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Subcommittee on Oversight and Investigations Committee on Energy and Commerce United States House of Representatives

Hearing on Regulatory Reform Series #7: The EPA's Regulatory Planning, Analysis, and Major Actions

September 22, 2011

Chairman Stearns, Ranking Member DeGette and Members of the Subcommittee, I appreciate the opportunity to be here today to testify on the Environmental Protection Agency's (EPA) regulatory process.

The Administration makes it a priority to ensure that our federal regulatory system is guided by science and that it protects the health and safety of all Americans in a pragmatic and cost effective manner.

One means by which this Administration has made this priority clear is through the issuance of Executive Order 13563, an order which supplements and reaffirms the principles that were established in Executive Order 12866.

The Executive Order signed earlier this year also includes a directive for federal agencies to develop a plan for periodic review of existing significant regulations. While EPA spends a significant amount of time performing statutorily required reviews of many of our regulations and promulgates our regulations in full compliance with all applicable laws, the Executive Order gave us an opportunity to re-examine regulations for which reviews might not regularly be required. In accordance with that directive, EPA developed and submitted a plan that includes 35 priority regulatory reviews. Recent Agency reforms, already finalized or formally proposed, are estimated to save up to \$1.5 billion over the next five years.

EPA's review plan represents another solid step toward ensuring that our regulatory system accounts for both our duty to protect public health and the Nation's need for a strong economy. Taken together, the two executive orders provide a roadmap for a system which – to paraphrase EO 13563 – enables the federal government to meet its obligations to protect the health, welfare, safety and environment for all Americans while promoting economic growth.

The core mission of the EPA is protection of public health and the environment. That mission was established in recognition of a fundamental fact of American life – regulations can and do improve the lives of people. We need these rules to hold polluters accountable and keep us safe. For more than 40 years, since the Nixon administration, the Agency has carried out its mission and established a proven track record that a healthy environment and economic growth are not mutually exclusive.

The Clean Air Act is one of the most successful environmental laws in American history and provides an illustrative example of this point.

For 40 years, the Clean Air Act has made steady progress in reducing the threats posed by pollution and allowing us to breathe easier. In the last year alone, programs implemented pursuant to the bipartisan-enacted Clean Air Act Amendments of 1990 are estimated to have reduced premature mortality risks equivalent to saving over 160,000 lives; spared Americans more than 100,000 hospital visits; and prevented millions of cases of respiratory problems, including bronchitis and asthma.¹

Few of the emission control standards that gave us these huge gains in public health were uncontroversial at the time they were developed. Most major rules have been adopted amidst claims that they would be bad for the economy and bad for employment.

In contrast to doomsday predictions, history has shown, again and again, that we can clean up pollution, create jobs, and grow our economy all at the same time. Over the same 40 years since the Clean Air Act was passed, the Gross Domestic Product of the United States grew by more than 200 percent.²

Some would have us believe that "job killing" describes EPA's regulations. It is misleading to say that enforcement of our nation's environmental laws is bad for the economy and employment. It isn't. Families should never have to choose between a job and a healthy environment. They are entitled to both.

We must regulate sensibly - in a manner that does not create undue burdens and that carefully considers both the benefits and the costs. EPA's detailed regulatory impact analyses help us accomplish that goal. However, in doing so, we must not lose sight of the reasons for implementation of environmental regulations: These regulations are necessary to ensure that Americans have clean air to breathe and clean water to drink. Americans are no less entitled to a safe, clean environment during difficult economic times than they are in a more prosperous economy.

As President Obama recently stated in his Joint Address to Congress, "...what we can't do...is let this economic crisis be used as an excuse to wipe out the basic protections that Americans have counted on for decades...We shouldn't be in a race to the bottom where we try to offer the...worst pollution standards."

¹ USEPA (2011). *The Benefits and Costs of the Clean Air Act from 1990 to 2020.* Final Report, Prepared by the USEPA Office of Air and Radiation. February 2011. Table 5-6. This study is the third in a series of studies originally mandated by Congress in the Clean Air Act Amendments of 1990. It received extensive peer review and input from the Advisory Council on Clean Air Compliance Analysis, an independent panel of distinguished economists, scientists and public health experts.

² Bureau of Economic Analysis, National Economic Accounts, "Table 1.1.5. Gross Domestic Product," http://bea.gov/national/index.htm#gdp.

³ Address by President Obama to a Joint Session of Congress, September 8, 2011. http://www.whitehouse.gov/the-press-office/2011/09/08/address-president-joint-session-congress

For 40 years, the Clean Air Act has worked – for our health and our environment and our economy. It is also under assault. There are those who have been very clear that they would like to gut the Clean Air Act, the Clean Water Act and other laws that protect Americans' health. The Administration is committed to opposing those efforts to dismantle those public health protections and roll back the progress that we have made and that we continue to make.

Thank you for the opportunity to testify. I look forward to your questions.