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May 28, 2002

Mr. John Morrall
Office of Information and Regulatory Affairs
Office of Management and Budget
NEOB Room 10235
725 17th Street, NW
Washington, DC 20503

Re: Comments on Draft Report to Congress on the Costs and Benefits of Federal Regulations

Dear Mr. Morrall,

The Food Marketing Institute (FMI)¹ is pleased to respond to the Office of Management and Budget's (OMB's) request for comments on the draft report to Congress on the costs and benefits of federal regulations. 67 Fed. Reg. 15014 (March 28, 2002). Specifically, this letter addresses OMB's request for comments on reforms to specific regulations that extend or expand existing regulatory programs. In this regard, we would like to draw your attention to the regulation adopted in June 2000 by the Department of Labor that allows states to pay unemployment compensation to parents who choose to leave work on a temporary or permanent basis after the birth or adoption of a child. 20 CFR Part 604; 65 Fed. Reg. 37210 (June 13, 2000). The birth/adoption unemployment compensation regulation is an extreme extension of the agency's authority in this area. Accordingly, as discussed more fully in the enclosed letter to Secretary of

¹ FMI conducts programs in research, education, industry relations and public affairs on behalf of its 2,300 member companies — food retailers and wholesalers — in the United States and around the world. FMI's U.S. members operate approximately 26,000 retail food stores with a combined annual sales volume of \$340 billion — three-quarters of all food retail store sales in the United States. FMI's retail membership is composed of large multi-store chains, regional firms and independent supermarkets. Its international membership includes 200 companies from 60 countries.

Mr. John Morrall

May 28, 2002

Page 2

Labor Elaine Chao and the comments that FMI filed in response to the regulatory proposal, we urge OMB to encourage the Department of Labor to review this regulatory program and initiate the procedures necessary to revoke the Department's regulations on this matter.

We appreciate OMB's efforts to obtain information from the public on regulations that are overly burdensome and look forward to a continuing dialog with the agency. In the interim, if we may provide you with further information on this matter, please do not hesitate to contact us.

Sincerely,

Tim Hammonds
President and CEO

Enclosures