
October 1997

REGULATORY REFORM

Agencies' Efforts to Eliminate and Revise Rules Yield Mixed Results



General Government Division

B-276797

October 2, 1997

The Honorable Fred Thompson
Chairman, Committee on Governmental Affairs
United States Senate

Dear Mr. Chairman:

The federal regulatory system has long been the subject of controversy, with both the legislative and executive branches making numerous attempts to reform regulatory processes during the past 20 years. In June 1995, President Clinton said that, as part of his administration's regulatory reform initiative, federal agencies would eliminate 16,000 pages of regulations from the 140,000-page Code of Federal Regulations (CFR), and that another 31,000 pages would be revised.¹ Since that time, agencies have periodically reported to the Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA) on their progress in eliminating and revising rules. OIRA, in turn, has reported on this progress to the President and to the public.²

Last year we testified that, as of June 30, 1996, federal agencies said they had eliminated 11,569 pages of the CFR and revised another 13,216 pages.³ However, we concluded that most of the agencies' CFR page elimination efforts did not appear to reduce regulatory burden. As for the effort to revise the regulations, we said we could not determine whether burden was likely to be reduced as a result of most of the revisions. At the same hearing, the Administrator of OIRA testified that she had not expected that the page elimination effort would reduce burden. However, she said that "the real savings, the reduction of burden," would come from the CFR pages that were being revised.

This report responds to your request that we update and expand our previous review of the CFR page elimination and revision initiative. Our objectives were to determine whether (1) agencies' reported page elimination totals took into account any pages added to the CFR during the same period, (2) agencies' CFR revision efforts would reduce regulatory burden, and (3) the administration has any mechanism in place for

¹The CFR is a compilation of the current general and permanent regulations of federal agencies.

²More Benefits Fewer Burdens: Creating A Regulatory System that Works for the American People, Office of Management and Budget and the Office of Information and Regulatory Affairs (Washington, D.C.: Dec. 1996).

³Regulatory Reform: Implementation of the Regulatory Review Executive Order (GAO/T-GGD-96-185, Sept. 25, 1996).

measuring burden reductions as a result of its CFR page elimination and revision initiatives. As you requested, we limited the scope of our work on the first two objectives to four agencies: the Departments of Housing and Urban Development (HUD) and Transportation (DOT), the Department of Labor's Occupational Safety and Health Administration (OSHA), and the Environmental Protection Agency (EPA).

Results in Brief

Officials in each of the four agencies we reviewed said that the page elimination totals that their agencies reported to OIRA did not take into account the pages that their agencies had added to the CFR while the eliminations were taking place. EPA and DOT estimated that they added more pages to the CFR than they removed during their page elimination initiatives. HUD and OSHA, on the other hand, estimated that they deleted more pages than they added. Overall, when estimated page additions were counted, the 4 agencies' CFR sections decreased in size by about 926 pages—about 3 percent of the CFR pages at the start of the initiative, or about 17 percent of the amount reported to OIRA. The agencies pointed out that pages are often added to the CFR because of statutory requirements or to clarify requirements placed on regulated entities and that pages are sometimes not eliminated at the request of those entities.

Our review indicated that about 40 percent of the 422 CFR revision actions in the 4 agencies would substantively reduce the burden felt by regulated entities as a result of such actions as eliminating paperwork requirements and providing compliance flexibility. Another 15 percent of the actions appeared to be minor burden reductions in that they seemed to make the regulations easier to find or to understand but would not change the underlying regulatory requirements or scope of applicability. We concluded that about 27 percent of the CFR revision actions would have no effect on the burden felt by regulated entities and that about 8 percent could increase regulatory burden. We could not determine what effect about 9 percent of the CFR revision actions would have on the regulated entities, either because the actions had multiple parts that potentially could offset each other or because the information available was unclear.

OIRA officials said that the administration has no mechanisms in place for measuring burden reductions as a result of the CFR page elimination and revision effort. However, they believe that the initiative is having a beneficial effect and also pointed out that the CFR page elimination and revision efforts are only part of a larger set of actions the administration is taking to reform the nation's regulatory system.

Background

Executive Order 12866, issued on September 30, 1993, is administered by OIRA and is intended to enhance regulatory planning and coordination with respect to both new and existing regulations. Section 5 of the executive order required agencies to submit to OIRA by December 31, 1993, a program for periodically reviewing their existing significant regulations to determine whether any should be modified or eliminated. According to the executive order, the purpose of the review was to make the agencies' regulatory programs more effective, less burdensome, or better aligned with the President's priorities and the principles specified in the order.

There have been several previous requirements that federal agencies review their existing regulations. For example, in 1979, President Carter issued Executive Order 12044, which required agencies to review their existing rules "periodically." The Regulatory Flexibility Act of 1980 required agencies to publish in the Federal Register a plan for the periodic review of rules that "have or will have a significant economic impact upon a substantial number of small entities."⁴ In 1992, President Bush sent a memorandum to all federal departments and agencies calling for a 90-day moratorium on new proposed or final rules during which agencies were "to evaluate existing regulations and programs and to identify and accelerate action on initiatives that will eliminate any unnecessary regulatory burden or otherwise promote economic growth."⁵

In an October 1993 memorandum to the heads of federal departments and agencies, the Administrator of OIRA noted these previous efforts but said that some of them had been "so broad in scope that necessary analytic focus has been diffused, or needed followup has not occurred." In its report on the first year's implementation of Executive Order 12866, OIRA further clarified the intent of the Clinton administration's rule review initiative:

"It is important to emphasize what the lookback effort is and is not. It is not directed at a simple elimination or expunging of specific regulations from the Code of Federal Regulations. Nor does it envision tinkering with regulatory provisions to consolidate or update provisions. Most of this type of change has already been accomplished, and the additional dividends are unlikely to be significant. Rather, the lookback provided for in the Executive Order speaks to a fundamental reengineering of entire regulatory systems. . . ."

⁴In Regulatory Flexibility Act: Status of Agencies' Compliance (GAO/GGD-94-105, Apr. 27, 1994), we reported, among other things, on the results of a study by the Small Business Administration that indicated many agencies had not planned for or conducted a review of their rules.

⁵This moratorium was ultimately extended for a full year.

On March 4, 1995, President Clinton sent a memorandum to the heads of departments and agencies describing plans for changing the federal regulatory system because “not all agencies have taken the steps necessary to implement regulatory reform.” Among other things, the President directed each agency to conduct a page-by-page review of all its regulations in force and eliminate or revise those that were outdated or in need of reform. In June 1995, 28 agencies provided reports to the President describing the status of their regulatory reform efforts, often noting the number of pages of federal regulations that would be eliminated or revised. On June 12, 1995, the President announced that the page-by-page review effort had resulted in commitments to eliminate 16,000 pages from the 140,000-page CFR and modify another 31,000 pages either through administrative or legislative means.

In a December 1996 report to the President, the OMB Director and the OIRA Administrator said that agencies had made “significant progress toward fulfilling these commitments” but recognized that more work remained to be done.⁶ They said that despite the addition of new regulations while regulations were being eliminated, the CFR was about 5,000 pages smaller at the end of the first three quarters of 1996 than it had been a year earlier. The report went on to say that agencies had revised or proposed to revise nearly 20,000 pages of the CFR.

