

JANUARY 20, 2021

# Regulatory Freeze Pending Review

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Ronald A. Klain

Assistant to the President and Chief of Staff

SUBJECT: Regulatory Freeze Pending Review

The President has asked me to communicate to each of you his plan for managing the Federal regulatory process at the outset of his Administration. In order to ensure that the President's appointees or designees have the opportunity to review any new or pending rules, at the direction of the President, I ask that you immediately take the following steps:

1. Subject to any exceptions the Director of the Office of Management and Budget (the "OMB Director") allows for emergency situations or other urgent circumstances relating to health, safety, environmental, financial, or national security matters, or otherwise, propose or issue no rule in any manner – including by sending a rule to the Office of the *Federal Register* (the "OFR") – until a department or agency head appointed or designated by the President after noon on January 20, 2021, reviews and approves the rule. The department or agency head may delegate this power of review and approval to any other person so appointed or designated by the President, consistent with applicable law.
2. With respect to rules that have been sent to the OFR but not published in the *Federal Register*, immediately withdraw them from the OFR for review and approval as described in paragraph 1, subject to the exceptions described in paragraph 1. This withdrawal must be conducted consistent with OFR procedures.
3. With respect to rules that have been published in the *Federal Register*, or rules that have been issued in any manner, but have not taken effect, consider postponing the rules' effective dates for 60 days from the date of this memorandum, consistent with applicable law and subject to the exceptions described in paragraph 1, for the purpose of reviewing any questions of fact, law, and policy the rules may raise. For rules postponed in this manner, during the 60-day period, where appropriate and consistent with applicable law, consider opening a 30-day

comment period to allow interested parties to provide comments about issues of fact, law, and policy raised by those rules, and consider pending petitions for reconsideration involving such rules. As appropriate and consistent with applicable law, and where necessary to continue to review these questions of fact, law, and policy, consider further delaying, or publishing for notice and comment proposed rules further delaying, such rules beyond the 60-day period. Following the 60-day delay in effective date:

- a. for those rules that raise no substantial questions of fact, law, or policy, no further action needs to be taken; and
  - b. for those rules that raise substantial questions of fact, law, or policy, agencies should notify the OMB Director and take further appropriate action in consultation with the OMB Director.
4. Exclude from the actions requested in paragraphs 1 through 3 any rules subject to statutory or judicial deadlines and identify such exclusions to the OMB Director as soon as possible.
  5. Notify the OMB Director promptly of any rules that, in your view, should be excluded from the directives in paragraphs 1 through 3 because those rules affect critical health, safety, environmental, financial, or national security matters, or for some other reason. The OMB Director will review any such notifications and determine whether such exclusion is appropriate under the circumstances.
  6. Comply in all circumstances with any applicable Executive Orders concerning regulatory management.

As used in this memorandum, “rule” has the definition set forth in section 551(4), title 5, United States Code. It also includes any “regulatory action,” as defined in section 3(e) of Executive Order 12866 of September 30, 1993, as amended, and any “guidance document” as defined in section 3(g) of Executive Order 13422 of January 18, 2007, when that order was in effect. Thus, the requirements of this memorandum apply not only to “rules” as defined in section 551(4) of title 5, but also to:

- a. any substantive action by an agency (normally published in the *Federal Register*) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, and notices of proposed rulemaking; and
- b. any agency statement of general applicability and future effect that sets forth a policy on a statutory, regulatory, or technical issue or an interpretation of a statutory or regulatory issue.

The OMB Director will implement this regulatory review, and any communications regarding any matters pertaining to this review should be addressed to the OMB Director. The OMB Director is also authorized to establish a process to review pending collections of information under the Paperwork Reduction Act of 1995, as codified in chapter 35, title 44, United States Code, and to take actions that the OMB Director deems appropriate based on that review, consistent with applicable law.

Should actions be identified that were undertaken before noon on January 20, 2021, to frustrate the purpose underlying this memorandum, I may modify or extend this memorandum, pursuant to the direction of the President, to request that agency heads consider taking steps to address those actions.

The OMB Director is authorized and directed to publish this memorandum in the *Federal Register*.