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Subseries: Chron File, 1989-1993

OA/ID Number: 13619
Folder ID Number: 13619-007

Folder Title:
Ohio Broadcasters Association 4/30/92 [OA 6101] [2]

Stack:	Row:	Section:	Shelf:	Position:
G	26	18	1	6

TIME OF TRANSMISSION

TIME OF RECEIPT

**WHITE HOUSE
SITUATION ROOM**PRECEDENCE: IMMEDIATE
PRIORITY
ROUTINERELEASER: Shaw

DTG: _____

MESSAGE NO. 19 CLASSIFICATION UNCLAS PAGES 2
FROM PAUL McNEILL for Maria Shaban 456-7150
(Name) (Phone Number) (Room No.)

MESSAGE DESCRIPTION _____

TO (Agency)	DELIVER TO:	DEPT/ROOM NO.	PHONE NUMBER
<u>A.F. One</u>	<u>DAVID DEMAREST</u>		

REMARKS:

Photocopy-Preservation

THE WHITE HOUSE
WASHINGTON

DATE: 4/27/92

TO: David Demarest

FROM: MARIA EITEL SHEEHAN *Maria*
Deputy Director
Office of Media Affairs
Room 117, OEOB, x7150

Talked to Dan about attached
change of "newsmen" to
"newscasters" to not offend
women in the crowd
Thanks much.

(Duggan/Simon)
April 29, 1992

PRESIDENTIAL REMARKS: OHIO BROADCASTERS ASSOCIATION
COLUMBUS, OHIO
THURSDAY, APRIL 30, 1992
3:15 PM

Thank you, Fred [Cusimano]. Let me begin with a few words about the great man who gave his name to this city. Christopher Columbus dared to explore far beyond the horizons of his continent -- and he discovered a new world. None of us would be here had it not been for his vision.

In the same manner, we wouldn't be attending a broadcasters convention had it not been for the daring of scientific prodigies like DeForest and Marconi, pioneer ^{casters} newsmen like Murrow, and business geniuses like Sarnoff and Paley.

We should keep in mind just how new this thing called broadcasting is. The same year my father was born here in Columbus, just a few blocks away on East Broad Street, Marconi invented radio. And, I am sure there are many here who can remember when the first TV broadcasts went on the air.

Yes, telecommunications is still in its infancy. And it is taking its first baby steps hand in hand with another thing that's bright and new in human history: the worldwide spread of freedom and democracy. They are joining a movement in which the United States is the great pioneer and the unsurpassed leader.

Protecting our freedoms -- trusting people with their freedoms -- these form the core of our crusade to make this country stronger. A free economy will be a strong economy, creating more good jobs. We'll keep our society healthy by

WHITE HOUSE STAFFING MEMORANDUM

3273

DATE: 4/28/92 ACTION/CONCURRENCE/COMMENT DUE BY: WED. 4/29/92 4:00pm

PRESIDENTIAL REMARKS: OHIO BROADCASTERS ASSOCIATION
COLUMBUS, OHIO - THURS. 4/30/92

SUBJECT:

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCBRIDE	☒	☐
SCOWCROFT	☒	☐	MOORE	☒	☐
DARMAN	☒	☐	PETERSMEYER	☒	☐
BRADY	☐	☒	PORTER	☒	☐
BROMLEY	☐	☐	ROGICH	☒	☐
CALIO	☒	☐	ROLLINS	☒	☐
DEMAREST	☒	☐	SMITH	☒	☐
FITZWATER	☐	☒	YEUTTER	☐	☒
GRAY	☒	☐	FINDLAY	☐	☒
HOLIDAY	☒	☐	KAUFMAN	☐	☒
DELAND	☒	☐	MCGROARTY	☐	☒

REMARKS:

Please forward your comment directly to Dan McGroarty, Rm. 122, x2930, no later than 4:00 p.m., WED. APRIL 29, with a copy to this office. Thank you.

RESPONSE:

TO: DAN MCGROARTY

April 29, 1992

The NSC staff concurs with the draft presidential remarks as amended.

cc: Phillip D. Brady

Brent Scowcroft

seems to lose some content.
msg for broadcasters or more general?
PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702
could use more for broadcasters

02 APR 28 P4: 13

(Duggan/Simon)
April 28, 1992
Draft Four
Broadcast

PRESIDENTIAL REMARKS: OHIO BROADCASTERS ASSN.
COLUMBUS, OHIO
THURSDAY, APRIL 30, 1992
[time]

[Acknowledgments] Let me begin with a few words about the great man who gave his name to this city. Christopher Columbus dared to explore far beyond the horizons of his continent -- and he discovered a new world. [None of us would be here had it not been for his vision.] *Too much*

In much the same manner, we wouldn't be holding a convention of broadcasters if not been for other daring individuals -- scientific prodigies like DeForest and Marconi, business geniuses like Sarnoff and Paley.

There's a lesson here we must not lose on our young people today. It's important to remember, against the background of centuries of human history, just how new this thing called broadcasting is. Around the time my father was born here in the city of Columbus, Marconi was in Europe bringing his dreams to their first fruition. It was just four years before I was born that the first radio station went on the air in the United States. And when I was growing up, the notion of pictures moving over the airwaves was only a wild and distant dream. I see many in the audience now nodding that you've lived the same experience -- and I wouldn't exactly say any of us are Methuselahs.

Yes, telecommunications is still in its ^{relatively} infancy. And it is ~~taking its first baby steps hand in hand with another thing~~ *grows and develops, it makes a huge difference that has already had an impact*

is stunning
 that's bright and new in human history: the worldwide spread of
 freedom and democracy. In many lands of Eastern Europe, of Asia,
 of Africa and ^{Latin} South America, people have thrown off the old ways
 of dictatorship and command economies. They are ^{building} enjoying true
 self-government and economic freedom ^{and a free press} for the very first time. This
 process is ~~in the interest of Americans~~ ^{in the interest of Americans}

When men like Washington and Madison gave us our system of
 freedom and self-government, they put America in the vanguard of
 historic change. It would be tragic if now -- as most of the
 world embraces the new order of freedom -- if now America should
 lose its sense of leadership and lag behind. ^{No, we must lead, and}
 we must nurture the community of democracies.

Leaders don't lead sheltered lives -- they take risks. That
 is the essence of the reforms we need to carry our ideals and our
 leadership into the new century. We must work for more open
 trade -- and to fight protectionism at home and abroad. We must
 pull ourselves out of the rut of excessive bureaucracy -- and
 renew the spirit and practice of limited government.

Powerful popular movements are underway to change this
 country for the better. In community after community, we see
 parents standing up to the bureaucratic establishment --
 asserting their rights in their children's education. A citizens
 movement is fighting to limit the terms of congressmen and make
 them more accountable. I support both these movements, and I'm
 working hard also for another important reform: to stop the
 epidemic of nuisance lawsuits. Our climate of hair-trigger
 litigation makes a mockery of justice. We need to spend more
 time helping one another and less time suing each other. \\\

Would not
 its leaders
 open hands for
 freedom, for peace,
 and for progress in
 the world.

say
 why

Increasingly, the people are showing their anger and impatience with the heavy hidden taxes of government regulation. For far too long, Congress has been levying these hidden taxes. For far too long, Congress has imposed arbitrary mandates on the the American people and made unelected bureaucracies the regulatory equivalent of prosecutor, judge and jury. For far too long, Congress and the bureaucracies it creates have evaluated their own actions on the basis of intentions -- while sternly judging the people they regulate on the basis of results.

Consider just a few examples of the burden of regulation:

Here in Columbus, the city government has projected that over the next decade its cost of compliance with federal environmental regulations alone would be one billion dollars. Now, this is for a community whose entire city budget last year was \$591 million.

A small business owner from Bedford, New York, wrote to me recently. He runs an ambulance service, and he bid for a contract with the local Veterans Administration hospital. He estimates that wage-rate rules mandated by Congress inflate the cost of an ambulance call from less than \$200 to almost \$7,000. ?

In Juneau, Alaska, a local charity, the St. Vincent de Paul Society, wanted to build an addition to its shelter for the homeless. The shelter is surrounded by concrete, on a city block that includes two car dealerships, a plumbing store and a storage business. But the building project was delayed for a whole year because bureaucrats erroneously declared the site a "wetland."

[other real-life examples, preferably some from Ohio] ||

Yesterday in Washington, I took some new actions to breathe new life into our ability to compete, to innovate, to create jobs. I've extended the moratorium on regulations that I had instituted in my State of the Union Address.

Just since the moratorium began three months ago, we've already yielded big benefits for the American people. We estimate that our reforms already in place will save consumers about \$20 billion a year -- and that's just a down payment on savings to come. [examples, preferably some from Ohio]

During the first 90 days of our accelerated reform efforts, every federal agency I asked responded with action to ease the burden of unnecessary regulation. And let me take this occasion to salute the Federal Communications Commission for its action to relax needless restrictions on ownership of radio stations. That's a very welcome reform. Al Sikes, the FCC chairman, believes in free markets and innovation -- and it's clear to me that is the right direction.

Looking forward, one can't help but see that new telecommunications technologies will revolutionize science, education, and the way we do business. They'll be an important boon to families: The day is coming when mothers and fathers will be able to spend more time at home with their children even as they make ever more productive contributions to our economy.

In harmony with with regulatory reform is the movement to sell off government-run facilities that would serve the public

far more fairly and efficiently if operated by competitive enterprises. Next week I'll present a major initiative to help state and local governments turn over some key services to the free market where they belong. We want to help more people enjoy cheaper and better waste-water treatment service by letting businesses with real market incentives do the job.

Privatizing state enterprises is one of the great hopes for economic growth and rebirth in such places as Mexico and Russia. Surely it would be a sad mistake if we missed our opportunities to spur efficiency and innovation in the same manner right here in our own country.

Of one thing, however, I am certain: The status quo will not yield without a fight.

And another issue that highlights another issue where the divide between popular reformers and protectors of the status quo is campaign financing. I've asked Congress repeatedly to reform the campaign financing system -- I want the total elimination of the special interest PACs. But the entrenched leadership in Congress is proposing instead a bill that would require broadcast stations to carry [taxpayer-subsidized] advertising for candidates who receive federal matching funds. The upshot would be to further protect incumbents. And I think you'll agree -- the last thing this country needs is more public expenditure to perpetuate the tenure of incumbents in Congress. So let me repeat: I want real reform. If Congress sends me another "incumbent protection bill" -- I'll veto it.

This is springtime -- and a young man's thoughts turn -- and his radio dial turns -- to baseball. So I'd like to leave you with a favorite story about the legendary Yogi Berra. In Yogi's hometown of St. Louis, the local people organized a celebration in his honor at the old Sportsman's Park. Yogi quavered with emotion as he stepped up to speak. "First," he said, "from the bottom of my heart, let me thank all the people who have made this day necessary." \\

The point of the story is this: The freedom-loving people in this country -- people of ingenuity and enterprise, people in leading-edge industries like your own -- are not merely making renewal of limited government possible. \\ They're making it necessary. \\ They're making it inevitable. \\ Technological advance is accelerating so rapidly that the old guard in Congress and the bureaucracy can hope only in vain to keep up.

We've reached a turning point. \\ We're on the verge of watershed reforms to make government stop stifling people who want to use their freedoms to create, to produce, to serve. \\ The day is coming when enterprisers and innovators like yourselves will lead us to new horizons. The day is coming when dreams not yet imagined will come true. The day is coming -- and we will not be stopped.

Thank you, and may God bless the United States of America.

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pg 3

Leg Affairs

(Duggan/Simon)
April 28, 1992
Draft Four
Broadcast

PRESIDENTIAL REMARKS: OHIO BROADCASTERS ASSN.
COLUMBUS, OHIO
THURSDAY, APRIL 30, 1992
[time]

[Acknowledgments] Let me begin with a few words about the great man who gave his name to this city. Christopher Columbus dared to explore far beyond the horizons of his continent -- and he discovered a new world. None of us would be here had it not been for his vision.