Scope and Methodology

A detailed explanation of our scope and methodology is in appendix I. To address our first objective of determining whether agencies’ page elimination totals accounted for pages added, we obtained CFR page elimination and revision totals as of April 30, 1997, from OIRA and interviewed agency officials at HUD, DOT, OSHA, and EPA. The officials said that the elimination totals did not include pages added while the eliminations occurred.⁷ They also said that their agencies had not been required to count the number of pages added during this period and that it would be extremely difficult for them to identify and provide an accurate count of those additions as part of this review because some of the regulatory actions had taken place early in the initiative.

⁶More Benefits Fewer Burdens, December 1996.

⁷The dates the agencies used to track page eliminations varied. DOT started tracking page eliminations from the beginning of the Clinton administration in January 1993. HUD began tracking its eliminations from March 1994. OSHA and EPA began tracking their eliminations from the date of the administration’s March 1995 call to eliminate and revise pages in the CFR.

As discussed with your office, in order to gauge the effect of CFR page additions without imposing a major burden on the agencies, we asked the agencies to count the number of pages added for those actions that they believed had increased their sections of the CFR by five or more pages and that occurred during the same periods that they said they had eliminated CFR pages. Three of the four agencies also compared editions of their sections of the CFR near the beginning and end of their page elimination initiatives to determine net page changes and page additions. Using both these estimated page additions and reported eliminations, we calculated the net increase or decrease in each agency's CFR page totals. (See appendix I for more detail on how the agencies estimated the number of CFR pages added.)

To address our second objective of determining whether agencies' CFR revision actions would reduce regulatory burden, we reviewed descriptions of all 422 such actions in the 4 agencies that appeared in at least 1 edition of the Unified Agenda of Federal Regulatory and Deregulatory Actions between October 1995 and April 1997.⁸ We initially reviewed descriptive abstracts for these actions that were included in the Unified Agenda.⁹ However, many of the abstracts did not clearly indicate what actions were being proposed. In those cases, we attempted to obtain additional information about the actions from any related proposed or final rules printed in the Federal Register. If more information was still needed, we contacted agency officials.

We used all of the information available to assess what effect the initiatives were likely to have on regulated entities (e.g., individuals, private companies, state or local governments, or federal agencies other than the issuing agency). We coded each action into one of the following five categories: (1) substantive burden reduction (e.g., eliminating paperwork and other requirements, giving regulated entities more flexibility in how they can comply with or implement the rule, or lowering compliance costs); (2) minor burden reduction (e.g., clarifying the language in the CFR to make it easier to read or understand or combining

⁸This document, which is issued twice a year since 1983 by the Regulatory Information Service Center, is a compendium of each executive and independent agency's regulatory activities that are being developed, planned for the future, or completed. It provides such information as the status of the regulation, a timetable for further action, any statutory or judicial deadlines, and the name and telephone number of an agency contact. We used the October 1995 Unified Agenda as the starting point of our review because it was the first edition published after the President's June 1995 announcement of page revisions.

⁹Thirty-one of these entries had no abstract describing the initiative in the Unified Agenda, so we obtained abstracts or proposed or final rule preambles directly from the agencies for each of these actions.

existing sections of the CFR to make the requirements easier to find); (3) burden increase (e.g., adding reporting requirements, requiring additional training or testing procedures, or expanding the scope of a regulation to new entities); (4) no burden change (e.g., eliminating obsolete or duplicative regulations, establishing a committee to study an issue, or changing requirements that will primarily affect the agency promulgating the regulation); or (5) cannot tell (e.g., actions that had multiple parts that could potentially offset each other or were unclear as to their effect on the regulated entities). Each of the 422 actions was reviewed by several different members of our staff, including those with extensive subject matter expertise, to help ensure validity and consistency of judgment in assessing the impact of the actions on regulatory entities. Agency officials were given an opportunity to review and comment on our assessment of all the actions during the assignment, and their comments were taken into consideration in making our final determinations about the actions' effect on regulatory burden.

To address our third objective of determining whether the administration had any mechanisms in place to measure burden reductions as a result of the CFR page elimination and revision initiatives, we interviewed officials at OIRA.

We did not verify the agencies' CFR page elimination totals or their page addition estimates.¹⁰ The agencies' estimates of the pages added to the CFR may not include all added pages because, in response to agency concerns about the effort it would take to count all pages, we agreed that the agencies could exclude any action that added less than five pages. Also, although we validated our judgments about the possible effect of the proposed changes by using multiple judges and consulting with knowledgeable members of our staff and agency officials, some of our assessments were based on relatively little information. We did not differentiate between actions in terms of scope of the effort involved (e.g., whether the action would affect many or only a few regulated entities). Finally, we did not render a judgment regarding the wisdom of any of the CFR revision actions, only whether they would affect the burden felt by regulated entities.

We conducted our work at OMB, HUD, DOT, OSHA, and EPA headquarters in Washington, D.C., between February 1997 and September 1997 in accordance with generally accepted government auditing standards. We

¹⁰However, we did analyze EPA's and DOT's page elimination totals as part of last year's testimony on this issue (GAO/T-GGD-96-185, Sept. 25, 1996). We concluded that the agencies' page elimination claims were generally valid.

made a draft of this report available to the Director of OMB, the Secretaries of HUD, Labor, and DOT, and the Administrator of EPA for their review and comment. Their comments are discussed at the end of this letter.

CFR Page Elimination Reports Do Not Reflect Page Additions

Any analysis of the effect of reductions in the number of pages of regulatory text must initially recognize that one sentence of a regulation can impose more burden than 100 pages of regulations that are administrative in nature. Therefore, the number of pages eliminated from the CFR is, at best, an indirect measure of burden reduction. Nevertheless, the number of CFR pages eliminated is one of the measures that the administration is using to gauge its own efforts.

As of April 30, 1997, 15 agencies reported to OMB that they had eliminated 79 percent, or more than 13,000, of the 16,627 pages they had targeted for elimination.¹¹ The 4 agencies that we examined reported that they had eliminated a total of 5,532 (85 percent) of the 6,529 pages they had targeted. However, officials at each of those four agencies told us that these page elimination totals did not include the pages that they had added to their parts of the CFR at the same time that pages were being removed.

As table 1 shows, after taking into account the 4 agencies' estimates of the major CFR page additions that were made during the same period that pages were eliminated, the agencies' CFR sections decreased in size by about 926 pages—about 3 percent of their total CFR pages at the start of their initiatives and about 17 percent of the 5,532-page elimination total that had been reported to OIRA by these agencies. The effect of accounting for pages added to the CFR varied across the four agencies. EPA and DOT estimated they added more pages to the CFR than they removed during their page elimination initiatives. As a result, the size of their CFR sections increased by an estimated 966 and 283 pages, respectively. HUD and OSHA, on the other hand, estimated they deleted more pages than they added during their initiatives, so the size of their CFR sections decreased.

