

Number	Title
207	Part 866 - Low - Income Public Housing - Lease and Grievance Procedures - Proposed Rule
208	Part 570 - Community Development Block Grant Applications for Discretionary Awards for Technical Assistance - Proposed Rule
209	Part 570 - Community Development Block Grant Subpart D - Entitlement Grants - Proposed Rule
210	Part 888 - Fair Market Rents for New Construction and Substantial Rehabilitation Section 8 Projects Battle Creek, MI - Proposed Rule
211	Part 882 - Section 8 HAPP - Existing Housing Section 882.215 Eviction - Proposed
212	Part 865 - PHA-Owned Projects, Project Management, Subpart E - Consolidated Supply Project - Proposed Rule
213	Part 200 - Proposed Use of Materials Bulletin No. 70A Particleboard Interior Stair Treads and Certification Project - Proposed Rule
214	Part 891 - Review of Applications for Housing Assistance and Allocation of Housing Assistance Funds - Proposed Rule
215	Part 146 - Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance from HUD - Proposed Rule
216	Part 242 - Mortgage Insurance for Hospitals, Subpart A Eligibility Requirements - Proposed Rule
217	Part 204 - Coinsurance Subpart A, Eligibility Requirements, Subpart B - Contract Rights and Obligations - Proposed Rule
218	Part 144 - Nondiscrimination in Programs and Activities Receiving Assistance under Title I of the HCDA of 1974 - Proposed Rule
219	Part 570 - Subpart F, Small Cities Program, Commonwealth of Puerto Rico - Proposed Rule

Number	Title
220	Part 430, Subchapter F - Mortgage and Tenant Relationship Mortgage Relationship to Tenant Activities - Proposed Rule
221	Part 220, 221, 236 - Prepayment of Mortgages - Proposed Rule
222	Part 570 - CDBG, Community Development Disaster Assistance Programs - Proposed Rule (Revises 570.407)
223	Part 207, 213, 221, 232, 241, & 242 - Complete Requirements - Proposed Rule
427	Nondiscrimination against Minority and Women Owned Business Enterprises in Outer Continental Shelf Leasing Activities - Rescission of Rule
339	Kentucky Bubble Action
529	State Registration of Pesticides to Meet Special Local Needs
868	Exclusion and Exemption of Motor Vehicles and Motor Vehicles Exemptions
607	Nondiscrimination on the Basis of Sex
608	Title VI Regulation - Nondiscrimination on the Basis of Race, Color, or National Origin within NEH-Funded Programs
610	Nondiscrimination on the Basis of Handicap

March 25, 1981

RULES DESIGNATED FOR POSTPONEMENTDEPARTMENT OF AGRICULTURE

1. Revision and Redesignation of Section 502 Rural Housing Loan Policies, Procedures, and Authorization (Farmers Home Administration, 46 FR 4681)
This regulation relaxes eligibility requirements for low interest, subsidized loans to moderate-income families for buying homes. The Secretary has suspended the effective date to facilitate further analysis. Also, the regulation has major budgetary implications.

DEPARTMENT OF COMMERCE

2. Federal Interaction with Voluntary Standards Bodies; Procedures (46 FR 1574)
Prescribes procedures for (1) the listing and delisting of organizations setting voluntary standards eligible for Federal agency support and participation and (2) a DOC sponsored dispute resolution service for procedural complaints against listed voluntary standard bodies. Comments were received before and during the freeze which need to be analyzed.
3. The Channel Islands National Marine Sanctuary (45 FR 65198)
Establishes limitations and prohibitions on the activities regulated within the Sanctuary, the procedures by which persons may obtain permits for prohibited activities and the penalties for committing prohibited activities. A major issue requiring review is the impact of the rule on the development of hydrocarbon energy sources. Only the portion of the rule dealing with this issue will remain frozen until the Department takes further action.
4. The Point Reyes-Farallon Islands National Marine Sanctuary (46 FR 7936)
Establishes limitations and prohibitions on the activities regulated within the Sanctuary, the procedures by which persons may obtain permits for prohibited activities, and the penalties for committing prohibited activities. A major issue requiring review is the impact of the rule on the development of hydrocarbon energy sources. Only the portion of the rule dealing with this issue will remain frozen until the Department takes further action.

DEPARTMENT OF EDUCATION

5. Assistance to States for Education of Handicapped Children (46 FR 4912)
This is an interpretation of the Education of the Handicapped Act and Section 504 of the Rehabilitation Act of 1973. This interpretation specifies that schools should provide catheterization service during the school day. This requirement needs to be reexamined.

DEPARTMENT OF INTERIOR

6. Prime Farmlands (46 FR 7208)
This rule implements the Surface Mining Act, and replaces rules invalidated by the Courts in 1978 concerning the standard defining whether mined areas should be returned to prime farmland and the "grandfather" rule concerning land being mined before passage of the Act. This rule will be reexamined.
7. Prime Farmlands (46 FR 7894)
This amendment also implements the Surface Mining Act, dealing only with the grandfather clause and also implementing the Court's ruling. This rule will be reexamined.
8. Extraction of Coal, Two Acres or Less (46 FR 7902)
These rules tighten the two acre exemption included in the Surface Mining Act. The Department has decided to reconsider it.
9. Tribal Government Elections (46 FR 1668, 1674)
The rule extends to tribes in Oklahoma and Alaska existing rules governing tribal elections in other states. Also, rules governing process for petitioning for an election are rewritten. The rule will remain frozen until the Department decides whether to reconsider it.
10. FLRMA Exchange Authority for Public Land (46 FR 1634)
This rule deals with procedures governing the Department's authority to exchange public lands for private lands. The rule will remain frozen until the Department decides whether to reconsider it.

DEPARTMENT OF INTERIOR (Continued)

11. Land Withdrawal Procedures Amendments (46 FR 5794)
The rule sets out, for the first time, a consistent management process for handling withdrawal applications. The rule will remain frozen until the Department decides whether to reconsider it.
12. Leases, Permits, Easements Through Public Lands (46 FR 5773)
This rule sets out revised rules for leases, permits and easements of public lands. The rule will remain frozen until the Department decides whether to reconsider it.
13. Hawaiian Tree Snail (46 FR 3178)
This rule extends endangered species protection to the Hawaiian tree snail. The rule will remain frozen until the Department decides whether to reconsider it.
14. Gypsen Wild Buckwheat and Toddens Pennyroyal (46 FR 5730)
These rules extend endangered species protection to the Pennyroyal plant and to the wild Buckwheat plant. These rules will remain frozen until the Department decides whether to reconsider them.
15. Glacier Bay National Monument; Protection of Humpback Whale (45 FR 85741)
This rule establishes limits on small vessels within Glacier Bay and prohibits commercial harvesting of the organisms upon which the humpback whale feeds. The rule will remain frozen until the Department decides whether to reconsider it.

DEPARTMENT OF JUSTICE

16. The Effect of a Strike on the Admission and Continued Employment of Certain Nonimmigrants (46 FR 4856)
Clarifies under which conditions temporary alien workers cannot be used as strikebreakers. INS will delay that part of the rule which deals with the role of manager/supervisor alien workers as strikebreakers until additional analysis is completed.

DEPARTMENT OF LABOR

17. Walkaround Compensation (46 FR 3582)
The rule would have required employers to pay their employees for time spent accompanying OSHA compliance officers in their inspection of the work place. The Department has submitted a Federal Register notice to withdraw this rule as it appears to be unnecessary.

DEPARTMENT OF LABOR (Continued)

18. Occupational Exposure to Lead (46 FR 6134)
The rule specifies the amount of lead that can be in the ambient air before engineering controls must be introduced. The rule also contains monitoring requirements. The lead standard is under review. The Department is postponing the standard for 30 more days to permit additional fact finding as a basis for a policy decision.
19. Procedures for Pre-determination of Wage Rate under Davis-Bacon (46 FR 4306)
This rule modified the 30% modal rate defining the "prevailing wage". In the absence of such a rate, the mean rate is established as the prevailing rate. The Department is planning thoroughly reexamining the Davis-Bacon regulation.
20. Payment of Membership Fees (46 FR 3892)
The rule would have prohibited employers from paying membership fees for their employees to private clubs unless it was clear that the club did not discriminate by race, sex, national origin or creed. The Department has submitted a Federal Register notice withdrawing this rule.
21. Service Contract Act (46 FR 4398)
The Department is reexamining the SCA regulations which require the payment of "prevailing wages" to service employees working for firms that have contracts with the Federal Government. The Department is reexamining these regulations.
22. Salary Test Levels to Determine Eligibility for Exemption from Overtime Provisions (46 FR 3010)
The regulation would have raised the salary test levels so that fewer workers would have been exempted from the overtime requirements of the FLSA. The Department is extending the effective date to permit reexamination.
23. Government Contractors: Affirmative Action Requirements (46 FR 9084)
These specify what actions and reporting and recordkeeping requirements government contractors must comply with in order to do business with the Federal Government. The Department is working on a major reexamination of the OFCCP affirmative action requirements.
24. Labor Standards Provisions: Construction Contracts (46 FR 4380)
This regulation is related to the Davis-Bacon regulations but is issued under the Contract Work Hours and Safety Standards Act. This Davis-Bacon and related regulations are being thoroughly reviewed.

DEPARTMENT OF LABOR (Continued)

25. Certification Process and Adverse Effect Wage Rate (46 FR 4568)
The rule would have changed the method of determining the adverse effect wage rate from a regional to national level method and rate. The Department has submitted a Federal Register notice withdrawing this rule.

DEPARTMENT OF TRANSPORTATION

26. Urban Transportation Planning (46 FR 5702)
This rule implements the urban transportation planning process mandated by the Federal-Aid Highway Act and the Urban Mass Transportation Act of 1964. DOT is postponing this rule so that FHWA and UMTA can determine what portions will be made effective and what portions will be withdrawn.
27. Addition of Water to Pipelines Transporting Anhydrous Ammonia (46 FR 39)
Establishes a water standard for pipelines transporting anhydrous ammonia. DOT is postponing the effective date to permit additional analysis of potential costs and benefits.
28. Traffic Control Devices (46 FR 2038)
Reduces and consolidates existing regulations that prescribe procedures for States to develop uniform traffic control devices. DOT is withdrawing this rule to allow a thorough reevaluation of FHWA's traffic control program.
29. Carpool and Vanpool Projects (46 FR 2298)
Revises eligibility criteria for federal funding of carpool and vanpool projects in accordance with the Surface Transportation Assistance Act of 1978. DOT is withdrawing this regulation for FHWA to review the overall program.
30. Bus Rehabilitation Program Policy and Procedures (46 FR 9862)
Establishes policy and eligibility criteria for grants to aid in bus rehabilitation projects. DOT is withdrawing this regulation. A more flexible policy statement is being considered in its place.
31. Emergency Stockpiling of Buses (46 FR 5480)
Allows grantees to stockpile buses for future emergency use. DOT is withdrawing this rule. A more flexible policy statement is being considered in its place.

DEPARTMENT OF TRANSPORTATION (Continued)

32. Urban Initiatives Program (46 FR 5820)
This regulation concerns funding for mass transportation projects to enhance urban development. DOT is withdrawing this regulation. Funding for this program is scheduled to end.
33. Revenue Sharing Handicapped Discrimination Regulations (46 FR 1120)
The rule imposes extensive new obligations on local governments that are recipients of revenue sharing funds to prevent discrimination against the handicapped in services, employment and access to facilities, as provided in Section 504 of the Rehabilitation Act of 1973, as amended. These regulations should be postponed pending further analysis of the potential impacts.

ENVIRONMENTAL PROTECTION AGENCY

34. Timber Products Effluent Guidelines: EPT and ECT (46 FR 8260)
On January 26, EPA promulgated best conventional pollutant control technology (BCT) effluent limitation for categories of the timber industry. Pending EPA's current review of the economic methodology for determining the reasonableness of BCT standards, it is appropriate to postpone the final BCT regulations. The EPT regulations will go into effect.
35. Amendments to General Pretreatment Standards (46 FR 9404)
These amendments modify an earlier program for controlling industrial discharges into municipal sewage systems. These regulations will be postponed pending further examination.
36. Pesticides: Classification of Uses of Active Ingredients and State Registration of Pesticide to Meet Local Needs (46 FR 2008 and 5696)
EPA issued two regulations classifying uses of active ingredients for restricted use and specifying provisions for State registration of pesticides to meet local needs. At EPA's initiative, these regulations are being postponed due to special Congressional review provisions under FIFRA.

DEPARTMENT OF JUSTICE (ADDENDUM)

- *37. Standards for Inmate Grievance Procedures (46 FR 3843)
- Promulgates standards for prison inmate grievance procedures and establishes methods of certifying such procedures. DOJ postponed the part of this regulation dealing with certification pending further review.

Attachment 8

Recommendation S0-6: INTRAGOVERNMENTAL COMMUNICATIONS IN INFORMAL RULEMAKING PROCEEDINGS

(Adopted December 12, 1980)

(a) The growing complexity and scope of government regulation resulting from informal rulemaking proceedings have increased the importance of communication and coordination among agencies. Because the President, as the nation's chief executive, may be deemed accountable for what agencies do, efforts to achieve policy coordination through Presidential channels have become increasingly significant. In recent years the President has attempted to do this through a variety of analytical and procedural mechanisms, such as the promulgation of Executive Order 12044 and establishment of the Regulatory Analysis Review Group and the Regulatory Council. The exercise of Presidential direction has not been limited to the establishment of general mechanisms, however. The President, his advisers and units of the Executive Office have also on occasion intervened directly in the formation of policy during particular rulemaking proceedings. This intervention has raised questions by private participants about the manner in which executive influence should be exercised.

(b) This recommendation addresses the appropriate standards for communication to executive departments and agencies from the President, advisers to the President, units of the Executive Office, and other executive branch and independent agencies when the recipient agency is making policy decisions through the process of informal rulemaking. It pertains to rulemaking of general applicability.

*The Department of Justice decided to postpone this regulation further after the Vice President's March 25 announcement; it was thus not included in the list originally released on that date.

ty, not to proceedings (whether rulemaking or adjudication) that involve the distribution, modification or withdrawal of valuable privileges to identifiable private interests. To some degree it is a corollary to ACUS Recommendation 77-3, which is concerned with restrictions upon private participants' oral and written communications in informal rulemaking. The recommendation is based upon the need to accommodate two competing elements of a good rulemaking process. The first is the desirability of being able to identify a coherent body of factual information upon which the rulemaking agency's decision is based, and to make this information available to all—other participants in the process, the staff of the agency itself, and reviewing courts. The second is the desirability of affording government officials opportunity to engage in uninhibited internal debate over the policy implications of this body of information, subject only to the requirement that the ultimate conclusion be rational and adequately explained. Both principles are recognized in this recommendation. Units of the government other than the one conducting the rulemaking may have perspectives or expertise not readily available to the rulemaking agency that would enhance the quality of internal debate on the implications of the information in the public file, and their participation should be encouraged. At the same time, rulemaking agencies should not permit, and other units of the government should not request, any opportunity to introduce into the proceeding material factual information (as distinct from indications of governmental policy) not made available to other participants.

(c) The Conference is also concerned with avoiding any possibility that intragovernmental communications from outside the rulemaking agency might serve as undisclosed or inadvertent conduits for new material factual information, and with providing adequate opportunities for other participants to respond to material factual information that is introduced.

