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THE PRESIDENT HAS SEEN

2/21/95

FINAL / REVISED draft

PRESIDENT WILLIAM J. CLINTON

REMARKS ON REGULATION AND

REINVENTION

THE WHITE HOUSE

February 21, 1995

Let me begin by thanking the Vice-President for his leadership on this issue. I have asked him to personally read every one of the 150,000 pages of the Code of Federal Regulations. Tipper tells me that he's actually enjoying it.

I would also like to thank the men and women of our administration, some of whom you just met, who are working hard to change the way our government does business.

I am determined to see reform of our regulatory system, so that it costs less, meddles less, and puts more responsibility in the hands of the people themselves. Today, I will take several specific additional steps to reform regulation, and charge our regulators with responsibility to carry them out.

But while we reform regulation, we must remember why we have these standards.

We must not strip away safeguards for our children, our workers, our families. There are proposals pending in the Congress that go beyond reform, that would freeze or gut our ability to protect the public.

We want to work with Congress to reduce the burden of regulation and protect the public. We can do both. Some want to keep the status quo, with all its flaws -- *action of reg in DC then* ~~Democrats and Republicans~~

~~Dem + GOP alike~~

~~have a stake in the status quo.~~ That is

unacceptable. ^{But} Others want to want to tear down

all government. That, too, is unacceptable.

Reform → ~~to~~ Renewal

Therefore, our reinventing government initiative is central to the New Covenant -- more opportunity in return for more responsibility, and a renewed sense of citizenship and community.

As we move to the 21st Century, government's responsibility is to expand opportunity while shrinking bureaucracy, to empower people to make the most of their own lives, to enhance security.

We need to get rid of yesterday's government so that we can meet the demands of these new times. Results, not rules. Leaner government, not meaner government.

A government as effective as the best private companies -- giving the taxpayers their money's worth, neither choking citizens on red tape nor walking away from their real needs.

For years, others talked of change. We are working to do it.

We cut over a quarter of a trillion dollars in spending, more than 300 domestic programs, more than 100,000 positions from the federal bureaucracy in the last two years alone. Based on decisions already made, by the end of this decade we will have cut more than a quarter of a million positions from the federal government, making it the smallest it has been since John Kennedy was president.

Under the leadership of Vice President Gore, our reinventing government initiatives have already saved taxpayers \$63 billion. We've streamlined the Agriculture Department by reducing it by more than 1,200 offices. We've thrown away the government's 10,000-page personnel manual.

We have made real progress. We made the agency that protects pensions safe and sound. We reformed government procurement.

We turned FEMA from a disaster itself into a shining example.

We broke gridlock with the Congress with the Family Leave law, Motor Voter, the Brady Bill, the Crime Bill.

But a stubborn problem -- one that requires even more work -- is regulation.

We all want the benefits of regulation -- clean water, clean air, safe food, toys that our children can play with. But let's face it. The regulatory system -- like the rest of government -- badly needs repair. In a sense, it was designed for a time when giant industrial firms dotted the landscape, built on mistrust, not partnership.

The result: Too often, rule writers in Washington set forth detailed lists of dos and don'ts -- not always the most productive way to solve a problem -- instead of setting clear goals and challenging the private sector to come up with ways to meet them.

Too often, business, especially small business, faces a profusion of overlapping, sometimes conflicting rules.

When the government has to pore over a forest-worth of paperwork to protect the environment, something needs to be fixed. When inspectors are promoted by how many citations they write, rather than the results they achieve, something needs to be fixed.

I am committed to moving beyond the day when Washington was the National Nanny, telling businesses, consumers and workers what to do.

And we have already begun to take specific, concrete steps to change the way government regulates.

You have heard from the Vice President about how the Comptroller of the Currency has made life simpler for the banks, and how the Department of Commerce is radically improving the environment for exporters.

We repealed the obsolete law that blocked
banks from branching across state lines. We've
eliminated the restrictions on intrastate trucking.
We junked the rules that blocked exporters from
selling some of our best high tech products to
new markets overseas. These reforms had been
talked about for years - we did them.
~~talked about for years - we did them~~

EPA's "Common Sense" initiative, and our proposed overhauls of the Superfund and Safe Drinking Water laws, would increase flexibility and improve results. These were supported by industry and environmentalists alike.

We've slashed the small business loan form from an inch thick to a single page.

We haven't had to wait for legislation to streamline regulation. We ordered our regulators to use market mechanisms whenever possible, and to open up regulation to public scrutiny.

HHS has cut in half its block grant application for its maternal and child health program.

EPA is exploring using enforceable contracts instead of regulation to eliminate potential risk.

And the FAA is reviewing all of its rules to identify those that are out of sync with state of the art technology or industry practices.

And there's nothing more maddening to a business than being told one thing on a Monday by one government agency, and another thing on a Tuesday by another agency.

- Could private business police themselves

and do the job just as well?

2121

Regulation +

Reinvention
event

- Could the states or local governments do

the job, making federal regulation

unnecessary?

The results of these reviews must be in my
office by June 1st -- along with any legislative

recommendations that would reduce the

regulatory burden on the American people.

Second, I am instructing every one of you to
change the way we measure the performance of
both your agencies and the front-line regulators
-- so we value results, not process and
punishment. Safety inspectors should be judged
by how many companies on their watch comply,
not by how many citations they write.

