

ORAL Statement of Kevin Cromar

July 1, 2020

Submitted to: **the US Environmental Protection Agency**

In response to:

"Increasing Consistency and Transparency in Considering Costs and Benefits in the Rulemaking Process"

My name is Kevin Cromar, I am the director of the Air Quality Program at the Marron Institute of Urban Management and an associate professor of environmental medicine and population health at NYU School of Medicine. The value of effective economic analysis has been a common theme through my professional work as an environmental researcher, in my experience working on policy issues at the state and federal level, and in my current role on the Utah Air Quality Board. It is from this perspective that I am concerned with the proposed changes in how EPA evaluates the costs and benefits of environmental policies.

While the details of economic analysis can become quite complex, the guiding principle for economic analysis is remarkably simple: compare all the costs and benefits of proposed agency actions. Despite giving lip-service to this bedrock principle, the proposed rule instead dramatically curtails important aspects that are necessary in fully accounting for the totality of impacts from proposed agency actions. If promulgated, the proposed changes in how costs and benefits are evaluated will sufficiently degrade the credibility of economic analysis conducted at EPA to the point that it will no longer be able to credibly function as an objective policy analysis tool.

The announcement by EPA to revise their approach to cost benefit analysis, including their proposal to not consider reductions in co-pollutants in calculating benefits of agency actions, remind us how far the Agency has strayed from its original mission and organizing principles when it was established 50 years ago. Recognizing that a piecemeal approach to complex environmental challenges defies effective action, then-President Nixon called for the creation of the EPA to not only bring together the diverse disciplines necessary for effective pollution control, but also to perceive the environment as a single, interrelated system. EPA's proposal not only divorces their evaluation of the societal benefits of environmental protection from established economic principles, it also attempts to fragment the management of an interconnected environment into discrete pollutants as if they were somehow emitted separately from one another. This is in direct opposition to the Agency's long sought after, and in some instances realized, efficiency gains that occur when considering diverse pollutants together. There are numerous examples of this multi-pollutant efficiency across the agency that range from the cluster rules that combined not only air pollutants but also water quality rules together for pulp and paper mills, to permitting issues involving pollution offsets for a range of various pollutants.

It is particularly concerning that the Agency intends to rely on the results of their flawed Integrated Science Assessment to no longer quantitatively consider the economic benefits of reducing mortality risks attributable to exposure to elevated levels of ozone. The scientific community provided overwhelming evidence, to no avail, in opposition to the Agency's decision in 2019 to downgrade the impacts of ozone for mortality from "likely to be causal" to "suggestive of a causal relationship" in the integrated science assessment for ozone. The proposed rule intends to rely on this existing agency document to selectively remove mortality impacts attributable to ozone from future inclusion in benefit calculations. This flawed approach would not only fail to reflect the collective body of evidence regarding the adverse impacts of ambient ozone exposures but it would also compound the institutional shortcomings that were demonstrated during the review of the NAAQS for ozone that lacked any meaningful revision to the ISA based on the contributions from qualified experts that participated in the public comment process.

It has become apparent, not just from the current proposal, but also in the regulatory impact assessments over the last several years, that the current political leadership at EPA view economic analysis as little more than an inconvenience in the pursuit of their preferred policy goals. The proposed changes are just the latest in a series of efforts to codify procedures that intentionally dismiss health benefits as part of economic analysis. These efforts include attempting to ignore health benefits that accrue for pollution reductions below arbitrary thresholds, changing economic assessments to fit predetermined outcomes rather than using economic analysis to inform decision-making, and ignoring the economic benefits of any pollutant besides a narrowly defined target pollutant.

Along with parallel efforts to systematically ignore scientific research demonstrating the adverse health risks from environmental pollutants, it is impossible to come to any other conclusion than the actions of the current leadership at EPA are working in direct opposition to the Agency's mission to protect human health and the environment.