

Board, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1994; to the Committee on Governmental Affairs.

EC-303. A communication from the Administrator of the U.S. Small Business Administration, transmitting, pursuant to law, the report on the internal controls and financial systems in effect during fiscal year 1994; to the Committee on Governmental Affairs.

EC-304. A communication from the Office of the District of Columbia Auditor, transmitting, pursuant to law, the report entitled "Review of the Department of Human Services Foster Care Program Vendor Payments for Fiscal Years 1992, 1993, and 1994"; to the Committee on Governmental Affairs.

EC-305. A communication from the Inspector General of the General Services Administration, transmitting, pursuant to law, the semiannual report for the period April 1 through September 30, 1994; to the Committee on Governmental Affairs.

EC-306. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of the study of the effectiveness of the State Long-Term Care Ombudsman Program; to the Committee on Labor and Human Services.

EC-307. A communication from the Architect of the Capitol, transmitting, pursuant to law, notice of a request to plant a tree on the Capitol Grounds; to the Committee on Rules and Administration.

EC-308. A communication from the Secretary of Veterans' Affairs, transmitting, pursuant to law, the annual report on contract care and services furnished by the Department to eligible veterans; to the Committee on Veterans' Affairs.

EC-309. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report on rescissions and deferrals dated December 1, 1994; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Finance, and to the Committee on Foreign Relations.

EC-310. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report on rescissions and deferrals dated January 1, 1995; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Finance, and to the Committee on Foreign Relations.

EC-311. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report of the summary of proposed and enacted rescissions for fiscal years 1974 through 1995; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations and to the Committee on the Budget.

EC-312. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the compliance report for calendar year 1994; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations and to the Committee on the Budget.

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROTH:

S. 291. A bill to reform the regulatory process, to make government more efficient and effective, and for other purposes; to the Committee on Governmental Affairs.

By Mr. SHELBY:

S. 292. A bill to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama; to the Committee on Indian Affairs.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 291. A bill to reform the regulatory process, to make government more efficient and effective, and for other purposes; to the Committee on Governmental Affairs.

##### REGULATORY REFORM LEGISLATION

• Mr. ROTH. Mr. President, I rise to emphasize the critical need for a smarter, more cost-effective approach to Government regulation. Today, I introduce legislation intended to generate constructive debate on this important issue.

As chairman of the Committee on Governmental Affairs, I want to build consensus on how to regulate smarter among all engaged in the growing debate on regulatory reform—including the general public, businesses of all sizes, environmental and public interest groups, academia, State and local governments, the White House, and my colleagues on both sides of the aisle. Throughout my career, I have been committed to protecting the environment, health, and safety. I reaffirm that commitment today. We should not forget that many regulations provide important protections and benefits to the public. Let there be no mistake—we need a clean environment, safe workplaces, and safe medications.

Mr. President, it is clear that the regulatory process is broken. Too many regulations impose undue costs, and the regulatory process itself has become too cumbersome, unresponsive, and inefficient. The cumulative cost of regulation is enormous and is rising at an alarming rate. The annual cost of Federal regulation was conservatively estimated at about \$560 billion for 1992; it could exceed \$660 billion by the year 2000. About three-fourths of the cost increase is expected from upcoming risk regulations, such as environmental, health, and safety standards.

The rising cost of regulation affects us all—businesses large and small, governments at all levels, and the American worker and consumer. Regulations drive up prices and stifle wages, innovation, and economic growth. Although the direct costs of regulation generally are imposed on businesses and governments, these costs ultimately are passed on to the American consumer through higher prices, diminished wages, increased taxes, or reduced government services. The cost of regulation has been estimated at about \$6,000 per year for the average American household.

The recent elections brought to this Congress historic change, and with it,

and unprecedented opportunity to reform the regulatory process. However, it is important that we take a balanced approach to reform. In our zeal to implement substantial changes, we should act carefully so that we truly perfect needed Government programs—not cripple or stymie them. Building a smarter regulatory process will require the expertise and consensus of those on all sides of the regulatory reform debate. Together, we should strive to achieve desirable social goals in the most cost-effective manner practical.

My goal is to forge a consensus on effective legislation to make the regulatory process more efficient and effective. The bill I am introducing today is a first step in this direction, but it requires further debate and deliberation. It may be necessary to add further provisions, delete some, or revise others. I will chair a series of hearings, beginning on February 8, to provide a forum to discuss the broad principles of regulatory reform—those reflected in this bill as well as others we have not yet addressed.

My bill will require Federal agencies to seriously consider whether the benefits of regulating justify its costs. When regulating risks, regulators will be required to make realistic estimates of risk based on the available data, and disclose to the public any assumptions necessary to measure those risks. The bill also will encourage agencies to base their priorities on the relative risks posed by various substances, activities, and products to achieve the greatest overall reduction in risk at the least cost. More generally, my bill will require agencies to review existing regulations, to be sensitive to the cumulative regulatory burden, and to select the most cost-effective, market-driven method practical. These are but some of the principles to be discussed at the hearings on regulatory reform.

We can reinvent the regulatory process to ensure that when agencies choose to regulate, they will do so in a more effective and less costly manner. We can reduce the burden on governments, businesses, and the public, and still ensure that important benefits and protections are provided. We cannot afford to ignore the need to regulate smarter.

I ask unanimous consent that the legislation I introduce today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 291

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "Regulatory Reform Act of 1995".

##### SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of Contents.