

June 21, 2018

The Hon. Neomi Rao
Administrator
The Office of Management and Budget
725 17th Street, Northwest
Washington, DC 20503

Dear Administrator Rao,

The public relies on smart regulations to set clear rules that support a clean environment, safe workplaces, and a better quality of life. At the same time, every regulation comes with a price tag, and those costs matter – especially to small businesses and local communities. Cost-benefit analysis, although not perfect, is the best tool agencies have available to them to ensure that regulations promote the public good and do more good than harm.

We believe the time has come for EPA to reexamine its statutory interpretations, and unless prohibited by statute, implement its regulatory statutes through cost-benefit balancing. Agencies must prepare cost-benefit analyses to support their most significant regulations, and to the extent permitted by law, not regulate unless the benefits justify the costs and the selected regulatory option maximizes net benefits to society.

In our view, agencies also should apply the basic tenets of good government process when they create new regulations, or amend or even rescind old ones. First, the regulatory process must be transparent and inclusive of public input. Second, agencies should use the best available science and should clearly identify areas in which meaningful uncertainties remain. Third, agencies should be accountable to Congress and the public for the quality of their rulemaking.

The benefits of regulation are often diffuse to society while the burdens of regulation are concentrated. It is therefore critical that the parties who are impacted by regulations – in particular small and medium-sized businesses – have a seat at the table when agencies write them. It is equally important that agencies develop meaningful cost estimates, based on solid and unbiased scientific information, to help the agency and the public understand the trade-offs being considered and to identify smarter alternatives where available.

Reliance on balanced peer review and scientific advisory panels when evaluating rules helps agencies ensure that outdated, partial, or flawed studies do not influence our public policies. This approach leverages public accountability to prevent backroom negotiations, partisan rulemaking, and overly bureaucratic decisions that may otherwise lead to confusion and distrust of government. Open and honest regulatory processes are easy for public stakeholders to understand and engage with.

We encourage you to implement good government practices that improve the lives of Americans without leaving anyone behind. Demanding transparency, applying the best available science and analysis, and promoting accountability will make our regulatory process fairer while acting as a safeguard against political agendas. Businesses are more likely to hire when they know what to expect, and these basic principles strengthen certainty in the marketplace. These principles also help ensure that an administration of either party does not abuse its authority by issuing poorly-considered rules or gutting necessary protections.

In the days ahead, we look forward to working with you to do the right thing for Americans—and for the future of the most dynamic, innovative economy in the world.

Sincerely,

Air Conditioning Contractors of America (ACCA)
Air-Conditioning, Heating & Refrigeration Institute
Alaska Chamber
Alliance of Wyoming Manufacturers
American Chemistry Council
American Cleaning Institute
American Coatings Association, Inc.
American Coke and Coal Chemicals Institute
American Composites Manufacturers Association
American Farm Bureau Federation
American Forest & Paper Association
American Frozen Food Institute
American Sportfishing Association
American Wire Producers Association
American Wood Council
AMT - The Association For Manufacturing Technology
Arkansas Environmental Federation
Associated Equipment Distributors
Associated Industries of Florida
Associated Industries of Missouri
Association of American Railroads
Association of Equipment Manufacturers
Association of Home Appliance Manufacturers (AHAM)
Association of Washington Business
Brick Industry Association
Color Pigments Manufacturers Association
Colorado Association of Commerce & Industry
Council of Industry of Southeastern New York
Dental Trade Alliance
Edison Electric Institute
Environmental Federation of Oklahoma
Fire and Emergency Manufacturers and Services Association
Fire Apparatus Manufacturers' Association
Georgia Association of Manufacturers
Global Cold Chain Alliance
Household & Commercial Products Association
Illinois Manufacturers' Association
INDA, The Association of the Nonwoven Fabrics Industry
Independent Lubricant Manufacturers Association
Independent Petroleum Association of America
Industrial Minerals Association - North America
Institute of Makers of Explosives
Interlocking Concrete Pavement Institute
International Association of Plastics Distribution

International Wood Products Association
Iowa Association of Business and Industry
Jackson Area Manufacturers Association
Louisiana Association of Business and Industry
Maine State Chamber of Commerce
Manufacturers Alliance for Productivity and Innovation
Maryland Chamber of Commerce
Metals Service Center Institute
Michigan Manufacturers Association
Minnesota Chamber of Commerce
Missouri Association of Manufacturers
NAHAD - The Association for Hose and Hose Accessories Distribution
National Association of Manufacturers
National Association of Trailer Manufacturers
National Lumber and Building Material Dealers Association
National Marine Manufacturers Association
National Mining Association
National Oilseed Processors Association
National Precast Concrete Association
National Rural Electric Cooperative Association
National Waste & Recycling Association
National Wooden Pallet and Container Association
Nebraska Chamber of Commerce & Industry
New Jersey Business & Industry Association
New Mexico Business Coalition (NMBC)
Non-Ferrous Founders' Society
North American Association of Food Equipment Manufacturers (NAFEM)
North Carolina Chamber
Northeast PA Manufacturers & Employers Asso.
Ohio Manufacturers' Association
Oregon Business & Industry Association
Pennsylvania Manufacturers' Association
Petroleum Equipment Institute
Plastic Pipe and Fittings Association
Plastics Industry Association
Plastics Pipe Institute
Railway Tie Association
Resilient Floor Covering Institute
Rhode Island Manufacturers Association
Society of Chemical Manufacturers & Affiliates
South Carolina Chamber of Commerce
State Chamber of Oklahoma
Tennessee Chamber of Commerce & Industry
Texas Association of Manufacturers
Textile Care Allied Trades Association
The Adhesive and Sealant Council
The Fertilizer Institute
The Hardwood Federation
The Technology and Manufacturing Association
Treated Wood Council
Truck Trailer Manufacturers Association Inc.

Valley Industrial Association
Vinyl Institute
Virginia Manufacturers Association
West Virginia Manufacturers Association
Wisconsin Manufacturers & Commerce
Wood Machinery Manufacturers of America