Reg Review: Memos to DOC

THE WHITE HOUSE

WASHINGTON

December 20, 1994

MEMORANDUM FOR TIM BARNICLE, ASSISTANT SECRETARY FOR POLICY, AND MEMBERS OF THE WORKPLACE SAFETY AND LABOR WORKING GROUP

FROM: Mike Schmidt, White House Domestic Policy Council

SUBJECT: Regulatory Reform Initiative

Thank you for your participation in the Administration's regulatory reform initiative. As you know, the Vice President is initiating a bold regulatory reform effort aimed at developing a new paradigm in the way that the Federal Government seeks to achieve its goals and objectives by improving the current regulatory process and reducing conflicting statutory requirements and unnecessary regulations. The purpose of this effort will be to decrease the regulatory burdens currently shouldered by individuals, the private sector, and state, tribal, and local governments.

You have been asked to be a member of the working group looking at Workplace Safety and Labor Regulations, which I have been asked to head. In my opinion, the success of this effort relies heavily on your knowledge and expertise. You have had the opportunity to see both the positive and negative aspects of the regulatory system as it applies to work safety and labor. We all know that the problem is frequently one of good people being trapped in bad systems, and I want to work with you to find out what obstacles you face in the regulatory process, and what changes can be made that would allow you to do your work better.

Goals/Objectives of the Review

In order for this review to be successful, we need to focus on regulatory philosophy and systems, not individual regulations. Given this charge, the Work Safety and Labor Working Group has been asked to come up with recommendations in three areas: First, recommendations that include bold, innovative, and "outrageous" ideas for changing the regulatory process, such as moving to market incentives such as voluntary regulatory structures, multi-media regulation, streamlining agency responsibilities, increasing waiver authority, fostering regulatory simplicity including one-stop shopping and single forms for a series of regulations, and establishing a presumption against issuing new regulations; second, a discussion of the need to work with affected parties and other regulators to develop a comprehensive "customer friendly" regulatory strategy; and third, a review and identification of conflicting statutory requirements that are driving the creation of unnecessary regulations and a possible legislative proposal (or proposals) that would reduce such requirements.

Timetable and Agenda for Action

Obviously, the task is an enormous one. I have also just found out that **we are currently scheduled to give a presentation to the Vice President on January 17. At this meeting, we should be prepared to present some alternative models of government influence in the workplace safety/labor arena.** Given this extremely short time-frame, we cannot look at every area of Workplace/Labor regulation. Similarly, our purpose is not to do a rule-by-rule, regulation-by-regulation review. Rather, we should be working toward developing dynamic models for reforming/revamping the federal govenment's approach to workplace safety and labor regulation. Therefore, I propose that we narrow our focus to two-or-three areas of regulation that are particularly controversial and burdomesome on individuals, the private sector, or state and local governments, and focus our attention on those areas.

I would like to have our **first meeting on Wednesday, January 4, from 1:00 to 3:00pm in room 211 OEOB**. At this meeting, I would ask that you bring to the table your recommendations for the two or three regulatory areas within the workplace safety and labor arena that we will focus our attention on. At this meeting, we will discuss any alternative approaches to this process, and discuss the timeline for meetings that we will need to follow in order to be ready for a January 17 briefing. We will also set a preliminary agenda for our meeting with the VP and assign briefing paper responsibilities. I have attached a draft timeline and agenda for your review and comment. This meeting will be extremely important to the entire process, so please plan on attending.

After coming to a decision on a process and timeline, I would propose that the group meet again on **Friday, January 6, 1995, from 1:00pm to 3:00pm in room 476 OEOB.** At this meeting, I would ask all members to come prepared with two documents. First, in each of the two/three areas in which you have knowledge and experience that we decide to focus on, a list of problems/obstacles in the regulatory process that you would like to see corrected. Second, a list of recommended solutions to these problems/obstacles. The Administration is suggesting a "Blue-Sky" approach to this process (as in, "the sky is the limit"), in an effort to facilitate the flow of ideas and comments. So please bring a range of suggested solutions, both bold and conservative. The important thing to remember is that the focus of this exercise is to come up with ways to reduce the regulatory burden on individuals, the private sector, and state, tribal, and local governments, and also to begin to put together alternative models of government influence in the workplace/labor arena.

Because of the holidays and the short time frame that we have been given, it is important that you bring as much information to the first two meetings as you can, so that we can hit the ground running. I assume that, given your knowledge of these issues, you already will have a pretty good idea which areas we need to focus on and can begin working on the two documents for the meeting on Friday, January 6 almost immediately, without waiting for an "official" decision to be made at the meeting on January 4. I would also suspect that a number of studies and research has already been done in these areas that you can draw on in coming up with proposed solutions.

If you have any comments or questions on any of this, please do not hesitate to contact me at: 202-456-5567; if you cannot reach me, feel free to contact my assistant, Meghan Kelly, at 456-2846. Thank you again for your assistance on this important Administration initiative.

TENTATIVE TIMELINE AND AGENDA FOR WORKING GROUP MEETINGS

JANUARY 4, 1995:
At this first meeting, we will determine the two or three areas of regulation that we will focus our attention on. This meeting will also be the place for us to discuss any alternative approaches to this process, and to discuss the timeline for meetings that we will need to follow in order to be ready for a January 17 briefing.

JANUARY 6, 1995:
The second meeting will focus on the recommendations and ideas for reform of the regulatory process in each of the two/three chosen areas. To this end, bring 2 - 5 pages of ideas which would facilitate a more productive and effective regulatory process. At this meeting, we will finalize a timeline for future meetings.

JANUARY 10 or 11, 1995:
Agenda to be determined.

JANUARY 13, 1995:
Agenda to be determined.

