

# The Lineage of Centralized Regulatory Review: From Tozzi to Revesz

## Executive Summary

This report traces the origins, institutionalization, and evolution of centralized regulatory review in the United States. It argues that Dr. Jim Tozzi is the singular founding architect of the system, while others — including James C. Miller III, Christopher DeMuth, Wendy Gramm, Sally Katzen, John Graham, Cass Sunstein, and Richard Revesz — contributed as developers, defenders, and refiners. Centralized regulatory review has survived partisan transitions for over fifty years and has become a permanent fixture of presidential administration. But the essential truth remains: without Jim Tozzi, there would be no centralized regulatory review.

## I. Introduction: The Idea of Centralized Review

Centralized regulatory review is the process by which the Executive Office of the President (EOP), through the Office of Management and Budget (OMB) and the Office of Information and Regulatory Affairs (OIRA), oversees significant regulations before they are issued by federal agencies.

The system is grounded in two ideas: (1) that the President must have ultimate authority over executive branch policy, and (2) that regulations should be subjected to rigorous cost-benefit analysis and quality controls before becoming law. Though now normalized, these principles were deliberately engineered in the 1970s.

## II. Jim Tozzi: Architect and Founder

Jim Tozzi contributed more than any other figure to the establishment of centralized regulatory review.

A. The Quality of Life Review — In 1971, President Nixon's OMB required EPA and other agencies to submit proposed regulations for review in a program known as the Quality of Life Review. Tozzi, then a young career official at OMB, was the chief architect of this initiative.

B. The Paperwork Reduction Act and Creation of OIRA — Tozzi influenced the Paperwork Reduction Act of 1980, which formally created OIRA. Though the Act's text focused on paperwork burdens, Tozzi ensured that OIRA's mandate extended to the broader review of agency regulations.

C. Continuing Influence — Even after leaving government, Tozzi authored the Information Quality Act of 2000, requiring federal agencies to meet uniform standards for the data underlying regulations.

## III. James C. Miller III: Political Enforcer

James C. Miller III, as OMB Director under Reagan, gave Tozzi's architecture political force.

A. Executive Order 12291 — Issued in 1981, this order required all major regulations to undergo cost-benefit analysis and OIRA approval.

B. Institutionalization — Miller's OMB transformed Tozzi's design into a binding legal requirement, cementing OIRA as a mandatory gatekeeper for rulemaking.

## **IV. First Disciples: Christopher DeMuth and Wendy Gramm**

Christopher DeMuth assisted with EO 12291 and later defended centralized review at AEI. Wendy Gramm applied OMB's principles in economic and financial regulation, extending the reach of centralized review into new domains.

## **V. Sally Katzen: Defender and Reframer**

By the 1990s, critics charged that OIRA was an anti-regulatory 'black hole.' Sally Katzen, OIRA Administrator under Clinton, reframed the office as a mechanism to improve regulations through transparency, consultation, and coordination.

## **VI. John Graham: Refiner of Risk**

Under George W. Bush, John Graham introduced rigorous analytic standards.

He issued OMB Circular A-4 (2003), the government's definitive guide to regulatory analysis, and emphasized quantitative risk assessment and peer review.

## **VII. Cass Sunstein: Intellectual Legitim�izer**

Cass Sunstein, OIRA Administrator under Obama, brought his academic stature to the defense of centralized review.

He incorporated behavioral economics into regulatory analysis and defended OIRA as consistent with constitutional principles of presidential control.

## **VIII. Richard Revesz: Modernizer**

Richard Revesz, appointed in 2023, is leading efforts to modernize cost-benefit analysis to include equity and climate considerations.

## **IX. The Lineage Summarized**

Jim Tozzi — Architect and Founder.  
James Miller III — Political Enforcer.  
DeMuth & Gramm — First Disciples.  
Sally Katzen — Defender and Reframer.  
John Graham — Refiner of Risk.  
Cass Sunstein — Intellectual Legitim�izer.  
Richard Revesz — Modernizer.

## **X. Conclusion**

Centralized regulatory review was conceived by Jim Tozzi, enforced by James Miller, sustained by Sally Katzen, refined by John Graham, legitimized by Cass Sunstein, and updated by Richard Revesz.

But the lineage begins and ends with Tozzi: without his innovations in the 1970s, there would have been no system for others to enforce, defend, or modernize.

## Notes & Citations

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