

118th CONGRESS
2nd Session

H. R. XXXX

IN THE HOUSE OF REPRESENTATIVES

[Date]

Mr./Ms. [Name of the Representative] introduced the following bill; which was referred to the Committee on [Committee Name].

A BILL

To establish the Regulatory Consolidation Committee to streamline federal regulations, reduce redundancy, and provide relief to small businesses while ensuring that the implementation costs are justified by the savings.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Regulatory Consolidation Act of 2024”.

SECTION 2. ESTABLISHMENT OF THE REGULATORY CONSOLIDATION COMMITTEE.

(a) **Establishment and Composition.** There is established within the Congress of the United States a committee, to be known as the “Regulatory Consolidation Committee” (hereinafter referred to as the “Committee”). The Committee shall be composed of members from both the Senate and the House of Representatives, appointed by the Speaker of the House and the President pro tempore of the Senate, respectively, ensuring bipartisan representation.

(b) Purpose and Duties. The Committee shall be responsible for overseeing the consolidation and simplification of federal regulations by identifying areas of regulatory overlap, coordinating with relevant regulatory agencies, and implementing measures to reduce redundancy and burden on businesses, particularly small businesses, while ensuring that the costs of implementation are justified by the savings.

SECTION 3. IDENTIFICATION OF REGULATORY OVERLAP AREAS.

(a) Preliminary Procedure.

- (1) The Committee shall identify any “regulatory overlap areas,” defined as sets of regulations where the subject matter of one or more regulations overlaps with that of others.
- (2) For each identified regulatory overlap area, the Committee shall establish a subcommittee specifically tasked with addressing the consolidation of those regulations.
- (3) The subcommittee shall contact the regulatory agencies responsible for the overlapping regulations and invite their participation in the consolidation process.
- (4) The subcommittee shall issue a public announcement inviting industry participants affected by the regulations to participate in the subcommittee’s deliberations.

(b) Phased Implementation.

- (1) The consolidation of regulations shall be implemented in phases, with each phase focusing on a specific regulatory overlap area.
- (2) The phased approach shall allow regulatory agencies to gradually adapt to the changes without overwhelming their resources.

(c) Pilot Program Expansion.

- (1) The pilot program outlined in Section 7 shall include multiple regulatory areas, providing diverse data to inform broader implementation decisions.
- (2) Regulatory agencies involved in the pilot program shall receive additional support to ensure successful execution and evaluation.

SECTION 4. CONSOLIDATION PROCEDURE.

(a) Filing Date Consolidation.

- (1) The initial step in the consolidation process shall involve the alignment of all regulatory filing dates within each identified overlap area.
- (2) The subcommittee shall ensure that all forms, documents, and instruments required by the regulations are merged into a single submission due on a unified date, without altering the substantive content of the regulations.

(b) Redundancy Removal.

- (1) In instances where regulatory requirements are substantively redundant, the subcommittee shall combine these requirements to reduce unnecessary duplication.
- (2) The subcommittee shall create a single, comprehensive submission that satisfies the needs of all involved agencies, while ensuring that no required information is omitted.
- (3) Any regulation identified as redundant or excessively burdensome during the consolidation process shall be subject to automatic sunset provisions, unless compelling evidence is provided for its retention.

(c) Regulatory Simplification.

- (1) The subcommittee shall review the consolidated regulations to identify any requirements that may be deemed unnecessary or excessively burdensome.
- (2) The subcommittee shall consult with the relevant regulatory agencies to determine whether these requirements can be removed or modified.
- (3) If a regulatory agency deems a requirement necessary, it shall provide a written explanation detailing the necessity of the requirement. The requirement shall remain in effect unless the agency consents to its removal.
- (4) Regulatory agencies are encouraged to streamline and simplify their regulations as part of the consolidation process, with the goal of achieving specific targets for regulation reduction.

(d) Small Business Regulatory Relief.

- (1) The Committee shall ensure that the regulatory burden on small businesses is minimized through specific relief measures.

- (2) **Undue Burden Criteria:** A small business shall be defined as one with annual gross revenues of less than \$5 million. Compliance costs exceeding 1% of gross revenues or 2% of the operating budget shall constitute an undue burden, as shall compliance requirements that threaten the business's operational viability.
- (3) Regulatory agencies shall be required to create policies that reduce the burden on small businesses, such as waiving fees or providing necessary expert services at no cost under the principle of equal protection under the law and equal access to justice.
- (4) The subcommittee shall consult with small businesses to identify specific burdens and work with regulatory agencies to apply appropriate remedies, including cost-neutral solutions that ensure agency revenue is not diminished.
- (5) Small businesses that incur significant costs to comply with the newly consolidated regulations shall be eligible for tax credits to offset these costs, ensuring that they are not unduly burdened by compliance.

SECTION 5. COST-BENEFIT ANALYSIS AND FINANCIAL JUSTIFICATION.

(a) Mandatory Cost-Benefit Analysis (CBA).

- (1) Before any regulatory consolidation effort is initiated, a detailed Cost-Benefit Analysis (CBA) shall be conducted to estimate the implementation costs, including administrative expenses, technological investments, and additional resources needed for regulatory agencies, against the anticipated savings from reduced redundancies, streamlined processes, and reduced compliance costs for businesses.
- (2) The CBA shall establish a threshold where the expected savings must exceed the implementation costs by at least 20% for the consolidation to proceed. If the savings are not projected to exceed this threshold, the consolidation effort shall be reconsidered or adjusted to improve its cost-effectiveness.

