



**Statement of Nick Goldstein
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American Road & Transportation Builders Association
United States Environmental Protection Agency
Public Hearing on EPA's proposed rule "Increasing Consistency in Considering Benefits and
Costs in the Clean Air Act Rulemaking Process"
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Good afternoon. I'm Nick Goldstein, Vice President of Regulatory and Legal Issues with the American Road and Transportation Builders Association or A-R-T-B-A.

A-R-T-B-A, a 118-year old organization based in the Nation's Capital, represents all sectors of the U.S. transportation construction industry; an industry that generates \$500 billion in U.S. economic activity and helps sustain more than 4 million American jobs.

On behalf of the more than 8,000 members of the American Road & Transportation Builders Association (ARTBA), I respectfully offer support for the U.S. Environmental Protection Agency's (EPA) proposed rule on Increasing Consistency in Considering Benefits and Costs in the Clean Air Act Rulemaking Process.

The total cost of federal regulations to the nation's economy has been estimated at \$1.9 trillion for 2019. An accurate review of economic impacts is essential to the discussion of any proposed regulation. No matter their intentions or end goals, all regulations impact job creation, development and the overall economic health of the areas where they are implemented. Being able to accurately quantify these effects allows better decision making when balancing the costs and benefits achieved by proposed regulations.

ARTBA recognizes that regulations play a vital role in protecting the public interest in the transportation project review and approval process. They provide a sense of predictability and ensure a balance between meeting our nation's transportation needs and protecting vital natural resources. These goals, however, do not have to be in conflict. The most successful transportation streamlining provisions have been process oriented and have essentially found a path for regulatory requirements to be fulfilled in a smarter and more efficient manner.

However, in recent years the rulemaking process has morphed from something intended to protect the public interest into a tool to achieve diverse policy and political objectives by side-stepping traditional practices. Furthermore, this process has been routinely unaccountable to affected interests, while often dismissing or undervaluing the project cost increases, delays and compromises in safety which can result. Even more disturbingly, some regulatory initiatives

advanced by the previous administration diverted from Congress's clear intentions in certain policy areas, thereby unilaterally infusing the administration's political priorities.

For the transportation construction industry, regulatory compliance represents a significant undertaking. According to a report by the U.S. Government Accountability Office, as many as 200 major steps were involved in developing a transportation project, from the identification of the project need to the start of construction.

Project delays carry severe financial consequences. According to a 2016 report by the Texas A&M Transportation Institute, project delay is estimated to cost \$87,000 per month for small projects (e.g., reconstruction), \$420,000 per month for medium-sized projects (e.g., widening) and \$1.3 million per month for large projects.

Transportation construction is directly tied to the economic health and development of this country. According to Federal Highway Administration data, every \$1 billion spent on highway and bridge improvements supports almost 28,000 jobs. Given these broad direct and indirect economic contributions, the impact on transportation development should be taken into account when analyzing new regulations. For example, if a new regulation would force a county out of compliance with federal Clean Air Act (CAA) requirements and place its federal highway funds in danger of being withheld, the economic repercussions could be severe.

Additionally, as ARTBA has noted in multiple sets of comments to the EPA over the years, delaying transportation improvements also delays the congestion reduction and improvements to public health and safety associated with their completion. In order to more accurately assess the impacts of its rulemakings, the EPA must strive to take all of these factors into account as it analyzes future regulations.

Specifically, ARTBA has two suggestions for future EPA economic analyses. First, any proposed rule should take into account differences among areas of the country where the regulation will be implemented. In order for proposed regulations to be more workable, they need to be flexible enough to recognize unique aspects of the localities charged with their implementation.

For example, the economic impacts of delaying a transportation improvement in a sparsely populated rural county are likely to be different from a project being delayed in a dense, urban setting. For the transportation sector, much of this information could be ascertained from a region's long-term transportation plans. Looking at an area's plan for transportation development will give the EPA an idea of exactly what types of transportation improvements could be placed in jeopardy by a proposed regulation.

Furthermore, the EPA should strive to design a process where its economic analyses are independently verified. Neutrality is important in determining whether or not there is sufficient justification for proposed regulations. Having verification of economic data from a party which neither supports nor opposes the regulation in question will provide an increased level of certainty to the rulemaking process and also help bolster the record for regulations in the event of litigation.

In conclusion, ARTBA applauds the EPA for initiating this discussion on increasing consistency and transparency regarding costs and benefits in the rulemaking process and we look forward to continuing a dialogue which will result in regulations balancing the needs for transportation improvement with sound environmental protection.