



Research

Toward a New and Improved Regulatory Apparatus

SAM BATKINS | MARCH 21, 2013

No one in Washington, D.C. is particularly happy with the nation's current regulatory apparatus. Progressives argue that the Office of Information and Regulatory Affairs, the entity within the president's Office of Management and Budget tasked with reviewing agency rules, stifles consumer and environmental protections and places too much emphasis on costs. Conservatives, on the other hand, protest that OIRA is a feckless political arm of the White House, loathe to curtail egregious rules issued by cabinet agencies and exercising zero control over independent agencies.

Currently, when an executive agency proposes an "economically significant" regulation (meaning that its estimated effect on the economy would be \$100 million or greater), it must submit a regulatory impact analysis (RIA) to OIRA for review. The current administration's OIRA has returned for reconsideration precisely one regulation in its first four years, which suggests a lack of interest in regulatory oversight.

The process of analyzing the estimated costs and benefits of proposed regulations and acting on that information should be straightforward, but White House politics and the nation's entrenched regulatory apparatus have made it anything but. The most vocal proponents of rigorous benefit-cost analysis—the ranks of which include several former OIRA administrators—claim agency RIAs are often misleading and argue for a process that improves the quality of analysis. Left-leaning regulatory economists, however, are more inclined to give free rein to agencies and favor a more passive role for OIRA.

[Click here](#) to read the full article.