

Week in Regulation

Pipeline Proposal Leads the Week

DAN GOLDBECK, DAN BOSCH | JUNE 15, 2020

In yet another net-deregulatory week, a proposed rule regarding natural gas pipelines stood out. The Department of Transportation (DOT) proposal provided the bulk of the week's savings. In contrast, there was minimal movement across finalized rules. Across all rulemakings, agencies published \$1.3 billion in total net cost savings and cut 65,645 hours of annual paperwork.

REGULATORY TOPLINES

• Proposed Rules: 53

• Final Rules: 48

• 2020 Total Pages: 36,087

2020 Final Rule Costs: -\$192.4 billion2020 Proposed Rule Costs: \$7 billion

TRACKING THE REGULATORY BUDGET

The DOT proposed rule regarding "Gas Pipeline Regulatory Reform" was the most significant rulemaking of the week. The proposal seeks "to ease regulatory burdens on the construction, maintenance and operation of gas transmission, distribution, and gathering pipeline systems." DOT estimates that such changes could save affected entities nearly \$1.4 billion across 20 years, or roughly \$129.5 million annually. Since it is still a proposed rule, however, these savings do not apply to the fiscal year (FY) 2020 regulatory budget under Executive Order (EO) 13,771.

The Trump Administration expected to reach \$51.6 billion in cumulative net savings in FY 2020. To date in the fiscal year, agencies have officially published 94 deregulatory actions and 31 regulatory actions, totaling \$194.6 billion in quantified total net cost savings.

THIS WEEK'S REGULATORY PICTURE

This week, the Office of Management and Budget (OMB) issues a memorandum implementing a key component of EO 13,924.



EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

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M-20-25

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM:

Russell T. Vought

Implementation of Executive Order 13924 SUBJECT:

Source: https://www.whitehouse.gov/wp-content/uploads/2020/06/M-20-25.pdf

On June 9, OMB Acting Director Russell T. Vought issued a memorandum to executive agencies implementing part of the recent EO on Regulatory Relief to Support Economic Recovery. As explained here, the EO asks agencies to identify possible regulations that may inhibit the economic recovery from COVID-19 and take appropriate action to waive, modify, or repeal them. It also directs agencies to consider using temporary enforcement discretion, such as granting extensions of time for compliance or, presumably, issuing warnings rather than citations for minor violations.

The OMB memorandum describes the mechanics of how agencies should implement the EO. OMB asks agencies to deliver information to OMB within 14 days on four specific areas. The first is a list of final rules, waivers or other regulatory actions that the agency intends to issue in the next six months to promote economic recovery.

The second is a list of all temporary rules issued, modified, or rescinded in response to COVID-19 along with information on whether those actions could be good candidates for permanent relief.

The third is the agency's plan to quickly address requests from regulated businesses for pre-enforcement

guidance so that these businesses can be sure certain actions they take will not be cited for violations later.

The fourth is a draft enforcement policy outlining how the agency intends to provide relief from penalties for minor infractions.

OMB provides what appears to be a spreadsheet template for the first two areas, meaning it should be getting organized list of candidate rules from each agency. Whether these lists will be made public, and in what fashion, remains to be seen.

TOTAL BURDENS

Since January 1, the federal government has published \$185.4 billion in total net cost savings (with \$192.4 billion from finalized rules) and 30.9 million hours of net annual paperwork burden increases (with 14.1 million hours due to final rules). Click here for the latest Reg Rodeo findings.

Year ☐ [Select All] 2020 **Total Finalized Cost** □ 2019 \$-192.4b □ 2018 □ 2017 Total Number of □ 2016 Regulations □ 2015 Finalized □ 2014 □ 2013 157 □ 2012 □ 2011 □ 2010 Paperwork Hours 2009 14,133,039 □ 2008 □ 2007 □ 2006 □ 2005