Third, I am instructing you to convene
immediately groups consisting of front-line
regulators and the people affected by their
regulations. Not lawyers talking to lawyers here
in Washington. I want this conversation to take
place around the country -- at our cleanup sites,
our factories, our ports. Only then can we
achieve the partnerships that are crucial to a
vibrant but safe economy.

Fourth, I want to move from a process where lawyers write volumes to one where people create partnerships. I am asking each regulatory agency head to submit to the White House a list of pending proceedings that can be converted into consensual negotiations.

Finally, the Vice-President has been conducting a serious review of regulation in the areas of greatest concern.

In the coming months he will be presenting
to me a series of regulatory reform proposals on
the environment, on health, on food, on financial
institutions and on worker safety. ^(when appropriate,) And I will
present them to the Congress.

That's what we're going to do. But let me
make clear what we're not going to do.

We must recognize that ~~the fundamental~~
~~purpose of the regulatory system is sound.~~ Done
right, regulation gives our children safer toys and
food . . . protects workers from injury . . . protects
families from pollution.

The American economy is the envy of the
world, in part because of the public health
protections put in place over the last thirty years.

Toxic emissions by factories have dropped by
more than 1/2,
~~90%~~ and lead levels in our children's blood by

70%, in three decades. Lake Erie, once declared
dead, is now teeming with fish. 112,000 people
survived car crashes because of auto safety rules.

Workplace deaths are down by half since OSHA
was created. Our food is safer -- and we know its
true nutritional content -- because the
government stood up for the public interest.

These protections are still needed. The American people don't think there's too little consumer fraud. They don't think that toys are too safe. And the last time I checked, the environment won't protect itself.

Some would use the need for reform as an excuse to gut vital consumer, worker and environmental protections. They don't want reform; they want rigor mortis.

The Republicans in Congress are pushing a collection of proposals that taken together will bring federal protection of public health and safety grinding to a halt.

Later this week, the House will vote on an across-the-board freeze on all federal regulations.

This stops in its tracks federal action to protect the environment, to protect consumers, to protect workers.

It stops the government from allocating
rights to commercial fisherman and from
authorizing burials at Arlington National
Cemetery. It will stop good regulations, bad
regulations, all regulations. It will even cancel
the duck hunting season!

New protections from deadly bacteria in our drinking water. Safer meat and poultry. Safer cars. Final implementation of the law that lets parents take leave to care for a sick child. If a moratorium takes effect, all these benefits to our people will be on hold for the foreseeable future.

A moratorium is simply unacceptable. We can agree with the Republicans on many things. But here is where we differ: A regulatory moratorium would hurt the middle class, and benefit only those powerful interests who don't want to provide safer products or cleaner water. And I won't let it happen.

Let me be clear: While a moratorium is unacceptable, I am committed to working with the Congress to reform regulation.

~~And I believe there is still a chance that we~~
~~can~~ will achieve real, balanced reform. But ~~there can~~
~~be no doubt that~~ some of the proposals now being
considered by the Congress go too far.

For example, we all want agencies to
carefully compare the costs and benefits of
regulations, so that we don't impose any
unnecessary burdens on business.

But the Contract With America would pile so many new requirements on government that nothing would ever get done. It would override every single health and safety law on the books. It would distort the process by giving industry-paid scientists undue influence over the rules that govern their employers. And in the name of "private property," it would bust the budget by requiring the government to pay polluters every time an environmental law puts a crimp in their profits.

These are extreme proposals. They would cost lives and dollars. A small army of special interest lobbyists knows that they could never get away with an outright repeal of consumer or environmental protections -- but why bother when the government can be paralyzed by process. We cannot strip away these safeguards for working families.

Here in our audience today are the real
people on whose behalf we act -- a father whose
son died from E-coli bacteria in food that might
have been discovered if our proposed rule were in
effect ... people whose lives were saved by airbags
... let's not forget these people as we cut red tape
and bureaucracy.

*Great cancer survivor
Swim beef*

At every stage of our history, government has changed to meet the changing times. So let us resolve to truly reform the way we do business. Take to heart what I have said today: we want a government that costs less, is more flexible, produces better results, not more rules. If we do this right, we will be promoting prosperity and public health and safety. And that will safeguard the American dream.

WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/20 ACTION/CONCURRENCE/COMMENT DUE BY: _____SUBJECT: REGO REMARKS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	QUINN	☐	☐
PANETTA	☐	☐	RASCO	☐	☐
McLARTY	☐	☐	RUBIN	☐	☐
ICKES	☐	☐	SEGAL	☐	☐
BOWLES	☐	☐	STEPHANOPOULOS	☐	☐
RIVLIN	☐	☐	TYSON	☒	☐
EMANUEL	☐	☐	WEBSTER	☐	☐
GEARAN	☐	☐	WILLIAMS	☐	☐
GIBBONS	☐	☐	<u>Foley</u>	☒	☐
GRIFFIN	☒	☐	<u>McGINTY</u>	☒	☐
HALE	☐	☐	<u>KATZEN</u>	☒	☐
HERMAN	☐	☐	<u>KAMARCK</u>	☒	☐
LAKE	☐	☐	<u>BAER</u>	☒	☐
LINDSEY	☐	☐	<u>MURGUIN</u>	☒	☐
MIKVA	☐	☐	<u>THORNTON</u>	☒	☐
McCURRY	☐	☐	_____	☐	☐
McGINTY	☐	☐	_____	☐	☐

REMARKS: Comments To Michael Waldman
9:00 AM TUESDAY

RESPONSE: _____

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
Ext. 2702

THE WHITE HOUSE
WASHINGTON

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Comments:
