

United States Senate

WASHINGTON, DC 20510

July 3, 2012

The Honorable Gene L. Dodaro
Comptroller General of the United States
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Dodaro:

Recent public debate has highlighted the impact of federal regulations on the economy and focused attention on identifying ways to reduce regulatory burdens. One mechanism for addressing these burdens is by conducting retrospective reviews of existing regulations. Various studies have pointed out the value of measuring and evaluating the actual results, including both benefits and costs, of regulations to identify opportunities to revise or eliminate those that are not working well or are having adverse consequences.¹ These reviews can also help agencies to conduct more accurate prospective benefit-cost analyses by checking the accuracy of agencies' original estimates and assumptions regarding the potential effects of regulations. Over the past year, the administration acknowledged the importance of such reviews when issuing Executive Orders 13563, 13579, and 13610, which required agencies to periodically examine significant regulations to determine whether these regulations should be changed. GAO previously reported on this subject in 2007, identifying many opportunities for agencies to improve the effectiveness of retrospective reviews.

In view of the growing importance of this issue, we request that GAO update its assessment of agencies' retrospective regulatory review activities, including activities in response to the recent executive orders and memorandums. For oversight purposes, we are interested in learning more about the scope, effectiveness and the results from the agencies' retrospective reviews and the level of accountability within agencies regarding retrospective reviews. We are especially interested in determining whether agencies update the initial analyses of regulations' costs and benefits as part of their retrospective reviews. We are also interested in the reductions in regulatory burden that have been achieved including the anticipated savings from costs or information collection. Therefore, we would like GAO to address the following questions, for both independent and non-independent regulatory agencies:

¹See, for example, Randall Lutter, "The Role of Retrospective Analysis and Review in Regulatory Policy," Mercatus Center Working Paper No. 12-14, April 2012.

1. To what extent have agencies conducted retrospective regulatory reviews and compliance with applicable guidance?
2. How do agencies prioritize regulations for review and assess whether regulatory changes are needed?
3. What have been the outcomes of agencies' retrospective reviews, and to what extent have the reviews measured the actual results of existing regulations?

If you have any questions about this matter, please have your staff contact Rachel Weaver with Ranking Member Johnson at 202-224-2674 or Amy Edwards with Senator Warner at 202-224-0571.

Sincerely,



Ron Johnson
Ranking Member
Subcommittee on Oversight of Government Management, the
Federal Workforce and the District of Columbia
Senate Committee on Homeland Security and Governmental Affairs



Mark R. Warner
Senate Committee on the Budget