

## The Regulations from the Executive in Need of Scrutiny (REINS) Act

### Background

In 2009, the nation's federal regulatory agencies issued 3,503 rules and regulations, spanning the oversight of everything from energy-efficiency standards for clothes washers and pool heaters to SUV emissions and escalators. By comparison, Congress and the President passed only 125 bills into law in the same year.<sup>i</sup>

Despite the constitutional requirement that “All legislative Powers...be vested in a Congress of the United States,” the *Federal Register* for 2010—the Bible of all federal regulations—is more than 61,000 pages long. Moreover, the total of these off-budget regulatory costs is a whopping \$1.75 trillion, according to research conducted for the Small Business Administration by economists Nicole V. and W. Mark Crain. Put in perspective, this is (1) more than half the amount of the federal budget, (2) roughly equal to this year's federal deficit, and (3) the equivalent of each household in the U.S. paying \$15,586 in regulatory costs in 2008.<sup>ii</sup> Unfortunately, members of Congress take almost no responsibility for this cost in spite of the fact that the executive branch agencies are using congressional authority to make the rules in the first place.

### Policy Consideration

The biggest advantage of the Regulations from the Executive in Need of Scrutiny (REINS) Act is that it ensures that all members of Congress will be accountable for the laws they pass, either for the text of the law or the major regulations created under the law. In the words of Rep. Davis:

### ISSUE SNAPSHOT

In 2009, the nation's federal regulatory agencies issued 3,503 rules and regulations, spanning the oversight of everything from energy-efficiency standards for clothes washers and pool heaters to SUV emissions and escalators.

The total of these off-budget regulatory costs is a whopping \$1.75 trillion.

Congress must be held accountable for the regulations Americans face.

The REINS Act requires that Congress must affirmatively approve every new Major Rule proposed by the executive branch before it can be enforced on the American people. With the newly enacted health care and financial bills delegating hundreds of new rulemaking opportunities to the executive branch, the REINS Act will ensure that Congress retains ultimate control and accountability for the content of the laws facing the American people.

### Recommendation

Congress must be held accountable for federal regulation. To that end, Congressman Geoff Davis (R-KY) and Senator Rand Paul (R-KY) introduced the Regulations for the Executive in Need of Scrutiny (REINS) Act in January 2011.<sup>iii</sup> Simply put, the REINS Act would require every new major rule—those costing

# GUIDE TO THE ISSUES

at least \$100 million annually—to be approved by both the House and the Senate, and signed by the President, in order to take effect. If the rule or regulation is defeated at any point, it cannot be enforced on the American people.<sup>iv</sup>

## Further Reading

- Nicole V. Crain and W. Mark Crain, “The Impact of Regulatory Costs on Small Firms.” Small Business Administration, Office of Advocacy, September 2010. Available at <http://tinyurl.com/4lapnsy>. Access verified May 12, 2011.
- James Gattuso, “Making Congress Vote on Rules Would End Shell Game.” The Heritage Foundation, *Commentary*, March 24, 2011. Available at <http://tinyurl.com/6bjrnuz>. Access verified May 12, 2011.

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<sup>i</sup> Wayne Crews, “Tyranny of the Unelected.” *The Washington Times*, October 11, 2010. Available at <http://tinyurl.com/6dthp75>. Access verified May 12, 2011.

<sup>ii</sup> Nicole V. Crain and W. Mark Crain, “The Impact of Regulatory Costs on Small Firms.” Small Business Administration, Office of Advocacy, September 2010. Available at <http://tinyurl.com/4lapnsy>. Access verified May 12, 2011.

<sup>iii</sup> HR10. Available at <http://tinyurl.com/699zdwf>. Access verified May 12, 2011.

<sup>iv</sup> James Gattuso, “Making Congress Vote on Rules Would End Shell Game.” The Heritage Foundation, *Commentary*, March 24, 2011. Available at <http://tinyurl.com/6bjrnuz>. Access verified May 12, 2011.