(d) The recommendation addresses the degree to which agencies should be free to receive certain kinds of intragovernmental communications in informal rulemaking without having a duty to place them in the public file of the proceeding. It is not intended to suggest any limitation on the discretion of any rulemaking agency to disclose such communications to the public.

Recommendation

1. Any executive department or agency engaged in informal rulemaking in accordance with the procedural requirements of section 553 of the Administrative Procedure Act should be free to receive written or oral policy advice and recommendations at any time from the President, advisers to the President, the Executive Office of the President, and other administrative bodies, without having a

duty to place these intragovernmental communications in the public file of the rulemaking proceeding except to the extent called for in paragraph 2.

2. When the rulemaking agency receives communications from the President, advisers to the President, the Executive Office of the President, or other administrative bodies which contain material factual information (as distinct from indications of governmental policy) pertaining to or affecting a proposed rule, the agency should promptly place copies of the documents, or summaries of any oral communications, in the public file of the rulemaking proceeding. All communications from the sources containing or reflecting comments by persons outside the government should be so identified and placed in the public file, regardless of their content. A rulemaking agency should consider the importance of giving public participants adequate opportunity to respond if the material presents new and important issues or creates serious conflicts of data.

3. The Administrative Conference takes no position in the present recommendation concerning rulemaking by other than executive departments and agencies.

Separate Statement of Peter A. Bradford,
William A. Butler, Laurence Gold, Charles R. Halpern,
Rhoda H. Karpatkin, Alan B. Morrison,
Katherine E. Sasseville, And Thomas M. Susman

We oppose this recommendation because we believe that executive branch agencies should be encouraged to disclose, not withhold, all of the factors which may have influenced their decisions in informal rulemaking. The public's right to know the reasons for a decision far outweighs agency decisionmakers' rights to secrecy. We have heard no arguments and are aware of none which convince us that putting written material and summaries of oral comments in the public record created during informal rulemaking will inhibit robust debate in that process. This recommendation takes on added importance given the current trend in administrative law away from cumbersome formal adjudications and towards streamlined informal notice-and-comment rulemaking. Our fear is that this recommendation will invite public cynicism regarding informal administrative rulemaking, and generate contempt for a process where *post hoc* agency rationales carefully selected from the public record are offered as the bases for decisions reached for what may well be quite different, undisclosed and perhaps legally irrelevant reasons. Such a perception of executive branch rulemaking will undermine public confidence in the integrity of agency decisionmaking.

This recommendation extends beyond the President and his closest advisors and allows all executive branch agencies to involve themselves secretly in informal rulemaking. In our view agencies

should be encouraged to provide their views during the public comment period so that the public might respond, or at least be aware of the views expressed. The recommendation actually encourages executive branch agencies as well as the White House to wait until the public record is closed before making their views known. At a minimum, we believe a summary of all oral comments and copies of written comments should be placed in the public file as soon as possible, and in no event later than the date when the rule is promulgated.

We also believe that the fact/policy distinction set up by the recommendation is unworkable in practice. "Material factual information" can easily overlap or be intertwined with "policy advice" or "indications of governmental policy". Indeed, agencies often make that precise point in resisting disclosure under the Freedom of Information Act. There will be an inevitable bias in favor of non-disclosure for fear of revealing "policy advice", and there is no means for the public to know that an agency has made a determination that a particular comment will not be disclosed or to seek judicial review of that determination. Further, we do not understand how a recipient agency is to know whether comments from another agency or the White House are ones "containing or reflecting comments from persons outside the government" using their governmental contacts as conduits, or how the recommendation's supposed safeguard in this respect will be policed. We also believe that in any but the most extraordinary circumstances, a rulemaking agency should give public participants "adequate opportunity to respond if the material presents new and important issues or creates serious conflicts of data" and not simply "consider" doing so.

In all likelihood this recommendation will expose agency heads to increased political pressures from either other executive agencies or outside groups who will use those agencies as conduits. Such pressures are likely to include considerations other than those made relevant by the statutes which the particular rulemaking implements. Moreover, the courts will be unable to serve as a check upon consideration of statutorily irrelevant factors since they cannot review that which is not disclosed.

We are not trying to shut off executive branch comment, to impose onerous burdens imported from formal adjudications on informal rulemaking, to prolong or delay government decisionmaking, or to provide procedural opportunities for subsequent litigation. Nor do we doubt that future Presidents must control federal executive branch agencies more effectively, and ultimately be held accountable for their actions. The dispute here is over whether the recommendation is a fair, or even a necessary, way to achieve these ends.

We simply do not see the reason for promoting secrecy. Disclosure is simple and fair. Policies promoting secrecy over disclosure in rulemaking do not constitute good government. Therefore, we dissent.

DEREGULATION HQ

An Interview on the New Executive Order with

Murray L. Weidenbaum
and James C. Miller III

The day after his inauguration, President Reagan created the Presidential Task Force on Regulatory Relief, chaired by Vice-President Bush. Its other members are Treasury Secretary Regan, Attorney General Smith, Commerce Secretary Baldrige, Labor Secretary Donovan, Office of Management and Budget Director Stockman, Council of Economic Advisers Chairman Weidenbaum, and Assistant to the President Anderson. The central mechanism of the regulatory relief program, to be implemented by OMB under the direction of the task force, is Executive Order 12291, issued on February 17. In its major outlines the order provides (subject to any inconsistent requirements of particular statutes) as follows:

- Agencies must apply cost-benefit analysis to all their rulemaking and adopt the least costly regulatory alternative.
- In the case of "major" rules (a defined term) agencies must publish, along with their proposed and final rules, preliminary and final regulatory impact analyses that set forth their conclusions regarding the cost-benefit balance and feasible alternatives. They must also submit these analyses and the rules to OMB before publication and consult with OMB regarding them if so requested.
- Agencies must review rules currently in effect and prepare regulatory impact analyses for those that are major.
- OMB is authorized to issue guidelines and standards for operation under the order (including standards for the development of regulatory impact analyses); to require agencies to obtain and evaluate additional data; to designate any rule as a major rule; and to schedule existing rules for agency review.

Two of the architects of this program—Murray Weidenbaum, chairman of the Council of Economic Advisers, and James C. Miller III, executive director of the task force and OMB administrator of information and regulatory affairs—recently discussed prospects under the order with the editor and managing editor of Regulation.

Antonin Scalia: As an appropriate prologue, let me quote from the President's remarks when he issued the executive order on regulatory reform.

I came to Washington to reorganize a Federal Government which had grown more preoccupied with its own bureaucratic needs than with those of the people. This executive order is an instrument for reversing this trend. It promises to make federal regulations clearer, less burdensome and more cost-effective. . . . It directs that whenever a regulation may have a major economic consequence, the agency must conduct an early and rigorous examination of all alternatives of achieving a stated objective. This requirement will ensure that federal regulations are cost-effective and impose minimum economic burdens on the private sector.

Finally the President said:

And very importantly, it requires every agency to undertake a systematic sunset review of existing regulations. The agencies are to eliminate those which are unnecessary and reform others to reduce the burden to the minimum.

Murray L. Weidenbaum: That's not bad.

Scalia: Unfortunately, the statement was made not by President Ronald Reagan when he issued Executive Order 12291 last month, but by President Jimmy Carter on March 23, 1978, when he issued the executive order that this one replaces. And I don't doubt that Gerald Ford said something quite similar in 1974 (and again in 1976) when he issued his executive orders requiring inflation (and then economic) impact statements. My point is that this whole thing has a certain air of déjà vu about it. What is it about President Reagan's order that makes it a significant improvement over Carter's system?

Weidenbaum: The man who signed it. That makes a world of difference. Just look at the actions President Reagan has taken since assuming office. In his second day, he

established the Presidential Task Force on Regulatory Relief, a cabinet-level committee chaired by the Vice-President. And nine days later he ordered a comprehensive suspension of the "midnight regulations" issued at the tail end of the preceding administration.

Scalia: That amounts to saying that personnel change is an important factor in regulatory reform—which is, of course, true. But is there anything in the new procedures that will significantly improve what was in place before?

James C. Miller III: The difficulty with President Carter's Executive Order 12044 was that it depended wholly on hortatory means for achieving compliance. This order establishes a procedure whereby the Office of Management and Budget (OMB), under the direction of the task force, reviews new and existing regulations to ensure that they comport with the economic principles clearly set forth in section 2. Briefly, those principles require, to the extent permitted by law, that regulations be cost/benefit-justified, cost-effective, and designed to maximize net benefits to society. If, in a particular case, an agency and OMB disagree and fail to resolve their differences, the issue will be considered by the task force—of which Dr. Weidenbaum is a member. Executive Order 12044 contained no such statement of principles and no such decision mechanism.

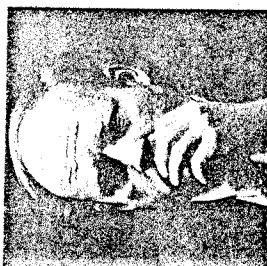
Scalia: The establishment by executive order of a mechanism for centralized review of agency action is, indeed, new. However, President Carter had his Regulatory Analysis Review Group (RARG), which was established I believe by informal presidential directive and which performed somewhat the same function. It also was able, if it chose, to seek presidential resolution of its disagreements with the agencies. What powers does the task force have that RARG didn't?

Miller: All that RARG was able to do was study regulatory proposals—ten or so a year—and file reports with the agencies after the proposals had already been published in



The key is that the task force at the top of the structure doesn't have any interest group constituency to protect. Its only constituency is the President.

WEIDENBAUM



To the extent that we who are administering the executive order have a problem, it is to get out of the way of reform initiatives the new regulatory appointees want to take.

MILLER



The agency head who disagrees with the task force about a proposed rule has the authority to issue it. But that action could be risky.

MILLER

the Federal Register. Under the new procedures, a regulatory proposal must be given to OMB before it is published. Then OMB, under the direction of the task force, reviews that proposal and consults with the agency on the degree to which the principles laid out by the President have been followed. Once consultation begins, the agency must delay action until that process has been completed. A similar procedure is required before a final regulation is issued. So there is a two-stage review and consultation process, with the first stage occurring before the agency gets publicly locked into a position.

RARG did not have to be consulted. Also, though it was chaired by the Council of Economic Advisors, most of its members were the regulatory agencies themselves. In contrast, the new oversight mechanism is firmly based in the Executive Office of the President.

Scalia: The order provides that the OMB director, subject to the direction of the task force, "shall resolve any issues raised under this order or ensure that they are presented to the President." What is meant by "issues raised under this order"?

Miller: Yes, according to learned counsel. But that executive authority does not apply in the same way to the independent boards and commissions.

Let me say this, however: To the extent that we who are administering the executive order on a day-to-day basis have a problem today, it is to get out of the way of reform initiatives that the new regulatory appointees want to take. We are finding little need to prod them into taking such initiatives or to counsel them against a proposal that doesn't conform to the President's principles. Indeed, both the Vice-President and OMB Director David Stockman have admonished me to make sure that requests for waivers to shortcut the procedure in the case of clearly drawn reform initiatives are handled as quickly as possible.

Weidenbaum: Correct. But let me make a forecast—and that's what it has to be because we don't yet have any experience with the new mechanism. In the preceding administration there was considerable confrontation between the single-minded agency leaders and RARG reviewers, because the former were preoccupied with the benefits of regulation and the latter, of course, were concerned with relating those benefits to the costs. I expect there will be less of that sort of conflict in this administration—and the early appointments bear this out. There's every indication that the agency leaders themselves will be very concerned with minimizing the burdens they impose, with looking for the most cost-effective ways of proceeding. In fact, as we see it, the first line of defense against over-regulation lies in the agencies themselves.

Miller: And the first line of offense in retreating out ineffective and excessively burdensome regulations also lies in the agencies.

Scalia: Assume the worst situation—that an agency head basically and strongly disagrees with the task force and insists that a certain rule ought to go through.

Miller: He or she still has the legal authority to issue the regulation, but that action could be risky—meaning that the President of the United States might decide to remove such a person from office.

Anne Brundsdale: If the task force chooses to elevate the dispute to the presidential level before the rule is issued, does the President have the power to order the agency to change the rule—to bring it into conformity with his policy?

Miller: At the maximum. Those two waiting periods of 60 and 30 days are maximums. OMB might complete its reviews well ahead of schedule.

Scalia: Right—though in my experience with agency processes, experts tend to become the norm.

And also, of course, the 60-day and 30-day waiting periods may be expanded if OMB and the agency disagree, so that the matter must go to the task force or even to the President. In any case, after all this the agency can finally publish the rule, but under the Administrative Procedure Act, the rule can't go into effect until 30 days after publication.

Miller: Unless there are special reasons.

Scalia: Agreed. What all that adds up to is that—making very conservative assumptions with respect to time periods except (you would assert, and I would disagree) the 60-day and 30-day waiting periods—it will ordinarily take an agency at least seven months (210 days) to get a rule into effect—that's 90 days longer than under the previous system.

Miller: All right. But look—on February 19, the day after the President delivered his economic message, the New York Times ran an editorial entitled "Who Has a Better Plan?" Do you have a better way for controlling regulatory excess? Besides, the 60-day and 30-day waiting periods apply only to major rules, for which RIAs are required. And in the past it has generally taken longer than seven months to develop major rules and put them into effect.

Regardless, we think the time is necessary—and well worth it—to make sure that new rules do more good than harm. Moreover, remember that the procedures of the executive order do not apply to emergency rules or rules subject to legislative or court-ordered deadlines—and also that OMB may waive the procedures for any rule. With these safeguards, we think the requirements for thorough deliberation—even if it takes 210 days—are all to the good.

Scalia: I next have a definitional question. Only "major rules" are subjected to this process.

Miller: No. All rules have to be sub-

mitted to OMB, and OMB's director has the authority under the direction of the task force, to identify any rule as a major rule, even though the agency has not made that determination.

Scalia: But only major rules are automatically subject to the requirement for regulatory impact analysis.

Miller: Yes.

Scalia: And a major rule is defined to be, among other things, "any regulation that is likely to result in... \$100 million or more."

Now, it's clear enough what that means in the case of a brand new rule. But what if, as one hopes would often be the case, what is at issue is a revision of an existing rule that cuts back regulation but doesn't eliminate it entirely? Is it only the increase that a new rule makes from the status quo that is to be considered for the \$100 million criterion (in which case a rule reducing regulation would not be covered), or is it the absolute burden of the new rule (in which case such a rule would be covered)? For example, if a rule costing the economy \$800 million is revised so that it will cost the economy only \$200 million, is that the sort of a rule that is going to have to be put through the time-consuming RIA procedure?

Miller: If OMB, again under task force direction, were convinced on the basis of evidence, however sparse, that such a reduction would occur, a waiver would be granted immediately.

Scalia: But that might be risky. Maybe the impact could have been cut back to zero.

Weidenbaum: But if you sandbag the rule, you're stuck with the status quo—which is far more burdensome.

Scalia: Well, what if the economic impact has been reduced from \$800 million to \$700 million? Wouldn't you want to investigate to see if it could have been cut in half?



Any statute that embodies or is thought to embody the zero-risk concept cries out for congressional review.

WEIDENBAUM

the agency, subject to task force intervention.

Miller: Right. We think our discretionary review procedure will catch those cases you're worried about—cases in which the agency is reducing burden by \$10 million but could reduce it by \$100 million. In fact I think we have some instances of that right now—where the agency is saying, "Gee, here's a good idea," and our people are suggesting, "But you could make a bigger change if you did B instead of A."

