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Regulations Are a Great Investment

Note: Today, the U.S. Senate Committee on Homeland Security and Governmental Affairs holds a [hearing](#) on the regulatory system titled "Toward a 21st-Century Regulatory System." Below are relevant facts about safeguards.

Whether it's our families, workers, entrepreneurs, businesses or communities, commonsense standards and safeguards benefit all of us. Just as important, regulations protect us from reckless CEOs and faceless corporations that would endanger our lives and our well-being. Evidence shows that regulations are beneficial, popular and protect Americans from harm, while the costs of deregulation are prohibitive.

Regulations are a great investment.

- [We do not have to choose](#) between jobs and commonsense safeguards that protect our pocketbooks, homes and workplaces. New standards [create jobs](#) by [encouraging innovation](#) while protecting those who work hard and play by the rules.
- New safeguards proposed and finalized during the Obama administration save [more than 10,000 lives](#) and prevent 300,000 cases of illness and injury each year.
- Major regulations produced up to [\\$863 billion in benefits](#) over the past decade while costing as little as \$57 billion, according to the Office of Management and Budget. In other words, the benefits of public protections are up to 15 times the costs.

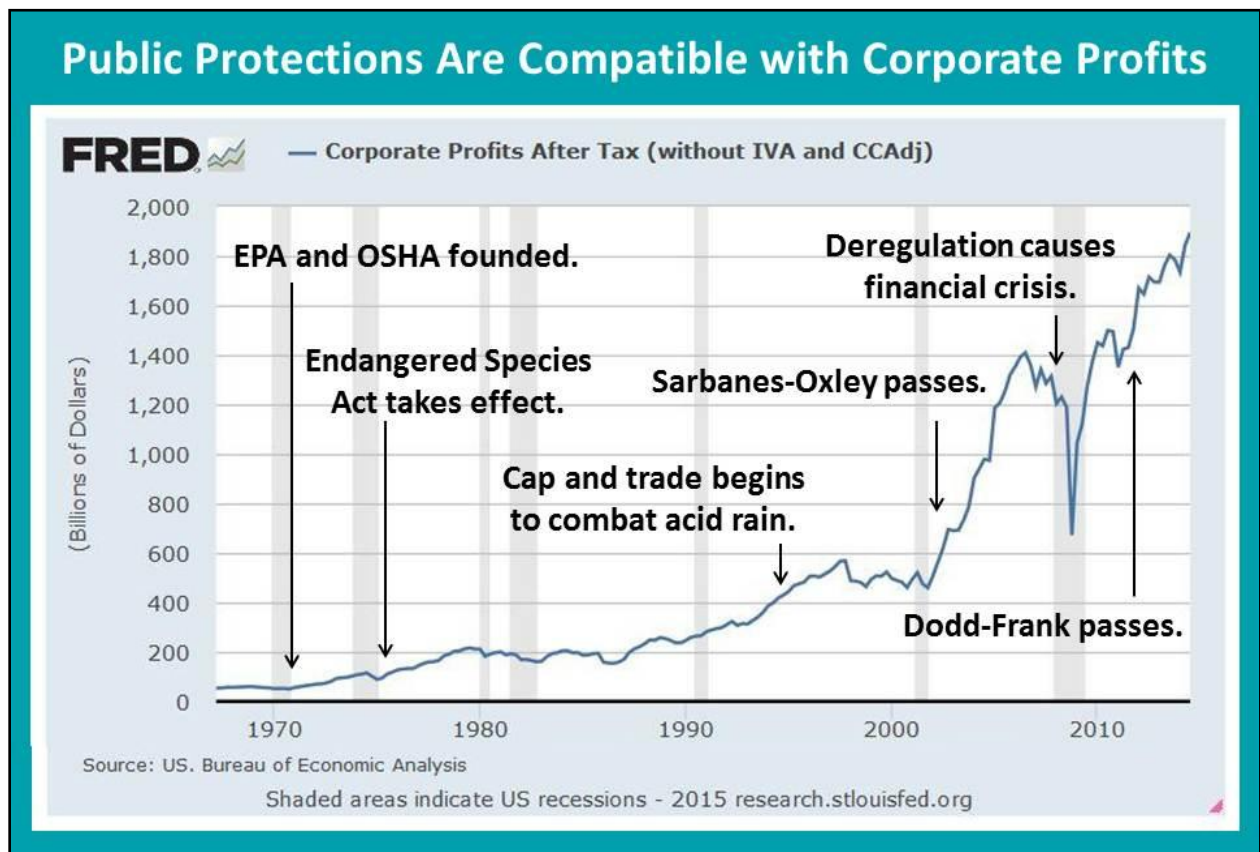
The costs of deregulation are staggering.

- The 2010 BP oil spill in the Gulf of Mexico cost [more than \\$50 billion](#), disrupting the lives of millions of Gulf Coast residents and destroying many local small businesses.
- The Wall Street crash of 2008 – resulting from decades of deregulation – cost Americans [up to \\$14 trillion](#). In addition, 8.7 million people lost their jobs, and pension funds for American workers [lost nearly a third of their value](#).

Industry-backed reforms make no sense because they are based on false assumptions.

