

INTRODUCTION TO THE FALL 2008 REGULATORY PLAN

Federal regulation is a fundamental instrument of national policy. It is one of the three major tools -- in addition to spending and taxing -- used to implement policy. It is used to advance numerous public objectives, including homeland security, transportation safety, environmental protection, educational quality, food safety, health care quality, equal employment opportunity, energy security, immigration control, and consumer protection. The Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA) is responsible for overseeing and coordinating the Federal Government's regulatory policies.

The Regulatory Plan is published as part of the fall edition of the Unified Agenda of Federal Regulatory and Deregulatory Actions, and serves as a statement of the Administration's regulatory and deregulatory policies and priorities. The purpose of the Plan is to make the regulatory process more accessible to the public and to ensure that the planning and coordination necessary for a well-functioning regulatory process occurs. The Plan identifies regulatory priorities and contains information about the most significant regulatory actions agencies expect to undertake in the coming year. An accessible regulatory process enables citizen centered service.

Federal Regulatory Policy

Federal regulations should be sensible and based on sound science, economics, and the law. Accordingly, the Bush Administration strove for a regulatory process that adopted new rules when markets failed to serve the public interest, simplified and modified existing rules to make them more effective, less costly or less intrusive, and rescinded outmoded rules whose benefits did not justify their costs. In pursuing this agenda, OMB has adopted an approach based on the principles of regulatory analysis and policy espoused in Executive Order 12866, signed by President Clinton in 1993.

Effective regulatory policy is not uniformly pro-regulation or anti-regulation. It originates with the authority granted under the law. Within the discretion available to the regulating agency through its statutory authority, agencies apply a number of principles articulated in Executive Order 12866, as well as other applicable Executive Orders, in order to design regulations that achieve their desired ends in the most efficient way. This involves bringing to bear on the policy problem sound economic principles, the highest quality information, and the best possible science. This is not always an easy task, and designing regulations does not involve the rote application of quantified data to reach policy decisions. In making regulatory decisions, we expect agencies to consider not only benefits and costs that can be quantified and expressed in monetary units, but also other attributes and factors that cannot be integrated readily in a benefit-cost framework, such as privacy and fairness. Effective regulation is the result of the careful use of all available high-quality data, and the application of broad principles established by the President.

The Administration's e-rulemaking program is designed to increase transparency and improve the public's ability to become involved in the rulemaking process. Visitors to the website, www.regulations.gov, can view and comment electronically on regulations proposed by Federal departments and agencies. Current and prior editions of the Regulatory Plan and Unified Agenda are available electronically in searchable database format on both www.regulations.gov and www.reginfo.gov.

For new rulemakings and programs, OIRA has enhanced the transparency of OMB's regulatory review process. OIRA's website allows the public to identify which rules are formally under review at OMB and which rules have recently completed review or have been returned to agencies for reconsideration. OIRA has increased the amount of information available on its website. In addition to information on meetings and correspondence, OIRA makes available communications from the OIRA Administrator to agencies, including "prompt letters," "return letters," and "post review letters."

For existing rulemakings, OMB initiated a series of calls for reform nominations in 2001, 2002, and 2004. In the 2004 draft Report to Congress on the Costs and Benefits of Federal Regulation, OMB requested public nominations of promising regulatory reforms relevant to the manufacturing sector. Commenters were asked to suggest specific reforms to rules, guidance documents, or paperwork requirements that would improve manufacturing regulation by reducing unnecessary costs, increasing effectiveness, enhancing competitiveness, reducing uncertainty, and increasing flexibility. In response to the solicitation, OMB received 189 distinct reform nominations from 41 commenters. Of these, Federal agencies and OMB have determined that 76 nominations have potential merit and justify further action. According to the 2008 draft OMB Report to Congress on the Costs and Benefits of Federal Regulation, agencies have completed 60 of the 76 priority reforms. For further information, all of these Reports are available on OIRA's website at <http://www.whitehouse.gov/omb/inforeg/regpol.html>.

The Administration's 2008 Regulatory Priorities

With regard to Federal regulation, the Administration's objective is quality, not quantity. Those rules that are finalized promise to be more effective, less intrusive, and more cost-effective in achieving national objectives while demonstrating greater resilience. OMB seeks to ensure that the public is provided with the information needed to understand and comment on the Federal regulatory agenda. Accordingly, the 2008 Regulatory Plan highlights the following themes:

- Regulations that are particularly good examples of the Administration's "smart" regulation agenda to streamline regulations and reporting requirements, which is a key part of the President's economic plan.
- Regulations of particular concern to small businesses.
- Regulations addressing the 2004 nominations for promising regulatory reforms in the manufacturing sector.

In addition, the 2008 Regulatory Plan includes for the first time an identification of regulations that may have international trade and investment effects. The Plan now includes an "international flag" for such regulations, which the public can use to search for a list of entries with international impacts or interest. This enhanced capability grew out of a recommendation developed through OMB's ongoing work with the Secretariat General of the European Commission through the U.S.-EU High Level Regulatory Forum. Specifically, the Forum recognized the value of timely announcement of planned regulations that may have international trade and investment effects, and recommended that both the U.S. and the EU develop a mechanism to provide the public with such information.

Conclusion

Smarter regulatory policies, created through public participation, transparency, and cooperation across Federal agencies, are key Executive Branch objectives. The following department and agency plans provide further information on regulatory priorities. All agencies' plans are a reflection of the Administration's Federal Regulatory Policy objectives, which aim at implementing an effective and results-oriented regulatory system. As the eighth and final Regulatory Plan of the Administration, this plan reflects our efforts to have a regulatory system that protects and improves Americans' health, safety and environment, secures their rights, and ensures a fair and competitive economic system, while respecting their prerogative to make their own decisions and not imposing unnecessary costs. One of the opportunities for the new Administration, in addition to maintaining and furthering these efforts, will be to continue enhancing the transparency and accountability of the regulatory process to the public. The following department and agency plans provide additional information on their individual regulatory priorities.