¹¹The 15 agencies were the Departments of Agriculture, Commerce, Education, Energy, Health and Human Services, the Interior, Justice, Labor, State, the Treasury, and Veterans Affairs, HUD, and DOT, as well as EPA and the Small Business Administration.

Table 1: Agencies' CFR Page Totals, Targets, Eliminations, Additions, and Net Change

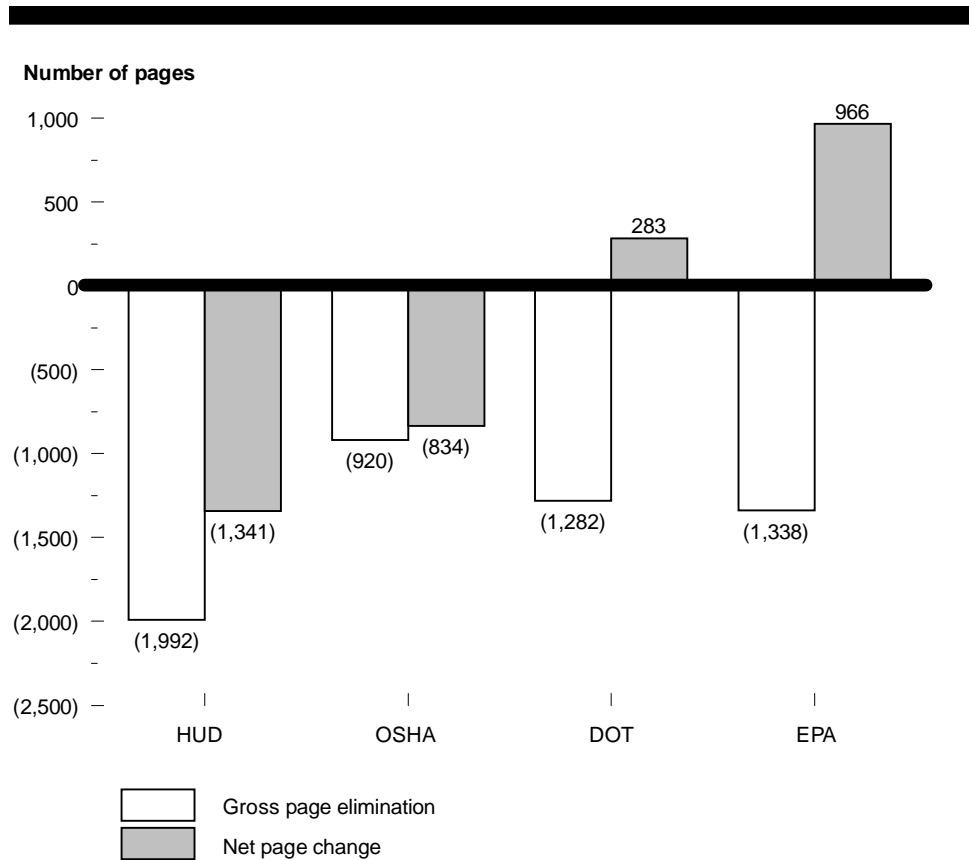
Agency	Total CFR pages at start of agency initiative	Pages targeted for elimination	Pages eliminated/added as of April 30, 1997		Net page change (estimated)
			Gross pages eliminated	Pages added (estimated)	
HUD	4,023	2,802	-1,992	+651	-1,341
DOT	10,663	1,221	-1,282	+1,565	+283
OSHA	3,495	1,049	-920	+86	-834
EPA	14,312	1,457	-1,338	+2,304	+966
Total	32,493	6,529	-5,532	+4,606	-926

Sources: OIRA, HUD, DOT, OSHA, and EPA.

Note: The agencies' page elimination initiatives began at different points in time.

Figure 1 depicts the result of the CFR page elimination effort in each agency both before (gross) and after (net) accounting for estimated CFR page additions.

Figure 1: EPA's and DOT's CFR Pages Increased During Their Page Elimination Initiative



Note 1: Gross page eliminations are the totals reported by the agencies to OMB.

Note 2: Net page changes equal the difference between gross pages eliminated and total estimated pages added to the CFR between the beginning of the agencies' initiatives and April 30, 1997.

Note 3: The agencies began the page elimination initiatives at different points in time.

Sources: OMB, HUD, OSHA, DOT, and EPA.

Agencies Said CFR Pages Are Added or Retained for Many Reasons

Agency officials said there are a number of reasons why pages are added to or kept in the CFR, many of which are beyond the agencies' control or are beneficial to regulated entities. The officials frequently said that statutory requirements imposed by Congress often drive CFR page

additions. For example, an EPA official said that the growth in the number of their CFR pages was primarily driven by statutory requirements to develop new Clean Air Act regulations. A HUD official estimated that the agency added about 18 pages to the CFR in 1996 with the regulations implementing the Community Development Block Grants for Indian Tribes and Alaska Native Villages. According to HUD, the “principal impetus for this rulemaking process was the need to implement various statutory mandates included in Section 105 of the Department of Housing and Urban Development Reform Act (P.L. 101-235) as amended by the National Affordable Housing Act of 1990.” The official also said HUD added more than eight pages to the CFR in 1995 as a result of a rule implementing the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (P.L. 103-421). DOT officials said that all of the CFR page increases in the Federal Highway Administration and the Federal Transit Administration and the bulk of the increases in other parts of DOT were statutorily mandated. For example, they said that the National Highway Traffic Safety Administration (NHTSA) added 68 pages in response to congressional mandates contained in the Intermodal Surface Transportation Efficiency Act and the American Automobile Labeling Act. They said that DOT’s Office of the Secretary added 18 pages of rules to set out procedures for statutorily mandated alcohol testing of “safety-sensitive” employees.

Agency officials also said that pages are sometimes added to the CFR in order to clarify regulatory requirements. For example, DOT officials said that they have added charts and examples to clearly illustrate how regulated entities can comply with their rules. Also, they said that in future regulations, they plan to incorporate question-and-answer formats and checklists to assist regulated entities. Therefore, they said the additional pages actually decrease the burden imposed on those entities.

EPA officials pointed out that pages are often added to the CFR that permit, not restrict, actions by other entities. For example, they said that pages are added to allow farmers to use new pesticides and expand the use of existing pesticides on food crops. Without those regulations, which establish the allowable levels of pesticide residues in food crops, use of the pesticides would be prohibited.

