Commission	0	0	0
DOD/GSA/NASA (Federal Acquisition Regulation)	1	1	-8.8
General Services Administration	0	0	0
National Aeronautics and Space Administration	0	0	0
Office of Management and Budget	0	0	0
Office of Personnel Management	1	0	0
Small Business Administration	1	0	-16.3
Social Security Administration	0	0	0
United States Agency for International Development	1	0	-138.5
Total	150	35	-13,470.9

The Administration now has three years of experience implementing Executive Order 13771. Cumulative results for Fiscal Years 2017-2019 are presented in Table 2 and show sustained commitment by agencies over time to generating deregulatory cost savings.

Table 2. 13771 actions and costs/cost-savings by agency for the period Fiscal Year 2017-2019.

Executive Departments and Agencies, FY17-FY19	Deregulatory Actions	Regulatory Actions	Costs/Cost Savings Present Value \$millions
Department of Agriculture	26	3	-2,848.4
Department of Commerce	39	1	-1025.3
Department of Defense	8	0	-101.2
Department of Education	28	0	-3123.9
Department of Energy	9	1	-75.4
Department of Health and Human Services	46	18	-25,692.6
Department of Homeland Security	28	3	-1,677.3
Department of Housing and Urban Development	4	2	-945
Department of the Interior	48	0	-5,841
Department of Justice	6	1	-69
Department of Labor	25	2	-11,859.3

Department of State	0	0	0	
Department of Transportation	48	5	-4,142.5	
Department of the Treasury	12	1	61.7	
Department of Veteran Affairs	7	4	7,851.3	
Environmental Protection Agency	44	10	6,585.6	
Equal Employment Opportunity Commission	0	0	0	
DOD/GSA/NASA (Federal Acquisition Regulation)	4	1	-7,810.7	
General Services Administration	2	0	-8.8	
National Aeronautics and Space Administration	1	0	-5.2	
Office of Management and Budget	0	0 0		
Office of Personnel Management	2	0	0	
Small Business Administration	4	1	-83.6	
Social Security Administration	0	0	0	
United States Agency for International Development	1	0	-138.5	
Total	392	53	-50,949	

## The following small agencies did not issue either Executive Order 13771 regulatory or deregulatory actions in fiscal year 2019:

American Battle Monuments Commission; Access Board; African Development Foundation; Commission on Civil Rights; Corporation for National and Community Service; Committee for Purchase from People Who Are Blind or Severely Disabled; Court Services and Offender Supervision Agency; Institute of Museum and Library Services; National Archives and Records Administration; National Endowment for the Arts; National Endowment for the Humanities; National Science Foundation; Office of Government Ethics; Pension Benefit Guaranty Corporation; Privacy and Civil Liberties Oversight Board; Peace Corps; Presidio Trust; Railroad Retirement Board; Special Inspector General for Afghanistan Reconstruction; and the Tennessee Valley Authority.

Executive Order 13771 Regulatory and Deregulatory Actions. Executive Order 13771 regulatory actions are defined as those final actions that both impose costs greater than zero and qualify as "significant" under Section 3(f) of Executive Order 12866 (see M-17-21, Q2). Accordingly, the regulatory actions listed in this table represent a subset of an agency's total regulatory actions. Executive Order 13771 deregulatory actions are defined as any final action that has total costs less than zero (see M-17-21, Q4). Inclusion of a range of deregulatory actions incentivizes agencies to consider modifying or eliminating unnecessary burdens, whether large or small, and is related to similar conventions used in Canada and the United Kingdom in their successful reform efforts.

Accounting Methods under Executive Order 13771. In order to ensure consistent and comparable accounting, the Office of Information and Regulatory Affairs has worked with agencies to apply the same analytical assumptions to the costs of regulatory actions and to the cost savings of deregulatory actions. Accounting Methods under Executive Order 13771 explains the technical details.

Annualized Value v. Present Value. The above chart uses the present value of regulatory and deregulatory actions. Annualized value and present value are different forms of the same summary numbers. With a perpetual time

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