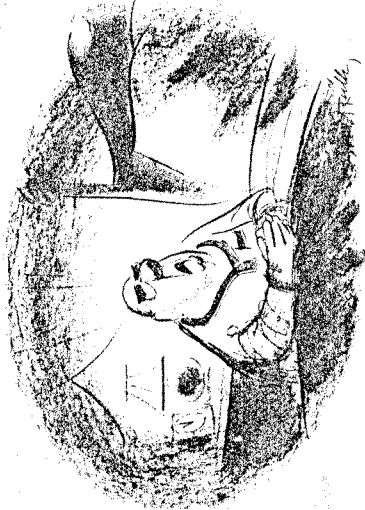
Actually, OMB can identify a rule as major, and thus bring it into the review and consultation process, for reasons some may regard as wholly without merit. The \$100 million definition of major rule is for the guidance of the agencies, not of OMB. There is no limit on what OMB can designate as major.

Scalia: The executive order provides that the agency shall refrain from publishing its preliminary regulatory impact analysis and its final analysis until after OMB's review in each case, but that it shall publish them later. What is finally published? The RIA before the OMB-induced changes?

Miller: No. The point about not publishing the earlier draft, is to make sure that the public sees and comments on the best regulatory impact analysis that could have been prepared.

Brunsdale: Under the previous administrative, RARG's analyses of proposed rules were put on the record during the comment period—meaning they became public in time to permit discussion in the press of the shape the final rule should take. But under the new scheme there ap-

Miller: No.



"... and please grant me and the rest of the board the grace not to abuse deregulation."

Drawing by Donald Reilly. © 1981 The New Yorker Magazine, Inc.

pears to be no way for OMB's views on a proposed rule to get to the public. Favorit you eliminated a useful characteristic of the old system?

Weidenbaum: As a matter of fact, RARG's practice was to file analyses of proposed rules liberally, minutes before the comment period closed—which restricted somewhat their capacity for stimulating public dialogue. The new executive order does envision the filing of OMB comments in cases where OMB has reservations on the proposed rule that the agency has published (see section 3(f)(2)). Where OMB and the agency agree, however—that is, where the proposed rule and preliminary RIA are in accord with OMB's views—there is nothing to be gained by an additional filing saying "me-too."

It is true that the public will not normally have an opportunity to respond to OMB's views in the pre-rule stage, before the proposed rule and preliminary RIA are published. But the same can be said about the views of others who advise the agency during this period, such as agency staff. The public's inability to respond at that stage is a problem that can't be eliminated without having, in effect, a pre-rule-making rulemaking—publishing a notice of notices of proposed rulemaking. On balance, we think the advantages of early OMB participation in the process are overwhelming.

Brunsdale: After a rule is promulgated, will your office monitor it in an effort to find out how it's working, whether it's doing what was expected of it?

Miller: You know, that's something that has not been done in the past as adequately as it should have been. Through a follow-up process, we can compare what actually happened with what was anticipated by the original draftsmen—so as to test the theory on which the rules were based and learn more about the degree to which we can predict regulatory effects. To an extent, that's what we'll be doing when we examine existing regulatory programs.

cision who can judge not only whether it is worthwhile in isolation to extract \$1 billion from the economy to get the air x-percent cleaner but also whether that cost is worthwhile in light of the total burden the economy can currently bear, and of the other regulations that are currently in force or contemplated.

Miller: I do not mean to disabuse you of that notion. Indeed, the executive order makes it quite clear that what you have called "aggregate cost-benefit analysis" is the ultimate objective. Section 2(e) provides that, in setting regulatory priorities, agencies shall take into account "the condition of the particular industries affected by the regulations, the condition of the national economy, and other regulatory actions contemplated for the future."

Scalia: But I had assumed that only the agency itself expects to take. It doesn't know what other agencies are contemplating.

Miller: No. The order says "other regulatory actions contemplated for the future." It is incumbent upon an agency to identify regulations affecting the same industrial sector to be issued by other regulatory agencies, and that is relatively easily done by consulting the regulatory

calendars that each agency is required to publish twice a year.

Scalia: How many people do you currently have?

Miller: As of April 1, we will have positions for about forty-five OMB staffers and for the twenty-seven regulatory analysis group we inherited from the Council on Wage and Price Stability, plus twenty-five more positions from the Commerce Department's statist policy office (which comes to OMB under the provisions of the Paperwork Reduction Act of 1980). That's a total of some ninety.

Scalia: To me it is almost unthinkable that, with a staff of that size, you'll be able to do a thoroughgoing review of proposed regulations, not to mention the more long-range tasks of renewing existing regulations, considering what statutes should be amended, developing a regulatory budget, and maybe working up a system for follow-up monitoring. I cannot imagine how just ninety men and women strong and true can do all of that.

Brunsdale: And particularly when you're cutting the agency budgets so that they'll have fewer people to do their part of the job.

Miller: There's plenty of fat in agency budgets for that.



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wouldn't be foolish to spend \$75 on a hand-pushed lawnmower—

Weidenbaum: It's \$75 only because the Consumer Product Safety Commission's lawnmower standards are in abeyance.

Scalia: —plus \$75 on electric hedge clippers and \$75 on an electric edger. However, he only has \$150 to spend on his garden.

What I'm driving at is that each one of the purchases makes sense, but the three together don't. How does this executive order get at the problem that each of the many different rules coming before the task force may be cost/benefit-justified, but their aggregate cost may be too large?

Weidenbaum: You're providing a rationale for a rapid movement towards a regulatory budget. There is compelling logic in that concept, and personally I believe we'll begin moving toward it as soon as the necessary spadework is done.

Miller: It is very difficult to get regulators to understand the idea of opportunity costs. The real cost of something is not what you spend to acquire it, but the opportunities you forgo by having acquired it. The real cost of going to a movie is the satisfaction you could have gotten from spending your time and money in some other way—going to a play, for instance. The principle applies to regulation as to everything else. So if limited resources make it impossible to issue every desirable regulation at the same time, then the real cost of issuing one regulation is the value of the regulation that you have to forgo for the time being.

Scalia: Frankly, I'd expected a more encouraging answer. I thought you'd say that the new oversight scheme does contemplate making what might be called an aggregate cost-benefit analysis. I thought the major purpose of taking the judgment out of the unguided discretion of the agency and subjecting it initially to consultation with the task force and ultimately (if it comes to that) to the President is to enable somebody to participate in the de-

I agree our task could be difficult —if we don't turn bureaucratic incentives around. You know, if you've the toughest kid on the block, most kids won't pick on a light with you. The executive order establishes things quite clearly. Among the people whose behavior we're trying to influence are the GS-13s and 14s who draft the rules. The executive order says to them: even if you get a nonconforming proposal, pass your agency heads, even if you've captured them or just plain fooled them, that proposal is likely to be caught at OMB—and there's not a chance in Hades of your capturing those people. So if you want to get ahead, you're going to have to have to write new rules and review existing rules in conformance with the principles set forth by the President in the executive order. I believe that as internal agency procedures and the mechanism for centralized review settle into place, agency personnel will voluntarily comply. And they'll find the resources to do the job.

Weidenbaum: The key here is that the task force at the top of the structure doesn't have any interest group constituency to protect and the initial reviews.

Scalia: In the case of the thoroughly unjustified regulatory imposition, that all makes sense. But there will be a lot of proposed rules in areas where the alternatives are numerous, and it will be quite complicated figuring out whether the agency has chosen the best.

Miller: We'll make some mistakes—and so will the agencies.

Scalia: I'm suggesting that it's going to be an enormous job for such a small operation and that, in the long run, the effectiveness of your program depends to a significant degree on how thoroughly you do the initial reviews.

Weidenbaum: That was one of the compelling reasons why Jim Miller's function of initial review was properly placed within OMB. In its other functions, OMB also monitors a very large flow of reports with a very small staff. Standards, criteria, deterrent sanctions—all those are significant factors in enabling a small clearance staff to function effectively. The system works. After all, OMB is the agency that sits astride proposed legislation, proposes budgets, proposed executive orders, and now also proposed regulations.

Miller: As an example, I've noticed that sometimes when an agency sends a communication to me, it also sends a copy to the associate director of OMB who is in charge of its budget.

Scalia: Are you gentlemen aware that the last time there was such centralized authority—and then also it was applied through OMB—the net result was to make Roy Ash the most hated man on Capitol Hill? Although you may indeed cow the bureaucrats in the executive branch, you may well enrage those who occupy the other part of the iron tri-



angle, the substantive committees in Congress.

Weidenbaum: I don't think that has to happen. We realize—and Congress realizes—that regulatory reform must be a cooperative venture. Without overly generalizing from one experience, let me say that when I testified at my confirmation hearing before the Senate Committee on Banking, Housing, and Urban Affairs, the distinguished chairman indicated a strong concern about the regulatory burdens on housing. That's one very good sign.

Miller: Many of the committees are very much in favor of what we are doing. But I'm sure there will be some—especially in the House—that take the administration to task. I fully expect to have to face the music from time to time.

Scalia: Your new procedures apply only to the executive branch agencies. But there is a substantial amount of regulation that issues from the independent boards and commissions—the Federal Trade Commission, the Federal Communications Commission, the Nuclear Regulatory Commission, et cetera. What are you going to do about them?

Miller: The first answer is that the President is appointing people to those commissions who share his regulatory philosophy.

Scalia: You could have said the same about the executive branch agencies, but in their case you weren't willing to settle for just the appointment power.

Miller: The second is that the President will use a bit of moral suasion with the independent agencies. And I suspect that, because there will be a great deal of congressional support for this executive order and for legislation applying some version of it to the independents, many of them will get religion in the next few months. Finally, there is the real possibility of change in the organic statutes of the independents.

Scalia: Does the administration intend to propose either legislation giving the President authority to impose this executive order on the independents or legislation altering the organic statutes?

Miller: There's a good possibility of one or the other. Well, let me just say flat out that it's doubtful the administration will want to codify the precise language of this executive order and apply it to the independent agencies; however, it's highly likely that the administration will, within two years, approach Congress for changes in the organic statutes of many of those agencies.

Scalia: Does the administration concede that it doesn't now have the authority to extend the order to the independents?

Miller: No, it does not so concede. It chose not to apply the order to the independents for policy—not legal—reasons.

Brunsdale: Do you expect the new Paperwork Reduction Act to be useful in roping in the independents?

Miller: Yes, with respect to the paperwork and information requirements they impose. You see, nearly every substantial regulation involves, as part of its enforcement mechanism, a requirement for filling out forms or maintaining specific records. And under the new paperwork act, all agencies, including the independents, must clear all the forms they wish to use with OMB—specifically, by delegation, with the administrator of the Office of Information and Regulatory Affairs, which means me. The only difference between the executive branch agency and the independent agency in this process is that the latter can, by a public vote of its commissioners, override OMB's disapproval—an unlikely action if the disapproval is reasonable. So the act does give OMB considerable authority.

Brunsdale: Murray, are you optimistic that all this regulatory re-

form we've been talking about can significantly affect investment and productivity?

Weidenbaum: Yes, I am. In fact, when I think of the potential for stimulating new investment through a comprehensive program of regulatory relief, without being caught in the traditional trade-off between inflation and unemployment, such a program has very special charm. It is one of the few tools we have for reducing inflation and unemployment simultaneously. With regulatory reform, it's a matter not of creating jobs through higher government spending, but of reducing the burdens imposed on the private sector in order to free manpower and capital for productive effort.

The amount of capital that is tied up in unnecessary regulatory requirements and that could be used instead for productivity-improving investment is staggering. Judging from figures I've recently seen, we are talking about billions of dollars in the automobile industry alone. If that money is freed for more productive uses, it will benefit both the industry and the economy. But remember: President Reagan's economic program has four parts—each of them a necessary but not, by itself, sufficient step toward a healthy economy. So it will be very difficult, as we move ahead, to determine exactly how much of the recovery comes from regulatory reform and how much from tax cuts or monetary restraint or reductions in spending.

Brunsdale: Do you believe you will be able to lower the overall regulatory burden in the near term?

Weidenbaum: You know, in answering that question in the past, I've said that probably the best that can be done in the near term is to slow the rate of increase. The problem, of course, is the many new regulations about to come out of the pipeline—massive programs to implement laws passed by Congress in recent years. But now, having seen how the administration's new approach is working, I believe we'll actually be able to reduce the overall regulatory burden in the next few years.

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Lessons of the Economic Impact Statement Program

James C. Miller III

ADDRESSING the Congress in October 1974, President Ford announced that he would require government agencies to assess the inflationary impact of their major proposed regulations and legislative recommendations. A month later he established, by executive order, an Inflation Impact Statement (IIS) Program that was to run through 1976 and apply to all executive branch agencies. At the end of 1976, Ford extended the program and changed its title to the more descriptively accurate Economic Impact Statement (EIS) Program. (In the interests of simplicity, this title and acronym will be used here, with the caveat that they should not be confused with those of the Environmental Impact Statement Program.)

Because of strong opposition from organized labor—owing especially to claims that the EIS requirement delayed regulations at the Occupational Safety and Health Administration (OSHA)—many thought that President Carter would terminate the program. Instead, he has given it strong support, most recently on April 15, when he announced several measures dealing with inflation. Specifically, he asked that full consideration be given to "the economic cost of major government regulations, through a more effective analysis of their

economic impact," and directed the Council on Wage and Price Stability (CWPS) "to provide relevant agencies with analyses of the inflation implications of specific government regulatory and legislative actions."

Meanwhile, support for the EIS initiative has been growing in Congress, where there is considerable interest in strengthening the program and applying it to the independent regulatory agencies as well as those within the executive branch. Bills have been introduced to require all agencies to prepare "regulatory cost/benefit assessments" of their proposed legislation and regulations having a significant economic impact (H.R. 351 and H.R. 701); to have the Congressional Budget Office prepare economic impact statements for proposed legislation and agency regulations (H.R. 1743); and to require agencies to prepare economic impact statements for proposed regulations, submit them to CWPS for comments thirty days in advance of their appearance in the Federal Register, and publish the analysis and CWPS's comments along with the proposed regulation (H.R. 2100).

In view of President Carter's interest in continuing and perhaps even strengthening the EIS program, and in view of forthcoming deliberations over such proposals on Capitol Hill, it is appropriate to review the record in order to learn what has been accomplished to date and what might be done to make such efforts more effective.*

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* A thorough assessment of the program is contained in Thomas D. Hopkins, *An Evaluation of the Inflation Impact Statement Program* (Washington, D.C.: Council on Wage and Price Stability, December 7, 1976).

Background

During 1974, rising anxiety about "double digit" inflation stimulated popular and official interest in the problem and led President Ford, in one of his first steps, to convene a series of summit conferences on inflation. These meetings produced a variety of recommendations in September and October of that year.

At the same time, the unprecedented growth in federal regulation was also causing concern. The early 1970s had seen the creation of seven new regulatory agencies, including the Environmental Protection Agency (EPA), the Consumer Product Safety Commission (CPSC), and OSHA. Between 1970 and 1974 the number of pages in the *Federal Register* had grown from 20,036 to 42,422 per year; the number of pages in the *Code of Federal Regulations* had grown from 54,105 to 69,270; and some twenty-nine major regulatory statutes had been enacted (see summary and table on page 43, this issue). Many business leaders, academics, and policy-makers were urging that regulatory activity be given closer scrutiny and that careful attention be paid to the costs and benefits of major regulations *before* rather than *after* they become effective.