Finally, agency officials said that pages are sometimes not eliminated from the CFR as a result of requests from regulated entities. For example, DOT officials said they had proposed streamlining the procedures regarding marine industry manufacturers’ use of independent laboratories instead of

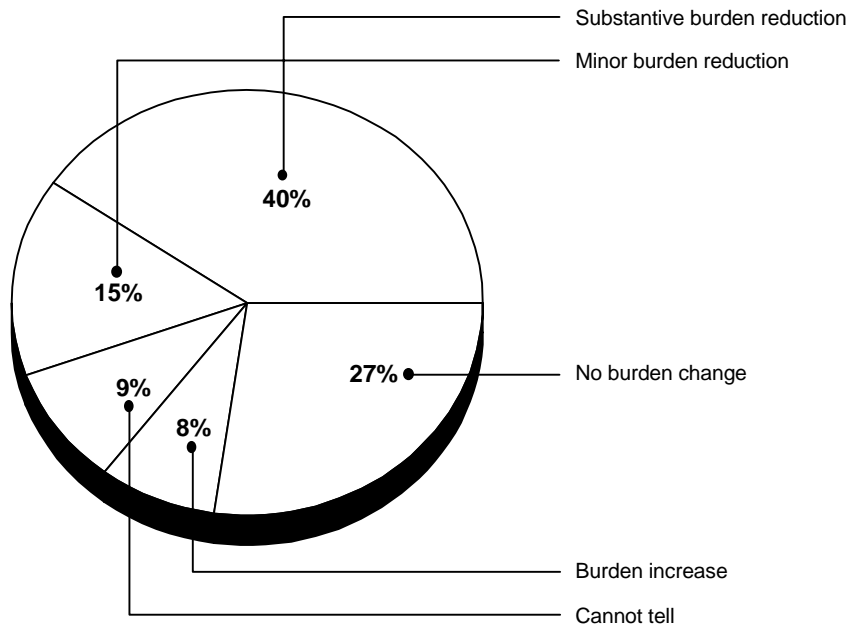
the Coast Guard to inspect lights and fog signal emitters. However, according to the officials, the “project was withdrawn due to substantial issues raised by public comments. . . .”

Overall, DOT officials said that CFR page counts are not always an accurate proxy for regulatory burden. For example, they noted that the size of CFR typeface or the format used periodically changes, each of which can have a big impact on the number of CFR pages. They also said that after a rule is published there is usually a period before it goes into effect in which both the old and the new rules are published. Finally, they said that editorial notes are added by the Office of the Federal Register when publishing the CFR, which increases the number of pages.

Some CFR Revision Efforts Will Not Reduce Regulatory Burden

As figure 2 shows, about 40 percent of the 422 CFR revision actions in the 4 agencies appeared to substantively reduce the burden felt by regulated entities through such actions as eliminating paperwork requirements and providing compliance flexibility. Another 15 percent were minor burden reductions in that they made regulatory requirements easier to find or to understand but did not change the rules’ underlying requirements or scope of applicability. Therefore, taking these two categories together, about 55 percent of the CFR revision actions appeared to reduce the level of regulatory burden to at least some extent. However, about 8 percent of the actions seemed to increase regulatory burden, and another 27 percent did not appear to affect regulated entities’ burden. We were unable to determine what, if any, impact about 9 percent of the actions would have on regulatory burden. (The numbers do not add to 100 percent due to rounding.)

Figure 2: CFR Revision Actions Appear to Have Varying Effect on Regulatory Burden



Note: The numbers do not add to 100 percent due to rounding.

Source: GAO analysis of effect of CFR revision actions on regulatory burden.

As table 2 shows, there were some differences across the agencies in the degree to which their CFR revision actions appeared to affect regulatory burden. For example, our analysis indicated that about 11 percent of the OSHA actions could be substantive reductions in regulatory burden but that more than 50 percent of the EPA actions appeared to be so. Conversely, nearly 37 percent of the DOT actions did not appear to change regulated entities' burden compared with about 11 percent at OSHA.

Table 2: Effect of Revision Actions on Burden Varied by Agency

Agency	Number of actions	Percent of actions that resulted in:				
		Substantive burden reduction	Minor burden reduction	No burden change	Burden increase	Cannot tell
HUD	107	37%	30%	25%	5%	3%
DOT	183	38	7	37	9	9
OSHA	19	11	21	11	16	42
EPA	113	52	14	15	9	10

Note: Some of the numbers do not add to 100 percent due to rounding.

Source: GAO analysis of agencies' CFR revision actions on regulatory burden.

Substantive Burden Reduction Actions Included Less Paperwork and More Flexibility

The 170 CFR revision actions that appeared to substantively reduce regulatory burden took a number of different forms, including reducing paperwork or other requirements, giving the regulated entities flexibility in how to comply with or implement the regulations, lowering compliance costs, and/or allowing the regulated entities to file or transmit reports electronically.¹² About half (90) of these actions appeared to reduce burden by eliminating paperwork and/or other requirements. For example, one EPA action proposed changing the frequency with which states must submit information related to state water quality standards under section 303(d) of the Clean Water Act from every 2 years to every 5 years. Lessening the frequency with which this information must be submitted should reduce the paperwork burden imposed on the states. One HUD action proposed to reorganize six separate grant programs into a single formula-based program, eliminating the need for both annual notices of funding availability and annual submission of applications. Also, by consolidating these programs into one program, HUD expected that the reporting and recordkeeping requirements would be dramatically reduced as grantees would only be required to maintain records on one program. Another HUD action would allow the use of classes of innovative products without having each manufacturer apply for a material release for a specific product. HUD said these changes would save suppliers and manufacturers thousands of dollars in application fees and materials preparation.

About half (86) of the 170 CFR actions appeared to reduce regulated entities' burden by giving them more flexibility in how they comply with or

¹²A single regulatory action could contain more than one of these elements. For example, one action could both eliminate certain recordkeeping requirements and give regulated entities greater flexibility in how they comply with regulatory requirements.

implement the regulations. For example, the Federal Aviation Administration (FAA) proposed revising “the Federal Aviation Regulations to provide for the granting of relief from the literal compliance with certain rules,” provided the applicant justified this relief and FAA concluded that the provisions not complied with had no adverse impact on safety or were compensated for by other factors. FAA also revised its regulations governing portable protective breathing equipment that is required for crew members’ use in combatting in-flight fires, eliminating the requirement that airlines have portable equipment in each compartment and giving the airlines flexibility in the number and placement of this equipment in the aircraft. In another example, EPA said it revised its regulations for municipal solid waste landfills to allow local governments greater flexibility to demonstrate compliance with financial assurance requirements.

Other examples of agencies’ actions that appeared to result in substantive burden reduction for the regulated entities included the following:

- OSHA proposed revising the shipyard employment safety standards regarding safety systems and work practices for entering and exiting the workplace, eliminating many provisions that limit employer innovation. According to the notice of proposed rulemaking, OSHA expected that regulated entities’ costs would decrease if employers could use alternative safety systems and work practices that were not allowed by the existing requirements.
- HUD revised its rules concerning the Board of Contract Appeals to make the Board’s actions less costly and time-consuming to appellants, including allowing appellants to use expedited small claims procedures, raising the threshold for using accelerated procedures in claims from \$10,000 to \$50,000, and advising claimants of the availability of alternative dispute resolution techniques. This action made revisions required by the Federal Acquisition Streamlining Act of 1994, which amended the Contract Disputes Act of 1978.
- DOT proposed allowing airlines to electronically file tariff rules governing the availability of passenger fares and their conditions, which they said would save the airline industry over a million dollars in tariff submissions, printing, and distribution costs.
- EPA said it would propose modifying its pesticide experimental use permit regulations to permit expanded testing without a permit, reducing burden on pesticide producers.

