

Echols, Mabel E.

From: Rachel Rees
Sent: Tuesday, March 31, 2009 5:11 PM
To: FN-OMB-OIRA-Submission
Subject: Federal Regulatory Review comments

Recommendations to OMB on improving the process and principles governing regulations

The Federal Review Process refers to centralized oversight of all of the regulations enacted by those Federal agencies with rule-making authority. This centralized review function falls to the Office of Management and Budget's (OMB's) Office of Information and Regulatory Affairs (OIRA).

The Federal Review Process was last modified in 1993 with Executive Order #12866. The goal of that revision was to create a regulatory system that was cost efficient, considered the perspectives of multiple levels of government, public health and safety, and the economy, and did not create regulation where new regulation was duplicative or counter to existing regulations. Obama's Administration is now seeking recommendations for further improving the Federal Regulatory Review Process (FRRP).

My comments pertain to public health policies based on scientific findings regarding human and environmental safety. The current practices of cost benefit analysis and discounting the value of benefits to future generations within the cost benefit analysis are not consistent with the principles of equity and distributive justice espoused by the FRRP, nor do they allow adequate representation of the public health safety perspective.

Cost benefit analysis is not a reliable method of assessing the potential impacts of a regulation because benefits, such as extended life, and improved quality of life for humans and animal and plant life, are difficult if not impossible to quantify. Monetary values placed on such benefits should always be considered to be underestimates when weighed against the costs of implementation. If the Federal Review process continues to require Federal Agencies to perform a comprehensive cost benefit analysis, a safety factor on the public health benefit side to counteract underestimation of the value of quality of life should be included. After the net benefit of a proposed regulation is calculated, that benefit should be multiplied by at least 100, as a sort of correction factor to ensure that the public health perspective is adequately represented. Placing greater emphasis on the public health perspective, as opposed to the economic perspective, will promote equity and distributive justice for future generations.

Future generations will appreciate the benefits resulting from public health safety measures much more than the current generation can imagine. As a person with asthma, I cannot express how beneficial breathing cleaner air—a result of the Clean Air Act implemented when I was a child in 1970—is to my health and well-being. Cost benefit analysis already underestimates the future benefits of public health safety acts, and the practice of discounting that value further decreases those estimates. Discounting should be discontinued and replaced with a system where the value of benefits does not diminish with each passing year, but accrues more value, akin to interest accruing on the principal investment.

In conclusion, the FRRP should allow agencies to consider alternatives to cost benefit analysis (such as cost effectiveness analysis) and abolish the requirement for discounting in order to more closely reflect FRRP's stated philosophy of equity, distributive justice, and consideration of various viewpoints.

Rachel Rees, MPH, MT (ASCP)
DrPH Candidate, 2011
UC Berkeley