

**Opening Statement of Chairman Tom Davis
Government Reform Committee Business Meeting
H.R. 2432, "The Paperwork and Regulatory Improvements Act of 2004"
May 12, 2004**

The Committee will now consider H.R. 2432, "The Paperwork and Regulatory Improvements Act of 2004." This bill was originally sponsored by Representative Doug Ose and is the result of four years of ongoing and consistent oversight by the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs under Congressman Ose's leadership. Often times this work has been done with little fanfare – this isn't the sexiest stuff. But it's critically important as a 'good governance' issue, and I want to commend Rep. Ose's commitment, dedication and example.

The legislation gives Congress the tools it needs to effectively study and gauge the value of particular regulations and make informed, cost-benefit judgments on their worth. There is no doubt that the nation's rulemaking and regulatory regime can achieve great good in the areas of environmental protection, worker health and safety, among many others. Beyond that, government has a legitimate need to know a great deal about the corporate and, to a degree, even the personal financial activity of the nation. So there will always be paperwork and regulatory demands.

However, when you look at the vast system of paperwork and regulatory demands that exist today, you can see an inherent bias in the way the system operates. Every rule or reporting requirement has a cost. But Congress is severely hampered in its efforts to understand these costs. We in Congress have grown unabashedly accustomed to throwing around huge statistics listing millions of hours to describe the paperwork burden government places on the nation. But we seem to forget that these hours are spent one by one. It's as if we can't see the forest for the regulatory trees. We may be numb to burden we've created, but individuals and businesses are not.

When an American businesswoman spends several hours filling out tax forms, that is time she is not producing for her family or her clients. When a business has to hire a firm to complete an overly complicated required report, that is revenue not spent in research and development or expansion. These millions of hours are not just hours taken out of the business day. They are hours taken out of people's lives, and these hours deserve to be treated with respect. Perhaps there was a time when Congress could lay these new burdens one over the other on the American worker with little concern about what the overall effect would be. But those days are gone.

As the world has gradually opened its markets, this country has asked our workers to compete head to head, on a global basis, with highly skilled and motivated workers from all around the world. This is a good thing: it will require our corporate community to be as efficient and competitive as possible. But global competition requires our Government to be better as well. If we are going to ask the workers of this nation to compete globally then we must free them to do their very best.

Congress has an obligation to do the hard work to understand the costs, as realistically as possible, of the rules and regulations we require. This bill will give us the tools we need to make better decisions on the paperwork and regulatory burdens we place on our workers.