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Public Pays Price as Eight Key Food Safety, Financial, Worker Safety and Environmental Rules Held Up, New Report Says

Administration Stalls Rules; Congress Should Improve Process by Increasing Rulemaking Transparency and Enforcement Power of Federal Agencies

WASHINGTON, D.C. – Half a year into President Barack Obama’s second term, a series of public protections drafted by federal agencies are stalled, in several cases beyond specific legal deadlines set by the U.S. Congress, according to a new report released today by the Coalition for Sensible Safeguards (CSS). The report details how the failure to finalize rules harms the American people by compromising the safety of food, automobiles, workplaces and protections for investors.

The CSS report examines eight specific protections that have been under development for years but have not been finalized and implemented. Five of the protections are stalled in review at the White House’s Office of Information and Regulatory Affairs (OIRA).

The report argues that regulated industries have gained undue influence in the rulemaking process, working to slow or stop federal oversight at every step along the way. When Congress passes a law mandating that an agency issue a protection, there is no guarantee that the statute will be implemented.

“White House staff say they just want to be sure the I’s are dotted and T’s crossed, but some rules have been delayed for more than a year,” said Katherine McFate, president and CEO of the Center for Effective Government and CSS co-chair. “There’s been a regulatory drought for years and the public pays the price when delays occur.”

The report comes as the Senate Homeland Security and Governmental Affairs Committee holds a hearing Wednesday on the nomination of Prof. Howard Shelanski to be the next OIRA administrator.

In one case examined in the report, the administration has failed to issue a rule that would save thousands of children from being struck by cars each year. Currently, drivers of many cars and light trucks cannot see people, particularly small children, in an area directly behind the vehicle. Congress recognized this problem and passed a law in 2008 mandating that the National

Highway Traffic Safety Administration (NHTSA) issue a standard requiring that new vehicles ensure rear visibility, through cameras or other mechanisms. The law passed the Senate unanimously and was signed by President George W. Bush.

Five years later, the rule has not been issued. NHTSA estimates that the rule would prevent 95 to 112 fatalities and 7,072 to 8,374 injuries each year. The agency sent the draft final rule to OIRA in November 2011; it has languished there ever since, without public explanation, as the unnecessary injuries and deaths continue.

The other stalled rules examined in the report address: stricter limits on silica dust to protect construction and manufacturing workers; better oversight of imported food products; an extension of minimum wage and overtime rules to cover home care workers; improved coal ash waste site safety standards; enhanced energy efficiency standards; legal protections for investors who rely on avaricious financial advisors; and restrictions on the ability of Wall Street speculators to artificially spike oil and gas prices.

“The safety of our food, the safety of the cars we drive, and the ability of consumers to make sound financial decisions is at stake when public protections are delayed,” said report co-author Rachel Weintraub, legislative director and senior counsel at the Consumer Federation of America. “On the one hand we’ve made tremendous progress, but on the other we face threats like imported food. We need to implement new solutions to protect consumers.”

The recommendations for the Obama administration are succinct: The administration has the authority and ability to issue six of the eight rules discussed in this report and should do so promptly. Three of those rules have been delayed even beyond legal deadlines set by Congress.

The report also recommends changes Congress can make to help ensure that other public protections are less easily stalled, weakened or blocked, and that the rules would be more effective once implemented. Congress should enact reforms that:

- Reduce lobbyists’ ability to block public protections and require OIRA to provide understandable explanations of why draft rules were modified;
- Cut unnecessary delays at OIRA and avert OIRA interference in matters that are strictly agencies’ domain;
- Close the revolving door between regulated industries and government; and
- Ensure finalized regulations are more effectively enforced and accomplish their intended goals.

“The public overwhelmingly supports cleaner air and safer workplaces, but powerful industries that would be inconvenienced by new safeguards have often been able to stop them in their tracks in the rulemaking process,” said Robert Weissman, president of Public Citizen and CSS co-chair. “We’re still suffering the effects of an economic downturn caused largely by severe under regulation of financial markets, and here we are having a debate about whether we should regulate or not.”

The CSS report, *Down the Regulatory Rabbit Hole: How Corporate Influence, Judicial Review and a Lack of Transparency Delay Crucial Rules and Harm the Public*, is available at:
<http://www.sensiblesafeguards.org/assets/documents/down-the-regulatory-rabbit-hole.pdf>

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The Coalition for Sensible Safeguards is an alliance of consumer, small business, labor, scientific, research, good government, faith, community, health, environmental, and public interest groups, as well as concerned individuals, joined in the belief that our country's system of regulatory safeguards provides a stable framework that secures our quality of life and paves the way for a sound economy that benefits us all. For more information about the coalition, see http://www.sensiblesafeguards.org/about_us.