



U.S. House of Representatives COMMITTEE ON THE BUDGET Washington, DC 20515-6065

January 5, 2024

The Honorable Gene L. Dodaro Comptroller General U.S. Government Accountability Office 441 G Street, N.W. Washington, DC 20548

Dear Comptroller General Dodaro,

We write to request that the Government Accountability Office (GAO) conduct a supplemental report to "Federal Rulemaking: Status of Actions to Offset Direct Spending from Administrative Rules," released on November 30, 2023.<sup>1</sup>

In response to the Biden Administration's excessive use of regulations, the bipartisan *Fiscal Responsibility Act of 2023* includes a statutory Administrative Pay-As-You-Go (PAYGO) provision, which requires discretionary administrative actions that increase direct spending by \$1 billion over 10 years or \$100 million in any given year be offset by spending cuts or other pay-fors.

Though Administrative PAYGO represents a key step in the right direction, your report raises concerns about whether the provision is being implemented effectively and as intended. In order to perform the House Budget Committee's fiscal oversight duties, we ask that GAO explore the following questions:

- 1. Since January 2021, how many rules finalized under the Biden Administration would qualify under the current Administrative PAYGO provision?
- 2. Your report notes that 26 of the 28 economically significant rules that you identified did not meet Administrative PAYGO requirements based off of the Office of Management and Budget's (OMB) estimates regarding direct spending effects. What were the specific cost estimates for these 26 rules shared by OMB?
- 3. What information and estimates has OMB provided for determining compliance with Administrative PAYGO since issuing its guidance for implementation?

<sup>&</sup>lt;sup>1</sup> "Federal Rulemaking: Status of Actions to Offset Direct Spending from Administrative Rules," Government Accountability Office, November 30, 2023, https://www.gao.gov/products/gao-24-106968.

Sincerely,

Jodey Arrington Chairman House Budget Committee

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Jack Bergman Chair of the Oversight Task Force House Budget Committee