These two concerns came together at two inflation summit conferences attended exclusively by economists. At the first session (Washington, September 5, 1974), there was considerable discussion about the extent to which "sacred-cow" regulations constrained economic growth, created unemployment, and caused prices to be higher than they would have been otherwise. At the second session (New York City, September 23), Thomas G. Moore, senior fellow at the Hoover Institution and an AEI adjunct scholar, circulated a petition calling for the elimination of a long list of federal regulatory and legislative restraints. Included on the list were laws restricting competition in transportation and limiting supplies of energy, as well as regulations setting the maximum interest rates payable by financial institutions and mandating safety devices on new automobiles. This petition was signed (with minor qualifications in some instances) by twenty-one of the twenty-three economists in attendance.

Thus, worry over inflation—and over regulation as a factor contributing to it—was the

major reason the EIS program was established. But the officials responsible for the program were after more than a simple tracing through of the cost impact of proposed regulations and legislative recommendations.* They wanted to use the requirement to improve agency decision-making, and this meant getting the agencies to address the costs and benefits of their proposals. What program officials wished to avoid was the tendency for agencies to serve special constituent interests, often at great cost to the general public; to view the objects of their regulations as natural enemies, to be dealt with punitively; to forge ahead with regulatory and legislative proposals without knowing enough about the problem being addressed or the effects of the proposed solution; and to resist suggestions for alternative, more efficient ways of dealing with economic problems.

In briefings on the program, agencies were told that a proposal need not be considered inflationary simply because it might generate costs. Rather, if the proposal would increase real output (that is, generate tangible and intangible benefits in excess of costs), then in a real sense it was *anti-inflationary*, but if the action would decrease real output (that is, generate costs in excess of benefits), it was inflationary. Agencies were not required under the program to place exclusive, or even primary, reliance in their decision-making on cost-benefit calculations, for such a requirement could have been imposed only through legislation. Nevertheless it was believed that requiring agency officials to address costs and benefits systematically would make them more sensitive to these issues.

A first step in the program was to establish criteria for determining whether a proposed regulation or legislative recommendation should be considered "major." Obviously, to attempt assessments of *all* proposals would spread resources far too thin. So a principal

* These officials were under no illusion that the program would solve the inflation problem, or even make a substantial contribution for that matter. In contrast with fiscal and monetary policy, regulation has a very small effect on the rate of inflation. But for a given impact on that rate, regulation often has a greater effect upon consumer welfare because it operates directly upon the real supply of goods and services rather than working through aggregate demand.

objective was to flag for analysis (and possible reconsideration) those proposals having costs greatly exceeding benefits. Since it tends to be easier to make a preliminary estimate of costs than benefits—especially at the initial stage of a proposal—the criteria focused on this aspect. Although supplemental criteria were developed, nearly every EIS issued during the first two years of the program was triggered by a preliminary finding that the proposal would cost \$100 million during the first year it would be in effect or \$150 million during the first two years.

Each EIS was required to analyze the proposal's estimated costs and benefits. These estimates were to include intangibles as well as tangibles and were to be expressed in dollar terms whenever possible. The EISs also had to review the costs and benefits of alternative approaches for achieving the same goal.

The administration of the EIS program was decentralized. Each agency was responsible for determining which of its proposals was major and for preparing the statements. Upon request, statements on proposed legislation were given to the Office of Management and Budget (OMB) and those on regulatory proposals were given to CWPS. Eventually, agencies were required to certify in the *Federal Register* that the inflationary impact of their proposed regulations had been considered and, in the case of major proposals, that an EIS had been prepared; also, upon request, agencies had to explain to CWPS why, in their judgment, a proposal was not major.

Finally, since the program was a presidential initiative established by executive order, it applied only to executive-branch agencies, and not to the independent regulatory agencies such as the Interstate Commerce Commission (ICC) and the Civil Aeronautics Board (CAB). The independents were urged to conform with the program, but each invoked its right not to be bound by it. Also unlike its sister program, the Environmental Impact Statement, the EIS did not provide grounds for court action. As ultimately resolved in the *Independent Meat Packers* case (8th Circuit, 1975), an agency's failure to complete an EIS when required or to prepare one conforming to the specifications of the program could not be used to overturn a regulatory decision. In essence, conformance with the program de-

ended on agency support and "policing" by CWPS and OMB.

Experience with the Program

As of mid-April 1977, a total of sixty-five EISs had been prepared—fifty-seven for proposed regulations and eight for proposed legislation. The table (see page 20) lists the date each of these analyses was completed, the responsible agency, the subject matter, and whether the proposal was regulatory or legislative. As can be seen, most EISs have been prepared by a handful of agencies—notably the U.S. Department of Agriculture (USDA), EPA, and OSHA. This reflects the important role these agencies have played recently in generating regulations and legislative proposals.

The quality of the individual EISs varies considerably. Some are quite detailed, broad in scope, and analytically sophisticated. But altogether too many are unduly brief, fail to address the relevant issues, and contain grossly defective analysis. Part of the explanation is that some agencies—for example, EPA and the Department of Transportation—have devoted substantial analytical resources to the task, while others—for example, USDA and the Food and Drug Administration (FDA)—have not. This, in turn, reflects the agencies' relative commitment to the program. While some have given it strong support, others have been hostile to it or, at best, have viewed it as a necessary hurdle.

Overall, the analyses contain reasonably good estimates of costs, but their assessments of benefits are weak, and alternatives are usually ignored. Typically, of course, costs are easier to analyze than benefits and alternatives. But the reluctance of some agencies to go beyond analyzing costs appears to be caused more by pressures from constituents than by an inability to cope with the technical problems of economic analysis. This seems particularly true of OSHA, which, despite repeated criticism from CWPS and OMB, steadfastly refuses to attempt monetary estimates of benefits or to analyze alternatives. Apparently, organized labor believes that its interests are better served by detailed, stringent standards, even though such standards may prove very costly, and objects to having OSHA, or anyone else, perform careful benefit estimates or analyze alter-

natives, either of which might make the proposed standards seem less desirable. For instance, taking a strong position on approaches for reducing worker exposure to harmful substances, organized labor supports the installation of "engineering controls" (exhaust fans, enclosed transport, et cetera) rather than the use of "personal protective devices" (respirators, gloves, special suits, et cetera). Research by CWPS economists indicates that almost invariably the latter approach can reduce worker exposure at a small fraction of the cost of engineering controls.

Has the EIS program improved agency decision-making? It may be too early to tell. Since the gestation period for a proposed regulation or law is generally several years and since the program has been in full swing for only two years, we do not have enough cases to make a definitive judgment. Furthermore, in evaluating the program we are dealing with a very subjective output—the quality of decision-making. Also, even if adequate "before" and "after" comparisons were possible, we must be careful about attributing changes solely to the program; obviously, many factors could have intervened, such as worse or better regulatory appointments, political pressures from the administration and the Congress, and changes in the relative effectiveness of adversaries in regulatory proceedings. These problems make rigorous evaluation impossible at this stage, leaving us with personal and unsystematic appraisals from those who have observed the program or participated in it.

On August 3, 1976, CWPS asked for public comments on the EIS program by means of a notice in the *Federal Register*. Thirty-one replies were received, all favorable. These included comments from Senator Hubert H. Humphrey (then chairman of the Joint Economic Committee of the Congress) and a number of manufacturers and trade organizations. No replies were received from labor organizations, but it was widely reported in the press that certain labor leaders, including George Meeny and Leonard Woodcock, were openly hostile to the program, especially as it affected OSHA.

About the same time, CWPS solicited the views of key personnel at the agencies, and followed up with a score of in-depth inter-

views with agency staff members responsible for the program. In addition, several agencies commented on various drafts of the report prepared by an evaluation team headed by Thomas Hopkins of CWPS. From these various comments we learned several things about how the program is functioning.

First, officials at all of the agencies, except for two, wished the EIS program to continue. Generally, they found the analyses helpful to them in weighing the component parts of a proposal and in making trade-offs to reduce the cost of meeting a given objective. They also found the analyses useful in defending a decision not to adopt as strong a regulation or legislative proposal as some of their more extreme constituents would have liked. This appears to be the primary reason why OSHA supported the program, albeit reluctantly.

The two agencies that formally opposed the program were USDA and the Federal Energy Administration (FEA). Indeed, in late August 1976 the USDA unilaterally stopped complying with the program, arguing that it represented "meaningless paperwork" and denying that regulation could have any impact on inflation. Such an attitude is, perhaps, understandable since, by their very nature, many USDA regulations that come under the EIS program—agricultural marketing orders, price support programs, and the like—can be shown to generate costs in excess of benefits. The reason for the FEA's strong opposition to the EIS program was different. At that agency the program was viewed as an impediment to the deregulation of petroleum prices, despite efforts by those responsible for the program to assure FEA officials that in a relevant sense such action would be anti-inflationary—that is, it would stimulate production and reduce excess demand. A major problem was FEA's dependence on macroeconomic, econometric models for predicting the outcomes of policy changes. Such models, by their very design, indicate a price-enhancing effect for deregulation. Moreover, officials were concerned about the public's perception of the effects of deregulation, and in their view the EIS simply drew attention to rising petroleum prices.

A second thing we learned from comments by agency officials and the public is that the program is not well integrated into the pro-

cess of formulating proposals and making decisions about them. Typically, an EIS is prepared after a proposal has been drawn up and thus the analysts' task becomes one of justifying the approach taken. One reason for this is that usually the initiative for a new regulation or legislative proposal is taken not by the agency's economists or policy analysts, but by its lawyers and administrators. Their focus tends to be upon meeting the procedural requirements of timeliness, due process, the weighing of constituent interests, and defensibility in the courts, rather than upon the economic costs and benefits of their actions. Thus, the decision-making process often proceeds along two, almost distinct tracks—one for the decision-makers and one for the analysts. It is especially lamentable that typically the EIS is not relied upon as an input at the proposal formulation stage, since that is the time when information on costs, benefits, and alternatives is most likely to affect the ultimate decision. Once an agency has gone into print with its original proposal, the chances it will take a new direction are very slim.

Not surprisingly, then, a third major thing we learned is that the program receives higher marks from agency economists and policy analysts than from lawyers and administrators more directly responsible for the decisions. The lawyers' interest is to ensure ample discretion for the ultimate decision-maker and to minimize the risk that decisions will be challenged and perhaps overturned in court. They see the EIS as narrowing that discretion and as providing a potentially damaging piece of evidence in court. (For this reason, there is some reluctance to make EISs public.) On the other hand, economists and policy analysts generally see the EIS as strengthening their hand within the agency. It may give them somewhat more influence on policy decisions, and it often leads to an increase in their share of agency resources. The program also tends to be supported more strongly by senior officials in the agencies than by junior officials—partly because it is regarded as a means of "controlling the bureaucracy" and partly because it is a presidential program. Senior officials, as political appointees, are more apt to reflect presidential concerns about policy and the responsiveness of the bureaucracy than are employees protected by the Civil Service system.

The fourth thing we learned is that the program costs the agencies little in terms of resources. One reason is that the OMB circular promulgating the program stated that it would be met within the existing budget. The argument was that agencies already possessed a capability for economic analysis and that the EIS program would merely redirect that effort. Predictably, this has proved to be a bone of contention, and nearly every agency has urged that this policy be reconsidered. It appears, however, that few additional resources have been required. Existing policy staffs have been utilized a bit more intensively than they were, with their efforts supplemented on occasion by other personnel in the agency. The major exception is OSHA, which has contracted out its EISs, often at six figures. But even at OSHA some economic analysis would have been done in the absence of the EIS program.

On the basis of these conclusions and my own experience with the program, a tentative assessment may be made. First, as noted, the costs of the program appear to be low. Second, despite wide variations among agencies, there is some evidence, albeit highly subjective, that the program is having a substantial effect. Policy-makers now appear to be taking the economic implications of their proposals more seriously than they used to. In agency discussions and in formal proceedings, the EIS is serving as a rallying point for those arguing that regulation should be consistent with economic efficiency. The EIS is often an important component of CWPS filings before regulatory agencies—and, because CWPS is part of the Executive Office of the President and because its interventions are highly publicized, it has considerable clout. Moreover, although agencies seldom alter their proposals once announced, there have been cases where, arguably, the EIS and the attention drawn to it have caused the ultimate outcome to be different than it otherwise would have been. More important, an agency's concern that its EIS may be criticized and that the analysis may undercut, rather than support, its proposal has led to closer coordination between the lawyers and economists at the proposal formulation stage—and, therefore, to more carefully considered proposals and better analyses. Thus, summing up, it appears that the benefits of the program substantially outweigh the costs.

Where Do We Go from Here?

When contemplating the future of the EIS program, one should keep in mind that economic analysis is merely one instrument for improving the quality of decision-making and that there are others—including better regulatory appointments, greater oversight by OMB and the Congress, and revisions in the Civil Service system to improve the quality and accountability of agency staff. While the EIS program alone cannot produce perfection, it can be—and, as we have seen, has been—a useful device. It should be continued. It should also be improved.

First, steps should be taken to improve the overall quality of EISs. Specifically, minimal standards should be established. Clearly, decision-making is not aided if the analysis on which it is based is incompetent. This objective could be addressed by requiring that regulatory agencies, before taking action, obtain CWPS or OMB approval for the quality of their analysis (not the desirability of the proposal). Any impasse between CWPS or OMB and the initiating agency could be resolved by the Economic Policy Group (EPG) or some other representative designated by the President. Changes of this kind might require legislation.

Second, steps should be taken to ensure that the EIS is utilized as an input into the regulatory decision-making process—especially at the proposal formulation stage. One way of bringing this about would be to require agencies to submit their EIS evaluations to CWPS (or perhaps some other group like the EPG) prior to publication in the *Federal Register*. This would give proposal formulators the opportunity to draw upon outside expertise and would provide an extra incentive for them to utilize the analyses.

Third, the EISs should be made public and should be featured more prominently by the agencies. As mentioned earlier, the possibility that an EIS will be criticized spurs agencies to improve their analyses and make better use of them. Formal EISs should accompany major legislative proposals sent to the Congress by the administration. In the case of regulatory proposals, the formal EIS (or, if lengthy, an executive summary) should be published in the *Federal Register*.

Fourth, the program needs to be extended to existing regulations and programs. This could be done without legislation, utilizing OMB in its normal management and budget roles. Or, to maintain flexibility and avoid undue bureaucratization, CWPS and/or OMB might be given explicit authority to request from each agency each year a limited number of analyses of existing regulations or programs.

Fifth, the program should also be expanded to include the independent regulatory agencies—for example, the ICC, the CAB, the Federal Power Commission, the Federal Communications Commission, and the Federal Trade Commission. These agencies generate important legislative and regulatory proposals whose overall quality could be enhanced by a rigorous application of economic reasoning. This recommendation also would require legislation.

Sixth, all agencies should have the discretion to consider costs and benefits in developing their regulatory proposals and in making their decisions. This would mean, for example, (1) repealing the "Delaney amendment" to the Food, Drug, and Cosmetics Act (which requires the FDA to ban any food additive found to be carcinogenic, regardless of the benefits and costs of such a ban) and (2) modifying the Clean Air Act (which, as it is interpreted by EPA, requires the agency not to consider costs and benefits in certain instances).

Seventh, Congress should require that, according to reasonably informed judgment, major new regulations have favorable cost-benefit ratios and meet their given objectives at the lowest cost, considering all the available alternatives. Along with this, Congress might grant interested parties the right not to have appeal in the federal courts but to have the regulatory decision determined in the courts (that is, *de novo* review) if there were clear and convincing evidence that the agency had failed to consider the benefits and costs of the proposal.

