

Opening Statement of Senator Tom Coburn

Nomination of Howard A. Shelanski to be Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget June 12, 2013

Thank you, Chairman Carper.

Mr. Shelanski, thank you for being here today. I think you realize already, that being the Administrator of OIRA is tough job, a job that requires balancing the interests of Congress, of the Administration, and most importantly, of the men and women who will be affected by the regulations you approve. It's a challenging assignment, and my hat is off to you for being up for it.

We here in Washington often get lost in process discussions – we could talk until everyone here is blue in the face about notice and comment periods, about the intricacies involved in building cost estimates for new rules, and so on. But sometimes we do not spend enough time thinking about the real world implications of expanding the regulatory state.

Make no mistake, there will be pressure on you to rush regulations out, to eliminate a so-called backlog and to publish rules that OIRA has seemed to hold up for years. But sometimes being the country's top regulator means you have to be the bad guy and say no – tell the agencies if they are taking too many liberties with their statutory authority. Tell the agencies that they have to follow the proper process or their rules will not be published. Question their cost estimates, hold them accountable for accuracy.

Some of my colleagues see OIRA as the last step in a rigid process by which a rule is drafted and implemented. But it isn't always so rigid. Many job creators, the people who these regulations disproportionately affect, see OIRA as their last line of defense. When a bad, or unnecessary regulation is coming, OIRA is the last place where someone can say "No." And if you don't say no when you should, these situations end in court, waste time and money and cause unnecessary heartache. Remember that we have 7.6 percent unemployment out there, we have a \$1.1 trillion deficit. People are having a rough time of it.

According to a recent analysis, the total costs for Americans to comply with the current federal regulatory regime **exceeded \$1.8 trillion last year**. This comes down to \$14,678 per family – 23 percent of the average family's annual income. And over the last two decades, 81,883 final rules have been issued. Not to mention, many agencies have been issuing

“guidance,” things like bulletins and FAQs, which they say are just advisory, but really they change and narrow rules, having the equivalent of the force of law.

My constituents tell me that the process has some serious flaws. What guarantee do they have that regulators will take their comments seriously? What are the consequences for an agency that does not do a meaningful look back at old regulations, that does not make serious efforts to lessen the burden? How can the regulated community trust some of these cost estimates that just don't seem to make much sense?

Something definitely needs to be done to improve the process, and I hope the Administration will be a partner to me, and to the Chairman, as we work on legislation to help ensure more accountability, more realistic cost estimates, and more focus on protecting small businesses – most of which do not have an army of lobbyists to help them affect, and then lawyers to help them comply with, a maze of complicated regulations.

I am eager to hear your testimony, and to work with you going forward to make sure that OIRA lives up to its extensive, but extremely important, responsibilities. Thank you Mr. Shelanski, and Mr. Chairman.