

News from Senator

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE:
THURSDAY, APRIL 30, 1981

CONTACT: BILL KATS
(202) 224-6521

DOLE ORIGINAL CO-SPONSOR OF REGULATORY REFORM ACT

WASHINGTON -- Noting that federal regulation costs every man, woman and child in this nation more than \$400 annually, Senator Bob Dole (R.-Kan.) today co-sponsored legislation which he said "would significantly improve the way we go about the regulatory process."

The bill, "The Regulatory Reform Act of 1981," introduced by Senator Paul Laxalt (R.-Nev.), chairman of the Senate Judiciary Committee's subcommittee on regulatory reform, and co-sponsored by some 65 senators, is the expanded version of S. 405, the regulatory reform bill introduced by Senator Dole on Feb. 5, 1981. The proposal has the support of the Reagan Administration.

"The federal government has issued regulations at an ever-increasing rate, without regard for the cost of these regulations, raising prices without a corresponding rise in productivity," said Dole. "Clearly this has had a direct, negative effect on our economy -- it is inflationary, and it makes our goods less competitive with other nations."

"Just in this decade we in Congress have created seven new regulatory agencies, including OSHA and EPA, and enacted 29 new major regulatory statutes. According to a study by the Joint Economic Committee, direct federal regulatory expenditures rose from \$2.2 billion in 1974 to \$4.8 billion in 1979, a 115 percent increase just to operate the agencies. And research conducted by the Center for Study of American Business indicates that the cost of filling out federal paperwork alone comes to \$25 to \$32 billion annually."

A Cost-Analysis Approach

"What this measure proposes is that we apply cost-benefit analysis techniques in our approach to government regulating. It is a sound, sensible approach. Agencies would be required to examine on a non-mathematical basis the cost and benefits of an intended rule and would be asked to determine whether there might be a more cost-effective way to achieve the same result."

According to Dole, the bill would do the following:

First, agencies would be required to evaluate alternative means of achieving their goals and could promulgate only the most beneficial and cost-effective rules. Second, this bill mandates specific articulation and description of who receives the benefits and who bears the burdens of a rule. Third, agencies would be compelled to review all major rules every 10 years to determine their continued validity. Finally, courts would be prohibited from presuming that agency interpretations of law are valid and would require agency factual determinations in rulemaking to have substantial support.

Dole, chairman of the Senate Finance Committee and a member of the Judiciary Committee, said that "passage of this bill would at last signal to the American people that we in Congress are attempting to bring under rational control the regulatory monster we have created. Regulation, at its best, saves lives and makes for a better environment. But at worst, it can cause economic disaster and perhaps diminish the lives and future happiness of our citizens."