IN PRACTICE, regulatory decision-making and legislative proposal-making fall far short of the theoretical ideal. Our objective should be to make them as rational as possible, and the EIS technique is an important contribution to that end. To attain its full usefulness, however, it should be strengthened by administrative action and supplemented by legislation.

ECONOMIC IMPACT STATEMENTS COMPLETED BY FEDERAL AGENCIES

Date EIS Completed	Agency	Subject	Nature of Proposal
March 1975	DOC	Proposed Patent Modernization and Reform Act	legislation
March 1975	USDA	standards for beef grading	regulation
April 1975	FEA	proposed Energy Conservation and Production Act	legislation
May 1975	USDA	support for U.S. agricultural exports	regulation
May 1975	USDA	tobacco price supports	regulation
June 1975	USDA	peanut price supports	regulation
June 1975	HUD	construction standards for mobile-home safety	regulation
June 1975	FEA	proposed Electric Power Facility Construction Act of 1975	legislation
July 1975	USDA	U.S. agricultural export program of Commodity Credit Corporation	regulation
July 1975	DOL	proposed Unemployment Compensation Amendments Act	legislation
July 1975	EPA	registration of pesticides	regulation
August 1975	DOL	proposed Work Incentive Program Amendments Act	legislation
September 1975	EPA	drinking water standards	regulation
October 1975	EPA	motorcycle emissions	regulation
October 1975	EPA	effluents from offshore gas and oil production	regulation
October 1975	USDA	milk price supports	regulation
October 1975	USDA	labeling of meat and poultry products	regulation
October 1975	USDA	support and regulation of cotton crop program	regulation
October 1975	DOT	proposed Aviation Act of 1975 (regulatory reform)	legislation
October 1975	DOT	maintenance of ambient air quality standards	regulation
November 1975	EPA	coal mining effluents	regulation
November 1975	EPA	mortgage insurance and assistance	regulation
November 1975	HUD	proposed Northeast Regional Railroads Additional Service Act	legislation
November 1975	DOT	support for U.S.-agricultural exports	regulation
January 1976	USDA	effluent guidelines for paper industry	regulation
January 1976	EPA	ban of diethylstilbestrol (DES) in cattle feed	regulation
January 1976	HEW/FDA	discrimination against handicapped persons	regulation
February 1976	HEW	worker exposure to coke-oven emissions	regulation
February 1976	DOL/OSHA	exemption of residual fuel oil from mandatory petroleum allocation and price regulations	regulation
February 1976	FEA	standards for measuring evaporative hydrocarbon emissions from automobiles	regulation
February 1976	EPA	limitations on organic-chemical effluents	regulation
February 1976	EPA	milk price supports	regulation
March 1976	USDA	modifications in food stamp program	regulation
March 1976	USDA		

ECONOMIC IMPACT STATEMENTS COMPLETED BY FEDERAL AGENCIES (continued)

Date EIS Completed	Agency	Subject	Nature of Proposal
March 1976	DOD/OE	permits for dredge-and-fill operations	regulation
March 1976	EPA	emissions from light-duty trucks	regulation
April 1976	HEW	Medicaid reimbursements to nursing homes	regulation
April 1976	HEW/FDA	banning of nitrofurans in chicken feed	regulation
April 1976	DOL/OSHA	worker exposure to industrial noise	regulation
April 1976	DOL/OSHA	worker exposure to inorganic arsenic	regulation
May 1976	FEA	proposed Energy Independence Authority Act	legislation
May 1976	USDA	tobacco price supports	regulation
May 1976	DOT	financing of rehabilitation of railroad facilities	regulation
June 1976	EPA	guidelines for iron and steel effluents	regulation
June 1976	EPA	effluents from photographic processing	regulation
June 1976	FEA	conservation plans	regulation
July 1976	DOT/NHTSA	occupant crash protection (air bags)	regulation
July 1976	FEA	definition and allocation of nonproduct cost increases	regulation
August 1976	USDA	support for U.S. agricultural exports	regulation
September 1976	EPA	effluents from pesticides	regulation
September 1976	FEA	contingency plan for gasoline and diesel-fuel rationing	regulation
November 1976	EPA	limits on polychlorinated biphenyl (PCB) effluents	regulation
November 1976	FEA	exemption of motor gasoline from mandatory allocation and price controls	regulation
December 1976	EPA	guidelines for effluents from onshore oil production	regulation
December 1976	EPA	noise emissions for wheel and crawler tractors	regulation
January 1977	EPA	dust emissions from grain elevators	regulation
January 1977	DOC	guidelines for federal support of coastal energy impact programs	regulation
January 1977	DOL/OSHA	occupational exposure to sulfur dioxide	regulation
January 1977	DOT/FAA	abatement of airport noise	regulation
February 1977	FEA	allocation of increased costs to gasoline	regulation
February 1977	FEA	entitlements program for strategic petroleum reserve	regulation
February 1977	DOL/OSHA	occupational exposure to lead	regulation
March 1977	FEA	incentives for industry to switch from oil and gas to coal	regulation
April 1977	USDA	milk marketing order in the New York-New Jersey area	regulation
April 1977	HEW/FDA	banning of saccharin and its salts	regulation
April 1977	FEA	consistent control treatment for Californian and Alaskan crude oil	regulation

Source: Council on Wage and Price Stability and Office of Management and Budget.

REGULATION, JULY/AUGUST 1977 21

EMBARGOED FOR RELEASE: 6:00 p.m. E.D.T.
June 13, 1981

Attachment 13

SUMMARY OF REAGAN ADMINISTRATION'S
REGULATORY RELIEF ACTIONS

A Report
to the
Presidential Task Force on
Regulatory Relief, of the
Office of Management and Budget

June 13, 1981

The attached tables reflect a preliminary effort to quantify the regulatory relief initiatives taken between January 20 and April 24. A brief description of the contents of these tables and some useful commentary on their usefulness follow:

1. The tables contain: (a) the items on the Task Force list of rules designated for postponement; (b) the items on the Task Force list of existing regulations to be reviewed; (c) the list of actions to help the auto industry; and (d) other major actions initiated by the agencies themselves. The list does not include regulations allowed to go through during, or at the end of the postponement, or subsequent actions that are not perceived as being in the nature of granting regulatory relief. The list includes a wide variety of actions, some arguably trivial and some very important. Some of the items involve the withdrawal or change of a rule, while others involve only an intention to review.
2. Some type of cost estimate is provided for 57 of the 181 items in the tables. Almost all of the cost estimates are from the agencies, and almost all represent non-budgetary costs. Because of the variety of sources for the estimates, we cannot be sure that they have been derived in a consistent manner. (For example, in some cases there is double counting because annual costs include a share of investment costs in the form of depreciation.) Thus, we look forward to comparing these cost estimates with those provided in response to the Vice President's letter of March 25.

1/Vice President Bush, Chairman of the Presidential Task Force on Regulatory Relief, announced items (a) and (b) on March 25; and announced item (c) on April 6.

3. The totals--\$15.5 to \$18.6 billion in one-time costs and \$5.5 to \$6.0 billion in recurring costs --are large. However, it should be stressed that they are not precise. On the one hand, since there are no estimates for 70 percent of the items, we might assume that the total is low, even allowing for the fact that many of the items for which no estimates are available are trivial. On the other hand, except for the auto package items, the cost estimates generally represent potential savings if the regulation were entirely eliminated; since, in many cases, the regulation may go forward in modified form, the actual savings could be lower.

4. The largest potential savings estimates are for the Department of Transportation and the Environmental Protection Agency. Somewhat surprisingly, the majority of the savings are for items not included in the auto package: EPA items not in the auto package account for \$3.4 billion in one-time costs and \$1.3 billion in recurring costs; DOT items not in the auto package account for \$8.7-\$9.7 billion in one-time costs and about \$400 million in recurring costs.

Table 1:

SUMMARY OF REGULATORY RELIEF INITIATIVES
JANUARY 20 TO APRIL 24

Agency	Number of Regulations	Number of Regulations With a Cost Estimate	Annual (Recurring) Cost (millions)	Investment (One-Time) Cost (millions)
USDA	5	3	\$ 602-610	\$ NA
Commerce	10	3	20	3
Education	5	1	72-157	900-2,950
Energy	6	1	500	NA
EPA	27	19	2,118 a/	4,327 b/
HHS	4	0	NA	NA
HUD	31	0	NA	NA
DOI	12	1	0	NA
Justice	3	0	NA	NA
Labor	18	10	913-1,298	1,087
OMB	3	0	NA	NA
DOT	55	19	1,289	9,204-10,204
Treasury	2	0	NA	NA
	181	57	\$ 5,514 to \$ 5,992	\$ 15,521 to \$ 18,571

a/ This estimate does not include the \$1 billion to \$2 billion savings which could result from EPA's review of the Hazardous Waste Disposal regulations.

b/ Same as above footnote, except that this estimate includes a \$1.5 billion savings which would occur if EPA substantially modified its BCT effluent guidelines.

TABLE 2:
REGULATORY RELIEF ACTIONS INITIATED BY THE NEW ADMINISTRATION,
JANUARY 20 TO APRIL 24

DEPARTMENT OF AGRICULTURE

RULE	STATUS	ANNUAL INVESTMENT COST (ONE-TIME) (RECURRING) (millions of dollars)	COMMENTS
Wheat and Wheat Foods Research Education Order		2 to 10	OMB, final rule will be published, but information requirements will not be effective until cleared by OMB.
Provides for system of information collection to be used in assessing fees to support industry research and education activities. (46 FR 32572)			
All Fruit and Vegetables Marketing Orders	On Task Force list of existing regulations to be reviewed.	NA	Annual operating budgets for the orders are \$27 million.
Revision and Redesignation of Section 502 Rural Housing Loan Policies, Procedures, and Authorization	On Task Force list of rules designated for postponement. Suspended for further review.	500	The \$500 million cost estimate refers to federal budget obligations.
Provides for increased lending (interest subsidized loans) to moderate-income home buyers. (46 FR 4681)			

RULE	STATUS	ANNUAL INVESTMENT COST (ONE-TIME) (RECURRING) (millions of dollars)	COMMENTS
Mechanically Processed (Species) Product - Establishes standards for mechanically deboned meat products, including labeling requirements, protein and fat content requirements, and use limitations. (43 FR 26416).	On Task Force list of existing regulations to be reviewed.	100	Cost estimate made by industry is responding to meat industry petition for review of this rule.
National Forest Service Planning Regulations	On Task Force list of existing regulations to be reviewed.	NA	
Standards and Guidelines for Land and Resource Management Planning on 191 million acres of National Forest System lands. (44 FR 53928)			

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL (RECURRING) COST (millions of dollars)	COMMENTS
Federal Interaction with Voluntary Standards - Prescribes procedures for (1) the listing and defining of organization setting voluntary standards eligible for Federal agency support and participation and (2) a DOC sponsored dispute resolution service for listed voluntary standards procedural complaints against bodies. (46 FR 19266, 46 FR 1574, 46 FR 19227, 46 FR 11657)	On Task Force list of rules designated for postponement.	NA	19.7	
Clarification of the Validity Period for Emergency Licenses - Would amend Export Administration Regulations by adding a sentence which states that extensions of emergency license validity periods will not be approved.	DOC decided not to publish this rule after consultation with OMB.	NA	NA	

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL (RECURRING) COST (millions of dollars)	COMMENTS
Notice of Adjustment in Yellowtail Flounder Catch Limitations - From the management area west of 69°W longitude.	The proposed notice was withdrawn after consultation with OMB and is being re-written.	NA	NA	
Atlantic Mackerel Fishery of the Northwest Atlantic Ocean	The proposed notice was withdrawn after consultation with OMB and has been re-written and published.	NA	NA	
The Channel Islands National Marine Sanctuary	On Task Force list of rules designated for postponement.	NA	NA	

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL (RECURRING) COST (millions of dollars)	COMMENTS
Establishes limitations and prohibitions on the Sanctuary, the procedures by which persons may obtain permits for prohibited activities and the penalties for committing prohibited activities.	A major issue requiring review is the impact of hydrocarbon energy sources. The portion of the rule dealing with this issue will remain frozen until further review is completed.	NA	NA	

RULE	STATUS	ANNUAL (RECURRING) INVESTMENT COST (ONE-TIME) COST (millions of dollars)	COMMENTS
<p><u>Foreign Direct Investment in the United States</u> Survey Regulation. Regulation provided legal authorization for a single-time survey of Foreign Direct Investment.</p>	<p>Notice of Revocation was published in the Federal Register (46 FR 16892).</p>	0	Regulation is no longer necessary.

TABLE 2 continued

RULE	STATUS	ANNUAL (RECURRING) INVESTMENT COST (ONE-TIME) COST (millions of dollars)	COMMENTS
<p><u>Regulations Implementing Various Fishery Management Plans</u> The National Marine Fisheries Service issues rules for the management of fisheries off the U.S. Coast, primarily to prevent overfishing.</p>	<p>On Task Force list of existing regulations to be reviewed.</p>	NA	While these rules have been successful in sustaining the fisheries, in many cases they may require inefficient and wasteful fishery methods. Accordingly, selected rules will be reviewed.
<p><u>Reindeer and Fox Hunting on Pribilof Islands, Alaska.</u> The regulation controlled the hunting of reindeer and foxes on the Pribilof Islands.</p>	<p>Notice of Revocation was published in the Federal Register (46 FR 20557).</p>	NA	National Marine Fishery Service no longer claims jurisdiction over reindeer and foxes on these lands.

TABLE 2 continued

DEPARTMENT OF ENERGY

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) COST (ONE-TIME)	COMMENTS
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Emergency Building Temperature Restrictions. February 17 (46 FR 12941) Proclamation 4820	NA	NA	Abolishes restrictions on residential buildings to allow operators of non-cooling and hot water temperature settings in non-residential buildings.
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Consumer Appliance Energy Standards	500	NA	Notice of Intent not to issue standards until further study was published in the Federal Register (46 FR 13517). The 1980 proposal would have required procedures to redesign, by 1986, virtually all existing models of these appliances and to retrofit their production line.
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TABLE 2 continued

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) COST (ONE-TIME)	COMMENTS
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Standby Emergency Energy Conservation Plan - This plan consisted of three proposed energy conservation measures (a compressed work-week, vehicle use sticker, employer-based commuter and travel measures) and four interim rules (speed limit enforcement, some employer-based commuter and travel measures, odd-even day purchases and mandatory temperature restrictions)	NA	NA	Proposed rules withdrawn and notice of proposed interim final rule published in the Federal Register (46 FR 13577).
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Coal Conversion Program	NA	NA	A complex set of rules implementing a statute which directs electric utilities and large industrial fuel users to switch from oil and gas to coal or some alternate fuel. The statute includes a prohibition of natural gas for baseload power generation after 1990.
On Task Force list of existing regulations designated for review.	NA	NA	Budget zero'd for 1982.

Under the 1977 Amendments to the Clean Water Act, EPA is required to consider the reasonableness of costs in establishing more stringent effluent limits for industrial dischargers of conventional (non-toxic) pollutants in relation to the incremental cost of achieving these requirements. EPA established comparable municipal costs. Under the requirements, EPA established a more stringent treatment of municipal wastewater as a benchmark for determining the "reasonableness" of more stringent controls for industrial dischargers. However, recent analysis indicates that EPA's methodology may be incorrect.