In much the same manner, we wouldn't be holding a convention of broadcasters if not been for other daring individuals -- scientific prodigies like DeForest and Marconi, business geniuses like Sarnoff and Paley.

There's a lesson here we must not lose on our young people today. It's important to remember, against the background of centuries of human history, just how new this thing called broadcasting is. Around the time my father was born here in the city of Columbus, Marconi was in Europe bringing his dreams to their first fruition. It was just four years before I was born that the first radio station went on the air in the United States. And when I was growing up, the notion of pictures moving over the airwaves was only a wild and distant dream. I see many in the audience now nodding that you've lived the same experience -- and I wouldn't exactly say any of us are Methuselahs.

Yes, telecommunications is still in its infancy. And it is taking its first baby steps hand in hand with another thing

that's bright and new in human history: the worldwide spread of freedom and democracy. In many lands of Eastern Europe, of Asia, of Africa and South America, people have thrown off the old ways of dictatorship and command economies. They are enjoying true self-government and economic freedom for the very first time.

When men like Washington and Madison gave us our system of freedom and self-government, they put America in the vanguard of historic change. It would be tragic if now -- as most of the world embraces the new order of freedom -- if now America should lose its sense of leadership and lag behind.

Leaders don't lead sheltered lives -- they take risks. That is the essence of the reforms we need to carry our ideals and our leadership into the new century. We must work for more open trade -- and to fight protectionism at home and abroad. We must pull ourselves out of the rut of excessive bureaucracy -- and renew the spirit and practice of limited government.

Powerful popular movements are underway to change this country for the better. In community after community, we see parents standing up to the bureaucratic establishment -- asserting their rights in their children's education. A citizens movement is fighting to limit the terms of congressmen and make them more accountable. I support both these movements, and I'm working hard also for another important reform: to stop the epidemic of nuisance lawsuits. Our climate of hair-trigger litigation makes a mockery of justice. We need to spend more time helping one another and less time suing each other. \\

Leg. Affairs

✓
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[other real-life examples, preferably some from Ohio]

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WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/28/92 ACTION/CONCURRENCE/COMMENT DUE BY: WED. 4/29/92 4:00pm

PRESIDENTIAL REMARKS: OHIO BROADCASTERS ASSOCIATION
COLUMBUS, OHIO - THURS. 4/30/92

SUBJECT:

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCBRIDE <i>N/C</i>	☒	☐
SCOWCROFT <i>Resow 6/95</i>	☒	☐	MOORE <i>TO D²</i>	☒	☐
DARMAN	☒	☐	PETERSMEYER <i>N/C</i>	☒	☐
BRADY	☐	☒	PORTER <i>minor if any</i>	☒	☐
BROMLEY	☐	☐	X ROGICH	☒	☐
CALIO	☒	☐	ROLLINS <i>may hear from Bobbie or David otherwise N/C</i>	☒	☐
DEMAREST <i>To Joe D.</i>	☒	☐	SMITH	☒	☐
FITZWATER	☐	☒	YEUTTER	☐	☒
GRAY	☒	☐	FINDLAY	☐	☒
HOLIDAY <i>on way 3:50??</i>	☒	☐	KAUFMAN	☐	☒
DELAND <i>N/C</i>	☒	☐	MCGROARTY	☐	☒

REMARKS:

Please forward your comment directly to Dan McGroarty, Rm. 122, x2930, no later than 4:00 p.m., WED. APRIL 29, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

22 APR 28 P4: 13

(Duggan/Simon)
April 28, 1992
Draft Four
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#

THE WHITE HOUSE

WASHINGTON

92 APR 30 A 8: 52

April 29, 1992

MEMORANDUM FOR DAN MCGROARTY

FROM: ROGER B. PORTER *RBP*
SUBJECT: Presidential Remarks: Ohio Broadcasters
Association

We have reviewed the attached presidential remarks and have noted a few suggested changes on the draft.

If you have any questions or we can be of further assistance, please let us know.

cc: Phillip D. Brady

WHITE HOUSE STAFFING MEMORANDUM

CHARLIE

DATE: 4/28/92 ACTION/CONCURRENCE/COMMENT DUE BY: WED. 4/29/92 4:00pm

PRESIDENTIAL REMARKS: OHIO BROADCASTERS ASSOCIATION
SUBJECT: COLUMBUS, OHIO - THURS. 4/30/92

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DARMAN	☒	☐	PETERSMEYER	☒	☐
BRADY	☐	☒	PORTER	☒	☐
BROMLEY	☐	☐	ROGICH	☒	☐
CALIO	☒	☐	ROLLINS	☒	☐
DEMAREST	☒	☐	SMITH	☒	☐
FITZWATER	☐	☒	YEUTTER	☐	☒
GRAY	☒	☐	FINDLAY	☐	☒
HOLIDAY	☒	☐	KAUFMAN	☐	☒
DELAND	☒	☐	MCGROARTY	☐	☒

REMARKS:

Please forward your comment directly to Dan McGroarty, Rm. 122, x2930, no later than 4:00 p.m., WED. APRIL 29, with a copy to this office. Thank you.

RESPONSE:

Comments noted.
C. Kolb

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

12 APR 28 P4: 13

(Duggan/Simon)
April 28, 1992
Draft Four
Broadcast

PRESIDENTIAL REMARKS: OHIO BROADCASTERS ASSN.
COLUMBUS, OHIO
THURSDAY, APRIL 30, 1992
[time]

[Acknowledgments] Let me begin with a few words about the great man who ~~gave his name to this city.~~ ^{THIS CITY IS NAMED AFTER.} Christopher Columbus dared to explore far beyond the horizons of his continent -- and he discovered a new world. None of us would be here had it not been for his vision.

In much the same manner, we wouldn't be holding a convention of broadcasters ^{HAD} it not been for other daring individuals -- scientific prodigies like DeForest and Marconi, business geniuses like Sarnoff and Paley.

There's a lesson here we must not lose on our young people today. It's important to remember, against the background of centuries of human history, just how new this thing called broadcasting is. Around the time my father was born here in the city of Columbus, Marconi was in Europe bringing his dreams to ~~their first fruition.~~ ^{It was} just four years before I was born, ~~that~~ the first radio station went on the air in the United States. And when I was growing up, the notion of pictures moving over the airwaves was only a wild and distant dream. I see many in the audience now nodding that you've lived the same experience -- and I wouldn't exactly say any of us are Methuselahs.

~~Yes,~~ ^{Yes,} telecommunications is still in its infancy. And it is taking its first baby steps hand in hand with another thing

that's bright and new in human history: the worldwide spread of freedom and democracy. ^{PEOPLE IN MANY PARTS} ~~In many lands~~ of Eastern Europe, ⁹ of Asia, ⁹ of Africa and South America, ~~people~~ ⁹ have thrown off the old ways of dictatorship and command economies. They are enjoying true self-government and economic freedom for the very first time.

When men like Washington and Madison gave us our system of freedom and self-government, they put America in the vanguard of historic change. It would be tragic if now -- as most of the world embraces the new order of freedom -- ~~if now~~ ⁹ America should lose its sense of leadership and lag behind.

Leaders don't lead sheltered lives -- they take risks. That is the essence of the reforms we need to carry our ideals and our leadership into the new century. We must work for more open trade -- and to fight protectionism at home and abroad. We must pull ourselves out of the rut of excessive bureaucracy -- and renew the spirit and practice of limited government.

Powerful popular movements are underway to change this country for the better. In community after community, we see parents standing up to the bureaucratic establishment -- asserting their rights ^{to choose} ~~in~~ their children's education. A citizens movement is fighting to limit the terms of congressmen and make them more accountable. I support both these movements, and I'm working hard also for another important reform: to stop the epidemic of nuisance lawsuits. Our climate of hair-trigger litigation makes a mockery of justice. We need to spend more time helping one another and less time suing each other. \\

Excellent

Increasingly, the people are showing their anger and impatience with the heavy hidden taxes of government regulation. For far too long, Congress has been levying these hidden taxes. For far too long, Congress has imposed arbitrary mandates on the the American people and made unelected bureaucracies the regulatory equivalent of prosecutor, judge and jury. For far too long, Congress and the bureaucracies it creates have evaluated their own actions on the basis of intentions -- while sternly judging the people they regulate on the basis of results.

Consider just a few examples of the burden of regulation:

Here in Columbus, the city government has projected that over the next decade its cost of compliance with federal environmental regulations alone would be one billion dollars. Now, this is for a community whose entire city budget last year was \$591 million.

A small business owner from Bedford, New York, wrote to me recently. He runs an ambulance service, and he bid for a contract with the local Veterans Administration hospital. He estimates that wage-rate rules mandated by Congress inflate the cost of an ambulance call from less than \$200 to almost \$7,000.

In Juneau, Alaska, a local charity, the St. Vincent de Paul Society, wanted to build an addition to its shelter for the homeless. The shelter is surrounded by concrete, on a city block that includes two car dealerships, a plumbing store and a storage business. But the building project was delayed for a whole year because bureaucrats erroneously declared the site a "wetland."

WE CANNOT
VERIFY
THIS!
I don't
know
this

CONCRETE

[other real-life examples, preferably some from Ohio]

Yesterday in Washington, I took some new actions to ~~breathe~~^{STRENGTHEN} new life into our ability to compete, to innovate, to create jobs. I've extended the moratorium on regulations that I ~~had~~^g instituted in my State of the Union Address.

~~Just~~^g since the moratorium began three months ago, we've already yielded big benefits for the American people. We estimate that our reforms already in place will save consumers about \$20 billion a year -- and that's just a down payment on savings to come. [examples, preferably some from Ohio]

During the first 90 days of our accelerated reform efforts, every federal agency I asked responded with ~~action~~^{STET} to ease the burden of unnecessary regulation. ~~And~~^g let me take this occasion to salute the Federal Communications Commission for its action to relax needless restrictions on ownership of radio stations. That's a very welcome reform. Al Sikes, the FCC chairman, believes in free markets and innovation -- and it's clear to me that is the right direction.

Looking forward, one can't help but ~~see~~^{RECOGNIZE} that new telecommunications technologies will revolutionize science, education, and the way we do business. ~~They'll~~^{THESE NEW TECHNOLOGIES WILL} be an important boon to families: The day is coming when mothers and fathers will be able to spend more time at home with their children even as they make ever more productive contributions to our economy.

In harmony with with regulatory reform is the movement to sell off government-run facilities that would serve the public

far more fairly and efficiently if operated by competitive enterprises. Next week I'll present a major initiative to help state and local governments turn over some key services to the free market where they belong. We want to help more people enjoy cheaper and better waste-water treatment service by letting businesses with real market incentives do the job.

Privatizing state enterprises is one of the great hopes for economic growth and rebirth in such places as Mexico and Russia. Surely it would be a sad mistake if we missed our opportunities to spur efficiency and innovation in the same manner right here in our own country.

~~Of one thing~~, however, I am certain: ^{THAT} The status quo will not yield without a fight.

asked ~~And another issue that highlights~~ ^{that highlights} another issue ~~where~~ the divide between popular reformers and protectors of the status quo is campaign financing. I've asked Congress repeatedly to reform the campaign financing system -- I want the total elimination of the special interest PACs. But the entrenched leadership in Congress is proposing instead a bill that would require broadcast stations to carry [taxpayer-subsidized] advertising for candidates who receive federal matching funds. The upshot would be to further protect incumbents. And I think you'll agree -- the last thing this country needs is more public expenditure to perpetuate the tenure of incumbents in Congress. So let me repeat: I want real reform. If Congress sends me another "incumbent protection bill" -- I'll veto it.

