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**OMB ISSUES ANNUAL REPORT TO CONGRESS ON THE COSTS AND BENEFITS
OF FEDERAL REGULATION**

Washington, DC— The Office of Information and Regulatory Affairs (OIRA) at the Office of Management and Budget (OMB) announced that it has issued its draft of the tenth annual Report to Congress on the Costs and Benefits of Federal Regulations today.

In this draft report OMB includes, for the first time, a draft of the Unfunded Mandates Reform Act (UMRA) report, a step which will make information on the previous fiscal year available to the public in a more timely fashion. OMB also details agency compliance with Title II of UMRA, which requires each agency to conduct a cost-benefit analysis and generally select the least costly, most cost-effective, or least burdensome alternative for rules that will result in expenditures over \$100 million in one year by State, local, and tribal governments or by the private sector.

Additionally in this draft report, OMB provides an update on agency implementation of the Information Quality Act, including a summary of the correction requests that were received by agencies in FY 2006; an update on the status of FY 03, 04, and 05 requests; and a status report on the implementation of the Bulletin for Peer Review.

Similar to previous years, the report issued today includes a 10-year retrospective of major Federal regulations reviewed by OMB to examine their quantified and monetized benefits and costs. The report shows that the estimated annual benefits of major Federal regulations reviewed by OMB from 1996 to 2006 range from \$99 billion to \$484 billion, while the estimated annual costs range from \$40 billion to \$46 billion.

Specific findings of the draft report include:

- The average yearly cost of the major regulations issued during the last six years is about 47 percent less than over the previous 20 years;
- The average yearly benefit of the major regulations issued during the last six years is more than double the yearly average for the previous eight years;
- The benefits of major regulations issued from 1992 to 2006 exceed the costs by more than three-fold.

In addition to OMB review of major regulations, the report includes a brief summary of the analysis of major regulatory activity by independent regulatory agencies over 10 years.

“The Draft Report on the Costs and Benefits of Federal Regulation provides key information to both the public and policy makers about the recently-issued Federal regulations that have the greatest impact on society by advancing important goals such as protecting the public’s health and safety,” said Steven Aitken, Acting Administrator, OIRA. “Recent trends are continuing to show favorable progress as the benefits of major regulations are exceeding costs by a substantial margin. In addition, the draft report provides the public and policy makers with more timely information about agency activities under UMRA and the Information Quality Act, including new information on agency activities under the Bulletin for Peer Review. Making this information available on a more timely basis increases the accessibility and transparency of information for the public.”

The draft report, which will be modified and published in its final form later this year based on revisions made after being subjected to public comment, external peer review, and interagency review, is required by the Regulatory Right-to-Know-Act.

To view the draft report, visit: http://www.whitehouse.gov/omb/infoereg/regpol-reports_congress.html.

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