



Dear Senator:

The Coalition for Sensible Safeguards is writing to express our concerns with H.R. 5910, the “Global Investment in American Jobs Act of 2012,” which we understand may be presented for unanimous consent in the Senate.

We are concerned that H.R. 5910, as currently written, directs the Department of Commerce to conduct a study that could mischaracterize the important role of regulation in protecting the American people and be used as a weapon to undermine important health and safety regulations.

The proposed study goes far beyond considering specific ways in which changes in public policy can attract increased foreign direct investment without otherwise harming the quality of life for the American public. The statutory parameters for the study do not include any consideration of the benefits of regulatory safeguards for the public. By failing to consider any of the benefits of existing policies, the study mandate will force the authors to focus exclusively on the potential harm to foreign-owned corporations created by U.S. government policies, rather than any benefits to the American public.

For example, if a foreign nation lacks effective child labor laws, this may lower the costs of doing business in that country relative to the U.S. where child labor laws are enforced, and thus cause a company that wishes to use child labor to invest overseas rather than in the U.S. But this would not be a reason to weaken or repeal child labor laws in the U.S. Yet this legislation only instructs agencies to consider the effect of child labor laws on “diminishing or promoting the ability of the U.S. to attract foreign direct investment,” and does not appear to permit consideration of the numerous benefits of these laws. While this example may seem extreme, exactly the same logic applies to numerous other laws and rules in areas like environmental protection, consumer and worker safety, the minimum wage, and state-level laws like insurance regulation.

Clearly, any perceived “barriers” of regulatory policies must be considered in light of their purpose and goals. In its current form, this legislation is deeply flawed and should be rejected. Any mandate to study barriers to foreign direct investment should be drafted in an appropriately narrow manner, recognize the valid public policy goals that may account for

particular differentials in the treatment of U.S. and foreign-owned corporations, and avoid examination of nondiscriminatory regulations altogether.

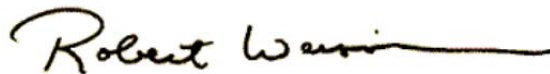
The Coalition for Sensible Safeguards urges Congress to oppose this flawed legislation in its current draft, as it requires the Commerce Department, at taxpayer expense, to produce a study that will not provide a full and balanced view of how public policy decisions, and regulatory policy in particular, affect the public beyond their impact on foreign direct investment. America leads when we remain true to our core values; this legislation would be a misguided departure from those values.

For more information, please contact Virginia Robnett, Coordinator for the Coalition for Sensible Safeguards, at vrobnett@ombwach.org, 202-683-4813.

Sincerely,



Katherine McFate, President and CEO, OMB Watch
Co-chair, Coalition for Sensible Safeguards



Robert Weissman, President, Public Citizen
Co-chair, Coalition for Sensible Safeguards

The Coalition for Sensible Safeguards is an alliance of consumer, labor, scientific, research, good government, faith, community, health, environmental, and public interest groups, as well as concerned individuals, joined in the belief that our country's system of regulatory safeguards provides a stable framework that secures our quality of life and paves the way for a sound economy that benefits us all.