According to agency officials, some of these actions to reduce regulatory burden were statutorily mandated. For example, DOT said two of its actions giving states additional flexibility implements “a statutory requirement that directs the Secretary of Transportation to issue regulations. . . .” HUD said that it revised certain regulations in part “to incorporate the statutory amendments in the Housing and Community Development Act of 1992.”

Minor Burden Reductions Made Rules Easier to Find or to Understand

Our analysis indicated that about 15 percent of the 4 agencies’ CFR revision actions (65 of the 422 actions) would result in minor reductions in regulated entities’ burden. These minor burden reductions included actions that made rules easier to understand (e.g., writing rules with less technical jargon) or easier to find (e.g., consolidating related sections of the CFR into one section) but did not change the regulations’ underlying requirements. CFR revision actions that we considered minor burden reduction actions included the following:

- HUD consolidated its fair housing and equal opportunity requirements for its programs. In addition to eliminating redundancy from title 24 of the CFR, HUD said that this action makes its nondiscrimination regulations more concise and simpler to understand.
- OSHA proposed consolidating its general industry standards (29 C.F.R. 1910) with its shipyard employment standards (29 C.F.R. 1915) into one comprehensive CFR part that would apply to all activities and areas in shipyards. The implementation of this action should make it easier for regulated entities to find and comply with all relevant OSHA standards for shipyards. In another action, OSHA proposed to “eliminate the complexity, duplicative nature, and obsolescence” of certain standards and “write them in plain language.” OSHA said that this change would improve comprehension and compliance with those standards.
- EPA proposed reorganizing and reformatting its national primary drinking water regulations to make them easier for public water system officials to understand and comply with and easier for state, local, and tribal governments to implement.
- DOT’s Office of the Secretary proposed reorganizing the regulations governing the conduct of all aviation economic proceedings, streamlining the regulations to remove redundancies, grouping procedures relating only to oral evidentiary hearings together and separating them from procedures pertaining to only nonhearing cases, and updating terminology in the regulations.

Some CFR Revision Actions Appeared to Increase Regulatory Burden

Our review also identified 34 CFR revision actions (about 8 percent of the 422 actions) that appeared to increase regulatory burden by expanding the scope of existing regulations, establishing new programs and/or new requirements, creating more paperwork, or increasing costs for regulated entities.¹³ Actions that our analysis indicated would increase regulatory burden included the following:

- NHTSA proposed updating its lists of passenger motor vehicle insurers that are required to annually file reports on their motor vehicle theft loss experiences. As a result of this rule, NHTSA indicated that the number of insurers who must file these annual reports would increase, resulting in a cost increase to insurers of “less than \$100,000.” In another action, DOT’s Research and Special Programs Administration proposed extending the application of its interstate hazardous materials regulations to intrastate transportation of those materials in commerce.
- OSHA proposed revising its general industry safety standard for training powered industrial truck operators and to add equivalent training requirements for the maritime industries. The new standards require periodic evaluation of each operator’s performance and periodic refresher or remedial training. OSHA estimated that the annualized cost would be \$19.4 million.
- EPA proposed establishing “new source performance standards and emission guidelines for new and existing solid waste incineration units.” The new standards were to “specify numerical emission limitations” for 11 substances and were to include “requirements for emissions and parameter monitoring and provisions for operator training and certification.”
- HUD proposed to extend the applicability of its standards for approval of sites based on avoidance of minority/racial concentration for HUD-assisted rental housing to the Community Development Block Grant Program and to broaden the standards to include reviews of poverty concentration.

For many of the actions that appeared to increase regulatory burden, we found that the burden increase was the result of agencies’ implementation of legislative requirements. For example, EPA officials noted that although the previously cited new source requirements may increase regulatory burden, the new rules were required by section 129 of the Clean Air Act, as amended in 1990. One HUD action proposed establishing new regulations implementing the Secretary of HUD’s authority to regulate Government

¹³In some cases, the rules indicated that the actions would increase costs for regulated entities (e.g., companies) but provide more than offsetting benefits to other entities (e.g., workers). However, we coded these actions as burden increases unless the offsetting benefits were provided to the same entity that bore the costs.

Sponsored Enterprises (GSE) (e.g., the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation) under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. According to the final rule in the December 1, 1995, Federal Register, this act “substantially overhauled the regulatory authorities and structure for GSE regulation and required the issuance of this rule.”

Many CFR Revision Actions Did Not Appear to Affect Regulatory Burden

Our analysis indicated that about 27 percent of the 4 agencies’ CFR revision actions (114 of 422) would have little or no effect on the amount of burden felt by regulated entities. More than half of these actions involved the elimination of CFR “deadwood,” such as regulations that the agencies said were obsolete or were duplicative of other text. Other such actions were minor technical corrections, such as changes to agency organization charts, telephone listings, or addresses. The following examples illustrate agencies’ actions that appeared to have little to no effect on regulated entities’ burden:

- DOT proposed amending the Transportation Acquisition Regulations to change organizational names (e.g., “OST—Office of the Secretary” was replaced by “TASC-Transportation Administrative Service Center”) and renumber or rename certain sections of the CFR.
- HUD proposed removing the detail in its program regulations regarding the application and grant award processes, noting that a full description of the application and grant award process would instead be published in the Federal Register in a notice of funding availability.

In several instances, the agencies’ actions appeared more likely to affect the promulgating agencies than the amount of burden felt by the regulated entities. For example, HUD proposed amending its rule on rules to make possible the “more timely implementation of new and changed policies of the Department in circumstances where notice and comment rulemaking is not required by law.” According to HUD, one of the purposes of this action was to provide greater flexibility to the Department in implementing statutory and other changes to its program authorities. In another such action, HUD issued revised ethics standards for its employees in accordance with the revised standards issued by the Office of Government Ethics.

Several of the actions did not appear to affect the level of burden felt by regulated entities because the agency was only proposing to study an issue, and no specific proposal had been put forward at the time the action

was described. For example, one HUD action was a joint proposal with the Federal Reserve Board “to initiate fact-finding to assist the agencies in revising disclosures to consumers under the Real Estate Settlement Procedures Act and the Truth in Lending Act.” According to HUD, the agencies were soliciting comments on what regulatory and legislative changes might be made to achieve consumer protection goals and minimally affect compliance burdens. OSHA said in one of its CFR revision abstracts that it intended to issue a proposal to prevent accidents during equipment repair and maintenance for the construction industry. However, an OSHA official told us that no specific proposal would be issued until 1999. EPA said in one action that it was initiating a technical review of the possible risks associated with management of silver-bearing wastes. However, no specific proposal was presented.

A few of the actions that the agencies characterized as CFR revisions will have no effect on the burden felt by regulated entities because the agencies withdrew the proposal after receiving public comments. For example, in one action, FAA said it withdrew a proposal to clarify or change the number of flight attendants required when passengers are on an airplane “in view of the opposition and alternative proposals presented by a number of commenters.”

Effect of Some CFR Revision Actions Was Difficult to Determine

As noted previously, we attempted to obtain additional information from the Federal Register and/or the agencies about each of the 422 CFR revision abstracts that seemed unclear. Although we were able to resolve many of the cases with this additional information, we were still unable to determine the effect that 39 of the 422 actions (about 9 percent) would have on regulated entities.

