



**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
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**OMB Continues President's Effort to Streamline and Modernize Federal Regulation**

The Office of Management and Budget (OMB) announced today it is asking Federal regulatory agencies to evaluate 189 regulatory reform nominations submitted by the public earlier this year in response to an initiative announced by OMB calling for suggestions of regulatory reforms relevant to the manufacturing sector. This initiative responds to an earlier report from the Department of Commerce calling on federal agencies to examine the global competitiveness of the U.S. manufacturing sector.

"The challenge overall for Federal regulators is to devise reforms that can enhance the competitive posture of U.S. manufacturers without compromising our progress in public health, safety and environmental protection," said OIRA Administrator John D. Graham. "An important part of the reform process is the valuable input we have received from the public. The regulators will now use their expertise to evaluate these suggestions for reform."

According to measures of compliance-cost burden, manufacturing is the most regulated sector of the U.S. economy:

- In the 2004 Economic Report of the President, the Council of Economic Advisors found that the recent economic downturn hit the manufacturing sector hard, starting earlier and lasting longer in that sector of the economy;
- According to a recent study, manufacturing firms face a total regulatory burden approximately 6 times greater than the average firm and a regulatory burden per employee approximately 2 times greater than the average firm;
- The same study found that regulations are disproportionately burdensome on small manufacturers.

After agencies have performed their evaluations and consulted with other interested agencies, OMB will use the results of these evaluations to determine the Administration's regulatory-reform priorities, which will be announced in early 2005.

Detailed information on OMB's manufacturing initiative is contained in OMB's Final 2004 Report to Congress on the Costs and Benefits of Federal Regulation.

For more information please contact OMB Communications at 202-395-7254 or visit [http://www.whitehouse.gov/omb/inforeg/regpol-reports\\_congress.html](http://www.whitehouse.gov/omb/inforeg/regpol-reports_congress.html) to view a copy of the report.

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