This is springtime -- and a young man's thoughts turn -- and his radio dial turns -- to baseball. So I'd like to leave you with a favorite story about the legendary Yogi Berra. In Yogi's hometown of St. Louis, the local people organized a celebration in his honor at the old Sportsman's Park. Yogi quavered with emotion as he stepped up to speak. "First," he said, "from the bottom of my heart, let me thank all the people who have made this day necessary." \\\

The point of the story is this: The freedom-loving people in this country -- people of ingenuity and enterprise, people in leading-edge industries like your own -- are not merely making renewal of limited government possible. \\ They're making it necessary. \\ They're making it inevitable. \\ Technological advance is accelerating so rapidly that the old guard in Congress and the bureaucracy can hope only in vain to keep up.

We've reached a turning point. \\ We're on the verge of watershed reforms to make government stop stifling people who want to use their freedoms to create, to produce, to serve.\\ The day is coming when enterprisers and innovators like yourselves will lead us to new horizons. The day is coming when dreams not yet imagined will come true. The day is coming -- and we will not be stopped.

Thank you, and may God bless the United States of America.

#

URGENT

WHITE HOUSE
SITUATION ROOM

1992 APR 30 PM 2:24

THE SITUATION ROOM

PRECEDENCE: IMMEDIATE

PRIORITY
ROUTINERELEASER: *Ohen*

DTG: 301827Z Apr 92

MESSAGE NO. 21 CLASSIFICATION. UNCLAS PAGES 1

FROM

Phil Brady

MESSAGE DESCRIPTION

TO DELIVER TO: DEPT/ROOM PHONE NUMBER

AF-1

Christina Martin

Photocopy-Preservation

URGENT

ChristinaThese are the
Attorney General's
DD Comments02 APR 92 17:17
Insert for Columbus speeches

Before I begin my prepared remarks, I'd like to expand upon my comments of earlier today regarding the news out of Los Angeles.

No one watching the television coverage of the violence yesterday afternoon and evening, could have had any reaction other than revulsion and pain. Mob brutality, the total loss of respect for human life was sickeningly sad. And the frustration all of us felt who saw one helpless victim after another pulled from their vehicle and assaulted -- it was hard not to turn our eyes away.

But we must not turn our eyes away. We must keep on working to create a climate of understanding and tolerance, and condemn a climate of bigotry and fear. Yesterday was a tragic day for our country. It was a tragic day for the City of Los Angeles. And it was a tragic day for the people of East L.A.

But there were the small acts that give us hope -- the citizens who ignored the mob and helped get the battered victims out of the area. There were people who spent the night in the churches. Some were wrestling with the verdicts handed down in the King case. Others were seeking guidance in the wake of the unfolding chaos in the streets -- praying that man's gentler instincts be revealed in the hearts of people driven by hate.

What can we do? I have taken certain actions on the more narrow issue of the Rodney King verdict that we announced

Their
feelings
concerning

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What can we do? I have taken certain actions on the more narrow issue of the Rodney King verdict that we announced

earlier. But what are we to do about the larger issue that underlies all of this? I've thought a lot about this, and say what you want, but love for one another is a good place to start. Manifest that love in our actions as well as our words. Make a compact with each other that we will not tolerate racism, bigotry, anti-semiticism, and hate of any kind, anywhere, anytime. Not over the dinner table, not in the board room, not in the playground. Nowhere.

Condemn violence. Make no apology for the rule of law, or the requirement to live by it. And when the system isn't working, when it perpetuates a cycle of poverty and despair, change the system. Try something new. Change the status quo. That is what we must do. Perhaps what will come of this will be a new urgency in support of change. That would indeed be good.

224-5400
Randy Snow

Representative Randall Gardner

Representative Mike Fox

Senator Stanley Aronoff

Senator Bob Ney

Senator Betty Montgomery

Representative JoAnn Davidson

Representative Corwin Nixon

Representative Dave Johnson

LIABILITY

THE LEGAL REVOLUTION AND ITS CONSEQUENCES

PETER W. HUBER

The Immobile and the Immune

And who or what is left behind at the end of the too-busy day of litigation? For the most part, the immobile and the immune—the decrepit, the infirm, and the handicapped, so to speak, of the business and legal community. But the world *they* occupy and shape is hardly one of transcendent safety, vigor, and health.

Government is the most common provider of last resort. If neither love nor money will impel the private waste contractor, drug company, or doctor on the street to clean up the dump, supply the vaccine, or attend to the roadside accident victim, the government will probably step in sooner or later, as best it can. Innovation will surely suffer again, as will the quality of the service, and safety. Experience richly confirms that government domination of medicine, hospital care, ambulance services, or environmental cleanup is usually the most ineffectual and therefore the riskiest option of all.

And government itself is not altogether immune from lawsuit, nor altogether immobile either. Government, too, is sued when things go sour, but even here, modern tort has shown an almost unerring instinct for the wrong targets, going after not the least valuable public undertakings but the most. The activities of city hall most likely to attract liability are things like police and fire protection, street and park operation, municipal hospital services, and waste disposal operations. In recent years the federal government has been sued increasingly often in connection with its initiatives in behalf of national defense and its public health measures like the swine flu vaccination program. Some will certainly applaud the political objectives that can be advanced in suing the military, or the opportunity to correct possibly erroneous public health decisions. But just who are we trying to deter in a lawsuit where the named defendant is The United States of America? The idea has an uncomfortable circularity, like the self-referencing drawing by M. C. Escher in which the right hand draws the left hand drawing the right. In suits against the government, we meet the tort system's enemy again, and see even more clearly than elsewhere that the enemy is us.

Following close on the heels of the immobile come the immune. Providers who are illegal, anonymous, or too small to bother with also gain a competitive edge over established and reputable providers every time the liability vise is tightened. A secondhand sale through the classified ads is promoted over a sale through more customary sales channels. Irregular

channels of liquor distribution evade dramshop liability more easily than established taverns. These outlets bypass most liability problems; they also, of course, avoid most administrative inspections, licenses, and regulations that monitor safety in the aboveground economy.

Next in line on the slope toward less liability and less safety is the do-it-yourselfer. By 1985, the courts were levying a tax on stepladders amounting to over 30 percent of their cost. According to theory, consumers—thus efficiently alerted to the dangers of heights—promptly curtailed their use of these hazardous instruments. But there remained the vexing problem of the light bulb and the kitchen chair. Light bulbs still go out. People would still rather replace the bulb than curse the darkness. And if they cannot afford a stepladder they use a kitchen chair, which is more dangerous. Without ever quite saying so, the Founders had assumed that everything would work out in the end, because kitchen-chair makers would be sued too, presumably even more often. But even with all the excesses of the new law, light-bulb changers who fall off do not generally think to sue kitchen-chair makers, and if they do they are likely to lose.

The risks of self-help may soon be amplified once again in connection with the humble cigarette lighter, discovered by the plaintiffs' bar in late 1986. There was no doubt about it: Disposable Bic lighters had been on the scene of several dozen accidents in which the lighter fluid was accidentally ignited in a pocket or handbag. Plaintiffs' lawyers quickly got to the heart of the matter: the problem was with the whole concept of disposable lighters, which, for inevitable economic reasons, are not built of materials as durable as those of the refillable lighters they have largely replaced. But what happens when a cascade of litigation drives the disposable lighter off the market, or at least curtails its use by tripling its price? Few will quit smoking. Some will return to refillables, which will require keeping cans of lighter fluid around the home and office. Others will prefer matches. There may be fewer lawsuits. But in all likelihood, there will be many more burns, now shared indiscriminately with nonsmokers.

One arrives, finally, at a new appreciation for the existential paradoxes of being and nothingness. What remains in the end is what there was in the beginning—the risk of nothing.

The legal assault on vaccines has revealed some of the possibilities here at their most alarming. To be sure, vaccines have all but eradicated polio, whooping cough, diphtheria, tetanus, measles, mumps, and smallpox. By any measure, the vaccines are far less risky than the diseases they prevent. But in the new tort jurisprudence, "less risky" will not do. In 1986, a new claim was being filed against the manufacturers of whooping cough vac-

Liability

What Is Deterred?

cine every week; one former manufacturer faced 100 suits demanding more than \$2 billion in compensation, or 200 times the total annual sale revenues of the vaccine. And the entire industry was in panicky retreat.

The story has been told again and again. You may sue if your football helmet might have been designed differently to give you added protection, but not if helmets have become so expensive that you were playing without one. You may sue the psychiatrist and the policeman and the social worker for the might-have-been-prevented rampages of their patients or charges, but there is no one at all to sue—though more injury to contend with—when the guardians decide to take care of themselves first and stay well clear of the psychopath from the beginning. Perhaps some violence somewhere was prevented as a result of the sue-the-shrink wave of litigation set off by California's landmark *Tarasoff* decision; who knows? But therapy that starts with a reading of legal rights to the patient and notice that the most intimate of confessions may have to be passed on to the police is not likely to end in the spirit of trust necessary for successful treatment. Unwilling to grapple with the legal niceties, more than a few therapists now refuse to treat violent patients altogether.

The courts have thus slowly rediscovered, in their own tortuous way, the ancient myth of Hydra, the monster of the Lernean marshes in Argolis. Hydra had nine heads, and Hercules was sent out to kill it. But as soon as he struck off one of the heads, two shot up in its place. So it has proved to be with risk as well. It is quite possible to make life more dangerous by attacking the risky and leaving behind only the riskier. In their quixotic, undisciplined quest for safety, the courts have managed to do just that time and time again.

The Cookie-Cutter Consumer

In all they did, the tort Founders and their followers were committed to a one-size-fits-all theory of safety and product defects. A small car was either defective or it was not; it did not matter in the least that a particular buyer might not be able to afford any other car and deliberately chose the compact as best for her needs and circumstances. In its single-minded assumption of uniformity, not just among products but among consumers themselves, the new tort jurisprudence proved to be a compulsive homogenizer.

APR-29-1992 17:43 FROM EPA-OWP-REGULATORY

TO

WATER P.02

St. Vincent DePaul parking lot, Juneau, Alaska (Jordan Creek 11) or the homeless shelter in Juneau, or the shelter and workshop for the handicapped in Juneau.

Testimony by Senator Ted Stevens indicated delays in the processing of a Section 404 permit application for construction of a proposed parking lot by the St. Vincent DePaul Society in Juneau, Alaska. The permit application for construction of a parking lot was submitted by the St. Vincent DePaul Society with the public comment period listed on the public notice ending on January 26, 1990. The U.S. Fish and Wildlife Service recommended further negotiations with the Corps and the applicant to resolve outstanding concerns with the project. After closure of the negotiation proceedings, the permit was issued on August 3, 1990.

In 1989, the EPA and the Corps of Engineers adopted an Advance Identification plan identifying wetland areas generally suitable or unsuitable for fill within the core service area of the City/Borough of Juneau, Alaska. Under the Juneau study, the area targeted by the St. Vincent DePaul Society for future development was classified as "generally unsuitable" for the discharge of fill material. The Advance Identification program is designed to provide information to the regulated public on the suitability of proposed discharges into designated wetland areas.

During pre-application discussions with the Corps, EPA, and the U.S. Fish and Wildlife Service, the St. Vincent DePaul Society indicated their intention was to construct a shelter for homeless persons on the subject site. However, the Society later modified project designs so that the shelter was built on top of an existing structure adjacent to the subject site.

The final permit application was for construction of a parking lot of 26 spaces to be located adjacent to the shelter. It was submitted approximately 1 year after the adoption of the Advance Identification Study by the Corps and EPA. However, during such time, the City/Borough of Juneau was expressing concern that the Advance Identification plan was already inhibiting the ability of the St. Vincent DePaul Society to provide services to the poor.

The proposed parking lot represented an increase of 13 spaces over the existing lot. The expansion was in response to local zoning restrictions requiring facilities of a designated size to have a requisite number of parking spaces. It was the opinion of the Society, however, that a homeless shelter did not need the number of parking spaces as required by the ordinance.

