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THE WHITE HOUSE  
WASHINGTON

May 7, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JAMES M. CANNON  
L. WILLIAM SEIDMAN

FROM:

JAMES E. CONNOR *JEC*

SUBJECT:

Task Forces to Reduce Waste  
and Inefficiency in Government  
Regulation

The President reviewed your memorandum of April 29 on the above subject and approved the Task Force concept outlined in your memorandum to Reduce Waste and Inefficiency in Government Regulation.

Please follow-up with appropriate action.

cc: Dick Cheney  
Robert Linder

THE WHITE HOUSE  
WASHINGTON

May 6, 1976

MR PRESIDENT:

Task Forces to Reduce Waste and  
Inefficiency in Government Regulation

The question of funding and announcement of this Task Force, if approved, were not covered in the attached memorandum. At our request Bill Seidman prepared an additional memorandum covering these points. It is attached at TAB A.

Jim Connor

THE WHITE HOUSE

WASHINGTON

April 29, 1976

MEMORANDUM FOR THE PRESIDENT

FROM:

JAMES M. CANNON  
L. WILLIAM SEIDMAN



SUBJECT:

Task Forces to Reduce Waste and Inefficiency  
in Government Regulation

Background

In your meeting with the Domestic Council Review Group on regulatory reform on February 4, 1976, you called for speeding up the pace and broadening the scope of the agency reform effort. You noted that an effective reform effort will require an initiative from outside the Departments and agencies in identifying and reducing obsolete or unnecessary regulations. In order to move forward to accomplish your objective, we will establish a number of short-term task forces to reduce waste and inefficiency in agency operations in the next six months.

Organization

Paul W. MacAvoy of the Council of Economic Advisers will direct the task force effort and will report biweekly to the Economic Policy Board Executive Committee which will provide you with periodic evaluations of the progress being achieved. The task forces will be staffed by individuals detailed from various Departments and agencies.

Initial Focus

Initially, task forces will be set up to work with specific agencies whose regulations appear to impose excessive costs compared to benefits. The goal is to identify excessively costly regulations which could be changed quickly. The task forces will also focus on improvements in the administration of certain regulations, such as speeding up the processing of applications or responses to requests for rulings.

The choice of agencies is perhaps the most critical step in the entire process. Since this initial task force effort is designed for a six-month period, it is important that we concentrate on agencies where improvements in performance can be achieved within a short period of time. Based on our research over the last six weeks, we expect that the task forces will initially concentrate on the following:

1. OSHA. The OSHA mandatory physical standards for the work environment are complex, very costly to meet, and appear to have little effect on industrial accident rates. OSHA itself is planning to hold regional hearings to determine the most costly and least effective standards, and these standards should be eliminated.

2. FEA has been required by congressional mandate to develop comprehensive oil price controls which are complicated and cumbersome. While decontrolling refined products over the next few months, FEA should simplify its procedures.

3. The Office of Export Administration in the Department of Commerce issues export licenses for the sale of major products to Eastern European and Sino-Soviet countries. The current procedures are prolonged and have arguably had an adverse impact on exports from the United States. In the case of high technology products, the national security implications of particular exports is sufficiently complicated that a significant speedup is probably not possible. However, for low technology products it should be possible to develop an expedited licensing procedure. Commerce has taken a number of steps to speed up the licensing process and plans to take additional actions in cooperation with the task force.

Proposed Next Steps

Although the task forces can potentially produce significant and visible accomplishments, their success will depend on your strong personal support. It will require that Departments and agencies provide able people for detail to the task forces. We estimate that the task forces will involve between 20 and 30 individuals over the next six months. We seek your approval of this task force concept before staffing the operation.

Approve JRC 7 Disapprove \_\_\_\_\_

This memorandum has been approved by the EPB Executive Committee. It has also been reviewed by the appropriate White House offices. Their comments and recommendations are as follows:

Counsel's Office Approve establishment of Task Forces

John O. Marsh

Approve establishment of Task Forces

Max Friedersdorf

No comment



THE WHITE HOUSE

WASHINGTON

May 5, 1976

MEMORANDUM FOR JAMES E. CONNOR

FROM: L. WILLIAM SEIDMAN *LWS*

SUBJECT: Memorandum on Task Forces to Reduce Waste and Inefficiency in Government Regulations

The President approved the general concept of establishing short-term task forces to reduce inefficiency in regulations promulgated by Executive Branch departments and agencies at the February 4 meeting with the regulatory reform group. At that time he stipulated that he did not want the task forces to develop into a permanent institutional structure but that they should be composed of individuals on detail from Executive Branch departments and agencies. This is the concept outlined in the April 29 memorandum, which is principally designed to inform the President of the status of this short-term regulatory reform effort and to provide him with an opportunity to give final approval to the establishment of the task forces.

It will be necessary for the detailees to be detailed to some existing governmental entity, although they will still be paid by their "home" department or agency. Paul MacAvoy has discussed this with Jim Lynn who has agreed to have the detailees detailed to OMB as long as this does not necessitate the loss of any permanent OMB slots. OMB was selected because they are the entity in the Executive Office of the President most directly responsible for management.

At the February 4 meeting the President indicated that he wanted the effort initially to be low key. Department and agency heads would be notified of the establishment of the task forces in a memorandum from me which is the normal practice for EPB Task Forces. If, after an initial trial period, the task forces are successful, this would make an excellent initiative for a Presidential speech on regulatory reform and management improvement within the Federal Government.



THE WHITE HOUSE

WASHINGTON

May 5, 1976

MEMORANDUM FOR:

JAMES M. CANNON  
WILLIAM SEIDMAN

FROM:

JAMES E. CONNOR *JEC*

SUBJECT:

Task Forces to Reduce Waste and  
Inefficiency in Government Regulations

Your memorandum of April 29 is returned to you for developing some additional information before it is sent forward to the President.

Who will provide administrative support and who will fund the Task Force?

Shouldn't there be a draft memorandum to Department Heads announcing the Task Force?

or

at least a press release to accompany this package?

Please follow-up with appropriate action.