In 23 of the 39 cases, the abstract and/or any supplementary information indicated that the CFR revision action had some elements that would increase burden and other elements that would reduce burden, making it difficult to determine the net effect. Those potentially offsetting cases included the following:

- One OSHA abstract stated that the agency was writing the final rule on standards for walking and working surfaces and personal fall protection systems “in plain language” and making it “flexible in the means of compliance permitted.” These elements appeared likely to reduce regulatory burden. However, in another part of the same abstract, OSHA indicated that criteria for personal fall protection systems would be added

to the regulations because the existing standards did not contain those criteria—an action that could increase burden.

- In one DOT abstract, DOT proposed revising and updating the aviation insurance requirements “to recapture administrative expenses incurred,” which could represent a burden increase on the regulated entities. However, the abstract also said that the action “will clarify the language and make it conform with the current legislative language and intent,” which could reduce regulatory burden.

For 17 of the 39 actions, we were unable to obtain enough information to make a determination.¹⁴ Examples of those actions include the following:

- One abstract stated that EPA would “make over 50 modifications, additions, and deletions to the existing PCB [Polychlorinated Biphenyls] management program under the Toxic Substances Control Act. . . .” However, no details on those changes were available from either the Federal Register or EPA.
- One OSHA abstract indicated that a negotiated rulemaking process led to a draft revision of its regulation that contained “innovative provisions” that would help “minimize the major causes of steel erection injuries and fatalities .” However, OSHA could provide no additional information about the draft revisions.
- One DOT abstract proposed amending the “procedural regulations for the certification of changes to type certificated products.” The abstract stated that the “amendments are needed to accommodate the trend toward fewer products that are of completely new design and more products with repeated changes of previously approved designs.” Although this action appeared to propose reducing the regulatory requirements for manufacturing products of previously approved designs, it was unclear from this abstract exactly what the new procedures would be or their impact on the regulated entities, and DOT did not provide additional clarification.

No Mechanism in Place to Measure Burden Changes

Section 5 of Executive Order 12866 required agencies to submit to OIRA a program to review their existing regulations. The first listed purpose for this review in the executive order is “to reduce the regulatory burden on the American people.” However, OIRA officials told us that the administration does not have any mechanism in place to measure changes in regulatory burden as a result of agencies’ CFR page elimination and CFR

¹⁴The 17 include 2 of the 23 actions mentioned earlier that also had multiple and potentially offsetting parts.

revision initiatives. They said that the agencies' accomplishments in these areas "result from a wide variety of actions" and that there is "no single common measure that can be used to summarize the beneficial impact of this initiative given the breadth of activities it has encompassed."

OIRA officials went on to note that some of the actions in the initiative were significant rulemakings for which agencies conducted benefit-cost analyses; some were actions to make current regulations more user-friendly, and others were described as modest "housekeeping" actions designed to consolidate or eliminate certain provisions. Overall, they said that these efforts "have contributed to a more efficient and effective regulatory system." They also noted that the elimination and revision actions are part of a larger set of initiatives designed to reform the nation's regulatory system.

Measuring regulatory burden and changes in that burden are extremely difficult. Some commenters (including the President) have used relatively simple indicators, such as the number of pages in the CFR or the total weight of the rules. Other observers have characterized federal regulatory burden in terms of federal spending on regulatory programs or the number of federal employees assigned to regulatory activities. Others have used the number of hours required to fill out federal paperwork. Still others have tried to measure the cost borne by entities responsible for complying with federal regulations. All of these measures have certain advantages and disadvantages, and all require careful interpretation.¹⁵

In a previous report, we concluded that it was extremely difficult to determine direct, incremental regulatory costs, even for an individual business.¹⁶ Indirect effects of regulation, such as their effect on productivity or competitiveness, and effects on all regulated entities are even more difficult to measure. Trying to gauge other types of regulatory burden (e.g., complexity, reasonableness) and then merge them with the other burden measures further complicates the task. Therefore, in some ways it is not surprising that the administration does not have a mechanism in place to measure burden reductions as a result of its CFR page elimination and revision initiative. However, in the absence of an agreed upon and demonstrably valid measure of regulatory burden,

¹⁵For example, in *Paperwork Reduction: Governmentwide Goals Unlikely To Be Met* (GAO/T-GGD-97-114, June 4, 1997), we noted that agencies have found it difficult to measure paperwork burden.

¹⁶*Regulatory Burden: Measurement Challenges and Concerns Raised by Selected Companies* (GAO/GGD-97-2, Nov. 18, 1996).

disagreements are likely to continue regarding the effectiveness of the page elimination and revision effort as well as other initiatives designed to lessen the impact of federal regulations.

Agency Comments

We sent a draft of this report to the Director of OMB; the Secretaries of HUD, Labor, and DOT; and the Administrator of EPA. Officials from OMB said they had no comments on the report. Officials from the other four agencies said that they generally agreed with our characterization of their page elimination efforts. Officials from DOT, HUD, and EPA also said that they generally agreed with the information presented about their CFR page revision efforts. However, for a few of the actions, they provided additional information regarding the effect of the actions on regulatory burden. Using this information, we reevaluated our conclusions regarding these actions and in some cases changed our burden determinations.

On September 12, 1997, we received written comments on the draft report from the Department of Labor's Acting Assistant Secretary for Occupational Safety and Health. (See app. II for a copy of those comments.) He said that he had serious concerns about the methodology we used to determine whether OSHA's page revisions had resulted in reductions in regulatory burden. First, he said that simply counting the number of actions in each burden category does not accurately reflect OSHA's efforts because the agency combined many separate deregulatory actions into several large packages. Because each package affected many different regulations, he said it was not appropriate to treat them as a single action. The Acting Assistant Secretary also said that the methodology used in the report does not take into account the complex interrelationships between factors within a single action that will both increase and decrease regulatory burden. Finally, he said that by describing their efforts to remove CFR pages and make rules easier to understand as "minor burden reductions," the report does not give OSHA adequate credit and understates both the degree of improvement and their importance in the overall regulatory program.

The Acting Assistant Secretary's observations regarding aggregated deregulatory actions are grounded in a different view from ours about how to conduct this study. We gave each of the agencies' proposals equal weight because we believed it was the most objective method to quantify our results. Any other method would have required us to make subjective judgments concerning both the identification of discrete proposals and the weight each proposal should be given. Criteria for such judgments are not

readily available. Also, it is important to recognize that OSHA determined how its CFR revision actions would be presented in the Unified Agenda. OSHA sometimes chose to consolidate multiple proposals into several large packages. In other cases OSHA appeared to present a single initiative in several different packages. We used whatever groupings OSHA and the other agencies used to present their revision efforts as our unit of analysis.

As the Acting Assistant Secretary noted, some of the agencies' actions with multiple proposals appeared to both increase and decrease the burden felt by regulated entities. In a few cases, the bulk of the proposals appeared to be either a burden increase or a burden reduction, so we could make a burden change determination for the actions as a whole. However, in 23 of the actions we could not reach an overall conclusion about the net effect of multiple and potentially offsetting proposals on regulatory burden, so we coded each of the actions as "cannot tell." Therefore, we believe that the report does recognize the complex interrelationships between factors within a single action.

