

varied methodologies used to derive benefits and cost estimates.

B. Estimates of Benefits and Costs of This Year's "Major" Rules

In this section, we examine in detail the benefits and costs of each "major" rule, as required by section 624(a)(1)(C). We have included in our review those final regulations on which OMB concluded review during the 12-month period October 1, 2001 through September 30, 2002.

The statutory language that categorizes the rules we consider for this report differs from the definition of "economically significant" in Executive Order 12866 (section 3(f)(1)). It also differs from similar statutory definitions in the Unfunded Mandates Reform Act and subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996—Congressional Review of Agency Rulemaking. Given these varying definitions, we interpreted section 624(a)(1)(C) broadly to include all final rules promulgated by an Executive branch agency that meet any one of the following three measures:

- Rules designated as "economically significant" under section 3(f)(1) of Executive Order 12866;
- Rules designated as "major" under 5 U.S.C. 804(2) (Congressional Review Act); and
- Rules designated as meeting the threshold under Title II of the Unfunded Mandates Reform Act (2 U.S.C. 1531–1538)

Of the 31 rules received by OMB, USDA submitted four; the Veterans Administration, DOE, EPA, OMB, the Social Security Administration, and SBA each submitted one; HHS eight; The Departments of Interior, Justice, Defense, and FEMA each submitted two; and DOT five.

Social Regulation

Of the 31 economically significant rules reviewed by OMB, six are regulations requiring substantial additional private expenditures and/or providing new social benefits. Table 4 summarizes the costs and benefits of these rules and provides other information taken from rule preambles and agency RIAs. Of the six regulations received by OMB, EPA and DOE each submitted one, and DOI and DOT each submitted two. Agency estimates and discussion are presented in a variety of ways, ranging from a mostly qualitative discussion—for example, the NHTSA light truck corporate average fuel economy (CAFE) standard—to a more complete benefit-cost analysis, such as DOE's central air conditioner rule.

1. Benefits Analysis

Agencies monetized at least some benefit estimates for five of the six rules. In the case of EPA's recreational engines rule, the agency provides some monetized benefit estimates, but discusses other benefits qualitatively. In one case—NHTSA's tire pressure monitoring systems (TPMS) rule—the

agency did not monetize all of the quantified benefits. In another case—NHTSA's CAFE rule—the agency did not report any quantified or monetized benefit estimates.

2. Cost Analysis

For three of the six rules, agencies provided monetized cost estimates. These include DOE's air conditioner rule, NHTSA's TPMS rule and EPA's recreational vehicle rule. For the remaining three rules, both DOI migratory bird hunting rules and NHTSA's CAFE rule, the agencies did not estimate costs.

3. Net Monetized Benefits

Three of the six rules provided at least some monetized estimates of both benefits and costs. Of these, the estimated monetized benefits of both the DOE air conditioner rule and the EPA recreational engine rule exceed the estimated monetized costs. The magnitude of the net benefits varies from \$75 million per year for the air conditioner rule to as much as \$4.6 billion for the recreational engine rule. One rule, NHTSA's TPMS rule, has negative net monetized benefits ranging from approximately \$706 to \$862 million per year.

4. Rules Without Quantified Effects

One rule, NHTSA's CAFE rule, is classified as economically significant even though the agency did not provide any quantified estimates of their effects.

TABLE 4.—SUMMARY OF AGENCY ESTIMATES FOR FINAL RULES 10/01/2001–9/30/02

[As of Date of Completion of OMB Review]

Agency	Rule	Benefits	Costs	Other Information
DOE	Energy Conservation Standards for Central Air Conditions and Heat Pumps.	\$9.1 billion (present value) in energy savings between 2006 and 2030.	\$7.3 billion (present value) for purchases between 2006 and 2030.	Monetized benefit and cost values are obtained from the "National Energy Savings/Net Present Value/Shipments" spreadsheet, available on DOE's web site: http://www.eren.doe.gov/buildings/codes_standards/applbrf/central_air_conditioner_3.html DOE projects a cumulative reduction in nitrogen oxide emissions of 119.3 thousand metric tons (undiscounted) over the period 2006–2030 and a cumulative reduction in carbon dioxide equivalent emissions of 53.8 million metric tons (undiscounted) over the period 2006–2030 [DOE Technical Support Document Appendix M, Table M.9].
DOI	Early Season Migratory Bird Hunting Regulations 2002–2003.	\$50 million to \$192 million/yr.	Not estimated	The analysis was based on the 1996 National Hunting and Fishing Survey and the U.S. Department of Commerce's County Business Patterns, from which it was estimated that migratory bird hunters would spend between \$429 million and \$1,084 million at small businesses [67 FR 54704]. The listed benefits represent estimated consumer.
DOI	Late-Season Migratory Bird Hunting Regulations 2002–2003.	\$50 million to \$192 million/yr.	Not estimated	The analysis was based on the 1996 National Hunting and Fishing Survey and the U.S. Department of Commerce's County Business Patterns, from which it was estimated that migratory bird hunters would spend between \$429 million and \$1,084 million at small businesses [67 FR 54704]. The listed benefits represent estimated consumer.