119тн CONGRESS	$\mathbf{C}$	
1st Session	5.	

To amend title 5, United States Code, to improve the effectiveness of major rules in accomplishing their regulatory objectives by promoting retrospective review, and for other purposes.

## IN THE SENATE OF THE UNITED STATES

Mr. Lankford (for himself and Mrs. Capito) introduced the following bill; which was read twice and referred to the Committee on

## A BILL

To amend title 5, United States Code, to improve the effectiveness of major rules in accomplishing their regulatory objectives by promoting retrospective review, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Setting Manageable
- 5 Analysis Requirements in Text Act of 2025" or the
- 6 "SMART Act of 2025".

1	SEC. 2. INCORPORATING RETROSPECTIVE REVIEW INTO
2	NEW MAJOR RULES.
3	(a) In General.—Subchapter II of chapter 5 of title
4	5, United States Code, is amended—
5	(1) in section 551—
6	(A) in paragraph (13), by striking "and"
7	at the end;
8	(B) in paragraph (14), by striking the pe-
9	riod at the end and inserting a semicolon; and
10	(C) by adding at the end the following:
11	"(15) 'Administrator' means the Administrator
12	of the Office of Information and Regulatory Affairs
13	of the Office of Management and Budget established
14	under section 3503 of title 44 and any successor to
15	that office; and
16	"(16) 'major rule' means any rule that the Ad-
17	ministrator finds has resulted in or is likely to result
18	in—
19	"(A) an annual effect on the economy of
20	\$100,000,000 or more;
21	"(B) a major increase in costs or prices for
22	consumers, individual industries, Federal,
23	State, or local government agencies, or geo-
24	graphic regions; or
25	"(C) significant adverse effects on competi-
26	tion, employment, investment, productivity, in-

1	novation, health, safety, the environment, or the
2	ability of United States-based enterprises to
3	compete with foreign-based enterprises in do-
4	mestic and export markets."; and
5	(2) in section 553, by adding at the end the fol-
6	lowing:
7	"(f) Major Rule Frameworks.—
8	"(1) IN GENERAL.—On and after the date that
9	is 1 year after the date of enactment of this sub-
10	section—
11	"(A) with respect to a proposed rule pub-
12	lished by an agency in the Federal Register
13	that the agency reasonably expects would meet
14	the definition of a major rule, the agency shall
15	include a potential framework for assessing the
16	implemented rule, which shall include a general
17	statement of how the agency intends to measure
18	the effectiveness of the rule; and
19	"(B) with respect to a final major rule
20	published by an agency in the Federal Register,
21	including a major rule that the agency did not
22	initially reasonably expect would meet the defi-
23	nition of a major rule under subparagraph (A),
24	the agency shall include a framework for assess-

1	ing the major rule under paragraph (2), which
2	shall include—
3	"(i) a statement of the regulatory ob-
4	jectives of the major rule, including a sum-
5	mary of the societal benefit and cost of the
6	major rule;
7	"(ii) the methodology by which the
8	agency plans to analyze the qualitative and
9	quantitative outcomes of the major rule so
10	that the agency can assess—
11	"(I) the effectiveness and bene-
12	fits of the major rule in producing the
13	regulatory objectives of the major
14	rule; and
15	"(II) the effects and costs of the
16	major rule on regulated and other af-
17	fected entities;
18	"(iii) a plan for gathering data, in-
19	cluding public input, regarding the meth-
20	odology described in clause (ii) on an ongo-
21	ing basis or at periodic times; and
22	"(iv) a time frame, as appropriate to
23	the major rule and not more than 10 years
24	after the effective date of the major rule,
25	under which the agency shall conduct the

