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House of Representatives
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Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
Hearing on H.R. _____, the Energy Consumers Relief Act of 2013
Subcommittee on Energy and Power
April 12, 2013

National Defense Magazine recently examined the latest intelligence forecasts to identify the five biggest challenges to U.S. and global security in the coming decades. The Energy and Commerce Committee has jurisdiction to address two of the top five threats: climate change and cybersecurity.

Today, the Subcommittee is ignoring these urgent threats in order to spend its time considering what can only be described as a dumb bill. This bill relies on an outlandish premise: that EPA's public health and environmental protections provide no benefits at all to the American people.

During the 1990s, opponents of EPA rules saw cost-benefit analysis as a way of weakening public health and environmental protections. Cost-benefit analysis is far from perfect. Important benefits cannot always be reduced to a dollar figure. And the estimates of compliance costs are frequently inflated. But cost-benefit analysis at least attempts to capture both sides of the equation.

The problem for opponents of EPA's public health rules is that the benefits of the most important rules dwarf the costs. The benefits of the mercury and air toxics rule are between four and nine times greater than the costs. EPA's tailpipe standards for reducing carbon pollution produce net benefits to society of up to \$451 billion by saving car owners money at the gas pump. The benefits of these and other rules are huge.

Faced with these facts, opponents of EPA rules now argue that we should simply ignore the benefits and consider only the costs. That's what this discussion draft requires. It is an extreme and nonsensical approach. Imagine applying this bill's premise to everyday decisions. You would choose not to pay your child's college tuition, even though college opens doors of opportunity. You would look only at the price of medical care, not its benefits.

Every day, Americans look at both the pros and cons of making even the smallest decisions. But this bill would require decision-makers in the federal government to look only at the downside of making critical investments to protect public health and the environment.

The discussion draft is hopelessly flawed. It gives the Department of Energy (DOE) a veto over EPA regulations. This is an unprecedented intrusion on the authority of EPA.

And it then requires DOE to conduct a skewed analysis of only the costs of EPA rules without any consideration of the benefits. If the Secretary of Energy determines that a rule would cause any “significant adverse effects to the economy,” EPA would be blocked from finalizing the rule – even if the economic benefits of a rule dramatically outweigh the costs. This gives the Secretary of Energy authority to block EPA public health protections that are required by law.

Even if the Secretary of Energy ultimately decides that the rule does not hurt the economy, this new process could indefinitely delay important public health protections. The bill bars EPA from finalizing a rule before DOE completes its analysis. But it establishes no deadline for DOE to act and provides no resources to DOE to undertake these analyses.

Moreover, this bill simply adds more bureaucracy to the rulemaking process. Numerous statutes and executive orders already require EPA to conduct rigorous cost-benefit analysis of its rules, which are subject to public comment and extensive interagency review. This bill would require the same agencies to look at the same rules again, but this time ignoring all of the pages that talk about how the rules would benefit Americans.

Mr. Chairman, the American people want us to solve their problems, not waste our time with partisan posturing. Taking up a nonsensical message bill that stands no chance of becoming law just deepens and justifies their cynicism. We should spend our time developing real solutions to real problems. A good place to start would be with the recommendations of National Defense Magazine and holding hearings on climate change and cybersecurity.