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U.S. House of Representatives
 Committee on Commerce
 Room 2125, Rayburn House Office Building
 Washington, DC 20515-6115

January 24, 1995

The Honorable Ivan Selin
 Chairman
 Nuclear Regulatory Commission
 11555 Rockville Pike
 Rockville, Maryland 20852

Dear Chairman Selin:

On January 4, 1995, Title III of H.R. 9, the "Job Creation and Wage Enhancement Act of 1995" was referred to the Committee on Commerce. This Title imposes significant new requirements on federal regulatory programs designed to protect human health, safety, or the environment. The provisions of Title III are expected to be considered by the Committee in the near future under restrictive time limits.

In order to understand the impact of these provisions on the mission and responsibilities of your agency, I would request a careful and detailed analysis setting forth any significant concerns of your agency and, if feasible, a briefing for Democratic Members and staff of the Committee. Please include in your analysis a review of the following questions:

1. Will any of the provisions of Title III directly or indirectly change or affect the standards in existing laws administered by your agency?
2. Will the requirements of Title III cause or likely cause the agency to miss any court-ordered or statutory deadlines?
3. How do the new requirements relating to risk assessment and risk communication (subtitle A); benefits and cost analysis (subtitle B); and peer review (subtitle C) differ from existing agency policies, regulations, or executive order requirements?
4. What additional time periods will be added to final agency rulemaking by each subtitle of Title III and by Title VII of H.R. 9?

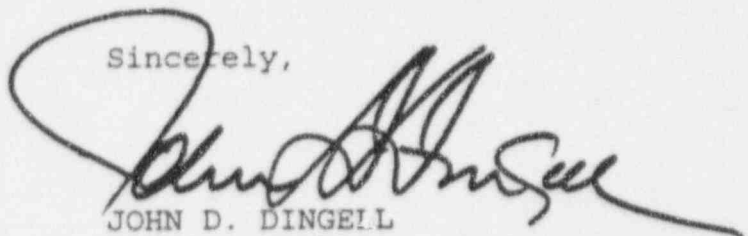
5. What impact will these new requirements have on your agency's approval process for products, such as drugs, devices, chemicals, and pesticides, entering interstate commerce?
6. How many new full-time equivalents will be required to carry out these requirements? If contracted out, what additional costs are envisioned on an annual basis for outside contractors?
7. Section 3301(b) requires each agency to peer review "scientific" and "economic" information for the purpose of any evaluation which is part of a certification under section 3201(a)(5)(A). This provision goes into effect on the date of enactment and applies to any regulation likely to result in an annual effect on the economy of \$25,000,000, major increase in costs or prices for consumers, individual industries, Government agencies or geographic regions, or significant adverse effects on competition, employment, investment, productivity, or innovation. Which regulations will be covered and how many separate items of information can be expected to require peer review in the next two years? Are separate peer review panels likely to be required? What is the average cost of a peer review panel?
8. Section 3301(b) also requires each agency to peer review "scientific" and "economic" information used for purposes of any significant risk or cost assessment prepared in connection with a major rule (defined as \$100,000,000). Which regulations will be covered by this requirement in the next two years?
9. Further, section 3301(b) requires the Office of Management and Budget (OMB) to order peer review for any "major risk assessment or cost assessment" that may have a significant impact on public policy decisions. What risk assessments or cost assessments are likely to be affected by this provision? Does OMB currently have this authority under statutes administered by your agency? Who makes the determination of whether such an assessment will have a "significant impact" on public policy decisions?
10. What requirements in Title III are subject to judicial review and what is the standard of review?
11. Is the exclusion of internal agency experts pursuant to Section 3301(a)(1) consistent with existing agency peer review practices?
12. Are there cases where it is appropriate and necessary to have no involvement by a peer reviewer with the

product under review or to have no potential bias or conflicts of interest? If so, how will this situation be affected by Section 3301(a)(3)?

13. Is there a statutory prohibition against disclosure of confidential material under peer review by persons on a peer review panel who are not Government employees?

We request that you provide us with this information no later than Tuesday, January 31, 1995. If you cannot meet this deadline, or if you have questions about this request, please contact either Dick Frandsen or Kay Holcombe of the Committee staff at 202-225-3641. Thank you for your cooperation and assistance.

Sincerely,



JOHN D. DINGELL
RANKING MEMBER

[Identical letters were sent to the Departments of Energy, Commerce, and Transportation, the Environmental Protection Agency, the Food and Drug Administration, and the Consumer Product Safety Commission.]