May result in revisions to BCT guidelines for secondary industries for (e.g., food, dairy) issued in August 1979 and final guidelines for the pulp and paper industries NPM, January 9, 1981.

Residential Conservation Service - These regulations implement a statute which requires the States to have utilities provide to residential customers, for a nominal fee, a complete "energy audit" of their home or apartment pointing out ways to conserve energy.

Price and Allocation Regulation - Crude oil, gasoline and propane price and allocation regulations, and similar standby regulations for other defined products were promulgated under the Emergency Petroleum and Allocation Act of 1973.

Implements the President's January 28, 1981, Executive Order exempting crude oil and refined petroleum products from price and allocation regulations and revokes those regulations made unnecessary by the Order. Only those crude oil regulations necessary for meeting U.S. obligations under the International Energy Program are retained on a standby basis.

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) COST (ONE-TIME)	COMMENTS
On Task Force list of existing regulations designated for review.	NA	NA	Budget zero'd for 1982.

RULE	STATUS	COST (millions of dollars)		COMMENTS
		ANNUAL (RECURRING)	INVESTMENT (ONE-TIME)	
Electroplating pretreatment rules (40 CFR 403 and 40 CFR 413)	On Task Force list of existing regulations to be reviewed.	690	1900	Cost estimates are for the electroplating rules only.

TABLE 2 continued

RULE	STATUS	COST (millions of dollars)		COMMENTS
		ANNUAL (RECURRING)	INVESTMENT (ONE-TIME)	
Hazardous Waste Disposal Regulations	On Task Force list of existing regulations to be reviewed.	\$1-2 billion annually (one-time + annual)		Cost figures are speculative in absence of thorough regulatory analysis of the program.

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) (ONE-TIME)	COST (millions of dollars)	COMMENTS
<p><u>Liberalization of the "Bubble" Policy in Air Pollutant Abatement</u></p> <p>EPA expanded the number of sources that can use a bubble approach to control pollution by agreeing to approve the use of a bubble policy without reviewing each separate bubble transaction proposed by a State. Under this new policy, EPA issued a hydrocarbon bubble for New Jersey.</p>	Final Rule, April 6, 1981. (46 FR 20551)	NA	NA	<p>"Bubbles" involve allowing a source to increase emissions of one point if other points are reduced at the increase. In effect, EPA regulates total emissions from an imaginary bubble over the entire plant, rather than requiring each individual point of emission.</p>
<p><u>Noise Regulations</u></p> <p>EPA suspended enforcement of noise emission standards for garbage trucks, to allow reconstruction of issues raised in a petition brought by manufacturers before D.C. Circuit Court of Appeals.</p>	Notice of suspension of enforcement, February 19, 1981. (46 FR 12975)	NA	NA	<p>The Administration's budget request includes no funds for EPA noise regulation beyond FY 1982.</p>

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) (ONE-TIME)	COST (millions of dollars)	COMMENTS
<p><u>Amendments to General Pretreatment Standards</u></p> <p>These amendments modify an earlier program for controlling industrial discharges into municipal sewage systems. The amendments will be postponed pending further examinations of the existing program. (46 FR 9404)</p>	On Task Force list of rules designated for postponement.	NA	NA	
<p><u>Timber Products Effluent Guidelines</u></p> <p>On January 26, EPA promulgated best conventional pollutant control technology (BCT) effluent limitation for categories of the timber industry. Pending EPA's current review of the economic methodology for determining the reasonableness of BCT standards, it is appropriate to postpone the BCT guidelines. (46 FR 8260)</p>	On Task Force list of rules designated for postponement.	NA	20	<p>Only BCT being reconsidered. DAI will go into effect.</p>
<p><u>Deferral of Noise Regulations</u></p> <p>EPA delayed by one year the date for trucks and garbage trucks on which noise emission standards will be lowered (tightened). Final Rule published in Federal Register. (46 FR 8497)</p>	Final Rule published in Federal Register. (46 FR 8497)	150	NA	<p>The Administration's budget request includes no funds for EPA noise regulation beyond FY 1982.</p>

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME) COST (millions of dollars)	COMMENTS
Relax the 10 percent acceptable quality level to 40 percent for assembly line testing of light trucks and heavy duty engines	Intent to publish a NPM for revision by September 1981.	25.8	International Harvester estimates it will save \$14 million by this action.
EPA intends to delay for two years all assembly line testing of 1984 and later model year heavy duty engines for exhaust emissions.	Intent to publish a NPM for revision by September 1981.	12.8	Chrysler claims a savings of \$3 million for this change; General Motors \$44 million; International Harvester \$22 million.

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME) COST (millions of dollars)	COMMENTS
Approval and Promotion of Nonattainment Area Plans, Ohio	In a separate action, EPA approved the first bubble for fugitive dust emissions, for an ARMO steel plant in Middletown, Ohio. Fugitive dust bubbles may have widespread application in the steel industry and generate major cost savings.	15	Deregulatory
Statutory HC and CO Standards for Heavy Trucks	Final Rule, March 31, 1981. (46 FR 19468)	107.2	Industry says that this action would save \$110 million. General Motors estimates \$900 per engine in consumer savings.
EPA intends to revise the 1984 model-year hydrocarbon and carbon monoxide standards for heavy trucks to a level that would not require the use of catalysts on gasoline-powered heavy trucks.	Intent to publish a NPM for revision on this action by September 1981.	108	

The following are actions that EPA intends to take to help the U.S. Auto Industry.

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME) COST (millions of dollars)	COMMENTS
The Clean Air Act currently requires that 1984 model-year cars meet applicable emission standards at all altitudes. EPA will request that Congress eliminate this requirement.		260	Requires amendment to Clean Air Act. Ford estimates that this change will save them about \$50 million with savings to consumers of \$500 million.
Self-certification for vehicles sold at high altitude		0.2	Under existing regulations, vehicles to be sold at designated high-altitude areas must undergo prescribed high-altitude certification testing. (45 FR 66984, October 8, 1980.) EPA intends to substitute a program under which manufacturers self-certify that their vehicles will meet applicable standards. As an alternative to certification, EPA will increase its emphasis on monitoring in-use vehicles at high altitudes to verify compliance with standards.

Would save manufacturers the time and expense of transporting test cars to high altitude areas and eliminate scheduling problems.

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME) COST (millions of dollars)	COMMENTS
The NOx emissions limit for heavy trucks		112.6	EPA intends to propose a three year NOx standard for all heavy-duty vehicles that represents the level that can be achieved by diesel engines. However, EPA will not propose the heavy-duty NOx emission standard until May 1982.
Emission averaging for diesel particulate emissions		104.6	EPA will propose alternative diesel particulate averaging schemes to replace the individual-vehicle standards currently in place for 1985. Averaging should allow manufacturers to employ the most cost-effective control technology, strategies for their diesel models, while assuring that total particulate levels will not significantly increase beyond those allowable under current regulations.
EPA will propose alternative diesel particulate averaging schemes to replace the individual-vehicle standards currently in place for 1985. Averaging should allow manufacturers to employ the most cost-effective control technology, strategies for their diesel models, while assuring that total particulate levels will not significantly increase beyond those allowable under current regulations.		40	Intent to publish a NPM to propose alternative schemes by September 1981.

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL COST (RECURRING)	ANNUAL COST (MILLIONS OF DOLLARS)	COMMENTS
<p><u>Statutory NOx Standard for all Light-Duty Diesels through the 1984 Model Years</u></p> <p>EPA initiated consolidated proceedings to waive the NOx standard from 1.0 to 1.5 gpm to the maximum extent permitted by law for light-duty diesels through the 1984 model year. Waiver of the standard to 1.5 gpm will give the industry more time to develop appropriate technology while allowing fuel-efficient diesel vehicles to be sold.</p> <p><u>Statutory CO Standard for Certain Classes of 1982 Model Year Light-Duty Vehicles</u></p> <p>EPA initiated consolidated proceedings to waive the CO standard from 3.4 to 7.0 gpm to the maximum extent permitted by law for classes of 1982 model year light-duty vehicles not previously produced to meet the 3.4 gpm standard.</p>	NA	NA	NA	0	<p>No firm estimates of savings are available, but as an example of the savings, one recent waiver saved \$35 per vehicle for one manufacturer.</p>
<p>Industry of EPA's plans to accept waiver applications for 1982-1984 model year diesel passenger cars has been published.</p> <p>Notice informing industry of EPA's plans to accept waiver applications for 1982-1984 model year diesel passenger cars has been published.</p>	NA	NA	NA	0	<p>Notice was published in the Federal Register</p>

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL COST (RECURRING)	ANNUAL COST (MILLIONS OF DOLLARS)	COMMENTS
<p><u>Non-methane hydrocarbon standards</u></p> <p>HC emissions are regulated because some hydrocarbon emissions interact with other pollutants in the atmosphere to cause smog. Industry has always contended that methane, a nonreactive hydrocarbon, should not be included when measuring the level of pollutants that may be emitted. Since the equipment exists to exclude measurement of methane and since there is no debate concerning the nonreactivity of methane, EPA will seek to adopt equivalent nonmethane hydrocarbon standards as an option for all vehicle classes.</p>	NA	NA	NA	0	<p>Non-methane HC standards will be developed and a NPM will be published by November 1, 1981.</p>
<p><u>Motor Vehicle Certification Program</u></p> <p>EPA intends to further streamline this program, giving manufacturers more responsibility for running their own certification programs. Most passenger cars are meeting the statutory standards and manufacturers have become familiar with the testing programs so that EPA does not have to be involved as much as before.</p>	NA	NA	NA	0	<p>An interim-final rule-making to streamline the certification program will be published by October 1, 1981, effective for the 1983 model year.</p>

RULE	STATUS	ANNUAL INVESTMENT COST (ONE-TIME)	ANNUAL INVESTMENT COST (RECURRING)	COMMENTS
<u>New Drug Application Requirements</u>		NA	NA	Concern from the public, Congress and the drug industry about delays in the existing process and its cost justifies a thorough review.
<u>Foster Care Funding</u>		NA	NA	Establishes requirements for receipt by State and local Governments of funds for this program.

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT COST (ONE-TIME)	ANNUAL INVESTMENT COST (RECURRING)	COMMENTS
<u>Health Care Institution Certifications and Surveys</u>		NA	NA	At present a variety of regulations impose significant administrative requirements on States. States contend that these regulations hamper their ability to provide services to needy people at reasonable funding levels. (42 CFR 430-456)
<u>Hospitals, nursing homes, and other institutional health care providers</u>		NA	NA	At present a variety of regulations impose significant administrative requirements on States. States contend that these regulations hamper their ability to provide services to needy people at reasonable funding levels. (42 CFR 405)
<u>Medical Regulation Affecting States</u>		NA	NA	Medical regulatory re- list should accompany the Administration's medical cap. In addition, the President has promised States that regulatory relief will accompany his proposal to limit Federal Medicaid expenditures. For these reasons, a thorough review is warranted.
<u>Medical Regulation Affecting States</u>		NA	NA	Medical regulatory re- list should accompany the Administration's medical cap. In addition, the President has promised States that regulatory relief will accompany his proposal to limit Federal Medicaid expenditures. For these reasons, a thorough review is warranted.

TABLE 2 continued

TABLE 2 continued

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) (ONE-TIME) COST (millions of dollars)	COMMENTS	Notice of withdrawal published in the Federal Register.	Notice of withdrawal published in the Federal Register.	Notice of withdrawal published in the Federal Register.	Notice of withdrawal published in the Federal Register.
Uniform Relocation Assistance and Real Property Acquisition				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.
Property Improvement and Manufactured (Mobile) Home Loans				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.
Rent Supplement Payments				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.
Community Development Amendments of 1979.				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.

TABLE 7 continued

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) (ONE-TIME) COST (millions of dollars)	COMMENTS	Notice of withdrawal published in the Federal Register.	Notice of withdrawal published in the Federal Register.	Notice of withdrawal published in the Federal Register.	Notice of withdrawal published in the Federal Register.
Mortgage and Loan Insurance Programs under the National Housing Act				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.
Loans for Housing for the Elderly or Handicapped (Interest rate determination)				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.
Loans for Housing for the Insured mortgage.				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.
Rehabilitation Loan Program				published in the Federal Register.	published in the Federal Register.	published in the Federal Register.	published in the Federal Register.

TABLE 2 continued

RULE	STATUS	COMMENTS		
		ANNUAL INVESTMENT	COST (RECURRING) (ONE-TIME)	COST (millions of dollars)
Government National Mortgage Associations Attorneys-in-Fact Deregulations - List	Notice of withdrawal published in the Federal Register. (46 FR 11550)	NA	NA	NA
Mortgage Insurance and Assistance Payments for Home Ownership and Project Rehabilitation, Interim Rule (26 CFR 235)	Withdrawn prior to publication for reconsideration.	NA	NA	NA
HUD Use of Materials and Lavoires, Proposed Rule; Shower Stalls, Receptors and Lavoires, Proposed Rule; Plastic Bathubs, Receptors and Lavoires, Proposed Rule; Bulletin No. 73a, (UM-73a) is a revision of (UM-73) previously issued for Plastic Bathubs, Shower Stalls, Receptors and Lavoires. (26 CFR 200)	Withdrawn prior to publication for reconsideration.	NA	NA	NA

TABLE 2 continued

RULE	STATUS	COMMENTS		
		ANNUAL INVESTMENT	COST (RECURRING) (ONE-TIME)	COST (millions of dollars)
Rehabilitation Loan Program The Regulations for Section 312 Rehabilitation Program are being amended to implement changes made in the program by the Housing and Community Development Act of 1980. (46 FR 3503)	Notice of withdrawal published in the Federal Register. (46 FR 11550)	NA	NA	NA
Manufactured Home Procedural and Enforcement Regulations This rule revises manufacturing and enforcement housing procedural and enforcement rules to provide for the automatic disqualification of any inspection agency if such agency has been inactive for a period of one year. (45 FR 82854)	Notice of withdrawal published in the Federal Register. (46 FR 11550)	NA	NA	NA
Neighborhood Self Help Development Program This rule revises the procedures for the award of grants and for training and information assistance under the Neighborhood Self-Help Development Program. (45 FR 8143)	Notice of withdrawal published in the Federal Register. (46 FR 11550)	NA	NA	NA
Real Estate Settlement Procedures Act Section 8, Anti-Kickback Regulations, Interim Rule This rule clarifies certain terms used in connection with Section 8 of Anti-Kickback Provisions. (45 FR 84048)	Notice of withdrawal published in the Federal Register. (46 FR 11550)	NA	NA	NA