1	assessment of the major rule in accordance
2	with paragraph (2)(A).
3	"(2) Assessment.—
4	"(A) IN GENERAL.—Each agency shall as-
5	sess the data gathered under paragraph
6	(1)(B)(iii), using the methodology set forth in
7	paragraph (1)(B)(ii) or any other appropriate
8	methodology developed after the issuance of a
9	final major rule—
10	"(i) to analyze how the actual benefits
11	and costs of the major rule may have var-
12	ied from those anticipated at the time the
13	major rule was issued; and
14	"(ii) to determine whether—
15	"(I) the major rule is accom-
16	plishing the regulatory objective of the
17	major rule;
18	"(II) the major rule has been
19	rendered unnecessary, taking into
20	consideration—
21	"(aa) changes in the subject
22	area affected by the major rule;
23	and
24	"(bb) whether the major
25	rule overlaps with, duplicates, or

1	conflicts with other rules or, to
2	the extent feasible, State and
3	local government regulations;
4	"(III) the major rule needs to be
5	expanded, streamlined, or otherwise
6	modified in order to accomplish the
7	regulatory objective of the major rule;
8	and
9	"(IV) other alternatives to the
10	major rule or a modification of the
11	major rule could better achieve the
12	regulatory objective of the major rule
13	by increasing the benefits of the
14	major rule or imposing a smaller bur-
15	den on society, or both, taking into
16	consideration any changes in the regu-
17	latory environment that may have
18	made the major rule more or less nec-
19	essary or effective, and any cost al-
20	ready incurred.
21	"(B) DIFFERENT METHODOLOGY.—If an
22	agency uses a methodology other than the
23	methodology set forth in paragraph (1)(B)(ii)
24	to assess data under subparagraph (A), the
25	agency shall include notification of the revised

1 methodology and an explanation of the changes 2 in circumstances that necessitated the use of 3 that other methodology as part of the notice re-4 quired under subparagraph (D). 5 "(C) Subsequent ASSESSMENTS.—If, 6 after an assessment of a major rule under sub-7 paragraph (A), an agency determines that the 8 major rule will remain in effect with or without 9 modification, the agency shall, in consultation 10 with the Administrator, include with the assess-11 ment produced under subparagraph (A) a list of 12 circumstances or events that would necessitate 13 a subsequent review in accordance with sub-14 paragraph (A) to ensure that the major rule 15 continues to meet the regulatory objective of 16 the major rule. 17 "(D) Publication.—Not later than 180 18 days after the date on which an agency com-19 pletes an assessment of a major rule under sub-20 paragraph (A), the agency shall publish promi-21 nently on the website of the agency the results 22 of the assessment, including the circumstances 23 or events that would necessitate a subsequent 24 assessment of the major rule under subpara-

25

graph (C).

1	"(3) AGENCY HEAD RESPONSIBILITIES.—The
2	head of each agency shall—
3	"(A) oversee the timely compliance of the
4	agency with this subsection; and
5	"(B) ensure that the results of each as-
6	sessment conducted under paragraph (2) are
7	published promptly in accordance with para-
8	graph $(2)(D)$ .
9	"(4) OMB OVERSIGHT.—The Administrator
10	shall—
11	"(A) issue guidance for agencies regarding
12	the development of the framework under para-
13	graph (1) and the conduct of the assessments
14	under paragraph $(2)(A)$ ;
15	"(B) encourage and assist agencies to
16	streamline and coordinate the assessment of
17	major rules with similar or related regulatory
18	objectives;
19	"(C) exempt an agency from including the
20	framework required under paragraph (1)(B)
21	when publishing a final major rule, if—
22	"(i) the agency did not issue a notice
23	of proposed rule making for the major rule
24	in order to provide a timely response to an
25	emergency or comply with a statutorily im-

