

## **EPA Cost-Benefit Analysis:**

Tell EPA to fully consider health benefits

Accurately accounting for the health benefits of clean air protections – and the cost of inaction on air pollution and climate change – is an important responsibility of the Environmental Protection Agency. But a current proposal to discount the full health benefits from the rulemaking process is threatening to dismantle and undermine key pollution protections.

How are cost-benefit analyses used at EPA?

- Before issuing a proposed rule, EPA conducts an analysis of the associated costs of implementation and the anticipated benefits to public health.
- By EPA's own previous analysis, the benefits stemming from the Clean Air Act between 1990 and 2020 outweighed the costs of implementation by 30 to 1.<sup>1</sup>

## What are the limitations of cost-benefit analyses?

- Far too often, the cost of pollution cleanup is overestimated. Even more frequently, EPA's cost-benefit calculations underestimate or cannot calculate all of the benefits.
  - Modeling often uses endpoints that are causally or likely causally-related to air pollution (premature deaths, hospitalization, asthma-related school absences), but they do not assess other endpoints, such as new onset lung cancer or low birthweight babies due to a lack of cost-relevant studies for these endpoints.

## What are "co-benefits"?

- "Co-benefits" are additional benefits achieved as a result of implementing a regulation.
  - For example, the pollution controls that reduce air toxics also reduce particulate matter, providing significant benefits to health.

## What would change under this proposed rule?

- Under the proposed rule, EPA would no longer include "co-benefits" in their calculation, which would further undercount the benefits to health from reductions in air pollution.
- EPA is proposing to over-simplify an often-complex process and apply a formula for calculation across all clean air regulations, eliminating any sort of flexibility based on what industry or pollutant is being regulated.
- Any considerations of non-domestic costs and benefits of clean air regulation would be eliminated, effectively ignoring the impacts that climate change has both within and outside the United States' borders.
- The proposed rule opens up the possibility for retrospective analysis of clean air regulations, meaning that previous regulations could be subject to this new cost-benefit procedure, potentially launching a process to revisit and ultimately weaken clean air protections.

Updated: 8/6/2020

\_