(b) Performance Metrics and Monitoring.

- (1) Specific performance metrics shall be defined to monitor the cost-effectiveness of the consolidation process continuously. These metrics may include time and resources saved by agencies, the reduction in compliance costs for businesses, and the overall reduction in administrative burden.
- (2) Regular financial audits of the consolidation process shall be conducted by an independent body, such as the Government Accountability Office (GAO), to assess whether the implementation costs are staying within budget and whether the projected savings are being realized.

- (3) The Committee shall submit annual reports to Congress detailing the costs incurred, savings achieved, and overall financial impact of the consolidation efforts, including recommendations for improving cost-effectiveness and any necessary adjustments.

(c) Incentives for Cost Savings.

- (1) Regulatory agencies that successfully implement consolidation measures while staying under budget and achieving significant savings shall be eligible for additional funding for other priority projects or recognition awards.
- (2) A portion of the savings realized from the consolidation process may be reallocated to fund the ongoing implementation of the Act, ensuring that the process is financially self-sustaining over time.

SECTION 6. SUNSET CLAUSE AND PERIODIC REVIEW.

(a) Periodic Review.

- (1) The Committee shall conduct a comprehensive review of the consolidated regulations every five years to assess their effectiveness, relevance, and necessity.
- (2) The review shall include consultations with affected industries, regulatory agencies, and small businesses.
- (3) Each review shall include a Regulatory Impact Assessment (RIA) to evaluate the impact of consolidation on regulatory effectiveness and agency operations.

(b) Automatic Expiration.

- (1) Consolidated regulations shall automatically expire ten years after their implementation unless reauthorized by Congress.
- (2) The Committee shall provide a report to Congress detailing the results of the periodic review and recommending whether the regulations should be reauthorized, modified, or allowed to expire.

SECTION 7. INCENTIVES AND RECOGNITION FOR REGULATORY AGENCIES.

(a) Incentives for Cooperation.

- (1) Regulatory agencies that fully cooperate with the consolidation process shall be eligible for additional budgetary resources to enhance their operational efficiency.
- (2) These resources may be used for technology upgrades, staff training, or other improvements that facilitate effective regulation.

(b) Recognition of Successful Streamlining.

- (1) Regulatory agencies that successfully reduce redundancies and streamline regulations shall be formally recognized by Congress.
- (2) Such recognition may include awards, public acknowledgments, and positive media coverage, highlighting the agency's contributions to regulatory efficiency.

(c) Agencies' Feedback Loop.

- (1) A formal feedback loop shall be established, allowing regulatory agencies to report challenges and concerns during the consolidation process.
- (2) The Committee shall consider this feedback and make necessary adjustments to ensure the agencies can continue to fulfill their regulatory mandates effectively.

(d) Job Protection Measures.

- (1) Job impact assessments shall be conducted as part of the consolidation process to ensure that the streamlining of regulations does not result in significant job losses, particularly in regulatory compliance roles.
- (2) Retraining programs shall be established for workers in industries affected by the consolidation process, assisting them in transitioning to new roles if their current positions are impacted.

SECTION 8. PILOT PROGRAM.

(a) Pilot Program Implementation.

- (1) A pilot program shall be initiated within one regulatory overlap area, specifically focusing on environmental regulations concerning the reporting and management of hazardous substances.

- (2) The pilot program shall be conducted over a two-year period, during which the consolidation process shall be fully implemented and evaluated.
- (3) The pilot program shall include multiple regulatory areas to provide diverse data on the effectiveness of the consolidation process.
- (4) The pilot program shall include a comprehensive financial assessment, focusing on both short-term and long-term costs and savings, to ensure the financial justification of broader implementation.

(b) Assessment and Reporting.

- (1) Upon the conclusion of the pilot program, the subcommittee responsible shall prepare a comprehensive report detailing the successes, challenges, and lessons learned from the pilot.
- (2) The report shall be presented to Congress, with recommendations for broader implementation of the consolidation process or necessary modifications.

SECTION 9. PROTECTION OF REGULATORY INTEGRITY.

(a) Protection of Essential Regulations.

- (1) The consolidation process shall not weaken or undermine essential regulations related to public health, environmental protection, worker safety, or other critical areas.
- (2) Any proposed changes to essential regulations must undergo a rigorous review process, including input from relevant stakeholders and an analysis of potential impacts on vulnerable communities.

(b) Environmental and Social Justice Considerations.

- (1) The consolidation process shall explicitly consider environmental and social justice impacts, prioritizing efforts to strengthen protections for vulnerable populations and address long-standing environmental injustices.
- (2) Affected communities shall be given opportunities to participate in the decision-making process through public hearings and comment periods.

SECTION 10. PUBLIC PARTICIPATION AND TRANSPARENCY.

(a) Enhanced Public Participation.

- (1) The public shall be given opportunities to participate in the consolidation process, including public hearings or comment periods before any major consolidation decisions are made.
- (2) Input from affected industries, small businesses, and communities shall be actively sought and considered by the Committee.

(b) Transparency Requirements.

- (1) All meetings, decisions, and impact assessments related to regulatory consolidation shall be made publicly available online, ensuring transparency and accountability in the process.
- (2) A centralized online portal shall be established where stakeholders can access information, submit feedback, and track the progress of consolidation efforts.

SECTION 11. EFFECTIVE DATE.

This Act shall take effect 90 days after the date of enactment.