

## **REVIEW QUIZ**

- 1. What is the difference between regulations and laws?
- A There is no difference
- B Regulations are made by the executive branch, and laws are made by the legislative branch.
- C Regulations are not as strong or important as laws.
- D Regulations are only for businesses and not individuals.
- 2. Who delegates authority to make regulations?
- A The Legislature
- B The President
- C The Supreme Court
- **D** Corporations
- 3. What is another name for the body that makes regulations?
- A Senate
- **B** Judiciary
- **C** Bureaucracy
- D Media
- 4. The only regulation debate in America is how much or how little regulation should exist.
- A True
- B False
- 5. One style of regulation is:
- A Preventative regulation
- **B** Passive regulation
- C Peer regulation
- D Prescriptive regulation

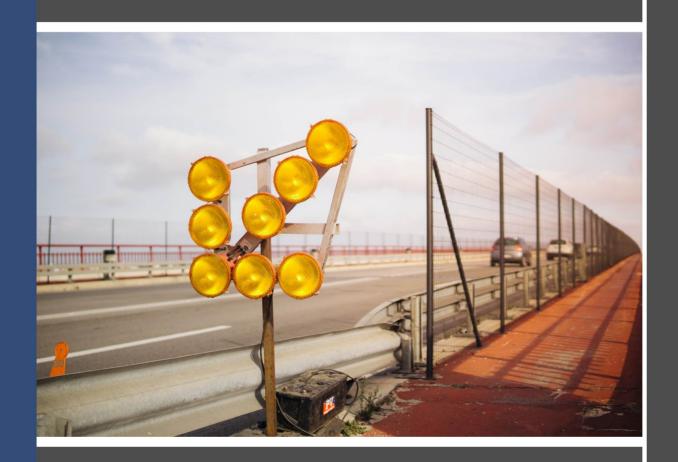


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- 6. What does "performance regulation" mean?
- A Things should be done according to a defined process.
- B Things should be done in the best way possible no matter the cost.
- C Things should be done to achieve a desired goal.
- D Things should be done in order to make the most money.
- 7. What is one negative consequence of prescriptive regulation?
- A It might limit innovation.
- B It might cause people to cut corners.
- C It might lead to different standards for different people.
- D It might leave businesses underregulated.
- 8. What is one negative consequence of performance regulation?
- A It might limit innovation.
- B It might cause people to cut corners.
- C It might lead to different standards for different people.
- D it might leave businesses underregulated.
- 9. If regulators focus on performance, businesses and innovators will not be regulated anymore.
- A True, they would no longer have oversight checking that their products are safe.
- B True, performane cannot be defined or reviewed for safety.
- C False, they would be regulated more strictly and receive more attention because the process is not standardized.
- D False, they would still be regulated, but under a different standard based on the final outcome rather than process or procedure.
- 10. Which method of regulation leads to the most predictable and consistent outcomes?
  - A Performance regulation
  - B Prescriptive regulation



## **ANSWER KEY**



Answers: (1) B, (2) A, (3) C, (4) B (5) D, (6) C, (7) A, (8) B, (9) D, (10) B.