The U.S. Fish and Wildlife Service objected to the proposed project, expressing concerns that it did not comply with the 404(b)(1)-Guidelines. EPA stated that if the Corps determined there were no practicable alternatives to the proposed site, the Agency would not have any objection to the issuance of a permit for the project. Furthermore, EPA stated that the Applicant should be encouraged to minimize the impacts to this wetland as much as possible.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 4/29/92 ACTION/CONCURRENCE/COMMENT DUE BY: TODAY, 4/29/92 6:00pmSUBJECT: FACT SHEET: EXECUTIVE ORDER ON INFRASTRUCTURE PRIVATIZATION

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCBRIDE	☐	☐
SCOWCROFT	☐	☐	MOORE	☐	☒
DARMAN	☐	☒	PETERSMEYER	☐	☐
BRADY	☐	☒	PORTER	☒	☐
BROMLEY	☐	☐	ROGICH	☐	☐
CALIO	☒	☐	ROLLINS	☒	☐
DEMAREST	☒	☐	SMITH	☐	☐
FITZWATER	☐	☒	YEUTTER	☐	☒
GRAY	☒	☐	FINDLAY	☐	☒
HOLIDAY	☒	☐	KAUFMAN	☐	☒
HODSOLL	☒	☒	CLERK	☐	☒
REMARKS: DELAND	☒		BOSKIN	☒	

Please forward your comments directly to Frank Hodsoll, Rm. 260, x6190, no later than 6:00 p.m., TODAY, WED. 4/29/92, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

12 APR 29 P2:53

DRAFT -- April 29, 1992 2:32pm

THE WHITE HOUSE

Office of the Press Secretary

Embargoed Until Release

April 30, 1992

EXECUTIVE ORDER ON INFRASTRUCTURE PRIVATIZATION

FACT SHEET

- The President signed today an Executive Order on Infrastructure Privatization. The Order seeks to encourage, and remove impediments to, privatization of Federally financed infrastructure assets currently owned by State and local governments. The Order asks agency heads to provide greater financial flexibility to State and local governments wishing to sell or lease local infrastructure obtained with Federal assistance.
- The Executive Order requires Federal department and agency heads, to the extent permitted by law, to review and modify existing procedures to encourage appropriate privatization of infrastructure assets.

-- The Environmental Protection Agency will issue policy guidance or regulations to permit increased private participation in wastewater treatment facilities as well as the privatization of existing treatment plants. Modernization and expansion of existing wastewater treatment works and associated sewer lines are expected to cost approximately \$80 billion over the next 15 years. EPA's actions under the Executive Order will help local governments fund these facilities which are critical to economic development and clean water.

-- The Department of Housing and Urban Development will work with local public housing authorities in ten cities over the next two months to enable low income tenants to buy their own housing. HUD's actions, in concert with the principles of the Executive Order, will allow _____ low income families to own their own homes as part of the President's proposed \$1 billion HOPE initiative.

-- The Department of Transportation's Federal Transit Administration will award grants in May to two cities for competitively contracted bus operations and for

planning four entrepreneurial private sector ventures. DOT's actions under the Executive Order will help cities across the country fund \$_____ billion in urban transit needs -- increasing transportation efficiency and reducing urban and suburban congestion.

A study by Price Waterhouse found that competitive contracting for bus service in Los Angeles reduced operating costs by 50 percent in the second year.

-- The Department of Transportation's Federal Highway Administration plans to work with 15 states over the next year, providing technical training and helping to draft State conforming legislation to implement the Intermodal Surface Transportation Efficiency Act of 1991. DOT's actions under the Executive Order will ensure private participation in the \$120 billion authorized for needed highway construction and improvement over the next six years.

- To protect users and the public, the Executive Order requires Federal agency heads to ensure that a mechanism (market, regulatory or legal agreement) exists, or will exist, to ensure that the assets will continue to be used for their original purposes (as long as needed for those purposes) and that user charges will remain consistent with current Federal conditions that protect users and the public by limiting the charges.

- The President's Order identifies several important principles and objectives.

-- "Private enterprise and competitively driven improvements are the foundation of our nation's economy and economic growth."

-- "Federal financing of infrastructure should not act as a barrier to additional private market financing or competitive practices to achieve economic efficiencies, or both."

-- "State and local governments are in the best position to assess and respond to local needs."

- This Order is part of a series of recent Administration actions to provide for strong and well maintained infrastructure, developed in partnership with the private sector.

-- Last year, the President signed the \$151 billion Intermodal Surface Transportation Efficiency Act of 1991. It enables States to link Federal highway funds

with private investment in the construction and modernization of highways, bridges and roads. The Federal Highway Administration issued implementing guidance on March 12, 1992.

-- On March 23, 1992, the Administration proposed legislation, "Perestroika for Troubled Housing Act of 1992," that will assist 23 troubled public housing authorities in disposing of properties purchased with Federal assistance.

-- The Administration has proposed legislation to privatize uranium enrichment facilities.

-- Yesterday, the Secretary of Transportation held the first meeting of the Business Transportation Council. The Council (comprised of business and government leaders) is examining critical transportation issues affecting business and long term economic growth.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

April 29, 1992

FACT SHEET ON THE PRESIDENT'S REGULATORY REFORM INITIATIVE

In a Rose Garden speech, the President today gave a report on the regulatory reform initiative he launched in his State of the Union address. He also outlined several additional steps to reduce the regulatory burdens that are ultimately borne by every American consumer and worker.

The President observed that excessive and misguided regulatory requirements "impose hidden taxes and costs on society" and often have unintended, pernicious consequences. For example, when Congress tries to legislate the fuel efficiency of our cars, "highway fatalities can increase and American auto workers can lose jobs."

Three months ago, the President took decisive action to reduce these hidden taxes. He asked the major federal regulatory agencies to set aside a 90-day period to evaluate existing regulations and programs and to accelerate initiatives that will create jobs and economic growth. He also imposed a moratorium on new regulations that could unnecessarily hamper economic growth.

As described in detail below, the President's reform initiative, under the guidance of the Council on Competitiveness, has already produced a substantial reduction in the burden of federal regulation. As shown in the attached table, the Administration's best estimate is that the reforms it has completed or set in motion since January 28 will ultimately save American consumers and workers roughly \$15 to \$20 billion per year (although the savings could be as high as \$22 billion or as low as \$10 billion). That amounts to between \$225 and \$300 per year for the average American family. These actions will also increase the amount of available credit by approximately \$15 billion, making home ownership more affordable and providing the financing necessary for further business expansion and job creation.

As the President emphasized, this is "just a down payment on savings to come."

1. Additional Steps Announced By The President To Reduce Regulatory Burdens. To ensure that the entire federal government continues to give highest priority to regulatory reform, the President took the following steps:

- o Expedited Timetable For Implementing Additional Reforms. During the 90-day review, Federal regulators identified hundreds of rules to be modified or repealed in the near future. The President announced that he has asked regulatory agencies to implement these and other reforms identified during the review period on an expedited schedule.
 - Specifically, the President asked that actions not requiring additional public comment be completed by August 1, 1992, and that, wherever possible, actions requiring public comment be finalized by September 1, 1992.
 - Each agency will submit an updated report on these activities to the President on September 1, 1992.
- o Extension Of The Regulatory Moratorium. The President also announced that, in order to ensure that adequate resources continue to be devoted to the regulatory reform initiative, the moratorium will be extended by 120 days. He again emphasized that the moratorium does not cover regulations needed to protect against imminent threats to human health or safety. He also requested that all federal agencies prepare a thorough cost-benefit analysis of each major rule issued during the moratorium period.
- o Better Cost-Benefit Analysis Of Legislative Proposals. Finally, the President directed federal agencies to estimate the likely costs and benefits of legislative proposals under active consideration by Congress or to be proposed by the agency. The Office of Management and Budget, in consultation with the Council of Economic Advisors, will provide technical guidance on the preparation of these estimates.

2. Impact Of The President's Initiative Thus Far.

Discussing the success of the 90-day review, the President noted that every agency asked to participate in the initiative has already taken concrete steps to reduce regulatory impediments to economic growth. Indeed, federal agencies took more than 200 separate actions. Following are some of the most significant reforms completed or initiated during the 90-day review:

- o Accelerating Approval Of New Drugs. The FDA recently announced important reforms that will reduce by as much as four years the overall time it takes to develop breakthrough drugs. These actions, which are the culmination of efforts begun by then-Vice President Bush's Task Force on Regulatory Relief, will ultimately save millions of lives as well as billions of dollars.

- As a result of these reforms, patients will have earlier access to drugs to treat diseases such as cancer, AIDS, Alzheimer's disease, depression, and cystic fibrosis.
- Under a pilot program, these reforms made it possible for the AIDS drug DDI to receive FDA approval in only six months.
- o Protecting Workers' Rights. The President signed an Executive order requiring Federal contractors to inform employees of their rights under the Supreme Court's Beck decision.
 - This action will help ensure that nonunion employees are not forced, through mandatory union dues, to support political causes with which they disagree. Between two and three million of the 19 million workers represented by unions are not union members, but must pay compulsory fees.
 - An employee who elects to exercise his or her Beck rights would receive a refund of approximately \$400 per year. This annual refund amounts to about a week's wages for workers represented by unions.
- o Reducing Regulatory Burdens On Biotechnology. The U.S. is the world leader in high-tech biotechnology -- the use of biological processes to make products with living organisms. Until recently, this innovative new technology was singled out for increased regulatory oversight, despite a scientific consensus that it poses no inherent risk.
 - Under a new policy developed by the President's Council on Competitiveness, federal regulators will exercise oversight only when a specific product poses an unreasonable risk.
 - With the help of this new policy, the U.S. biotechnology industry is expected to grow from a \$4 billion to a \$50 billion a year industry by the year 2000, providing innovative products for American consumers and new jobs for thousands of American workers.
- o Reducing Food Prices. Labeling costs are part of the price of foods all Americans buy. To reduce these costs and provide needed flexibility, the Department of Agriculture will implement an exemption from labelling requirements for small businesses. To ease the transition to new labeling standards, the USDA is also extending the implementation period for another year.

- o Reducing Financing Costs. Financing costs are a significant part of the price of almost all goods and services. The Administration has taken several actions to reduce these costs.

- The Office of Thrift Supervision issued a rule permitting nationwide branching by the Nation's 2,000-plus savings associations. This change will foster safe, sound operations and will result in savings to borrowers and lenders of up to \$1.5 billion dollars annually. For a typical family taking out a \$100,000 30-year loan on a new home, for example, these changes could translate into a \$180 reduction in annual mortgage payments.
- The four Federal agencies that regulate banks and thrifts -- the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Comptroller of the Currency and the Office of Thrift Supervision -- have agreed to apply uniform policies and procedures in supervising banks and thrifts. This change, which builds on proposals made by the Task Force on Regulatory Relief in 1985, will eliminate unnecessary compliance costs incurred by financial services institutions.
- By clarifying that lenders are ordinarily not liable for environmental damage done by their borrowers, EPA removed a significant barrier to lending that will increase credit availability.

- o Helping Small Businesses Raise Capital. Small businesses account for more than two-thirds of new jobs. The Securities and Exchange Commission has taken a number of actions to eliminate barriers to investment in small businesses, thereby facilitating business expansion and increased employment.

- The SEC issued a proposed regulation to increase from \$500,000 to \$1 million the amount that a small business can raise through stock offerings without registering with federal authorities.
- Also, the SEC has made it possible for thousands of small businesses to use streamlined registration forms. If used by one-quarter of eligible businesses, up to \$18 billion could be raised in initial public offerings under one of these new forms. Such businesses could thereby save more than \$180 million on legal and accounting fees.

- The SEC has also published an interpretation that would allow mutual funds to invest a greater percentage of their assets in the securities of small businesses, further increasing the capital available to this dynamic part of our economy.

- o Reducing Transportation Costs.

