OPENING STATEMENT FOR SEN. HEIDI HEITKAMP

<u>Regulatory Affairs and Federal Management Subcommittee hearing, July 16, 2015:</u> "Reviewing the Office of Information and Regulatory Affairs' Role in the Regulatory Process"

Thank you Chairman Lankford for organizing this hearing. Everyone hear should take note, I may be wrong, but this is probably the first time in the history of our Nation that the Chairman, Ranking Member and Witness have all been redheads.

As I have said before, regulations underpin almost everything our nation and our citizens do. Regulations keep our products and food safe. Regulations work to prevent fraud and keep our economy and Americans working. Regulations are one of the most important parts of our federal government, even if they are not always well understood.

For our nation to be successful and safe, for our citizens to be able to work hard and provide for their families, we need an effective and efficient regulatory process that works for American businesses and families. OIRA, while unknown to most Americans, plays a very large role in ensuring that we have such a system.

Performing proper oversight of the regulatory process is one of the most important tasks of this little known office within OMB. The Office of Information and Regulatory Affairs performs this oversight every day. The work that Mr. Shelanski and his staff perform ensures that agencies are held to the standards set forth by this body and Presidential Executive Orders.

OIRA's mission is expansive, and the work they perform ensures that American businesses and families are not overly burdened by everything from paperwork requirements to the compliance costs associated with regulations. OIRA ensures that agency rulemaking is necessary, that the benefits justify the costs, and that the agencies do not take liberties not afforded them. It is important then, that from time to time we discuss the oversight performed to ensure that we are only issuing those rules that stand up to scrutiny as they are implemented.

A theme you will hear me talk about today is how retrospective review can be further used to improve our regulatory process. Today, in compliance with Executive Orders issued by President Obama, agencies are required to engage in retrospective review. However, as with any executive order, it only takes a lack of action on the part of a future administration to lose this important action.

Technology improves by the minute, and regulations have to do a better job of keeping up with those changes. In the year 1995, receiving email, reading the newspaper, and watching some SportsCenter highlights on your cell phone was the stuff of dreams. Today, many people couldn't function without a computer that fits in their pocket that allows them to manage their money, contain their address book and allow them to surf the Internet.

A regulation, written in 1995, could still be necessary, but it might not fully take into account all the technological or other changes of the past 20 years. Just as industries have changed with technology, so must the regulations which the businesses are subjected to. I know that many of these regulations can simply be removed. Others may need a small tweak to make it easier on small businesses. If we don't look back, we can't see improvements.

Some may say retrospective review focuses on the past, but I see it as forward looking. We must make sure that our regulatory process can adjust to the future and ensuring retrospective review works and is meaningful can help achieve that goal. That's why I am exploring legislative initiatives focused on retrospective review to ensure our regulatory process continues to improve.

It is critical that any discussion about improving the regulatory process bring with it an honest discussion of the resources needed to execute that strategy. Our nation needs workable solutions, not another layer of administrative burden.

With that, I look forward to hearing from Mr. Shelanski and speaking with him about his thoughts on the regulatory state. Thank you.