

TESTIMONY

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Committee on Government Reform
Subcommittee on Energy Policy Natural Resources and Regulatory Affairs

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Mr. Chairman and distinguished members, thank you very much for inviting me here to testify before you this morning on H.R. 37 and H.R. 2138, bills that pertain to the elevation of the Environmental Protection Agency to cabinet status. I am Paul R. Portney, President of Resources for the Future (RFF), a research organization that concerns itself with natural resources and the environment. Let me make clear from the outset that RFF takes no institutional positions on legislative or regulatory matters. The views I will express this morning are mine alone.

Like many of those who have testified before this subcommittee over the last two years, I have had a long interest—31 years, in fact-- in the substance of U.S. environmental policy and the way our government is organized to provide environmental protection. Also like many of those who have testified, I am enthusiastic about legislation that would elevate the U.S. Environmental Protection Agency to cabinet status. As you and many previous witnesses have pointed out, Mr. Chairman, the U.S. is one of a very small number of countries (nine at last count) in which the chief environmental official is *not* a cabinet member. While I do not expect it to be an easy task, it is past time to for our country to change this situation and make EPA a cabinet department.

Let me be clear in saying that such a change would not give the EPA any additional legal powers it now lacks, nor would it constrain the EPA in any meaningful way, either. Rather, the importance of such a move would be principally symbolic. But symbols matter. In international environmental negotiations, the Secretary of Environmental Protection would be dealing on even footing with the environment ministers (secretaries) from other nations. Having cabinet status would make these dealings easier for the Secretary, and it would be a signal to the rest of the world that we take the environment every bit as seriously as they do. Indeed, other than the great bureaucratic inertia that often stops organizations (whether public or private) from taking obvious steps, I cannot think of a single good reason why any one would oppose the creation of the Department of Environmental Protection.

Let me say a brief word about the organizational structure envisioned in H.R. 2138, before I turn my attention to the proposed Bureau of Environmental Statistics—which I regard as the most exciting part of the proposed legislation. Under the current wording in Section 7(g)(1) of H.R. 2138, the Chief Financial Officer of the Department of Environmental Protection would be given the responsibility of “ensuring that the budget, human resources and regulatory costs imposed by the Department accurately reflect environmental and human health risks.” While it is critically important that someone at the Department perform that function, it strikes me as a policy responsibility that is better left to the Undersecretary for Policy, Planning and Innovation. I would fully expect that the Chief Financial Officer would be so absorbed with budget, contracting, grant management and other purely financial responsibilities that she/he would not be the best person to assure that the Department’s budget and risk management priorities were

in proper alignment. I regard this as an easy thing to fix, but wish to bring it up because I think it is an important fix to make.

Turning to the proposed Bureau of Environmental Statistics (or BES), I could hardly be more enthusiastic, though this will not be surprising. While there have been many calls over the years for better environmental data collection and dissemination to elected officials and the public, I believe I was the first to call (in an article I wrote in 1988) for the creation of a BES. I felt then, as I do now, that the creation of such a bureau would have a number of favorable effects. It would create an imperative that would almost immediately begin improving the quality of this nation's environmental data; it would better inform our elected officials in congress and in the administration (including those at the Department of Environmental Protection itself) as to environmental conditions and trends; it would elevate considerably the quality of policy debates about which environmental programs are working and which are not; it would improve our ability to compare the benefits and costs of both current and prospective environmental programs; and it would do much more.

If a BES is created within the EPA, preferably as part of the elevation of the EPA to cabinet status, but even if not, I believe the Bureau should have the same quasi-independent status as the Bureau of Labor Statistics enjoys within the Department of Labor or the Bureau of Economic Analysis has within the Commerce Department. That is, ideally the Director of the BES should be appointed by the president for a fixed term (H.R. 2138 envisions a four-year term, though I might prefer a slightly longer one), one that the Director should be able to complete even if the president who appoints him or her is no longer in office. Moreover, ideally the Director should be someone with a

reputation for independence and experience in matters related to environmental data collection and dissemination. It is essential that the Director *not* be seen as someone who might slant the presentation of environmental data for political purposes.

As the members of this subcommittee are aware, there are a number of difficult questions that would have to be answered once the proposed Bureau began its work. One has to do with the types of data it would be required to collect and make available to policymakers and the public in its annual reports. If I might, I'd like to raise a word of caution with respect to the language in Section 8 (c)(1)(A) and subsequent sections of the bill dealing with the information the BES will collect. There the Director is charged with "collecting, compiling, analyzing and publishing a comprehensive set of environmental quality and related public health, economic, and statistical data..."

I understand full well the reasons for suggesting that the Bureau go beyond the collection and dissemination of data on environmental quality. After all, we care about environmental quality at least in part because it bears on public health, and also because pursuing it sometimes entails unpleasant economic tradeoffs. Nevertheless, we should keep in mind the challenge the Bureau will face merely deciding upon a set of agreed-upon *environmental* measures to present. For instance, would "tons of solid waste produced annually" be considered a relevant measure? How about estimates of pollutant *emissions*, as opposed, say, to ambient concentrations of these same pollutants in either our air or our water? Should the Bureau present data on forested acreage in the U.S.? What about tons of fish caught, or the number of acres under grazing? Many other questions could be asked about possible measures just within the environmental ambit.

Because it will be a great challenge for the Bureau to reach agreement on environmental quality measures alone, I would prefer to see its attention focused there. If it must also wrestle with more traditional public health measures, or measures of economic performance, I fear that the Bureau's attention could be spread too thinly and also that its mandate will begin to infringe upon that of the BEA or the National Center for Health Statistics. For that reason, I would urge you to think carefully about the types of information that you would ask the Bureau to collect, compile, analyze and publish. We would not want to let the "best be the enemy of the good" in this case.

Mr. Chairman, thank you again for allowing me to appear before you today to discuss this important legislation. I would be happy to answer any questions that you or your colleagues have.