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AGC of America
THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA
Quality People. Quality Projects.



January 10, 2017

The Honorable Paul Ryan
U.S. House of Representatives
Washington, D.C. 20515

RE: Vote “YES” on the Regulatory Accountability Act of 2017, H.R. 5

Dear Representative Ryan:

On behalf of the Associated General Contractors of America (AGC) and its more than 26,000 commercial construction company members, I strongly urge you to vote “YES” on the Regulatory Accountability Act of 2017, H.R. 5. This legislation is critical to helping ensure that regulations undergo thorough economic analysis, are based in sound science and/or substantial empirical data, and are transparent with clear and feasible methods and goals.

The current regulatory process allows federal agencies to promulgate rules based on unconvincing, scant and—sometimes—just plain wrong evidence. For example, Professor David L. Sunding, Ph.D., Thomas J. Graff Chair of Natural Resource Economics at the University of California, Berkeley found that the “errors, omissions, and lack of transparency” in the Environmental Protection Agency’s economic analysis underlying its Waters of the United States (WOTUS) rule to be “so severe as to render it virtually meaningless.”¹ Yet, the EPA was able to finalize that rule based on such flawed analysis.

Federal agencies also write rules that are not feasible for the construction industry to follow. The Occupational Health and Safety Administration (OSHA) crystalline silica rule, for instance, put forth a permissible silica exposure limit that is beyond the capacity of existing dust filtration and removal technology.² Despite this fact, OSHA finalized this rule and the construction industry is left liable to implement.

The Regulatory Accountability Act will help hold federal agencies accountable to the facts throughout the rulemaking process. Under this legislation, the public could challenge the underlying evidence agencies put forth to justify their rules. Such challenges could occur through hearings before the agency and before courts, which generally defer to any evidence put forth by federal agencies currently. As a result, agencies would be incentivized to undertake more rigorous and realistic analyses, rather than risk delays as a result of relying on cherry-picked studies or self-serving, internal data.

The purpose of the bill is not partisan. Rather, it is to ensure that the regulations federal agencies put forth are feasible and based in thorough economic analysis and sound science. To do so, H.R. 5 allows for greater transparency, more public participation and needed objectivity in the rulemaking process. As such, AGC again urges you to for in favor of H.R. 5.

Thank you for your consideration.

Sincerely,

Jeffrey D. Shoaf
Senior Executive Director, Government Affairs

¹ <http://www.ipaa.org/wp-content/uploads/downloads/2014/11/WAC-Comments-on-Proposed-WOTUS-Rule-11-14-14.pdf>

² <https://www.agc.org/news/2016/04/04/associated-general-contractors-files-suit-block-administration%E2%80%99s-misguided-silica-0>