Finally, the Acting Assistant Secretary is incorrect in saying that we described OSHA's efforts to eliminate pages from the CFR as "minor burden reductions." We used that description for agencies' CFR revision efforts that clarified the language in the CFR to make it easier to read or understand, or that combined sections in the CFR to make the requirements easier to find but did not change the underlying requirements placed on regulated entities. Although such clarifications and consolidations are clearly desirable, we coded them as "minor burden reductions" because we wanted to differentiate them from other agency actions that appeared to change underlying regulatory requirements and result in substantive reductions in burden.

We are sending copies of this report to the Ranking Minority Member of the Senate Governmental Affairs Committee; the Director of OMB; the Secretaries of HUD, Labor, and DOT; and the Administrator of EPA. We will also make copies available to others on request.

Major contributors to this report are listed in appendix III. Please contact me on (202) 512-8676 if you or your staff have any questions concerning this report.

Sincerely yours,

A handwritten signature in black ink that reads "L. Nye Stevens". The signature is written in a cursive style with a large, stylized initial "L".

L. Nye Stevens
Director, Federal Management
and Workforce Issues

Objectives, Scope, and Methodology

The objectives of this review were to determine whether (1) agencies' reported Code of Federal Regulations (CFR) page elimination totals take into account the pages added to the CFR during the same period, (2) agencies' CFR revision efforts will reduce regulatory burden, and (3) the administration has any mechanism in place for measuring burden reductions as a result of its CFR page elimination and revision initiatives. As the requester specified, we limited the scope of our work on the first two objectives to four major regulatory agencies: the Departments of Housing and Urban Development (HUD) and Transportation (DOT), the Department of Labor's Occupational Safety and Health Administration (OSHA), and the Environmental Protection Agency (EPA).

To address the first objective, we interviewed agency officials responsible for the administration's CFR page elimination initiative at HUD, DOT, OSHA, and EPA. All of these officials said that their agencies did not track CFR page additions during the initiative. They also said that it would be extremely difficult and time-consuming to count the number of pages that had been added in the years since their initiatives had begun.

Working with the agencies and with the requester, we developed a methodology that each agency could use to estimate the number of pages that had been added to the CFR while pages were being eliminated. We obtained the agencies' page elimination totals as of April 30, 1997, from the Office of Management and Budget's (OMB) Office of Information and Regulatory Affairs (OIRA). Then we asked the four agencies to identify their major regulatory actions (those that had added five pages or more to the CFR) and to estimate the number of pages that each of those actions had added to their parts of the CFR between the start of their page elimination initiatives and April 30, 1997.¹⁷ In three of the four agencies, the number of pages added was also calculated by comparing the agencies' CFR page totals near the beginning and end of their page elimination initiatives, calculating the net difference in pages, and using the number of pages deleted to solve for pages added. For example, if an agency had 5,000 pages in the CFR as of July 1, 1995, and 5,100 pages as of July 1, 1996, the net change during that 1-year period was an increase of 100 CFR pages. If the agency said that it had eliminated 200 pages from the CFR during that 1-year period, the number of pages added during the period was 300 pages. Similarly, using both the agencies' estimates of their page additions and their elimination figures as reported to OIRA for the entire period of the

¹⁷The dates the agencies started tracking their page eliminations varied. DOT started tracking page eliminations from the beginning of the Clinton administration in January 1993. HUD began tracking its eliminations from March 1994. OSHA and EPA began tracking their eliminations from the date of the administration's March 1995 call to eliminate and revise pages in the CFR.

initiative, we calculated the net increase or decrease in each agency's CFR page totals.

To address the second objective, we reviewed descriptions of the four agencies' actions as part of the administration's CFR revision initiative and determined whether the actions would reduce the burden imposed on regulated entities. Specifically, we reviewed the actions that were described in the October 1995, April 1996, October 1996, and April 1997 editions of the Unified Agenda of Federal Regulatory and Deregulatory Actions¹⁸ as part of the administration's "reinventing government" initiative and that involved "revision of text in the CFR to reduce burden or duplication or to streamline requirements." We obtained a computerized data file of each of these actions in the Unified Agenda from the Regulatory Information Service Center and combined the information into one database, eliminating duplicate actions and retaining the most recent abstract available for each action. We identified 422 such entries in the 4 agencies included in this review—107 for HUD, 183 for DOT, 19 for OSHA, and 113 for EPA.¹⁹ Thirty-one of these entries had no abstract describing the initiative in the Unified Agenda, so we obtained abstracts or proposed or final rule preambles directly from the agencies for each of these actions.

We defined "regulated entities" as the organizations that must comply with the regulations' provisions, including individuals, businesses, state or local governments, or federal agencies (other than the agency that enforced or promulgated the regulation). We defined "regulatory burden" as the impact of a rule on regulated entities, including the direct and indirect cost of compliance; paperwork requirements; negative effects on competitiveness or productivity; penalties for noncompliance; and confusion as a result of unreasonable, inconsistent, hard-to-find, or hard-to-understand regulations.

¹⁸This document, issued twice a year since 1983, is a compendium of each agency's regulatory activities, describing regulations that executive and independent agencies are currently developing, planning for in the future, or have completed. It provides such information as the status of the regulation, a timetable for further action, any statutory or judicial deadlines, and the name and telephone number of an agency contact. We used the October 1995 Unified Agenda as the starting point of our review because it was the first edition published after the President's June 1995 announcement of page revisions.

¹⁹In addition to the 422 actions reviewed, there were 13 actions for these agencies that were not included in the review. Three actions (one for HUD and two for EPA) were excluded because agency officials told us the actions were listed in the Unified Agenda in error. The remaining actions were related to DOT's Surface Transportation Board and the former Interstate Commerce Commission. Although the Board is listed in the Unified Agenda as part of DOT, a DOT official told us DOT does not include this organization in its CFR revision initiative because the Board acts as an organization independent of DOT and should not be included in our review as DOT actions. Similarly, this official said the former Interstate Commerce Commission actions are not included in DOT's counts and should not be included in our review.

We initially reviewed the abstracts or rule preambles for each action to determine what effect the action would have on the burden felt by regulated entities. However, many of the abstracts did not contain enough information to allow us to assess the effect of the action on regulated entities' burden. For each such action, we obtained additional information from the agencies and/or related proposed or final rules published in the Federal Register. We matched the Unified Agenda entries with the proposed or final rules by regulation identification number to ensure that only relevant information was included.

After reading all of the available information, we coded each of the actions into one of the following five categories:

- (1) substantive burden reduction—actions that appeared to decrease the burden on regulated entities, such as eliminating paperwork requirements, allowing flexibility in how entities can comply with or implement the rule, lowering compliance costs, or exempting certain organizations from the regulations;
- (2) minor burden reduction—actions that seemed to make regulatory requirements easier to read or understand or to make them easier to find (e.g., combining similar or related sections of the CFR into one section);
- (3) burden increase—actions that appeared to increase the burden on regulated entities, such as adding reporting requirements, requiring additional training, requiring certain testing procedures, or expanding the scope of a regulation to new entities;
- (4) no burden change—actions that did not seem to change the burden on the regulated entity or that primarily affected the promulgating agency, such as eliminating obsolete or duplicative regulations, establishing a committee to study an issue (with no specific proposal identified), updating agency organizational charts and/or telephone numbers, and establishing ethics regulations for employees of the promulgating agency; and
- (5) cannot tell—actions that had multiple parts which potentially could offset each other or were unclear as to their effect on the regulated entities.