- Shipping costs for consumer goods account for about 8 percent of the average family's budget. To reduce these costs, and to eliminate unnecessary regulatory burdens of some 52,000 small trucking companies, the Interstate Commerce Commission initiated a proceeding to abolish a regulation requiring motor carriers to keep a unique set of "regulatory" accounting books in addition to standard financial and tax records. The ICC also initiated a proceeding to spare motor carriers from having to obtain a registration stamp for each of their vehicles from each state in which they operate.
- To reduce air travel costs, the Department of Transportation has implemented its "open skies" policy, which provides open access to U.S. markets for all European countries willing to permit U.S. air carriers free access to their markets. Increased competition will lead to lower fares and increased spending in the U.S. by foreign visitors.

- o Implementing The National Energy Strategy. The Federal Energy Regulatory Commission has taken several steps to achieve important objectives of the National Energy Strategy.

- It adopted a major natural gas pipeline restructuring rule that will promote competition in the gas industry and increase the use of this clean fuel. The FERC's reforms in the natural gas pipeline industry will eventually reduce utility bills for the 50 million households that heat with natural gas.
- It issued a proposal to allow "incentive regulation" for interstate natural gas pipelines, oil pipelines and electric utilities. This new policy will give these companies a greater incentive to innovate and to economize on operating costs.
- It has also issued a proposed rule removing regulatory barriers to the sale of natural gas as a fuel for use in motor vehicles.

o Meeting Environmental Goals In A Cost-Effective Manner.

- The Administration has developed several innovative, market-based approaches to reduce the costs of meeting the Clean Air Act's stringent standards. One such initiative, known as "Cash for Clunkers," will help businesses meet the tough standards of the Act by giving them emission reduction credits if they take older, high-polluting automobiles off the road.
- The Commodity Futures Trading Commission has contributed to these efforts by implementing expedited procedures for approving new futures contracts. One of the first contracts approved under these new procedures was a futures contract in sulfur dioxide allowances. This new investment vehicle will significantly reduce the costs to utilities of complying with Clean Air Act standards, thereby ultimately reducing consumers' utility bills.

o Creating More Competitive Communications Markets.

- The Federal Communications Commission took steps to allow competition among international communications satellite systems. Its actions will lead to lower prices for the more than one billion phone calls made each year between the U.S. and other countries.
- In an effort to strengthen the rapidly changing broadcast business, the FCC increased from 12 to 30 the maximum number of FM and AM radio stations that can be owned by a single owner, and for the first time will allow ownership of more than one AM or FM station in a market.

o Clarifying Antitrust Guidelines. The Department of Justice and the Federal Trade Commission announced a unified antitrust enforcement policy for the more than 1000 mergers and acquisitions reviewed by these two agencies each year.

- Where stiff international competition already exists, the new guidelines will make it easier for American companies to achieve the economic clout they need to compete effectively in the global marketplace.
- A common policy will provide greater certainty about the standards to be applied in enforcing the antitrust laws, as well as a more reasoned analysis of the competitive effects of mergers.

- o Reducing Barriers to Exports of American Goods. The Department of Commerce has eased a variety of outdated export regulations that limited the ability of American businesses to export goods such as computers and semiconductors. These actions will eliminate licensing requirements for 2000 to 3000 transactions annually, thereby facilitating some \$2 to \$3 billion of exports.

#

**Estimated Annual Cost Savings from Actions Announced by
Agencies During the 90-Day Regulatory Reform Initiative**

<u>Agency or Department</u>	<u>Cost Savings (\$ millions)</u>
Department of Agriculture	79 ¹
Department of Commerce	2
Commodity Futures Trading Commission	5-8
Department of Defense	10-20
Department of Energy	1-20
Equal Employment Opportunity Commission	3
Environmental Protection Agency	897-3342
Federal Communications Commission	258
Federal Energy Regulatory Commission	2600-5900
Federal Maritime Commission	147
Department of Health and Human Services	1600-2700
Department of Housing and Urban Development	100-170
Department of the Interior	63
Interstate Commerce Commission	851-3301
Department of Labor	1884-3084
Nuclear Regulatory Commission	6
Department of Transportation	121-1200
Department of the Treasury	1554
Total	10,181-21,857+²

Best Estimate: \$15-20 billion

¹Does not include \$330 million of one-time savings.

²Many of these agencies announced additional initiatives for which cost savings estimates are not yet available. Although these measures will reduce costs to consumers and businesses, for the purposes of this table, they are currently carried at zero. In addition, a number of agencies, including the Securities and Exchange Commission, the Federal Deposit Insurance Corporation, the Federal Reserve Board, Federal Trade Commission, the Department of Justice, and the Department of Education, announced initiatives for which cost savings estimates are not available.

A CHRONOLOGY OF THE PRESIDENT'S REGULATORY REFORM INITIATIVE
As of April 28, 1992

January 28, 1992 -- The President announced a 90-day moratorium and comprehensive review. In addition, he issued an explanatory memorandum to certain department and agency heads.

January 29, 1992 -- The Department of Labor announced that it would begin implementing its "helper" regulation, which had previously been blocked by an appropriations rider. The regulation gives contractors greater flexibility in staffing construction projects. CBO estimates that implementation of this rule will save \$600 million per year in construction costs.

January 30, 1992 -- The Vice President, Deputy Secretary of Treasury John Robson, and IRS Commissioner Fred Goldberg announced several measures to improve access to capital and to simplify the payroll tax system.

February 4, 1992 -- The Vice President issued a memorandum outlining the mechanics of the 90-day moratorium and review.

February 14, 1992 -- EPA decided to allow broad use of certain pesticides. The decision was based on a study which demonstrated that the health risks to consumers were substantially less than EPA had originally estimated.

February 18, 1992 -- The SEC announced proposals to increase access to capital by small companies. Among others, the SEC proposed to increase from \$500,000 to \$1 million the amount that can be raised through stock offerings without registering with federal or state authorities. The proposals would also make it easier for mutual funds to invest in small and new businesses.

February 19, 1992 -- EPA set a specific timetable to narrow the scope of two hazardous-waste rules which it has determined to be excessively stringent. This change could save more than \$2 billion per year.

February 24, 1992 -- The White House issued new, government-wide policy guidance on biotechnology products. The policy states that genetically engineered products are not inherently dangerous, and that safe drugs, agricultural products, and organisms that promote health or help clean the environment should be commercialized without excessive oversight from federal regulators.

March 2, 1992 -- A New York Times editorial noted that, under the moratorium, "the volume of new rules and proposals has shrunk to 25 per week, versus a weekly average of 149 last year" -- a reduction of over 83 percent.

March 5, 1992 -- The Securities and Exchange Commission issued a rule allowing the American Stock Exchange to establish listing criteria for a new Emerging Company Marketplace.

March 6, 1992 -- The Federal Energy Regulatory Commission and the Environmental Protection Agency announced several actions to increase the use of clean-burning natural gas. These actions will mean cleaner air, cheaper energy, and more American jobs.

March 12, 1992 -- The FCC relaxed ownership limits on radio stations and announced a comprehensive program of regulatory reform.

March 13, 1992 -- The Administration announced that it will not require the auto industry to install on-board canisters to capture gasoline fumes.

March 18, 1992 -- The Administration announced a plan to help remove old cars -- the biggest polluters and the biggest gas guzzlers -- from the road. This "Cash-for-Clunkers" program will help businesses meet the tough standards of the Clean Air Act at less cost, without sacrificing either the environment or economic growth.

March 18, 1992 -- The Interstate Commerce Commission and the Federal Maritime Commission trimmed complex regulations that needlessly increase the costs of truck, rail and ocean transportation. These changes will save upwards of \$1 billion per year.

March 19, 1992 -- The Department of Agriculture and the Environmental Protection Agency announced several steps to help farmers produce and market their products at less cost. Among other things, the Administration announced it is modifying overly stringent labelling requirements.

April 2, 1992 -- The Administration announced several concrete steps to reduce regulatory barriers to lending and to eliminate unnecessary regulatory compliance costs. Among other things, the regulatory agencies that oversee financial services institutions adopted rules to permit interstate branching by federal thrifts, to stimulate lending on real estate, and to increase bank capital by allowing institutions to count purchased mortgage servicing rights and credit card relationships as capital. The CFTC also announced a streamlined process for approving new futures and options contracts.

April 2, 1992 -- The Administration announced a unified antitrust enforcement policy for mergers and acquisitions by the Department of Justice and the Federal Trade Commission. And, where stiff international competition already exists, the new guidelines will make it easier for American companies to achieve

the economic clout to compete effectively in the global marketplace.

April 9, 1992 -- The Administration announced four reforms of FDA regulations that will speed up the availability of new drugs and cut years off the drug development process. Earlier access to promising new drugs could ultimately save millions of lives and billions of dollars in the decades ahead. It will also help create jobs by enhancing the competitiveness of American pharmaceutical companies.

April 13, 1992 -- The President signed an Executive order requiring federal contractors to inform their employees of the employees' rights under the Supreme Court's Beck decision. This action will help ensure that union employees are not forced, through their union dues, to support political causes with which they disagree. The Department of Labor also issued a regulation that will help ensure that unions comply with the Beck decision.

April 21, 1992 -- Applying the streamlined approval procedures it had announced on April 2, the CFTC gave permission to the Chicago Board of Trade to set up a futures market in emission reduction credits for sulfur dioxide. The Washington Post observed that this was "part of a novel and controversial form of environmental regulation being pushed by the Bush administration that seeks to replace traditional strict government mandates with marketplace forces."

April 23, 1992 -- The President announced that Department of Commerce has eased a variety of outdated export regulations that limited the ability of American businesses to export goods such as computers and semiconductors. These actions will eliminate licensing requirements for 2000 to 3000 transactions annually, thereby facilitating some \$2 to \$3 billion of exports.

April 24, 1992 -- The Administration announced several banking reforms, including a new "regulatory uniformity" agreement among the four bank and thrift regulatory agencies. EPA also announced a final rule that will eliminate a significant barrier to new lending by clarifying that lenders are ordinarily not liable for environmental damage done by their borrowers. The Federal Reserve Board also announced several measures permitting affiliates of banks to engage in several non-banking activities.

April 28, 1992 -- The Administration announced numerous reforms by the SEC and the CFTC to streamline regulation of the Nation's capital markets. The SEC announced a program to expand the range of mutual funds available to investors. It also announced new rules allowing securities issuers greater latitude to use streamlined registration procedures. The CFTC announced proposals to expand choices for participants in futures markets and to streamline its registration and disclosure requirements.

HIGHLIGHTS OF THE PRESIDENT'S REGULATORY REFORM INITIATIVE

- o Actions taken during the 90-day moratorium will save American consumers and workers roughly \$15 to \$20 billion per year. That amounts to between \$225 and \$300 per year for the average American family.
- o Because of recent FDA reforms, people with serious or life-threatening diseases will receive newly developed drugs sooner. New procedures will reduce by as much as 4 years the time it takes to develop "breakthrough" drugs.
- o Because of reforms announced by the Office of Thrift Supervision, a typical family taking out a \$100,000, 30-year loan on a new home could save \$180 in annual mortgage payments
- o The SEC has made it possible for thousands of small businesses to use streamlined securities registration forms. Eligible small businesses could save over \$180 million in legal and accounting fees if only one-quarter of them used the streamlined forms for initial public offerings of securities.
- o FERC's reforms in the natural gas pipeline industry will reduce utility bills for the 50 million households that use natural gas heat.
- o The President's Beck Executive order will help ensure that 2-3 million employees are not forced, through mandatory union dues, to support political causes with which they disagree. An average employee who elects to exercise his or her Beck rights would receive a refund of approximately \$400 per year.
- o Reforms by the FCC will allow greater competition among international communications satellite systems, resulting in lower prices for the more than one billion phone calls made each year between the U.S. and other countries.
- o Recent ICC reforms will relieve approximately 52,000 small trucking companies of the need to keep a unique set of "regulatory" accounting books in addition to standard financial and tax records, and of the need to obtain a registration stamp from each state in which they operate for each of their vehicles.
- o The Administration's "Cash for Clunkers" program will help businesses meet the tough standards of the Clean Air Act by giving them emission reduction credits if they take older, high-polluting automobiles off the road. By the same token, this program will also offer consumers in some areas the chance to receive cash for their old cars.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

April 29, 1992

PRESS BRIEFING
BY
COUNSEL TO THE PRESIDENT BOYDEN GRAY AND
CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISORS MICHAEL BOSKIN

The Briefing Room

2:52 P.M. EDT

MS. SMITH: We have a briefing by Boyden Gray, who is Counsel to the President; and Michael Boskin, who is Chairman of the Council of Economic Advisors. It's for sound and camera.