JANUARY 16, 1995:
Review final recommendations and presentation for Vice President on January 17.

THE WHITE HOUSE

WASHINGTON

December 16, 1994

MEMORANDUM FOR TIM BARNICLE, ASSISTANT SECRETARY FOR POLICY

FROM: Mike Schmidt, White House Domestic Policy Council

SUBJECT: Regulatory Reform Initiative

This memorandum is a follow-up to our telephone conversation of December 15, 1994. As you know, the Vice President is initiating a bold regulatory reform effort aimed at improving the current regulatory process and reducing conflicting statutory requirements and unnecessary regulations. The purpose of this regulation reform effort will be to decrease the regulatory burdens currently shouldered by individuals, the private sector, and state, tribal, and local governments.

Previous reform attempts have been only partially successful because emphasis was placed on line-by-line review of the Code of Federal Regulations. Such efforts, while succeeding in targeting a small number of individual regulations, have ultimately not had a lasting effect because they looked at the symptoms rather than the cause. By looking at possible changes in the regulatory <u>process</u> and the underlying statutory requirements that drive this process we hope to come up with meaningful policy options that will have positive lasting effects.

I have been asked to head the working group looking at Workplace Safety and Labor Regulations. As I mentioned to you in our phone conversation yesterday, the success of this effort relies on the knowledge and expertise that exists at the Department of Labor. You have had the opportunity to see both the positive and negative aspects of the regulatory system as it applies to work safety and labor. We know that the problem is one of good people being trapped in bad systems, and we want to work with you to find out what obstacles you face in the regulatory process, and what changes can be made that would allow you to do your work better.

I look forward to working with you on this important initiative. Next week, I will send you a memorandum outlining the time and place for our first meeting, a rough timetable that we have to follow, and a proposal for an organizational process for the group that I hope you will read over the holiday break and comment on at our first meeting. Please try and get me a list of DOL participants on the Working Group by COB Monday, if possible. If you have any comments or questions, please do not hesitate to contact me at: 202-456-5567.

Thank you again for all of your help.

THE WHITE HOUSE

WASHINGTON

January 9, 1994

MEMORANDUM FOR KITTY HIGGINS, CHIEF OF STAFF, DEPARTMENT OF LABOR

FROM: Mike Schmidt, White House Domestic Policy Council

SUBJECT: The Vice President's Regulatory Review Initiative

As you may recall, I have been asked by the Vice President to chair a regulatory review working group on Workplace Safety and Labor Issues. Back in December of last year, you asked me to work with Assistant Secretary Tim Barnicle to coordinate this working group with the Department. Since that time, we have put together a group to look at this area of regulation that includes Assistant Secretary Dear, Robert Rodriguez (Tim Barnicle's assistant), and representatives from White House policy offices.

To follow up on our brief conversation last December, I thought it would be a good idea to share with you a copy of a memorandum outlining the regulatory review initiative that the Vice President sent out in November to top White House Policy Advisors. Please keep a close hold on its distribution. This memo does a nice job of laying out the general process that the review initiative will follow and a tentative schedule for that process. I have also sent copies of this memo to Assistant Secretary Dear and Rob Rodriguez for their information

I hope this memorandum is helpful to you in providing more information about this important Administration initiative. As always, I would be happy to answer any questions that you have about any of this. My number is 456-5567.

Thank you for your help on this important initiative.

SUMMARY OF THE REGULATORY REVIEW PROCESS

In the months since the President charged us with implementing his Executive Order on regulatory planning and review, the Administration has made great progress and order to the regulatory review process. The Vice President feels that it is now time to take the next steps and develop for the President options for further reforms in the regulatory area.

The Vice President has set forth a process by which we can develop these various regulatory reform options. The process will focus on a series of "regulatory policy reviews" in which we can explore innovative approaches to achieve regulatory objectives in cost-effective and reasonable manners. These reviews will examine --with the help of innovative and interesting thinkers and experts from your department and other affected agencies -- a variety of sectoral and cross-cutting issues that will enable us to make well-considered recommendations to the President in March of this year. The overall objective of this effort is aimed at developing a new paradigm in the way that the Federal Government seeks to achieve its goals and objectives by improving the current regulatory process and reducing conflicting statutory requirements and unnecessary regulations.

In addition there are several issues closely related to the regulatory issues noted below which, as you know, have already been the object of excellent work by several White House Interagency teams. These issues are risk, takings, and unfunded mandates, and they will continue to be considered by the same interagency team that is looking at the broader regulatory agenda.

For the remaining regulatory-related issues, the VP has set up the following schedule:

December 1994

The relevant White House offices will put together regulatory review groups that will begin to look at the following regulatory areas:

- General Regulatory and Cross-Cutting Regulatory Issues
- Information Technology and Regulation
- Risk, Takings, and Unfunded Mandates
- Environmental, Energy, and other Natural Resources
- Small Business Regulation
- Financial Institutions
- Workplace Safety and Labor Issues
- Education
- Transportation
- Health Industry and Food and Drugs
- Consumer Product Safety
- Agriculture
- Technology Regulation
- Equal Employment Opportunity

December 1994 - February 1995

During this period, the regulatory review sessions will be conducted that cover each of the areas listed above. Each review session will be coordinated by the relevant White House office. The Vice President will co-chair these sessions with the head of the office that organizes the session.

February-March 1995

At the end of the review process, the Vice President and other top White House advisors will hold a series of meetings to determine (after appropriate consultation with affected Cabinet Secretaries and Agency Heads) which of the options developed during the first review phase should be presented to the President. The proposals chosen will then be drafted by the relevant policy offices. These options will form the basis of the options memorandum to the President.

March 1995

Present options memorandum to the President.