To codify Executive Order 13771 (relating to reducing regulation and controlling regulatory costs).

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “2 for 1 Act”.

SEC. 2. REQUIREMENT TO IDENTIFY 2 RULES TO BE REPEALED WHEN PROPOSING OR PROMULGATING A NEW RULE.

(a) Identification of 2 Rules to Be Repealed Required.—The head of an agency shall identify at least
2 of the rules of the agency to be repealed when the agency
publicly proposes for notice and comment or otherwise
promulgates a new rule.

(b) Incremental Cost of New Rules.—With re-
spect to each fiscal year, the total incremental cost of all
new rules, including any repealed rule, to be finalized in
that fiscal year may not be greater than zero, unless a
rule is required by law or consistent with advice provided
in writing by the Director.

(c) Incremental Cost Offset.—Any new incre-
mental cost associated with a new rule issued on or after
the date of the enactment of this Act shall be offset by
the elimination of costs associated with at least two other
rules identified to be repealed pursuant to subsection (a).

(d) Agency Guidance by Director.—Not later
than 90 days after the date of the enactment of this Act, and periodically thereafter as the Director determines to
be necessary, the Director shall provide the head of each
agency with guidance on the implementation of this sec-
tion that includes the following:

(1) Processes for standardizing the measure-
ment and estimation of the regulatory cost of the
rule on private entities.

(2) Standards for determining what qualifies as
a new and offsetting rule.
(3) Standards for determining the cost of a rule that may be eliminated.

(4) Processes for accounting for costs in different fiscal years.

(5) Methods to oversee the issuance of new rules with costs offset by savings at different times or different agencies.

(6) Emergencies and other circumstances that might justify individual waivers of the requirements of this section.

(e) Annual Regulatory Cost Submissions to OMB.—

(1) Agency Identification of Incremental and offsetting Costs for Rules.—Beginning with the regulatory plans required under Executive Order 12866 (58 Fed. Reg. 51735; relating to regulatory planning and review) for the fiscal year of the date of the enactment of this Act, and for each fiscal year thereafter, the head of each agency shall identify, for each rule that increases incremental cost, the offsetting rules described in subsection (e), and provide the best approximation of the total costs or savings associated with each new rule or repealed rule.
(2) Prohibition on issuance of rule not included in the unified regulatory agenda.—The head of an agency may not issue a rule if the rule was not included on the most recent version or update of the published Unified Regulatory Agenda as required under Executive Order 12866, unless the issuance of the rule was approved in advance in writing by the Director.

(3) OMB identification of incremental costs for rules.—Not later than the first Monday in February of each year, the Director shall identify a total amount of incremental cost for each agency that will be allowed for the agency to issue and repeal rules for the next fiscal year.

(4) Issuance of agency rules required to be within total incremental cost allowance.—The head of an agency may not issue a rule that exceeds the total incremental cost allowance for the agency identified by the Director under paragraph (3), unless the rule is required by law or approved in writing by the Director. The total incremental cost allowance may allow an increase or require a reduction in the total regulatory cost of the rule on private entities.
(5) OMB GUIDANCE.—Not later than 90 days after the date of the enactment of this Act, the Director shall provide to the head of each agency guidance on the implementation of the requirements in this subsection.

(f) DEFINITIONS.—In this section:

(1) AGENCY.—The term “agency” has the meaning given that term in section 551 of title 5, United States Code.

(2) DIRECTOR.—The term “Director” means the Director of the Office of Management and Budget.

(3) RULE.—The term “rule” means an agency statement of general or particular applicability and future effect designed to implement, interpret, or prescribe law or policy or to describe the procedure or practice requirements of an agency, but does not include any of the following:

(A) A rule issued with respect to a military, national security, or foreign affairs function of the United States.

(B) A rule related to agency organization, management, or personnel.

(C) Any other category of rules exempted by the Director.