1	posed deadline, in accordance with para-
2	graph $(6)(B)$ ; or
3	"(ii) the Administrator determines
4	that—
5	"(I) the major final rule falls
6	within a category of major rules that
7	are routine or periodic in nature, in-
8	cluding those issued on an annual
9	basis in order to put in place annual
10	spending programs; or
11	"(II) for any other reason, the
12	conduct of an assessment would be
13	impracticable, unnecessary, or con-
14	trary to the public interest; and
15	"(D) extend the deadline specified by an
16	agency for an assessment of a major rule under
17	paragraph (1)(B)(iv) or paragraph (2)(C) for a
18	period of not more than 90 days if the agency
19	justifies why the agency is unable to complete
20	the assessment by that deadline.
21	"(5) Rule of Construction.—Nothing in
22	this subsection may be construed to affect—
23	"(A) the authority of an agency to assess
24	or modify a major rule of the agency earlier

1	than the end of the time frame specified for the
2	major rule under paragraph (1)(B)(iv); or
3	"(B) any other provision of law that re-
4	quires an agency to conduct retrospective re-
5	views of rules issued by the agency.
6	"(6) Applicability.—
7	"(A) In general.—This subsection shall
8	not apply to—
9	"(i) a major rule of an agency—
10	"(I) that the Administrator re-
11	viewed before the date of enactment of
12	this subsection;
13	"(II) for which the agency is re-
14	quired to conduct a retrospective re-
15	view under—
16	"(aa) section 2222 of the
17	Economic Growth and Regu-
18	latory Paperwork Reduction Act
19	of 1996 (12 U.S.C. 3311);
20	"(bb) section 170(d) of the
21	Financial Stability Act of 2010
22	(12 U.S.C. 5370(d)); or
23	"(cc) any other provision of
24	law with requirements that the
25	Administrator determines—

1	"(AA) include robust
2	public participation;
3	"(BB) include signifi-
4	cant agency consideration
5	and analysis of whether the
6	rule is achieving the regu-
7	latory objective of the rule;
8	and
9	"(CC) meet, are sub-
10	stantially similar to, or ex-
11	ceed the requirements of
12	this subsection;
13	"(III) for which the authorizing
14	statute of the rule is subject to peri-
15	odic authorization by Congress not
16	less frequently than once every 10
17	years; or
18	"(IV) for which the authorizing
19	statute of the rule requires the pro-
20	mulgation of a new or revised rule not
21	less frequently than once every 10
22	years; or
23	"(ii) interpretative rules, general
24	statements of policy, or rules of agency or-
25	ganization, procedure, or practice.

1	"(B) GOOD CAUSE EXEMPTION.—In the
2	case of a major rule for which an agency has
3	not issued a notice of proposed rule making, the
4	agency shall publish the framework required
5	under paragraph (1)(B) in the Federal Register
6	not later than 6 months after the date on which
7	the agency publishes the final major rule.
8	"(7) Judicial Review.—
9	"(A) In General.—Judicial review of
10	agency compliance with this subsection—
11	"(i) shall be strictly limited to—
12	"(I) whether an agency published
13	the framework for assessment of a
14	major rule described in paragraph (1);
15	or
16	"(II) whether an agency pub-
17	lished the assessment or subsequent
18	assessment of a major rule described
19	in subparagraphs (A), (C), and (D) of
20	paragraph (2); and
21	"(ii) shall not include a substantive
22	review of the framework, assessment, or
23	action of an agency under this subsection.
24	"(B) Remedy available.—In granting
25	relief in an action brought under subparagraph

1	(A), a court may only issue an order remanding
2	the major rule to the agency to comply with
3	paragraph (1) or subparagraph (A), (C), or (D)
4	of paragraph (2), as applicable.
5	"(C) Effective date of major rule.—
6	If, in an action brought under subparagraph
7	(A)(i), a court determines that the agency did
8	not comply, the major rule shall take effect not-
9	withstanding any order issued by the court.
10	"(D) Administrator.—Any determina-
11	tion, action, or inaction of the Administrator
12	shall not be subject to judicial review.".
13	(b) Authorization of Appropriations.—There
14	are authorized to be appropriated such sums as may be
15	necessary to carry out the amendments made by sub-
16	section (a)