- Cost-benefit analysis should not serve as the sole or primary basis for rulemaking because most regulations have benefits that [cannot be quantified](#). For instance, there is no way to measure the emotional toll that a slow and painful death from [silicosis](#) takes on a family or the peace of mind parents feel knowing their children can play outside without suffering life-threatening [asthma](#) attacks.

- Federal agencies [already conduct retrospective reviews](#), and they keep finding the same thing: The vast majority of public protections still work and are still needed.
- The overall level of regulatory activity in the Obama administration [hasn't changed much](#) compared to past administrations, despite claims to the contrary. There has been a slight uptick in the number of economically significant rules, but that's only because previous administrations did not finish the rules they started.
- [The Washington Post's fact checker](#) has debunked outlandish claims about regulatory costs. Most industry-backed studies are not scientific or peer-reviewed, exaggerate the costs and omit the benefits side of the ledger.
- The titans of industry [always predict doom and gloom](#) in the face of new regulations, but they've been wrong every time. History shows that public protections are compatible with corporate profits. Only when Wall Street was deregulated did business suffer.



Voters in both parties see the benefits of regulation, approve of our nation's regulatory agencies and want better enforcement.

- [87 percent of voters](#) agree we need better enforcement of regulations, including 89 percent of Democrats, 87 percent of Independents and 85 percent of Republicans. Even after hearing arguments against it, [77 percent of voters agree](#) we need better enforcement.
- [A majority of voters](#) – including a majority of Republicans – hold favorable views of the following federal agencies:
 - Consumer Product Safety Commission
 - Department of Agriculture
 - Environmental Protection Agency
 - Food and Drug Administration
 - National Highway Traffic Safety Administration
 - Occupational Safety and Health Administration

Statements from Coalition for Sensible Safeguards (CSS) Partners and Allies:

“The public overwhelmingly supports cleaner air and safer workplaces, but powerful industries that would be inconvenienced by new safeguards are trying to hamstring the rulemaking process. We’re still recovering from an historic economic downturn caused largely by the deregulation of financial markets, and here we are having a debate about whether we should regulate or not.”

– Robert Weissman, President of Public Citizen and CSS Co-chair

“The problem with our regulatory system is that it takes far too long to set and enforce rules that would better protect workers’ safety and community health. For example, a rule to reduce silica dust in the workplace has been delayed for 18 years; in the meantime, more than 2 million workers have been exposed to silica dust annually, and 200 people have died from silicosis each year. The bills being considered in the Senate would make this situation worse. As our factories and infrastructure age, we are seeing more industrial and transportation disasters. Science is also demonstrating the harm that untested chemicals can have on the development of young children. It is right and appropriate for the federal government to keep dangerous products off store shelves and out of our workplaces. We need higher standards of safety, not a rollback to the bad old days when industry put all the risk on parents and workers with the phrase ‘buyer beware.’ ”

– Katherine McFate, President and CEO, Center for Effective Government and CSS Co-chair

“Congress gave federal agencies, informed by science, a bipartisan mission to protect public health and safety and the environment. We know what happens when protective regulations are not in place: People die from defective products, environmental toxins, and unsafe drugs and medical devices. This hearing should not be focused on weakening the regulatory process; it should consider ways to strengthen our safety net of public protections.”

– Celia Wexler, Senior Washington Representative, Center for Science and Democracy, Union of Concerned Scientists

“We do need a modern regulatory system that moves quickly to respond to emerging threats and carries out Congressional mandates to protect our air, water, lands, health and food without unnecessary delays. Unfortunately, most of these proposals do the exact opposite. Instead of protecting people, they mandate waste, inefficiency and red tape by requiring layers of redundant analysis or economic studies beyond the ability of economists to carry out. This intentionally leads to paralysis by analysis. These are simply another form of government shutdown pushed by polluters who want to profit by spewing their pollution into our air and water and letting our citizens pay in higher health costs and a degraded environment.”

– Scott Slesinger, Legislative Director, Natural Resources Defense Council

“The purpose of this hearing is to tilt the regulatory process even more sharply to favor corporate interests, rather than consumers, workers and breathers. Instead of auditioning a new act for their wearisome anti-regulatory circus, I urge the committee to consider needed reforms that will restore the public interest as the central focus of the regulatory system. We need sensible safeguards for public health and the environment, not more ways to gum up essential government efforts to protect public health and the environment.”

– Rena Steinzor, President, Center for Progressive Reform

“The push for more cost-benefit analysis isn’t about improving the quality or effectiveness of regulation. Instead, it’s intended to create so many additional barriers to effective oversight that rules necessary to protect the public become hopelessly bogged down in red tape and litigation. Our existing regulatory system already involves years of public comment and extensive analysis by regulators before a rule can be completed. In the case of financial regulation, four and a half years after the passage of the Dodd-Frank Act, over 40 percent of required rules have not yet been finalized, and over a third of statutory deadlines have been missed. If the rulemaking process is slowed any further by placing additional burdens on regulatory agencies, it will effectively come to a halt.”

– Marcus Stanley, Policy Director, Americans for Financial Reform

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The Coalition for Sensible Safeguards fights for regulations that protect American workers and families. We are a national alliance of more than 150 consumer, labor, scientific, research, good government, faith, community, health, environmental and public interest groups representing millions of Americans. For more information about the coalition, go to SensibleSafeguards.org.

For a digital version of this document, please go to
<http://www.sensible safeguards.org/fact-sheets/regbenefits>.