DR. BOSKIN: As you saw in the Rose Garden, the President announced an extension of the regulatory reform moratorium for 120 days, and several other important proposals to try and bring better balance in the evaluation of cost and benefits of regulation to our economy, our society and our pursuit of other important social goals, such as public health and safety, and a cleaner environment.

In the first 90-day period in the moratorium the President announced in the State of the Union message, approximately 200 reforms were taken. Some of those have been finished, some of them are in the process -- which will save American consumers and taxpayers and workers roughly \$15 billion to \$20 billion per year. That amounts to about \$225 to \$300 for every family in America.

Those are important achievements. The President, as he said in his speech, is aware that, while some regulation is necessary to achieve the legitimate social goals, that we are going to continue our efforts for regulatory reform to try to find more cost-effective, more efficient measures that are less intrusive on the economy, that reduce the burden on American consumers. Regulation is a hidden tax. It gets passed forward into the prices of the goods and services people buy, whether that's the utility bills from regulation in the utility sector or in food prices and other commodity prices from the transportation regulation -- costs being passed forward in the form of higher prices for American consumers.

Americans are aware of that fact. A recent poll indicated that 90 percent believed -- correctly, I might add as a professional economist -- that those costs are indeed borne primarily by America's consumers. Over 80 percent believed that there was too much regulation -- overregulation from the government; that it was harming our economy, it was stifling job creation, it was hurting small business and it was adding cost to consumers.

So this effort will continue in a variety of dimensions

--

Q Where do you get those figures?

DR. BOSKIN: They're in the fact sheet, Helen.

Q -- 80 percent of Americans believe --

DR. BOSKIN: Oh. There is a poll, which Boyden will be happy to give you.

MORE

Q Do they have one also on how many lives have been saved by OSHA regulations?

Q I thought you didn't believe in polls. (Laughter.)

MR. GRAY: This is Perot's poll. (Laughter.)

DR. BOSKIN: It's Perot's pollster? (Laughter.) The fact of the matter is that this is enormously important over the long term to the American economy, to American consumers and to American workers.

There are, in addition, approximately 2,000 initiatives that have been identified in the reports that have been submitted to the President. We will be going through those with the agencies that have submitted them at the end of the first 90-day period and working with them to speed up the implementation of these reforms which will remove some red tape that is stifling business expansion and job creation.

The President believes in a balanced approach that gives full airing to the cost of regulation and makes that an essential component in the discussion of what types of -- when regulation is necessary and what types of regulation are necessary, and in the discussion of ways to search for more efficient, effective regulation that's less intrusive to the economy.

Q Can you give us some instances where this money is actually being saved and how you get --

DR. BOSKIN: In the fact sheet there, it's detailed by agency. In the back there's a detailed discussion by agency. Let me give you an example. The Federal Energy Regulatory Commission in our energy rollout several weeks ago, and with the Energy Department announced several proposals which will make it easier for natural gas to get to market and to customers who couldn't get it before. So they will see it in lower utility bills.

Just one rule: the Office of Thrift Supervision will save about a \$1.5 billion for the borrowers from those institutions, which we estimate at CEA is about \$180 for a typical \$100,000 mortgage -- \$180 per year. Workers under the Beck implementation --

Q Wait just a minute -- \$1.5 billion in the Office of Thrift. How do they do that? Can you explain what regulation that was?

DR. BOSKIN: They implement -- it's in the fact sheet in detail.

Q It is?

Q No, it's not.

DR. BOSKIN: Yes, it is in the fact sheet on page -- is it on page 4? On page 4. And there's a full -- there's a much larger fact sheet for each of the individual rollouts that we've had during the 90 days. I'm sorry if you don't have this. We will get it to you.

Q Do you mean this?

DR. BOSKIN: No, no. On page 4, there's a discussion of it. And we can get you the --

MR. GRAY: -- earlier, earlier in the document.

DR. BOSKIN: Earlier in the document. In implementing the Beck decision, there are approximately two million to three million American workers who will potentially get a refund of \$400 per year, and on and on.

Now, this average is the total -- an estimate of the total cost savings divided by the total number of families. People who can avail themselves of many of these improvements will have cost savings, will have lower prices and income coming back to them, much more than the average -- other people, if they live in different areas or their not going --

Q Prices will go down? Or prices will not increase as much next year?

DR. BOSKIN: Well, in general, prices have risen slightly because we still have a low rate of inflation. But in general, the fact is the prices will be lower than the otherwise would have been because of these changes. Utility --

Q So they'll reduce the rate of inflation?

DR. BOSKIN: No, this is not something to do with the overall rate of inflation. The prices these people will pay for the utilities will be lower than the otherwise would have been had we not enacted these reforms. And for some people, substantially so.

Q Can you explain why, if these were so burdensome and onerous and terrible, why were these regulations ever allowed to be put into effect in the first place?

DR. BOSKIN: Many of these regulations go back over a very long period of time.

Q Let's take the ones that go back over the last three years.

DR. BOSKIN: Very few of these actually are -- very few of these have anything to do with the last three --

MR. GRAY: I don't believe any of these are regulations imposed in the last three years.

DR. BOSKIN: In financial services, some of these go back to decades. We had proposed --

Q But you had the power to do this before now, in other words.

DR. BOSKIN: You want to understand why we didn't -- we proposed comprehensive reform to the Congress in banking and energy and in other areas of that sort. And when Congress failed to act, the President decided that within the authority available to him and to the regulatory agencies, within the existing statutes, that we should take whatever action that could be taken to reduce the burden on American workers and consumers. It would be far better still, obviously, if Congress would pass that reform legislation in banking and our energy reforms and so on.

Q What about some of the Clean Air Act regulations?

Q Drew Lewis said out there that he wishes that the reforms --

DR. BOSKIN: Pardon me.

Q I wanted to ask about some of the Clean Air Act regulations. These are things that presumably OMB should have dealt

with and should have been dealt with in some other way earlier. Why is this now just happening?

DR. BOSKIN: There's nothing -- all of it is going through the usual process. There is nothing that could have been dealt with earlier. There as a substantial set of amendments to the Clean Air Act passed in 1990, and we are in the process of implementing that act. In meeting the environmental goals of that, such as reducing sulphur dioxide emissions by 10 million tons, et cetera, we are searching for ways to make sure it's implemented in the least intrusive way -- to meet the environmental goals in the most cost-effective way. And we will continue to do so.

MR. GRAY: If I could give you an example of the so-called cash-for-clunkers issue, which was announced in here not that long ago -- that was really not possible for the amendments to the Clean Air Act that were passed a couple of years ago. We could not have done that. We didn't have the authority -- EPA did not have the authority to do that. That is only now made possible by the reforms put into the Clean Air Act.

DR. BOSKIN: I'll give you one more example of that. One of the reforms that was announced was the Commodities Futures Trading Commission okayed a new contract in futures in these emissions allowances that are going to sharply reduce the burden on utility consumers -- electricity -- homes and business utilizing electricity, especially in the Midwest, by sharply reducing the cost of achieving the acid rain reductions. Now, there's a market in those emissions allowances, but now, actually, there will actually be a futures market.

So these are some examples of the President's approach, innovative approach to reform regulation and make it more cost-effective, responsive, and deal with some of the realities. Also, many of these things that go back a long time have reporting requirements that predate the spread of electronics, for example -- the small business tax compliance reforms the Internal Revenue Service announced will enable them to be filing things electronically they had to do by hand and by paper before. So there's a wide range of these things, some due to changes in the economy, some because new rules made the old rule obsolete.

Virtually every agency that's participated has said to me -- I'm sure Boyden had heard similar remarks -- the chairmen of virtually all of these agencies have said, this is really helpful to us. We really hadn't realized how many of these old rules that accumulated in the closet over decades and it was good for us to go back and try to review them and get rid of the ones that are unnecessary.

MR. GRAY: Some of you may have been at the briefing just a couple of days ago with the SEC where Richard Breeden showed the old S-1 and the new S-3, which is about a fraction of the size and a fraction of the cost in terms of legal and accounting fees. The savings there could range well over \$200 million a year just in legal costs -- my profession getting a hit there, but never mind. And this is -- the examples are all in the fact sheet.

I want to emphasize, though, something that Mike said about things going back. I said this before at a briefing here not long ago. The new drug approval reform go back -- the initiation of the reform review goes back to the Reagan years. And it's taken a long time to do it. You could argue maybe we should have done it sooner, but it's now been done. And one drug was just approved recently after a clearance process of only six months -- DDI.

So these things are all working. Some of them, to be perfectly candid with you, don't result just from the 90-day

moratorium. We couldn't have reformed the drug approval process in 90 days.

Q Questions about the regulatory moratorium, particularly for you, Mr. Gray. It says here that the moratorium doesn't cover regulations that protect against imminent threats to health and safety. Isn't that a new standard? I mean, imminent wasn't the standard for the first moratorium, was it?

MR. GRAY: I think it was the same. There's no difference. It is the same.

Q Secondly, the cost benefit analysis will now be applied throughout, government-wide, not just -- health and safety agencies are not exempted from the requirements in this cost benefit analysis, right?

DR. BOSKIN: That's correct.

Q Can you give an example of how you want agencies to comply?

DR. BOSKIN: Cost benefit analysis is a serious and important analytical device for sensible public policy decisions by government. There's a long academic tradition in ways to measure benefits and costs, including benefits of nonpecuniary things, like an improved environment and so on.

The application of these over the last several decades, spanning many administrations, has been more ad hoc on legislative proposals than the new procedure -- than we would like. And so we're implementing new procedures so that when Congress proposes -- makes a major legislative proposal, or our own agencies come up with legislative proposals, that there will be a full, careful, analytically and technically well-bedded and proper, careful weighing of the benefits and costs as part of that process, so that the cost to American consumers and the possible job disruption location be one of the factors that's considered when Congress votes on whether to pass legislation or when our agencies decide whether they want to try to have the administration submit it as part of our legislative agenda.

Q Will you be setting forth parameters for how these analyses -- because, I mean, isn't there a lot of room for subjective judgment here? I mean, we've had environmentalists say to us when we've written stories about the costs of implementing clean air, of course, a clean environment is priceless. So isn't there a lot of subjective room for analysis?

DR. BOSKIN: Well, I think that there has been some very careful work done on estimating the costs of environmental regulation and also the potential benefits in terms of health or amenities and so on. And is there -- the level of precision -- there is a certain level of precision, but I don't want to overstate it. That's why we present a range -- in the cost savings estimates, we present a range. There are some things that the agencies haven't yet fully costed out, so that we have not included them. We've put them at zero in this; we haven't tried to pad the figures or anything.

So the fact of the matter is that what will happen is that there will be expert technical analytical advice and guidance provided by the agencies -- like OMB in particular, would, in consultation with the Council of Economic Advisers that are experts in these sorts of things, assisting the agencies which have perhaps not traditionally had their capabilities in this area at full capacity.

Some agencies have mentioned in discussion of this with them that they're really thrilled, that they think this really will help them; that they have not had an opportunity to do this in the past and the fact the President's shining a light on this important issue has given them the impetus to provide the resources within the agency to do cost benefit analysis.

