

Opening Statement

Elijah E. Cummings, Ranking Member

Committee on Oversight and Government Reform

Subcommittee on Regulatory Affairs, Stimulus Oversight, and Government Spending

Hearing on “Assessing the Cumulative Impact of Regulation on U.S. Manufacturers”

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Thank you, Chairman Jordan and Ranking Member Kucinich.

At last month’s full Committee hearing on the impact of regulations on job creation, I said in my opening remarks that effective regulatory review should include several elements: an examination of the costs and benefits, conclusions based on solid data, and input from a variety of sources.

I support a comprehensive review of the impact of regulations, but I stand firm in my belief that any assessment of cumulative impact must take into account the benefits of those regulations – and not just the costs. I am also mindful that there are costs associated with the lack of regulation as well – the 2008 financial collapse and subsequent loss of 8 million jobs taught us that much.

At a time when creating jobs is our top priority here in Congress, I believe we must consider that regulation has the potential to actually create jobs and grow our economy.

A February 2011 report issued by Ceres and the Political Economy Research Institute concluded that EPA's Clean Air Transport and the boiler MACT rules will strengthen our economy and grow jobs.

Specifically, the report estimates that over the next 5 years, 1.5 million jobs will be both directly and indirectly created by these two rules.

This includes jobs in steel manufacturing, catalyst system manufacturing, and control system manufacturing.

This is in addition to the substantial public health benefits from cleaner air.

EPA estimates that the benefits of the Clean Air Act are projected to exceed the costs by a factor of more than 30 to 1 by 2020.

In November 2010, the World Resources Institute concluded that EPA's greenhouse gas rules will drive innovation and lead to energy savings for manufacturers. The Institute found that for refineries, glass manufacturers, and others, investments in efficiency technologies would offset most if not all current environmental costs combined.

In December 2010, several business organizations, representing 60,000 firms across the country, wrote to President Obama and members of Congress, urging us to support the EPA and the Clean Air Act. In addition, in a December Wall Street Journal letter to the editor titled "We're OK With the EPA's New Air-Quality Regulations," eight leading utility companies explained that EPA air quality regulations carry economic benefits, including job creation.

I continue to hope that we will conduct a responsible evaluation of regulations, consistent with the President's recent Executive Order. However, any discussion on the cumulative effect on regulation must include the positive impact regulation has on our economy, and the benefits it holds for individuals and business alike.

I thank all of our panelists for being here today, and I look forward to hearing from you on how we can improve regulation to make Americans safer, healthier, and more competitive on the global stage.