

[SUBCOMMITTEE PRINT]

FEDERAL REGULATION AND
REGULATORY REFORM

REPORT

BY THE

SUBCOMMITTEE ON OVERSIGHT AND
INVESTIGATIONS

OF THE

COMMITTEE ON INTERSTATE AND
FOREIGN COMMERCE
HOUSE OF REPRESENTATIVES
NINETY-FOURTH CONGRESS
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FOREWORD

The rise of administrative bodies probably has been the most significant legal trend of the last century and perhaps more values today are affected by their decisions than by those of all the courts, review of administrative decisions apart. They also have begun to have important consequences on personal rights. . . . They have become a veritable fourth branch of the Government, which has deranged our three-branch legal theories as much as the concept of a fourth dimension unsettles our three-dimensional thinking.

—Justice Robert H. Jackson, 1952.

No man is a warmer advocate for proper restraints and wholesome checks in every department of government than I am; but I have never yet been able to discover the propriety of placing it absolutely out of the power of men to render essential Services, because a possibility remains of their doing ill.

—President George Washington, 1787.

This report: "Federal Regulation and Regulatory Reform" is, we believe, one of the most comprehensive studies ever made on this subject. It is the product of nearly two years of investigation that included 28 days of public hearings, some 220 witnesses from both government and the private sector, a hearing record in excess of 3,500 pages and extensive written submissions from individuals and agencies. It represents our commitment to more effective government on behalf of the American public.

A government truly of and for the people must be accountable to them. An important part of this accountability is oversight by the Congress which, in turn, is answerable to the citizens its Members collectively serve.

Federal regulation of commerce for the public convenience and necessity goes back to 1789, the first year of government under the United States Constitution, when Congress passed measures signed into law by President Washington for the regulation of ocean-going ships and the coasting trade and for the administration of customs laws. The growth of Federal regulation over the past two centuries stems not from the whims of politicians or from some conspiratorial scheme to build big government. As this report demonstrates, regulatory laws were created to cope with problems experienced by people. As long as people desire the protection of their government, the important concern is not merely the scope of federal regulation, but its quality and efficiency. The Subcommittee's recommendations for improving the independence and integrity of regulatory agencies are directed toward these goals.

In offering this study, it is our hope that the Subcommittee's report will serve both as a reaffirmation of our faith in representative government and as a catalyst for needed reorganization and reform.

Sincerely,

JOHN E. MOSS,

Chairman, Subcommittee on Oversight and Investigations.

WASHINGTON, D.C., *October, 1976*

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