

INDEPENDENT AGENCIES AND COMMISSIONS

125. What are independent agencies and regulatory commissions?

The independent agencies, in general, comprise all Federal administrative agencies not included under the executive departments or under the direct, immediate authority of the President. These many and diverse organizations range from regulatory commissions, to Government corporations, such as the U.S. Postal Service, to a wide variety of boards and foundations. Some of them, such as the Smithsonian Institution, are of long standing, while others have been created in recent years, as the Federal Government has increased its responsibilities. Independent regulatory commissions have been established by Congress, beginning in the 1880s, to regulate some aspect of the U.S. economy. Among these are the Interstate Commerce Commission, the first of these, the Securities and Exchange Commission, and the Federal Communications Commission.

Such agencies are, of course, not independent of the U.S. Government; they are subject to the laws that are approved by Congress and executed by the President.

126. To whom are independent agencies and commissions responsible? How do they report on their activities?

Independent regulatory commissions, Government corporations, and various other Government-sponsored enterprises are bodies headed by several commissioners, directors, or Governors, who are appointed by the President and confirmed by the Senate. Unlike administrators of executive agencies, however, regulatory commissioners serve for fixed terms and cannot be removed at the pleasure of the President. In some cases, Government-sponsored enterprises may also have directors who are private citizens. While all of the independent regulatory commissions and most of the Government-sponsored enterprises submit their budget requests to OMB for review and clearance, the degree of dependence on these budgets varies considerably. While nearly all of the Government-sponsored enterprises generate a considerable part of their financial resources from outside sources, almost all the independent regulatory commissions rely on the Government for their funding.

Activities of all of these entities are presented in public reports which are prepared annually. In addition, they are subject to periodic authorization and appropriations hearings in Congress, where their activities and operations can be reviewed.