B-321400

January 13, 2011

The Honorable Joseph I. Lieberman
Chairman
The Honorable Susan M. Collins
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Lamar Smith
Chairman
The Honorable John Conyers, Jr.
Ranking Member
Committee on the Judiciary
House of Representatives

Subject: Department of Justice: Nondiscrimination on the Basis of Disability in State and Local Government Services

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Justice (Department), entitled “Nondiscrimination on the Basis of Disability in State and Local Government Services” (RIN: 1190-AA46). We received the rule on December 30, 2010. It was published in the Federal Register as a final rule on September 15, 2010, with an effective date of March 15, 2011. 75 Fed. Reg. 56,164.

The final rule revises the regulation of the Department of Justice that implements title II of the Americans with Disabilities Act (ADA), relating to nondiscrimination on the basis of disability in state and local government services. The Department is issuing this final rule in order to adopt enforceable accessibility standards under the ADA that are consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board (Access Board), and to update or amend certain provisions of the title II regulation so that they comport with the Department’s legal and practical experiences in enforcing the ADA since 1991. Concurrently with the publication of this final rule for title II, the Department is publishing a final rule amending its ADA title III regulation, which covers nondiscrimination on the basis of disability by public accommodations and in commercial facilities.
Enclosed is our assessment of the Department’s compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review of the procedural steps taken indicates that the Department complied with the applicable requirements.

If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact Shirley A. Jones, Assistant General Counsel, at (202) 512-8156.

signed

Robert J. Cramer  
Managing Associate General Counsel

Enclosure

cc: Samuel R. Bagenstos  
   Principal Deputy Assistant Attorney General, Civil Rights Division  
   Department of Justice
REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF JUSTICE
ENTITLED
"NONDISCRIMINATION ON THE BASIS OF DISABILITY
IN STATE AND LOCAL GOVERNMENT SERVICES"
(RIN: 1190-AA46)

(i) Cost-benefit analysis

The Department’s final regulatory impact analysis (RIA), estimates the benefits and costs for all new (referred to as “supplemental”) requirements and revised requirements across all types of newly constructed and existing facilities. The Department states that the final rules increase social resources and thus represent a public good because monetized benefits exceed monetized costs—that is, the regulations have a positive net present value (NPV). The Department notes that under every scenario assessed in the final RIA, the final rules have a positive NPV. According to the Department, the final RIA’s first scenario examines the incremental impact of the final rules using the “main” set of assumptions (i.e., assuming a primary baseline (the original 1991 ADA Standards), that the safe harbor applies, and that for title III entities barrier removal is readily achievable for 50 percent of elements subject to supplemental requirements). Under this set of assumptions, the Department states that the final rules have an expected NPV of $9.3 billion (7 percent discount rate) and $40.4 billion (3 percent discount rate).

Additionally, the Department states that the RIA recognizes that additional benefits are likely to result from the new standards. According to the Department, many of these benefits are more difficult to quantify. The Department explains that among the potential benefits that have been discussed by researchers and advocates are reduced administrative costs due to harmonized guidelines, increased business opportunities, increased social development, and improved health benefits.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

The Department states that the final rule will not have a significant economic impact on a substantial number of small governmental jurisdictions or facilities.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

The Department explains that section 4(2) of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. § 1503(2), excludes from coverage under that Act any proposed or
final federal regulation that “establishes or enforces any statutory rights that prohibit
discrimination on the basis of race, color, religion, sex, national origin, age,
handicap, or disability.” Accordingly, the Department states this rulemaking is not
subject to the provisions of the Unfunded Mandates Reform Act.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seq.

The final regulations were issued using the notice and comment procedures found at
5 U.S.C. § 553. On September 30, 2004, the Department published an advance notice
of proposed rulemaking (ANPRM). 69 Fed. Reg. 58,768. The Department received
over 900 comments covering a broad range of issues. After careful consideration of
the public comments in response to the ANPRM, on June 17, 2008, the Department
published an NPRM covering title II (73 Fed. Reg. 34,466) and an NPRM covering title
III (73 Fed. Reg. 34,508). A public hearing was held on July 15, 2008, in which 45
individuals testified in person or by phone. By the end of the 60-day comment
period, the Department had received 4,435 comments addressing a broad range of
issues many of which were common to the title II and title III NPRMs, from
representatives of businesses and industries, state and local government agencies,
disability advocacy organizations, and private individuals, many of which addressed
issues common to both NPRMs.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

The final rule does not contain any paperwork or recordkeeping requirements and
does not require clearance under the Act.

Statutory authorization for the rule

The Department states that the final rule is authorized under 28 U.S.C. §§ 509, 510,

Executive Order No. 12,866 (Regulatory Planning and Review)

The final rule has been reviewed by the Office of Management and Budget (OMB)
under Executive Order 12,866. The Department has evaluated its existing
regulations for title II and title III section by section, and many of the provisions in
the final rule for both titles reflect its efforts to mitigate any negative effects on small
entities.

Executive Order No. 13,132 (Federalism)

The Department states that title II of the ADA covers state and local government
programs, services, and activities and, therefore, clearly has some federalism
implications. The Department explains that state and local governments have been subject to the ADA since 1991, and the majority have also been required to comply with the requirements of section 504 of the Rehabilitation Act of 1973. According to the Department, the ADA and the title II regulation are not novel for state and local governments. In its adoption of the 2010 Standards, the Department was mindful of its obligation to meet the objectives of the ADA while also minimizing conflicts between state law and federal interests. The Department notes that the final rule preempts state laws affecting entities subject to the ADA only to the extent that those laws conflict with the requirements of the ADA, as set forth in the rule.