

GAO@100 Highlights

Highlights of [GAO-21-104305](#), a report to congressional requesters

Why GAO Did This Study

From January 2017, until they were revoked in 2021, three EOs required agencies to reduce the total number of federal regulations and regulatory costs and burden. (1) EO 13771 required agencies to eliminate two deregulatory actions for every new regulatory action; (2) EO 13777 established regulatory reform task forces within the agencies, and (3) EO 13924 directed agencies to identify regulatory actions that may inhibit economic recovery in response to the COVID-19 pandemic.

GAO was asked to review these deregulatory EOs to better understand the processes and procedures agencies used to implement them. This report examines (1) selected agencies' processes and procedures to implement the EOs and achieve and report on their goals; (2) their alternatives to rulemaking used in response to the EOs; and (3) how enforcement activities changed in response to EO 13771.

GAO selected five agencies that collectively implemented more than half of all actions under the deregulatory EOs—Commerce, DHS, Interior, DOT, and EPA—and reviewed their regulatory policies and procedures, and interviewed relevant agency officials. GAO reviewed OIRA's reports and interviewed agency officials. GAO also identified 20 nonfederal entities and interviewed a nongeneralizable selection of representatives from six that reflected a mix of industry groups, environmental policy advocates, and trade organizations.

View [GAO-21-104305](#). For more information, contact Yvonne D. Jones at (202) 512-6806 or jonesy@gao.gov.

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FEDERAL RULEMAKING

Deregulatory Executive Orders Did Not Substantially Change Selected Agencies' Processes or Procedures

What GAO Found

GAO found that the five selected agencies—the Departments of Commerce, Homeland Security (DHS), the Interior, and Transportation (DOT), and the Environmental Protection Agency (EPA)—implemented deregulatory executive order (EO) requirements, most with limited changes to their existing regulatory processes and procedures. Generally, these EOs required agencies to reduce the total number of regulations and overall regulatory costs. The Office of Information and Regulatory Affairs (OIRA) reported that collectively the federal government met the two primary goals of the EOs by (1) implementing two deregulatory actions for every new regulatory action, and (2) achieving net cost savings (see table). Four of the five selected agencies reported having regulatory cost savings. DHS received a regulatory budget allowance from OIRA for this requirement due to DHS's need to implement priority immigration regulations. However, GAO's analysis of OIRA's data showed the reporting of agencies' deregulatory actions could be overstated partly because OIRA's overall reporting compared all agency deregulatory actions to only significant regulatory actions. A significant regulatory action is one that results in a \$100 million or greater effect on the economy in any given year, or meets certain other criteria.

The Office of Information and Regulatory Affairs' (OIRA) Reported Actions, Projected Costs, and Projected Cost-Savings by Selected Agencies, Fiscal Years 2017-2020

Dollars are net present value in millions

| Selected agencies | Non-significant deregulatory actions | Significant deregulatory actions | Significant regulatory actions | Projected Costs and (cost savings) |
|---------------------------------|--------------------------------------|----------------------------------|--------------------------------|------------------------------------|
| Commerce | 65 | 4 | 4 | (\$1,144) |
| Homeland Security | 26 | 8 | 8 | \$37,153 |
| Interior | 41 | 10 | 0 | (\$6,254) |
| Transportation | 47 | 16 | 6 | (\$100,484) |
| Environmental Protection Agency | 47 | 22 | 14 | (\$89,196) |
| Selected agencies' total | 226 | 60 | 32 | (\$159,925) |

Source: GAO analysis of OIRA and reginfo.gov data. | GAO-21-104305

Note: OIRA allocated an increase in DHS's regulatory budget to implement priority immigration regulations.

The Office of Management and Budget's guidance implementing EO 13771 allowed agencies to include alternative actions as a means of achieving deregulatory goals. Alternative actions are those that were not promulgated through the notice-and-comment rulemaking process, such as guidance documents, information collection requests, and other directives. GAO found that of the 286 deregulatory actions reported by the five selected agencies, at least 28 (or about 10 percent) were alternative actions.

GAO also found that the five selected agencies did not identify or implement changes to their regulatory enforcement activities in response to EO 13771. For example, officials from some agencies told GAO that any changes in regulatory enforcement activities that occurred while the EO was in effect were not in response to, nor a consequence of, the EO.