REGULATORY REDUCTION COMMISSION

Modeled on the successful military Base Closure and Realignment Commission (BRAC), the Commission on Regulatory Relief and Rollback was first proposed in 1995 by then-Sen. Phil Gramm (R-Tex.). A similar 2004 House proposal, the Commission on the Accountability and Review of Federal Agencies, would have addressed agencies and programs in need of rollback. The Progressive Policy Institute has developed a similar idea in detail, calling it a Regulatory Improvement Commission.

Congress should:

- Create a Regulatory Reduction Commission and task it to convene periodically.
- Augment the regulatory review process with sunsetting and one-in-one-out rules.

The BRAC model's bipartisan, independent structure helped resolve the politically intractable task of closing obsolete military bases, which provide jobs in members' districts, by bundling them into a single legislative package. BRAC formulated a list of recommended base closures that were set to go into effect after a given time unless Congress enacted a joint resolution of disapproval. If no such resolution was passed, the closures went into effect automatically.

To apply that technique in the regulatory arena, one option is for Congress to appoint a bipartisan commission to hold hearings to assess agency rules and regulations, and from that survey to assemble a yearly package of proposed regulatory reductions. The package would be subject to an up-or-down vote by Congress, with no amendments allowed.

The approved package would then be sent to the president for signature. The president could implement any commission recommendation requiring no legislation. The filtering process of holding hearings combined with the bundling of regulations would make the commission's recommendations more difficult to oppose politically—everybody stands a good chance of getting "hit," providing political cover.

Besides BRAC, there exists international precedent for streamlining. The Netherlands and the United Kingdom both set up autonomous, nongovernmental bodies to review regulation—the Regulatory Reduction Committee in the Netherlands and the Better Regulation Commission in the UK. Both set goals to reduce regulatory burdens by 25 percent over a four-year period, which appear to have been achieved with some success. (See the Organisation for Economic Co-operation and Development *Better Regulation in Europe* reports for the UK and the Netherlands.)

A Regulatory Review Commission could be augmented by embedding sunsetting regulations and in-and-out mechanisms into the process.

Review and sunsetting requirements built into laws and regulations could incentivize agencies to repeal outdated rules. Sunsetting clauses put an expiration date on new regulations (or laws) unless explicitly extended by Congress. Although continuation of rules will likely be common, such a procedure could encourage efficiency, boost accountability, and improve reporting of costs.

Widespread sunsetting across government could lessen the effectiveness of the interest-group mobilization that could be prompted by an approaching sunsetting deadline affecting a single agency. The United Kingdom, as noted, is experimenting with a bulk regulatory reduction approach, and has created sunsetting and review options to apply to new regulations.

Related to sunsetting—and also being tried in the UK—is a one-in-one-out procedure and, more recently, a one-in-two-out procedure. Like the reduction commission, that idea holds bipartisan appeal. In the United States, Sen. Mark Warner (D-Va.) has suggested a one-in-one-out reform, recommending the offsetting of every new rule through the elimination of another rule, either within an agency itself or elsewhere. One-in-one-out amounts to a status quo regulatory "budget," or a freeze at current levels. The OMB's annual *Report to Congress* could help inform the process of creating a culture of repeal.

Experts: Wayne Crews, Ryan Young

For Further Reading

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