Q Dr. Boskin, does the President's health plan pick up the tab for all the injuries that are going to be sustained by people falling off those unsafe ladders? (Laughter.)

Q And cranes -- and cranes that are overloaded.

Q The President said he -- he cited as an example "excessive safety costs on ladders." Can you point to currently-sold ladders --

DR. BOSKIN: Let me give you a very simple example --

MR. GRAY: Airline transport safety, airline safety is better since the deregulation -- I'm just giving you an example of a fairly large-scale --

Q I'm asking you to document the President's example.

DR. BOSKIN: Let me give you a very simple example, which is that a very controversial issue has been safe standards -- corporate average fuel economy.

Q I'm asking you about ladders -- the President talked about ladders. Where are ladders today that are excessively safe and excessively expensive, therefore? What's the President talking about?

DR. BOSKIN: There have been a variety of rules that have been put into sort of the nature and cost of ladders that have raised their cost. Okay, therefore, obviously demand curves slope downward -- I'll remind you from your economics 1 course.

Q Mr. Boskin, you expressed some resentment out here that the gentleman from the Environmental Defense Fund was having his say at the microphone. I thought it was the policy of the White House and the President to reach out to all views. Is that not the policy?

DR. BOSKIN: It is, and we were actually glad he was here.

Q Ohhhh.

DR. BOSKIN: No -- I'll explain that in a second. However, Boyden and I had been escorted out and told that we were going to be asked to do something. And all I was saying was --

MR. GRAY: We have our turn now.

DR. BOSKIN: We have our turn now. The fact of the matter is, obviously the President believes that we have to find new ways to make the necessary regulation, whether that's for health or safety or the environment, as cost-effective as possible; intrude on the job creation and cost that consumers pay as low as possible. We're looking for a cost-effective way to implement this legislation. Now, there are some environmentalists, perhaps many, who believe in this old-style command-and-control system where there are no market incentives. The only thing they care about is implementing and controlling the way individual households and firms meet environmental standards.

The President's approach is to set standards. For example, the very ambitious standards in the Clean Air Act -- make sure they are met, but find the most cost-effective way to do that.

Q You didn't say, though, you were outraged that he was out there?

DR. BOSKIN: Mr. Krupp, who I believe is the person I think you're referring to, represents one approach. We welcome discussion with all such people, whatever their view. There are people who believe there should be no regulation at all. We look forward to a dialogue with anybody from any point of view.

The fact of the matter is that represents, and the statements that were made represent an old-style approach that has been rendered obsolete. The collapse of communism in Eastern Europe is a good example of what command-and-control systems generate. And everybody around the world is moving to more efficient, effective ways. The Western Europeans are doing this, et cetera.

So he has his point of view; you heard it. We're pleased to have it in the public debate. There are others in the political process who share that extreme view that the government should micromanage all behavior and tell people how they should clean the air, how they should reduce emissions. We think that is absolutely ridiculous.

Q How did you arrive at the 120 days for the extension of the moratorium? If it's such a wonderful idea, why do you want it to expire just before the election?

DR. BOSKIN: The 120 days was laid out to be an opportunity for us to review the reports that come in and for the agencies to be able to implement many of the things that they have begun to propose. In most of these situations they have to go through what's called a rule-making process. They put it out for public comment and it takes 30 or 45 or 60 days to get comments back in the docket for them to issue a final rule. So it was designed with that in mind.

MR. GRAY: I might add that some people internally questioned whether this was truly symmetrical since it was 90 days and then 120. Well, the fact of the matter is we cheated a little bit on the 90 days. We started working on this right after Christmas, so we actually had the month of January before in order to start these reforms. I'm being slightly facetious but --

Q -- antisymmetrical -- (laughter.)

MR. GRAY: No, no it is symmetrical. It is symmetrical. (Laughter.)

DR. BOSKIN: Don't be antisymmetrical. (Laughter.)

Q Let me ask you -- it seems like much of the savings that you've claimed, such as in the Office of Thrift Supervision and FERC come from new rules that have come out during this period, not from the moratorium itself. Is that right?

DR. BOSKIN: It includes rules that repeal restrictions that already existed. That's right.

MR. GRAY: In order to change a rule, it takes a rule.

Q But it's not a moratorium then.

MR. GRAY: It wasn't a -- we were a moratorium on regulations that inhibit growth, except for regulations that might do

that that were necessary for health and safety, and also excepted were those mandated time frame by statute and those which promote growth. And regulations that lifted burdens of previous regulations were -- are considered those which promote growth and, therefore, are not subject to the moratorium. That is, in fact -- the purpose of the moratorium, principally, is to help us focus attention on the changes that are needed to make old rules that have been around a long time and been obsolete by technology -- have a chance to get those changed, revised, modernized in accordance with thinking that now says about command-and-control you really ought to look to market incentives where you can. That's the cash-for-clunkers, for example, and I could go on and on and on.

Q Is that where you think most of the savings comes from then -- is from new rules that have been --

MR. GRAY: Lifting burdens of old rules. There are also new rules that are changing future burdens that actually hadn't fallen into place but would have. So there's savings from the year, say, 1995. There aren't savings from 1985.

Q Well, Boyden, the FDA, Department of Agriculture regulations on food labeling that were announced with such fanfare in November -- how were they exempted from health and safety? Because after all, that's a health item, and they have been delayed, as I understand it. The food labeling -- you know, what is low sodium? What is low fat? The agriculture, that's HHS. And then the others are FDA, and then the others with the Agriculture Department's food labeling on meat, for example, poultry. And they have been delayed because of the moratorium and that's certainly a health item.

MR. GRAY: Well, it has some relationship to public information, but it is not a direct safety regulation. And the extension is provided for in the statute itself.

DR. BOSKIN: One last question.

Q I just wanted to say, is it fair that the moratorium itself has applied primarily to the Clean Air Act regulations that --

DR. BOSKIN: No.

Q No.

DR. BOSKIN: That is not fair. It is applied --

Q It's not true?

DR. BOSKIN: It is applied broadly throughout the government and it is not designed to deal with any one particular sector.

Q This was the great bulk of regulation you had that was coming up to be dealt with, was it not? That and the ADA perhaps?

DR. BOSKIN: No, I think you --

MR. GRAY: The ADA, in fact, is all done. The regulations under ADA -- ADA is not -- totally unaffected by the moratorium.

DR. BOSKIN: It's probably hard to appreciate the hundreds and hundreds and hundreds of rules that have to be promulgated annually to deal with legislation, some of it still from years and years ago. And this spreads over all government agencies.

So, no, it is not primarily directed at one particular area or at --

Q -- at an impasse?

DR. BOSKIN: No. I think that's inaccurate.

THE PRESS: Thank you.

END

3:15 P.M. EDT

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

April 29, 1992

April 29, 1992

MEMORANDUM FOR CERTAIN DEPARTMENT AND AGENCY HEADS

SUBJECT: Implementing Regulatory Reforms

On January 28, 1992, I issued a memorandum asking each of you to set aside a 90-day period to conduct a review of existing regulations and programs and to accelerate initiatives that will create jobs and stimulate economic growth.

Your response thus far has been excellent. Together, we have already implemented numerous reforms that will ultimately reduce the prices American consumers and businesses pay for energy and transportation, increase the amount of credit available for business expansion and homes, cut red tape for emerging industries such as biotechnology, and reduce many other regulatory barriers to job creation and economic growth.

But much remains to be done. Within the next few days, each of you will be submitting a report outlining additional proposals to eliminate or revise unnecessary, and unnecessarily burdensome, regulations. Every agency has identified a number of reforms that can be accomplished without new legislation. We must make every effort to implement as quickly as possible those proposals that will create jobs and enhance economic growth without endangering public health or safety.

Accordingly, I ask that each of your agencies set aside the next 120 days for this purpose. To that end, I request that, to the maximum extent possible, you adhere to the following specific guidelines:

1. Reforms that do not require public comment should be implemented as quickly as possible, but no later than June 1, 1992. Reforms that have already been noticed for public comment should be issued in final form as quickly as possible, but no later than August 1, 1992.
2. Other reforms requiring public comment should be noticed for comment as soon as possible -- but no later than June 15, 1992 -- with a view to issuing final rules no later than August 27, 1992.
3. On September 1, 1992, each agency should submit an additional report to me. This report should summarize all the pro-growth reforms implemented since January 28. It should also estimate the potential cost savings or other benefits to the economy created by these pro-growth reforms, including an estimate of the expected net increase in jobs.

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4. To ensure that adequate agency resources are devoted to the reform effort, your agency should continue, during this 120-day period, to adhere to the moratorium as described in my January 28 memorandum. I emphasize, as I did then, that this moratorium does not apply to certain limited categories of regulations, including those that respond to situations posing an imminent danger to human health or safety.
5. Your agency should also continue to adhere to the substantive standards detailed in my January 28 memorandum with respect to all programs and regulations. And, to the extent it does not duplicate existing regulatory review processes, you should submit to me, in advance, a complete regulatory impact analysis of each major rule proposed to be issued during this period. This will help ensure that these regulations achieve their objectives at the least cost to American consumers and workers.

In implementing your reforms and in preparing the reports described in paragraph 3, you and your agency's regulatory oversight official should continue coordinating with the Competitiveness Council's Working Group on Regulatory Reform.

GEORGE BUSH

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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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THE WHITE HOUSE

Office of the Press Secretary
(Columbus, Ohio)

For Immediate Release

April 30, 1992

REMARKS BY THE PRESIDENT
TO OHIO BROADCASTERS ASSOCIATION

The Hyatt on Capitol Square
Columbus, Ohio

3:12 P.M. EDT

THE PRESIDENT: Thank you, Fred, very much -- all of you, Gene and Dale and Tom, for the greeting out here. And good afternoon. I'm pleased to be back for my third appearance before -- something about the Ohio Broadcasters. (Applause.)

I have a few remarks to make on a subject, but before that I want to comment just on the events that are concerning our country -- building a little on comments I made earlier in a statement to the nation about the news out of Los Angeles.

No one watching the television coverage of the violence yesterday afternoon and evening could have any reaction other than revulsion and pain. And mob brutality, the total loss of respect for human life was sickeningly sad. And the frustration all of us felt seeing helpless victims pulled from vehicles and assaulted -- it was hard not to turn our eyes away.

But we must not turn our eyes away. And we must keep on working to create a climate of understanding and tolerance, and condemn a climate of bigotry and fear.

Last night was tragic for our country. It was tragic for the city of Los Angeles, for the people of East L.A. But there were small acts in all of this ugliness that give us hope. The citizens who ignored the mob; those who helped get the battered victims out of the area. There were people who spent the night in the churches. Many were seeking guidance in the wake of the unfolding chaos in the streets, praying that man's gentler instincts be revealed in the hearts of people driven by hate.

And you say what can we do? Well, before leaving Washington I spoke to Governor Wilson; I spoke to Mayor Tom Bradley; I spoke to Ben Hooks and some others on this problem.. And I also gave this statement to the nation regarding our plans at the federal government level regarding the court case. We have instigated an investigation under civil rights protection. We will do what we can from the federal government to help those small business people that have been just wiped out by wanton destruction. And I will keep telling the country that we must stand up against lawlessness and crime, wherever it takes place.

And regrettably, what is happening in the city -- or did happen last night was purely criminal. It was outrageous what happened. And we are all sickened by what we saw.

On the larger issues, I've thought a lot about this. And say what you want, but it is important at a time like this to really talk about some old-fashioned values like respect for the other's rights, respect for property rights; manifest that respect in our actions as well as our words. We must make a compact with each

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other that we will not tolerate racism and bigotry and anti-semitism and hate of any kind anywhere, any time. Not over the dinner table; not in the board room; not in the playground -- nowhere.

