

Jan. 30 / Administration of George Bush, 1992

the regulatory process and ensure that the regulated community is not subject to duplicative or inconsistent regulation.

I hope that improved coordination will be one especially valuable outcome of the 90-day moratorium and review period described in the attached memorandum. I look forward to your reports on this important undertaking. Although the Congress has created the regulatory schemes within

which we must operate, I am confident that, with your help, the executive branch can do much to create conditions conducive to a healthy and robust economy.

GEORGE BUSH

Note: This memorandum was released by the Office of the Press Secretary on January 30.

Memorandum on Regulatory Coordination

January 28, 1992

Memorandum for the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Chairman of the Federal Energy Regulatory Commission, the Chairman of the Nuclear Regulatory Commission

Subject: Regulatory Coordination

As you know, the Congress has failed to enact important growth-oriented legislation that we have proposed. Although we will continue to work with the Congress to enact these proposals, we must also redouble our efforts to create jobs and achieve economic growth within existing statutory constraints.

For such efforts to succeed, we must prevent the fragmentation of policy-making and better coordinate existing programs within the executive branch. We have made great strides in this area, but more remains to be done. Your agencies share responsibility for promoting safe and efficient energy pro-

duction while at the same time protecting the environment. It is therefore essential that you work together to streamline the regulatory process and ensure that the regulated community is not subject to duplicative or inconsistent regulation.

I hope that improved coordination will be one especially valuable outcome of the 90-day moratorium and review period described in the attached memorandum. I look forward to your reports on this important undertaking. Although the Congress has created the regulatory schemes within which we must operate, I am confident that, with your help, the executive branch can do much to create conditions conducive to a healthy and robust economy.

GEORGE BUSH

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Memorandum on Reducing the Burden of Government Regulation

January 28, 1992

Memorandum for Certain Department and Agency Heads

Subject: Reducing the Burden of Government Regulation

As you know, excessive regulation and red tape have imposed an enormous burden on

our economy—a hidden tax on the average American household in the form of higher prices for goods and services. Just as Americans have the right to expect their

government to spend tax dollars wisely, they have the right to expect cost-effective and minimally burdensome regulation. Although the Congress has thus far failed to pass most of the Administration's regulatory reform proposals, there is much the Administration can and should do on its own to reduce the burden of regulation.

A major part of this undertaking must be to weed out unnecessary and burdensome government regulations, which impose needless costs on consumers and substantially impede economic growth. We must be constantly vigilant to avoid unnecessary regulation and red tape.

We must also remember that even those regulatory programs that may have been justified when adopted often fail to keep pace with important innovations. New technologies and markets can quickly make existing rules obsolete. By the same token, existing regulations often impose unnecessary constraints on emerging technologies and markets that could not have been foreseen at the time the regulations were promulgated. Existing regulatory programs also need to be revised to take advantage of regulatory innovations, such as the flexible, market-based approaches to regulation that many of your agencies have developed over the past few years.

I am concerned that, because of the constant pressure to develop new programs, we are not doing nearly enough to review and revise existing programs. For that reason, I ask that each of your agencies set aside a 90-day period, beginning today, to evaluate existing regulations and programs and to identify and accelerate action on initiatives that will eliminate any unnecessary regulatory burden or otherwise promote economic growth. During this period, agency resources should, to the maximum extent possible, be devoted to these efforts. Specifically, I request that you take the following steps:

1. During the 90-day review period, your agency should work with the public, other interested agencies, the Office of Information and Regulatory Affairs, and the Council on Competitiveness to (i) identify each of your agency's regulations and programs that impose a substantial cost on the economy and (ii) determine whether each such regu-

lation or program adheres to the following standards:

(a) The expected benefits to society of any regulation should clearly outweigh the expected costs it imposes on society.

(b) Regulations should be fashioned to maximize net benefits to society.

(c) To the maximum extent possible, regulatory agencies should set performance standards instead of prescriptive command-and-control requirements, thereby allowing the regulated community to achieve regulatory goals at the lowest possible cost.

(d) Regulations should incorporate market mechanisms to the maximum extent possible.

(e) Regulations should provide clarity and certainty to the regulated community and should be designed to avoid needless litigation.

2. To the maximum extent permitted by law, and as soon as possible, your agency should propose administrative changes (including repeal, where appropriate) that will bring each regulation and program into conformity with the standards set forth above. As you implement these proposals, you should carefully order your agency's regulatory priorities to ensure that programs imposing the largest unnecessary burden are the first to be revised or eliminated.

3. You should designate, in consultation with the Council on Competitiveness, a senior official to serve as your agency's permanent regulatory oversight official. This person will be responsible for conducting the review, for implementing the resulting proposals, and for ensuring that future regulatory actions conform to the standards set forth in this memorandum and in applicable Executive orders.

4. To the maximum extent permitted by law, and subject to the exceptions listed below, your agency should refrain from issuing any proposed or final rule during the 90-day review period. This moratorium on new regulations will ensure that, to the maximum extent possible, agency resources are devoted to reducing the regulatory burden on the economy. Of course, you should not postpone any regulation that is subject to a statutory or judicial deadline

that falls during the review period. This moratorium does not apply to:

(a) regulations that you determine, after consultation with the working group of the Council on Competitiveness described below, will foster economic growth;

(b) regulations that respond to emergencies such as situations that pose an imminent danger to human health or safety;

(c) regulations that you determine, after consultation with the working group of the Council on Competitiveness described below, are essential to a criminal law enforcement function of the United States;

(d) regulations issued with respect to a military or foreign affairs function of the United States;

(e) regulations related solely to agency organization, management, or personnel; and

(f) formal regulations required by statute to be made on the record after opportunity for an agency hearing.

5. At the end of the review period, each agency should submit a written report to me. Each report should indicate the regulatory changes recommended or made during the review period and the potential savings to the economy of those changes, including an estimate of the number of jobs that will be created. It should also include a summary of any regulatory programs that are left unchanged and an explanation of how such programs are consistent with the regulatory standards set forth in paragraph 1 above.

The 90-day review, and the preparation of the reports described in paragraph 5 above, will be coordinated by a working group of the Council on Competitiveness, chaired by the Chairman of the Council of

Economic Advisers and the Counsel to the President.

I look forward to your reports on this important undertaking. I am confident that, with your help, the executive branch can do much to create conditions conducive to a healthy and robust economy.

GEORGE BUSH

The Secretary of the Treasury, the Secretary of Defense, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Energy, the Secretary of Education, the Chairman of the Interstate Commerce Commission, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Federal Trade Commission, the Chairperson of the Federal Deposit Insurance Corporation, the Chairman of the Securities and Exchange Commission, the Chairman of the Federal Communications Commission, the Chairman of the Federal Maritime Commission, the Chairman of the Equal Employment Opportunity Commission, the Administrator of the Environmental Protection Agency, the Chairman of the Nuclear Regulatory Commission, the Chairman of the Commodity Futures Trading Commission, the Chairman of the Federal Energy Regulatory Commission

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Remarks at the National Prayer Breakfast

January 30, 1992

Thank you, Senator Heflin, for such a lovely introduction. To Dan and Marilyn, the Vice President and Mrs. Quayle; to the members of my Cabinet here; to the Members of Congress, all, so many here in faith; to General Powell; especially to our host, Ted Stevens; to our dear friend Billy

Graham; and to all gathered.

Let me first just say a special greeting to Prime Minister Ratu Mara of Fiji. This is not his first time here; I'm sure it won't be his last. But he's an inspiration to all of us that know him and consider him a friend, as I do. May I salute our other guests from