To help ensure validity and consistency in our assessments of the potential impact of the 422 actions on regulatory entities, we reviewed each of the

actions at least 3 times. First, the abstracts were simultaneously and independently reviewed and coded by two of our staff members who were familiar with crosscutting regulatory issues. The staff members then discussed their independent codes for each of the actions, obtained additional information about the actions if necessary, and ultimately agreed on a single code for each action. These codes and their associated abstracts were then reviewed by members of our staff with expertise in the relevant subject areas: transportation, housing, environmental programs, and occupational safety. Their input was considered in reaching a preliminary conclusion about each action.

We gave agency officials an opportunity to review and comment on our assessment of the CFR revision actions. In many cases, the agencies provided additional information in support of a different assessment than the one we had made. When we took this additional information into account, we changed our assessments of several actions. However, the majority of our assessments were not affected by the agencies' review.

To determine whether the administration had any mechanisms in place to measure burden reductions as a result of its regulatory reform initiative, we interviewed OIRA officials.

We did not verify the agencies' CFR page elimination totals or their page addition estimates. However, last year we evaluated EPA's and DOT's page elimination claims and concluded that they were generally valid.²⁰ The agencies' estimates of the pages added to the CFR do not include all added pages because, in response to agency concerns about the effort it would take to count all pages, we agreed that the agencies could exclude any action that added less than five pages. Also, although we validated our judgments about the possible effect of the proposed changes by using multiple judges and consulting with knowledgeable members of our staff and agency officials, some of our assessments were based on relatively little information. Finally, we did not render a judgment regarding the wisdom of any of the CFR revision actions, only whether they would affect the burden felt by regulated entities.

We conducted our work at OMB, HUD, DOT, OSHA, and EPA headquarters in Washington, D.C., between February 1997 and September 1997 in accordance with generally accepted government auditing standards. We made available a draft of this report for comment to the Director of OMB;

²⁰Regulatory Reform: Implementation of the Regulatory Review Executive Order (GAO/T-GGD-96-185, Sept. 25, 1996).

Appendix I
Objectives, Scope, and Methodology

the Secretaries of HUD, Labor, and DOT; and the Administrator of EPA. Designees of these agency heads provided comments on the report as a whole and, in some cases, provided additional information. Their comments were incorporated into the report accordingly.

Comments From OSHA

U.S. Department of Labor

Assistant Secretary for
Occupational Safety and Health
Washington, D.C. 20210



SEP 12 1997

L. Nye Stevens
Director
Federal Management and Workforce Issues
General Government Division
General Accounting Office
Washington, DC 20548

Dear Mr. Stevens:

Thank you for the opportunity to comment on your draft report, *Regulatory Reform: Agencies' Page Elimination and Revision Efforts Yield Mixed Results*. We appreciate your efforts and are pleased to submit the following comments for your consideration.

In reviewing the draft report, we have serious concerns about the methodology that was used to determine the extent to which agencies reduced regulatory burdens during the study period. Table 2 of the report lists 19 OSHA actions and states that 11% of these actions resulted in a "substantive" burden reduction, and that 21% resulted in only a "minor" burden reduction. For reasons set forth below, we believe that the table seriously understates the numbers of deregulatory actions taken during the study period, as well as the degree to which those actions reduced regulatory burdens.

Table 2 of the report simply adds up the number of Federal Register notices published by each agency and lists the total as the "number of actions" for that agency. Table 2 then lists GAO's assessment of the percentages of those actions that reduced or increased regulatory burdens. This approach grossly understates both the extent of OSHA's deregulatory activities, and the degree to which they reduced regulatory burdens, in several respects.

By simply counting FR notices as separate "actions," Table 2 seriously understates the scope of OSHA's deregulatory program. During the study period, OSHA combined many separate deregulatory actions, covering hundreds of pages in the CFR, into several large deregulatory packages. Because each package affects so many different regulations, it is not appropriate to treat such a wide range of deregulatory actions as a single action for the purposes of Table 2. The importance of each regulatory action should not be minimized just because it is part of a larger package. Had OSHA published its many deregulatory actions in separate FR notices, the assessment using GAO's methodology would have been quite different though the impact on the regulated community would be unchanged.

In addition to separate deregulatory packages, OSHA also incorporates burden reduction efforts into its substantive rulemaking projects. Such projects are intended to achieve a wide range of regulatory goals. For example, the rulemaking on longshoring and marine terminals updated and

Appendix II
Comments From OSHA

strengthened regulatory requirements, increased flexibility of compliance, and streamlined an outdated set of rules. The revised rule also eliminated more than 48 pages of lengthy and complex appendices. Although some provisions of the final rule will impose increased costs on the affected industry, other provisions will result in a reduction of regulatory burdens. The methodology used to develop Table 2 of the draft report does not take account of the complex interrelationship between these factors. In addition, Table 2 and its five categories of “actions” are not appropriate tools for analyzing rulemakings that consist of large numbers of separate “actions” that can have varying impacts on regulatory burden.

As noted in Table 1 of the draft report, OSHA has removed 834 of its CFR pages (a 24 percent reduction) in response to the President’s page reduction initiative. By removing unnecessary and redundant rules, we have streamlined many of our rules and made them easier to understand. However, we are concerned that the draft report does not give OSHA adequate credit for this improvement, which was a major goal of the page reduction process. Although the draft report lists such improvements as “minor burden reductions,” we believe that the draft report understates both the degree of improvement and its importance in the overall regulatory program.

OSHA is confident that its responses to the President’s regulatory initiatives have produced significant reductions in compliance burdens for the regulated community. We believe that due to the flawed methodology employed in GAO’s assessment, the draft GAO report does not adequately recognize our achievements in this regard.

Thank you again for the opportunity to comment on the draft report.

Sincerely,



Greg Watchman
Acting Assistant Secretary

Major Contributors to This Report

**General Government
Division, Washington,
D.C.**

Curtis Copeland, Assistant Director, Federal Management
and Workforce Issues

Ellen Wineholt, Evaluator-in-Charge

Thomas Beall, Technical Analyst

Kevin Dooley, Technical Analyst

Kiki Theodoropoulos, Communications Analyst

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 37050
Washington, DC 20013

or visit:

Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000 or by using fax number (202) 512-6061, or TDD (202) 512-2537.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

or visit GAO's World Wide Web Home Page at:

<http://www.gao.gov>

**United States
General Accounting Office
Washington, D.C. 20548-0001**

**Bulk Rate
Postage & Fees Paid
GAO
Permit No. G100**

**Official Business
Penalty for Private Use \$300**

Address Correction Requested

