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Not content with his war on science, Scott Pruitt is now waging a war on economics

Rob Verchick June 28, 2018

As head of the Environmental Protection Agency, Scott Pruitt has wriggled from one colorful scandal to the next, using agency staff to help his wife <u>land a Chick-fil-A franchise</u> and enlisting members of his security detail to pick up his dry cleaning and <u>search for his favorite moisturizer</u>.

But these ethical breaches pale in comparison to the real scandal: Pruitt's sustained effort to help polluting industries by hocking America's natural environment and public health for a song.

His latest ploy is a proposal to change how the EPA calculates the costs and benefits of environmental regulations, a process that those industries have consistently criticized. In a <u>notice inviting the public to comment</u> on whether and how to change the cost-benefit analysis, released on June 7, Pruitt appears to be laying the groundwork for reforms that would allow the EPA to hide the real-world value of protections by downplaying or leaving out many of the benefits they provide.

Like Pruitt's war on science, which culminated in a plan to ignore an entire category of scientific studies when measuring environmental risks, his war on economics could erode regulatory protections. If it moves forward, the scheme is likely to make it much easier to block new standards and endanger many of the ones we already have. The stakes could not be higher. We're talking about air that's clean enough to breathe and water that's safe to drink.

As a former EPA official, I know the critical roles that science and economics play in shaping the agency's decisions. To protect people and the environment, our laws direct the EPA to establish air and water standards that are within an adequate margin of safety and are, as the law stipulates, "economically achievable."

To this end, the agency delves into complex questions of science, economics and technology to make sure that these standards satisfy all statutory requirements while being sensitive to needs of the regulated industry. On top of this, the White House requires the EPA and other agencies to lay out the economic costs and benefits of significant regulations to determine how they would affect the overall economy.

Every year, the evidence shows that environmental protections prevent thousands of premature deaths, thwart countless illnesses and save tens of billions of dollars. A comprehensive <u>study</u> conducted by the EPA in 2011 found that, from 1990 to 2020, the annual benefits of air pollution standards will have exceeded total costs by about 25 times. Even the Trump White House recently <u>concluded</u> that the economic benefits of all major regulations were several times higher than the total costs.

Environmental protection is a great deal for the American public, in other words. But Pruitt's proposal seems intended to low-ball the benefits, making it easier to portray environmental rules as inefficient and unnecessary.

For instance, the proposal appears to be laying the groundwork for a rule that would disregard indirect benefits in the EPA's economic assessments. An indirect benefit, sometimes called a "co-benefit," is an added bonus that was not part of the primary motivation behind a measure.

Imagine that you, like Pruitt, are in the market for a good moisturizer to protect against dry skin. If the most effective moisturizer also has sunscreen and smells good, those are co-benefits. You'd be silly not to consider those pluses as part of the lotion's value.

The EPA would be similarly foolish not to consider all of the good things that its policies produce. It's important, for instance, to take into account that vehicle fuel-economy standards not only reduce carbon pollution but also save drivers up to \$27 billion in gas each year. It's also important to note that more efficient coal-fired power plants reduce not only mercury pollution but also the sulfur dioxide inhaled by asthmatic children.

Pruitt's notice asks for input on whether to consider co-benefits and repeats the criticisms that industries have offered on the practice. Pruitt himself has repeatedly criticized consideration of co-benefits, which every previous White House since the Reagan administration had endorsed.

Yet, tellingly, Pruitt has never suggested ignoring the indirect "co-costs" that industries sometimes experience as a result of stronger environmental standards. If the sales of gas guzzlers decline because of new fuel-economy standards, that effect would go onto the EPA's balance sheet whether the result is intended or not. He does not appear to be recommending that co-costs be disregarded.

Given his ethical scandals, it's not clear how much longer Pruitt will be able to continue his assault on the EPA. But, if advanced, his benefits-busting policy could do long-lasting damage.

Pruitt is trying to meddle with the EPA's processes because he can't change the bedrock laws that the agency implements — measures like the Clean Air Act and the Clean Water Act. We can't allow him to succeed.

Americans have <u>until July 13</u> to submit comments on Pruitt's proposal to undermine cost-benefit analysis at the EPA. We should use the comment period to remind Pruitt that, as EPA administrator, he works for all of us, and that the value of our health and environment must not be discounted.

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