TABLE 2 continued

ANNUAL INVESTMENT	(RECURRING) (ONE-TIME) COST	(million of dollars)	STATUS	COMMENTS	RULE
			Withdraw prior to publication for reconsideration.		Definition of Family and Other Related Terms; Occupancy by Single Persons, Final Rule; (26 CFR 812)
			Withdraw prior to publication for reconsideration.		In accordance with the statutory amendments to Section 3(2)(D) of the United States Housing Act of 1937 made by Section 206(c) of the Housing and Community Development Amendments of 1978, HUD is amending the regulations limiting the number of units within the area under the jurisdiction of a Public Housing Agency (PHA) which may be occupied by single, non-elderly persons made eligible by 24 CFR part 812. (45 FR 13780)
			Withdraw prior to publication for reconsideration.		Management and Disposition of HUD-Owned Multifamily Housing Projects, Final Rule; (26 CFR 290)
			Withdraw prior to publication for reconsideration.		This rule amends the present interim rule on the disposition program published January 27, 1977. The new interim rule represents significant changes in policy and procedure in the management and disposition of HUD-owned multifamily housing projects. (44 FR 56608)
			Withdraw prior to publication for reconsideration.		Low-Rent Housing Homeownership Opportunities, Turkey III Program, Final Rule; submitted to the Federal Register for publication 1/16/81.
			Withdraw prior to publication for reconsideration.		This proposed rule would amend the Turkey III Home Ownership Opportunities Program to give the Public Housing Authority (PHA) greater flexibility in the marketing of Turkey III units and to set forth standards and procedures applicable to homebuyers. Included in the proposed rule are provisions for operating subsidies and PHA purchase money financing. (43 FR 60830)
			Withdraw prior to publication for reconsideration.		Mortgage Approval, Eligibility Requirements, Mortgage Approval, Final Rule; (26 CFR 203)
			Withdraw prior to publication for reconsideration.		The Department is revising, simplifying and clarifying the requirements for mortgage approval. There are a number of significant changes. These amendments would revise the present sequence of the mortgage approval requirements for improved organization. These regulations will restate and update the language and provisions of the regulations to provide greater definition and more comprehensive guidance to the Department and the residential mortgage lenders in the application and administration of the mortgage approval requirements. (45 FR 50560)

TABLE 2 continued

TABLE 2 continued

ANNUAL INVESTMENT	(RECURRING) (ONE-TIME) COST	(million of dollars)	STATUS	COMMENTS	RULE
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TABLE 2 continued

TABLE 2 continued

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			Withdraw prior to publication for reconsideration.		Low-Rent Housing Homeownership Opportunities, Turkey III Program, Final Rule; submitted to the Federal Register for publication 1/16/81.
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			Withdraw prior to publication for reconsideration.		Mortgage Approval, Eligibility Requirements, Mortgage Approval, Final Rule; (26 CFR 203)
			Withdraw prior to publication for reconsideration.		The Department is revising, simplifying and clarifying the requirements for mortgage approval. There are a number of significant changes. These amendments would revise the present sequence of the mortgage approval requirements for improved organization. These regulations will restate and update the language and provisions of the regulations to provide greater definition and more comprehensive guidance to the Department and the residential mortgage lenders in the application and administration of the mortgage approval requirements. (45 FR 50560)

Affirmative Administration of Programs relating to HUD, Subparts A-F
 Proposed Rule:
 This rule would provide guidelines for executive agencies to determine which programs and activities relate to housing and urban development and to analyze their impact on promoting fair housing. The rule would describe actions that can be used to assure that such programs and activities are administered affirmatively to further fair housing. This rule could be issued pursuant to Executive Order 12259 and Title VIII of the Civil Rights Act of 1918. (26 CFR 125)

Prohibition Against Discrimination, Subparts A-F
 Proposed Rule:
 This rule would set forth HUD's view of the conduct prohibited in Title VIII against discrimination in appraisal practices and indicate the matters HUD may investigate in connection with alleged practices. (26 CFR 144)

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	RECURRING COST (million of dollars)	COMMENTS
<u>Affirmative Administration of Programs relating to HUD, Subparts A-F</u>	Withdrawn prior to publication for reconsideration.	NA	NA	
<u>Prohibition Against Discrimination, Subparts A-F</u>	Withdrawn prior to publication for reconsideration.	NA	NA	

TABLE 2 continued

Proposed Use of Materials Bulletin No. 82, HUD Standard and Certification Program for Sealed Insulation Glass, Proposed Rule:
 This use of materials bulletin would establish a standard and certification program for the use of sealed insulating glass. (26 CFR 200)

Low-Income Homeownership Demonstration Program, Proposed Rule:
 This rule would authorize a demonstration program to provide loans to families whose incomes are 60 to 90 percent of the income necessary to purchase an existing house in a given area, or approximately 60 to 90 percent of the median family income. (26 CFR 830)

Handicap in Federally Assisted Programs and Activities of the Department of HUD, Proposed Rule:
 This rule sets forth procedures to ensure nondiscrimination based on handicap in programs and activities that received financial assistance from HUD. (26 CFR 8)

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	RECURRING COST (million of dollars)	COMMENTS
<u>Proposed Use of Materials Bulletin No. 82, HUD Standard and Certification Program for Sealed Insulation Glass, Proposed Rule:</u>	Withdrawn prior to publication for reconsideration.	NA	NA	
<u>Low-Income Homeownership Demonstration Program, Proposed Rule:</u>	Withdrawn prior to publication for reconsideration.	NA	NA	
<u>Handicap in Federally Assisted Programs and Activities of the Department of HUD, Proposed Rule:</u>	Withdrawn prior to publication for reconsideration.	NA	NA	

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME) COST (millions of dollars)	COMMENTS
Final Rule; Mortgage Review Board, Debarments, Suspensions, Temporary Denials of Participation and Voluntary Exclusions, Final Rule	Withdraw prior to publication for reconsideration.	NA	
(26 CFR 25) HUD Hearing Officer and a HUD Hearing procedural establishment for actions involving debarments, suspensions, determinations of the Multifamily Review Committee as well as administrative actions by the Mortgage Review Board. (26 CFR 24)	Withdraw prior to publication for reconsideration.	NA	

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME) COST (millions of dollars)	COMMENTS
Solar Energy and Energy Conservation Bank, Interim Rule	Withdraw prior to publication for reconsideration.	NA	
Land Registration and Purchaser's Revocation Rights, Sales Practices and Standards, Proposed Interpretive Rule	Withdraw prior to publication for reconsideration.	NA	
Clarifies policies implementing the Interstate Land Sales Full Disclosure Act, Changes exemptions from registration requirements, consumer remedies, and relationship between Federal and State governments and anti-fraud provisions. (26 CFR 1710 and 1715)	Withdraw prior to publication for reconsideration.	NA	

TABLE 2 continued

TABLE 2 continued

Minimum Property Standards for One- and Two-Family Dwellings and Multi-Family Dwellings. These rules are composed of numerous design, construction and amenities criteria used as requirements for new residential construction under HUD mortgage insurance, public housing and rent subsidy programs.

On Task Force list of existing regulations to be reviewed.

NA NA

Environmental Review Procedures for CDBG and UDAG, Final Rule: This rule is mainly technical in nature providing editorial revisions with respect to the environmental review policies governing the Community Development Block Grant, Urban Development Action Grant, and other assistance programs under Title I of the Housing and Community Development Act of 1974.

Withdraw prior to publication for reconsideration.

NA NA

Areawide Housing Opportunity Plans, Proposed Rule: This rule would clarify objectives of the Areawide Housing Opportunities Program and ensure that these plans, when approved by HUD, will serve as a useful guide for allocating housing assistance within the area covered by the plan. (26 CFR 572)

Withdraw prior to publication for reconsideration.

NA NA

STATUS (millions of dollars)

ANNUAL INVESTMENT COST (RECURRING) (ONE-TIME) COST COMMENTS

TABLE 2 continued

CDBG Performance Standards for Equal Opportunities and Related Revisions, Proposed Rule: This rule would more completely describe the responsibilities of CDBG recipients in providing equal opportunity for minorities and women to benefit from and participate in the Community Development Block Grant Program. The rule also more specifically describes recipient's responsibilities for increasing the housing opportunities of lower income persons and for affirmatively furthering fair housing.

Withdraw prior to publication for reconsideration.

NA NA

General GMA Seal, Final Rule: This amendment of the Regulations of the Government National Mortgage Association provides for the Association's formal adoption of a corporate seal in accordance with section 309(a) of the National Housing Act. (26 CFR 309)

Withdraw prior to publication for reconsideration.

NA NA

STATUS (millions of dollars)

ANNUAL INVESTMENT COST (RECURRING) (ONE-TIME) COST COMMENTS

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	COMMENTS		
		ANNUAL INVESTMENT	(RECURRING) COST (ONE-TIME)	(millions of dollars)
Prime Farmlands This rule implements the Surface Mining Act, and replaces the standard defining whether mined areas should be returned to prime farmland and the "grandfather" rule concerning land being mined before passage of the Act. (46 FR 7208).	NA	NA	NA	On Task Force list of rules designated for postponement. Effective date proposed to be postponed indefinitely.
Prime Farmlands This amendment also implements the Surface Mining Act, dealing only with the grandfather clause and also implementing the Court's ruling. (46 FR 7894).	NA	NA	NA	On Task Force list of rules designated for postponement. Effective date proposed to be postponed indefinitely.
Extraction of Coal, Two Acres or Less These rules lighten the two acre exemption included in the Surface Mining Act. (46 FR 7902).	On Task Force list of rules designated for postponement indefinitely.	0.7 (for first year)	NA	2.5 (over a 20 year period).

RULE	STATUS	COMMENTS		
		ANNUAL INVESTMENT	(RECURRING) COST (ONE-TIME)	(millions of dollars)
Tribal Government Elections The rule extends to tribes in Oklahoma and Alaska existing rules governing tribal elections in other states. Also, rules governing process for petitioning for an election are rewritten. (46 FR 1668, 1674)	On Task Force list of rules designated for postponement. Effective date postponed until 4/30/81.	NA	NA	NA
FLPMA Exchange Authority for Public Land This rule deals with procedures governing the Department's authority to exchange public lands for private lands. (46 FR 1634).	On Task Force list of rules designated for postponement. Effective date postponed until 4/15/81.	NA	NA	NA
Land Withdrawal Procedures Amendments The rule sets out, for the first time, a consistent management process for handling withdrawal applications. (46 FR 5794).	On Task Force list of rules designated for postponement. Effective date postponed until 4/15/81.	NA	NA	NA

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) COST (ONE-TIME) (millions of dollars)	COMMENTS
Surface Mining Rules - These regulations implement the Surface Mining Act, which sets forth techniques that must be used for surface mining, particularly recontouring and reclaiming the land afterwards. The requirements for original contour and vegetation may preclude more useful or aesthetic treatment. These rules not only raise the cost of surface mining, but could render some areas uneconomical to mine at all.	NA	NA	1982 budget cut of about \$10 million has been proposed for this program.
Glacier Bay National Monument; Protection of Humpback Whale This rule establishes limits on small vessels within Glacier Bay and prohibits commercial harvesting of the organisms upon which the humpback whale feeds. (46 FR 85741).	NA	NA	

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) COST (ONE-TIME) (millions of dollars)	COMMENTS
Through Public Lands Leases, Permits, Easements This rule set out revised rules for leases of public lands. (46 FR 5773).	NA	NA	
Hawaiian Tree Snail This rule extends protection to the endangered species Hawaiian tree snail. (46 FR 3178).	NA	NA	
Gypsum Wild Buckwheat and Todeana Penzanceana These rules extend endangered species protection to the Pennyroyal plant and to the wild buckwheat plant. (46 FR 5730).	NA	NA	

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	COST (millions of dollars)			COMMENTS
		ANNUAL INVESTMENT	(RECURRING) COST	(ONE-TIME) COST	
<p><u>The Effect of a Strike on the Admission and Continued Employment of Certain Nonimmigrants</u></p> <p>Clarifies under which conditions temporary alien workers cannot be used as strikebreakers. (46 FR 4856)</p>	NA	NA	NA	NA	<p>On Task Force list of rules designated for postponement.</p> <p>Issuance will delay that part of the rule that deals with the role of manager/supervisor alien workers as strikebreakers until additional analysis is completed.</p>
<p><u>Leadership and Coordination of Nondiscrimination Laws</u></p> <p>Rules, implementing Executive Order 12250, to coordinate the implementation of Federal laws that prohibit discrimination on the basis of race, color, national origin, religion, sex or handicap in programs receiving Federal financial assistance.</p>	NA	NA	NA	NA	
<p><u>Standards for Inmate Grievance Procedures</u></p> <p>Promulgates standards for prison inmate grievance procedures and establishes methods of certifying such procedures. (46 FR 3843)</p>	NA	NA	NA	NA	<p>DOJ has postponed the portion of the regulation pertaining to the certification process pending further review.</p>

TABLE 2 continued

RULE	STATUS	COST (millions of dollars)			COMMENTS
		ANNUAL INVESTMENT	(RECURRING) COST	(ONE-TIME) COST	
<p><u>Federal Coal Management Program</u></p> <p>On Task Force list of existing regulations to be reviewed.</p>	NA	NA	NA	NA	

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT COST (RECURRING) (ONE-TIME) COST (millions of dollars)	COMMENTS
Walkaround Compensation (OSHA)	On Task Force list of rules designated for postponement.	5.3	
The rule would have required employers to pay their employees for time spent accompanying OSHA compliance officers in their inspection of the work place.			
Payment of Membership Fees (ESA)	On Task Force list of rules designated for postponement.	NA	
This rule would prohibit employers from paying membership fees for their employees to private clubs unless it was clear that the club did not discriminate.			
(46 FR 3892)	Notice of proposed withdrawal published in Federal Register (46 FR 19004)		
Certification Process and Adverse Effects Wage Rate (ESA)	On Task Force list of rules designated for postponement.	0.651,695	
The rule would have changed the method of determining the adverse effect wage rate from a regional to national level method and rate.			
(46 FR 4568)	Notice of proposed withdrawal published in Federal Register (46 FR 18974)		
Occupational Exposure to Lead.	On Task Force list of rules designated for postponement.	30.3	
(OSHA) The rule specifies the amount of lead that can be in the air before controls must be introduced.			
(46 FR 6134)	Notice of proposed withdrawal published in Federal Register (46 FR 18974)		
FLSA: Salary Tests This regulation would have raised the salary test levels so that fewer workers would have been exempted from the overtime requirements of FLSA.			
(46 FR 3010)	Notice of proposed rule-making to indefinitely suspend the revised salary tests was published.		
Service Contract Act (ESA)	On Task Force list of rules designated for postponement.	100-200	
Review of the SCA regulation which require the payment of "prevailing wages" to service employees working for firms that have contracts with the federal government.			
(46 FR 4398)	Direct cost of full compliance estimated by ASPER to be 37.90		
Procedures for pre-determination of Wage Rate under Davis-Bacon (ESA)	On Task Force list of rules designated for postponement.	0	
This rule modified the 30% modal rate defining the "prevailing wage."			
(46 FR 4306)	DOL is further postponing the effective date to July 1, 1981.		

TABLE 2 continued

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RULE	STATUS	ANNUAL INVESTMENT COST (RECURRING) (ONE-TIME) COST (millions of dollars)	COMMENTS
FLSA: Salary Tests This regulation would have raised the salary test levels so that fewer workers would have been exempted from the overtime requirements of FLSA.	On Task Force list of rules designated for postponement.	53	
Notice of proposed rule-making to indefinitely suspend the revised salary tests was published.			
(46 FR 18998)	Direct cost of full compliance estimated by ASPER to be 37.90		
Service Contract Act (ESA)	On Task Force list of rules designated for postponement.	100-200	
Review of the SCA regulation which require the payment of "prevailing wages" to service employees working for firms that have contracts with the federal government.			
(46 FR 4398)	DOL is further postponing the effective date to July 1, 1981.		
Procedures for pre-determination of Wage Rate under Davis-Bacon (ESA)	On Task Force list of rules designated for postponement.	0	
This rule modified the 30% modal rate defining the "prevailing wage."			
(46 FR 4306)	DOL is further postponing the effective date to July 1, 1981.		