We must condemn violence. I make no apology for the rule of law or the requirement to live by it. And, yes, in some places in America there is, regrettably, a cycle of poverty and despair. But if the system perpetuates this cycle, then we've got to change the system. We simply cannot condone violence as a way of changing the system.

So we ought to change. We ought to try hard. Change the status quo. And we've got to do it peacefully and we've got to do it thoughtfully. This -- I am very hopeful, that calm can be restored to this very important part of our country and that goodwill will prevail over the hatred that we've seen in the streets in the last few hours.

I am now switching off to what I came here to talk to you all about. Let me just first say a word about this city and about the great man who gave his name to this city. Columbus dared to explore far beyond the horizons of his continent, and he discovered a New World. You talk about the vision thing, well, he had it.

Speaking of vision, we wouldn't be attending the Broadcasters Convention had it not been for the daring of scientific prodigies like DeForest and Marconi. We should keep in mind just how new this thing called broadcasting is. The same year that my dad was born right here in Columbus, Ohio, just a few blocks away on East Broad Street, Marconi invented radio. It either makes me very old or makes radio very young; I can't figure out which that is. (Laughter.)

But I'm sure there are many here who can remember when the first TV broadcast went on the air. I can remember the first TV set I had -- a great, big square looking box with a little tiny yellow-colored window. It was made by Hoffman. I don't think it proved to be too successful because I don't think they're making TV sets anymore. But it wasn't that long ago.

Telecommunications is still in its infancy. I think that it's taking big steps now. And as you look over the horizon at the future of this country in technology the steps are going to be enormous. They're something bright and new in human history.

In addition to all this new technology, I think we can look at a whole other area and talk about the worldwide spread of freedom and democracy. Around the globe, nations are joining a movement in which the United States is the great pioneer. We are -- never forget it -- the unsurpassed leader. And for those who will have you believe that this country is in a state of decline, travel abroad and see the respect with which this country is held.

We've got to protect our freedoms. We've got to trust people with their freedoms. These form the core of our crusade to make this country stronger. A free economy will be a strong economy, and it will create more good jobs. We'll keep our healthy society -- keep society healthy if we keep our family first -- put family first. And by keeping our defenses strong, we're going to keep the peace.

I'm working hard to open world markets. And open trade will create more and better jobs for this country. It offers our consumers lower prices and more choices. And expanding trade is one of five programs for this country's future that I view as really top priorities.

We're working as well to revolutionize -- this is the second one -- to revolutionize -- literally to reinvent our schools.

Parents are leading the way. In community after community, they are standing up to the bureaucratic establishment; they're asserting their rights in their children's education. And I salute Governor Voinovich, whose wife is with us here today, for the lead that Ohio is taking in achieving the goals of America 2000, our literally revolutionary education program.

We're working for fundamental reform of government, including a balanced budget amendment -- now it has strong support on both sides of the aisle. Clearly, it has to be phased in. But there's a change in the country; people are saying we've got to do better. I support strongly term limits to make Congress much more accountable. I think the time has come for that. And I also believe, and have submitted suggestions to the Congress for this rather revolutionary idea -- that Congress ought to live by the laws that it passes and laws that affect others. It is no longer right to be separate. (Applause.)

The next category is we are working to help the innovations and efficiencies of free market make quality health care available to all. I do not want to see us go to what they call a nationalized system or what some refer to as socialized medicine. We want to retain the quality of our health care, but we've got to give access to all, make insurance accessible to all. So we need to do that.

And then the last point I want to make is we are fighting the explosion of nuisance lawsuits. Let's spend more time helping each other and less time suing each other. And that means we need to put some limits on these outrageous liability claims. (Applause.)

I might add that we are fighting hard to get the burdens of unreasonable government regulation off the backs of the people. And regulation really imposes a hidden tax on every man, woman and child in this country. In the State of the Union address some 92 days ago, I lit a fire under our own administration's efforts for fundamental reform of government regulation. And this week we completed that 90-day moratorium that I ordered on new regulations. In just those 90 days we have completed or set in motion reforms that will save America \$15 billion to \$20 billion a year. And yesterday I ordered a 120-day extension on that moratorium, and I'm expecting many more achievements for freedom and for common sense.

Fundamental reform of regulation cannot be achieved overnight, and it's going to take a lot of tough, imaginative, patient effort. But I am totally committed to reforming regulation because the cost of inaction would be much more than we could bear. Think of some of the burdens and the contradictions that we already face.

Here in Columbus the city government has projected that over the next decade its cost of compliance with federal environmental regulations alone will be \$1.6 billion. And that's \$856 per household per year. Now, this is for a community whose entire city budget last year was \$591 million. The share of the city's budget to meet these regulations stands to increase from 10 percent to 23 percent. And right now, Columbus is one of the most attractive places in the country for people to work and live. But I can't say things will stay that way if the cost of meeting government mandates keeps going right out through the roof.

In Juneau, Alaska, a local charity, the St. Vincent de Paul Society, wanted to build an addition to its shelter for the homeless, also requiring more parking space. Unfortunately, the building project was delayed for a whole year because bureaucrats declared the site a wetland. Now, get this -- the shelter is in the middle of town, surrounded by concrete -- dry concrete, I think -- on a city block that includes two car dealerships, a plumbing store and

a storage business. There is something wrong with this picture. And obviously somebody in this episode was all wet, but it wasn't the real estate for the homeless shelter. I cite this as just the kind of example that we must fight against at the federal level; that the local level must fight against, too.

And back here in Ohio, an unreasonable federal regulation almost forced the closing of this health plan in Dayton -- we call the Dayton Area Health Plan. George Voinovich called this to my attention -- an innovative, managed care program designed to offer high quality care to some 43,000 Medicaid recipients in Dayton. Governor Voinovich and the Lieutenant Governor Mike Dewine led the effort -- who I did not introduce but who is with us here today -- led the effort to change this inequity. And just this week I signed legislation granting an exemption for this Ohio reform initiative.

I have confidence in the new ideas that Ohioans are developing on their own, and without the mandates from the know-it-alls in these subcommittees back in Washington, D.C. or in our own bureaucracy. We don't do much for Americans' health when we put HMOs, like the one in Dayton, on the critical list.

It's stories like these that remind us what a visionary Alexis de Tocqueville was. A century and a half ago -- a century and a half ago he warned that if Americans were not careful, government would -- and here's the quote -- "cover the surface of society with a network of small, complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate." This is de Tocqueville, coming over and taking a look at our society back then. I don't know what would happen to him if he took a look at it today.

We've heard the warning. We're fighting back. And our reform efforts are breathing new life into America's ability to compete, to innovate, and to create jobs. Every federal agency that I asked to participate has responded with action to ease the burden of unnecessary regulation. From biotechnology, to energy, to the banking field and, yes, to broadcasting and telecommunications, we are taking the shackles off of American enterprise.

Let me take this occasion to salute the FCC, Federal Communications Commission, for its actions to relax needless restrictions on ownership of radio stations. The FCC also has taken action to allow competition among international satellite companies. Now, this will help reduce prices that Americans now pay on more than a billion telephone calls every year to other countries. These are very welcome reforms. Al Sikes, who is our chairman, the FCC Chairman, believes in free markets and he believes in innovation. It's clear to me that that is the right direction.

Looking forward, one can't help but see that new telecommunications technologies will revolutionize science, education and the way we do business. They will be an important boon to families. The day is coming when mothers and fathers will be able to spend more time at home with their children even as they make ever-more productive contributions to our economy. The predictions for doing work at home in a productive way are absolutely outstanding, amazing. And I think you're going to see a whole new area build up for productivity.

In the same spirit as regulatory reform is privatization -- facilities now run by government to be owned and operated by competitive enterprises, and thus serve the public more fairly and more efficiently.

Today before I came out here to Columbus, I signed an executive order that will give state and local governments more freedom to sell or lease their infrastructure to the private sector if they choose to do so. We hear complaints that America's

infrastructure is crumbling and that states aren't putting enough money into expanding or repairing it. And at the same time, many private companies want to invest in these projects. So our executive order will remove impediments to competitive enterprises, buying infrastructure assets. That means bridges or roads or housing and sewage treatment plants.

This initiative could generate billions of dollars in new investment and millions of new jobs. American business has the funds to invest in infrastructure and has the funds to expand it.

Through today's actions we will help more people enjoy cheaper and better waste water treatment service by letting businesses with real market incentives do the job. We'll help low-income tenants buy their own housing. The dignity that comes with homeownership is a wonderful thing for our country. We're promoting competition that could dramatically reduce the cost of urban mass transit. And the money that states will receive for selling these facilities will be used to build even more new needed infrastructure or to lower the states' debts or to cut your taxes.

Privatizing state enterprises is one of the great hopes for economic growth and rebirth from Mexico City to Moscow. Take a look at what's happened south of our border under the courageous President of Mexico, Carlos Salinas. Look at the many formerly government-owned entities that he has turned over to much more efficient operation in the private sector. There is an example from what Mexico is doing for us right here in the United States. Same thing is true in Moscow.

As I sit down with the leaders from the new Commonwealth of Independent States -- and I'll be meeting very soon with Kravchuk, and shortly after that, with Boris Yeltsin -- we are encouraging them to move to the very kinds of privatization that I'm talking about here. I think you're going to find that they're doing it and it's going to be highly successful, and it offers them great hopes for recovery out of the economic morass that they're in right now.

So this idea presents many chances for positive change -- change abroad and change right here in our own country. And there are opportunities, frankly, that we simply cannot afford to overlook. And of one thing I am certain: the status quo, the old thinkers are not going to yield on this without a fight. The special interest crowd will not like the agenda that I've outlined for you today. They think that government ought to own more, not less. They think that government ought to mandate more, not less.

When I meet with the governors -- and I've done that quite a few times since I've been President -- all across party lines, all across ideological lines of conservative and liberal comes the cry from the governors, do not burden us with mandates coming out of some old thinking subcommittee in the Capitol Hill of Washington, DC. And we are determined to try to facilitate what the governors want by giving them flexibility and saddling them with far fewer mandates.

Washington hasn't changed much since you all have been there. It is swarming with noisy lobbyists for the old interests who want this highly centralized federal government and people who have never met a regulation that they didn't really like. And this is springtime, and a young man's thoughts turn, as does his radio dial, to baseball.

And so I thought I'd leave you with a favorite story. I don't know whether all these Yogi Berra stories are true or not -- you know, pair 'em up in threes and things like that. (Laughter.) In Yogi's hometown of St. Louis, the local people organized a celebration in his honor at the old Sportman's Park. And Yogi quavered with emotion as he stepped up to speak.

"First," he said, "from the bottom of my heart let me thank all the people who have made this day necessary." (Laughter.) I think the point of the story is this: The freedom-loving people of this country -- the people of ingenuity and enterprise, the people in leading-edge industries like your own -- are not merely making renewal of limited government possible, they're making it necessary. And they're making it inevitable. And technological advance is accelerating so rapidly that the old guard can only hope in vain to keep up. We'll make intrusive and gluttonous government a thing of the past.

We've reached a turning point. And we're on the verge of watershed reforms to make government stop stifling people who want to use their freedoms, their own freedoms, to create and to produce and to serve.

And the day is coming when enterprisers and innovators like yourselves will lead us into these exciting new horizons. The day is coming when dreams not yet imagined will come true. And I am confident about the years ahead. I know we've had difficult times. But I don't believe for one single minute that the United States of America is in decline. The future is tremendously exciting. And if we handle the technological change with the innovative manner I've outlined here today, I believe we can usher in all kinds of new eras of prosperity for the working men and women in this country.

Again, I'm confident of the years ahead. And the big thing is to keep this nation a champion of ideas and of opportunity, and with that first subject in mind, of justice. We can reform our schools and our courts and our health system -- our very system of government. And we can assure that when we reach the new century America will still be the strongest, the bravest, and the freest nation on the face of the Earth.

It's good to be back with you. And thank you all very, very much. (Applause.)

END

3:35 P.M. EDT