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT COST (ONE-TIME)	ANNUAL (RECURRING) COST (millions of dollars)	COMMENTS
Prevailing Wage. Under the Davis-Bacon and Service Contract Act, the Department of Labor establishes minimum rates, based on prevailing wage concept, for wages and benefits paid to workers by Government construction and service contractors.	On Task Force list of existing regulations to be reviewed.	0	228-513	GAO estimate of costs in 1977 dollars.
Office of Federal Contract Compliance Policy. The Federal Contract Compliance Policy Act, administered under the authority of a 1965 Executive Order (11246) and subsequent legislation.	On Task Force list of existing regulations to be reviewed.	NA	NA	These regulations need to be examined to determine if they exceed legal requirements.

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT COST (ONE-TIME)	ANNUAL (RECURRING) COST (millions of dollars)	COMMENTS
Carcinogen Policy (OSHA). The Cancer Policy explains how OSHA will regulate carcinogens in the future. It establishes in the future, the criteria by which OSHA will conclude that a substance causes cancer; (2) a system for establishing priorities; (3) rulemaking procedures, including limitations on the issues which can be raised; and (4) certain substantive requirements which must be incorporated into future regulations of Category I carcinogens. (45 FR 5002)	On Task Force list of existing regulations to be reviewed.	NA	NA	OSHA is undertaking a full-scale review of its general policy to require engineering changes to reduce or eliminate health hazards instead of allowing the use of personal protective devices. This is a generic issue which is being substantively examined in specified situations, such as Cotton Dust, in conjunction with an examination of the appropriateness of weighing both costs and benefits of safety and health standards.
Personal Protective Devices. OSHA has not published a comprehensive policy on personal protective devices. In most instances OSHA has required engineering controls instead of personal protective devices although personal protective devices might be more cost effective and ultimately more beneficial to workers and society.	On Task Force list of existing regulations to be reviewed.	NA	NA	OSHA is undertaking a full-scale review of its general policy to require engineering changes to reduce or eliminate health hazards instead of allowing the use of personal protective devices. This is a generic issue which is being substantively examined in specified situations, such as Cotton Dust, in conjunction with an examination of the appropriateness of weighing both costs and benefits of safety and health standards.

RULE	STATUS	ANNUAL INVESTMENT COST (RECURRING) (ONE-TIME) (millions of dollars)	COMMENTS
Cost sharing on University Research Circular 73-3 provides guidelines to Federal agencies requiring universities to share in the cost of research projects, whether or not cost sharing is required by law.	On Task Force list of existing regulations	NA	
		NA	

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT COST (RECURRING) (ONE-TIME) (millions of dollars)	COMMENTS
Urban/Community Impact Analysis This (MB circular (A-116) requires agencies to conduct analyses to identify the likely effects of proposed major programs and policy initiatives on cities, counties and other communities.	On Task Force list of existing regulations to be reviewed.	NA	
University Research Circular 73-7 establishes certain requirements for administration of college and university research programs. These include restrictions on how research projects are managed, and limitations on certain kinds of costs. They also call for numerous approvals by the Federal Government.	On Task Force list of existing regulations to be reviewed.	NA	
		NA	

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL (RECURRING) COST (millions of dollars)	COMMENTS
Carpool and Vanpool Projects (FHWA)	On Task Force list of rules designated for withdrawal. Notice published in the Federal Register.	NA	NA	Withdrawn to review policy of Federal government investing in private mass transit projects (carpools and vanpools). Economic impacts of reduced gas tax revenue would be offset by increased savings in highway maintenance.
Bus Rehabilitation Program Policy and Procedures (UMTA)	On Task Force list of rules designated for withdrawal. Withdrawn circular in the Federal Register.	NA	NA	Withdrawn to develop more flexibility to transit system operators through an UMTA circular in the Federal Register rather than through a Federal regulation.
Emergency Stockpiling of Buses (UMTA)	On Task Force list of rules designated for withdrawal. Withdrawn circular in the Federal Register.	NA	NA	Withdrawn to develop more flexibility for UMTA grantees.

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL (RECURRING) COST (millions of dollars)	COMMENTS
FHWA/Urban Transportation Planning (FHWA/UMTA)	On Task Force list of rules designated for withdrawal. DOT withdrawn and reassigned an amended regulation to reduce red tape, attempt to reduce existing joint FHWA/UMTA regulations.	NA	NA	Requirements for conducting analysis of major urban transportation in-vestments were withdrawn. Provisions to reduce red tape, provide streamlining, and update existing joint FHWA/UMTA regulations to reflect revisions in the changes were reconsidered.
Addition of Water to Pipelines (RSPFA)	On Task Force list of rules designated for withdrawal. Postponed for 60 days for review.	NA	NA	Further postponed to permit additional analysis of costs and benefits.
Transporting Anhydrous Ammonia (RSPFA)	On Task Force list of rules designated for withdrawal. Postponed for 60 days for review.	NA	NA	Establishes a water standard for pipelines transporting anhydrous ammonia. (46 FR 39)
Traffic Control Devices (FHWA)	On Task Force list of rules designated for withdrawal. Notice of withdrawal published in the Federal Register.	NA	NA	Withdraw to reevaluate the program. FHWA could provide more flexibility to the States in implementing uniform traffic control device standards. (46 FR 2039)

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) COST (ONE-TIME)	COMMENTS
Puget Sound Vessel Traffic Service Rule (USCG)	Existing regulation is being reviewed.	NA	Tests are being conducted by the Coast Guard in the area to determine the risks of tanker spillage.
Navigation Safety Regulations (USCG)	Existing regulation is being reviewed.	0.05	
<p>These regulations implement regulations requiring that commercial tank vessels carry dual radar systems and redundant steering systems. (33 CFR 164)</p>			
<p>This interim rule prohibits oil tankers weighing more than 125,000 dead weight tons (DWT) from entering Puget Sound. The purpose of the regulation was to protect against environmental harm from oil or polluting material spills that result from vessel damage, destruction and loss. (33 CFR 161)</p>			

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) COST (ONE-TIME)	COMMENTS
Minority Business Enterprise (MBE) Financial Assistance Program (OST)	Existing regulation being reviewed.	NA	
<p>This rule requires DOT financial assistance recipients to establish affirmative action plans to increase the use of minority and women owned businesses. (49 CFR 23)</p>			
<p>Nonclassification on the Basis of Handicap</p>			
	On Task Force list of existing regulations to be reviewed.	139	2,600
<p>This requires all DOT-assisted handicapped persons. (49 CFR 27)</p>			
<p>Vessel Reporting Requirements (USCG)</p>			
	Existing regulation is being reviewed.	NA	
<p>These regulations require vessel owners to report their locations, arrivals and departures when carrying certain hazardous cargoes. (33 CFR 161)</p>			
<p>and DOT would be needed. Joint review and action by DOT to change its regulation. Justice (DOJ). In order for guidance now under the jurisdiction of the Department of Justice (DOJ). In order for mass transit provisions are required by administrative guidelines now under the jurisdiction of the Department of Justice (DOJ). In order for DOT to change its regulation.</p>			

TABLE 2 continued

RULE	STATUS	COST (millions of dollars)			COMMENTS
		ANNUAL (RECURRING) INVESTMENT	(ONE-TIME) COST	(ONE-TIME) COST	
Documentation and Measurement of Vessels (USCG)	Existing regulation is being reviewed.	NA	NA	NA	These regulations implement several old vessel documentation laws. Those laws stipulate that commercial vessel owners must obtain documentation on their vessels from the Coast Guard. (46 CFR Subchapter G)
Pollution Prevention Regulations (USCG)	Existing regulation is being reviewed.	5,000-6,000	NA	NA	The regulations require segregated ballast tanks, clean ballast tanks, and crude oil washing systems in various combinations for oil tankers. The purpose of the regulations is to prevent pollution. PLSA also requires a regulation to be promulgated by January 1, 1986, that would require retrofitting of United States flag vessels of between 20-40,000 tons that are 15 years old or older with these pollution prevention systems. (33 CFR 157)

The implementing regulations are considered burdensome because they contain extremely heavy paperwork requirements. Until now, the annual public cost of documentation has been 750,000 person hours of paperwork. However, the Yoth Commission enacted legislation (P.L. 96-594) that will allow the Coast Guard to prescribe simplified documentation procedures that would eliminate a large portion of the paperwork requirements. This law will be effective on July 1, 1987.

TABLE 2 continued

RULE	STATUS	COST (millions of dollars)			COMMENTS
		ANNUAL (RECURRING) INVESTMENT	(ONE-TIME) COST	(ONE-TIME) COST	
Marine Sanitation Devices on Vessels (USCG)	Existing regulation is being reviewed.	100	1,000	NA	These regulations govern the design and construction of marine sanitation devices in accordance with the regulations and performance standards promulgated by the Environmental Protection Agency (EPA) under section 312 of the Federal Water Pollution Control Act. They also contain the procedures by which Coast Guard enforces its own and EPA standards pertaining to these devices. The purpose of the regulations is to eliminate the discharge of untreated sewage from vessels into the waters of the United States. (33 CFR 159)

Any revision of the regulation will require coordination with EPA.

TABLE 2 continued

RULE	STATUS	COMMENTS		
		ANNUAL INVESTMENT	COST (ONE-TIME)	COST (RECURRING)
Repair Station Rules (14 CFR Part 145)	Existing regulation is NA	NA	NA	NA
Notoaircraft Certification and Operating Rules	Existing regulation is NA	NA	NA	NA
General Operating and Flight Rules	Existing regulation is NA	NA	NA	NA
Pilot Certification, Ground Instructor, and Pilot School Rules	Existing regulation is NA	NA	NA	NA

Requirements are specified for instructors, (14 CFR Parts 61 and 141) (FAA)

These rules impose equipment and operational requirements (14 CFR Part 91). (FAA)

These rules deal with the operating characteristics of aircraft. (14 CFR Parts 27, 29, 91 and 121).

TABLE 2 continued

RULE	STATUS	COMMENTS		
		ANNUAL INVESTMENT	COST (ONE-TIME)	COST (RECURRING)
Production and Quality Control System Rules (FAA)	Existing regulation is NA	NA	NA	NA
Deregulation of Sport Aviation (FAA)	Existing regulation is NA	NA	NA	NA
Normal, Utility, and Acrobatic Category Airworthiness Rules (FAA)	Existing regulation is NA	NA	NA	NA

The rules apply the same certification standards over a broad spectrum of airplanes, from the most rudimentary to very sophisticated and complex multi-engine airplanes. (14 CFR Part 23)

Requires that sports aircraft meet the same airworthiness standards factory built aircraft and be maintained to the same standards. (14 CFR Parts 21 and 91)

Under these rules holders of production certificates must adhere to stringent quality control standards, including establishing a quality control organization and, sometimes, testing each item produced. (14 CFR 21)

Operation and construction of sport aircraft under the present rules is costly and controversial.

TABLE 2 continued

The present rules prescribe a series of operational air brake inspections and tests as well as a series of single car inspection, testing and repair requirements that are performed in shops on repair tracks. (49 FR 232)

RULE	STATUS	ANNUAL INVESTMENT (RECURRING) (ONE-TIME) COST (millions of dollars)	COMMENTS
Power Brake Rules (FRA)	Existing regulation is 100	NA	Existing regulation is 100 to be reviewed.
Buy America Regulations (UMTA)	Existing regulation is NA	NA	This regulation implements the requirements of the Surface Transportation Assistance Act of 1978 that requires that preference be given to items produced in the United States in UMTA funded projects. (49 CFR 600)
Commercial Vehicle Inspection, Repair, and Maintenance (FHWA)	Existing regulation is NA	NA	This regulation requires regular inspections of commercial vehicles for mechanical and other defects and calls for the preparation of various reports.
Hours of Service (FHWA)	Existing regulation is NA	NA	This regulation limits the number of hours interstate truck and bus drivers can drive and be on duty in a given day or week. (49 CFR 359)
Air Carrier Certification Operating and Maintenance	Existing regulation is NA	NA	These rules impose requirements on flight crewmember flight and duty time, flight dispatch and flight control systems, and maintenance reporting requirements.
Air Quality Guidelines/Environmental Impact Procedures	Existing regulation is NA	NA	These rules set forth procedures that implement, respectively, a DOT-EPA interagency agreement pursuant to the Clean Air Act amendments of 1977 and the 1978 (CERCLA) regulations. (23 CFR 770, 771).

TABLE 2 continued

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL (RECURRING) COST	COMMENTS
Line Markers for Mains and Transmission Lines (RSPA)	Existing regulation is being reviewed.	NA	NA	These regulations require markers to be placed at each crossing of a navigable waterway by a pipe-line. (49 CFR 192.707(a))
Repair and Removal of Defects (RSPA)	Existing regulation is being reviewed.	NA	70	These rules, which specify what repairs are permitted on defective pipe welds, may be more restrictive than required for safety. (49 CFR 192.245 and 195.232)
Data Collection and Reporting Welds and Leaks (RSPA)	Existing regulation is being reviewed.	NA	6	Recordkeeping for the safety enforcement program.
Regulation of Paint (RSPA)	Existing regulation is being reviewed.	NA	1	These regulations are applicable to small quantity paint containers. (49 CFR 173.128)

Changing the rules to allow some repairs of defective welds rather than total removal, could save industry about 70 million per year.

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL (RECURRING) COST	COMMENTS
Regulations on Hours of Service of Railroad Employees (FRA)	Existing regulation is being reviewed.	NA	NA	The Hours of Service Act prescribes the maximum hours that certain railroad employees, such as train crew members, train dispatchers, tower operators and signal maintainers, may remain on duty within any 24-hour period. The Act sets out employee working conditions and defines "time on duty" and "designated terminals." (49 CFR 228)
Movement of Defective Cars (FRA)	Existing regulation is being reviewed.	NA	25	(3) Imposes unduly severe statutory restrictions on the movement of individual cars with defective safety appliances (e.g., handholds, ladders, sill steps, uncoupling levers) and defective brakes.

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL COST (RECURRING)	COST (millions of dollars)	COMMENTS
Guidelines for the Development of Environmental Action Plans	Existing regulation is being reviewed.	NA	NA	NA	
Urban Initiatives Program (UMTA)	On Task Force list of rules designated for postponement.	NA	NA	NA	Withdrawn as unnecessary since grant competition is scheduled to end.
Cost Sharing on University Research	On Task Force list of existing regulations to be reviewed.	NA	NA	NA	

TABLE 2 continued

RULE	STATUS	ANNUAL INVESTMENT (ONE-TIME)	ANNUAL COST (RECURRING)	COST (millions of dollars)	COMMENTS
Civil Rights Requirements (FHWA)	Existing Regulation is being reviewed.	NA	NA	NA	
Design Standards for Highways (FHWA)	Existing regulation is being reviewed.	NA	NA	NA	Some states have complained that these standards are too rigid, and would prefer to set their own design standards. FHWA has proposed to take an approach of this kind for standards for the renovation, restoration and reconstruction of highways other than freeways. The review is needed to establish whether a more flexible approach is appropriate for new construction as well.

TABLE 2 continued

This regulation requires FHWA recipients to write "action plans" describing how they will take environmental impacts into account and meet the other administrative requirements in the environmental area. (23 CFR 795)

This regulation concerns funding for mass transportation projects to enhance urban development. (46 FR 5820)

Circular 73-3 provides guidelines to Federal agencies requiring universities to share in the cost of research projects, whether or not cost sharing is required by law.