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Obama White House Changes More Agency Regulations in Backroom Process than Bush Administration Did, Says New CPR Report

OIRA ‘All You Can Meet’ Policy Allows Industry Lobbyists to Dominate Public Interest Groups 5-to-1 in Meetings on Rules, Study Shows

(Washington) – The Obama Administration has further entrenched a regulatory system in which special interest lobbyists have undue sway in closed-door meetings, and White House officials trump agency expertise with decisions based on raw politics, says a new report today from the Center for Progressive Reform (CPR). While the Bush Administration changed 64 percent of regulations under this process, the Obama Administration has changed 76 percent, including 81 percent of those submitted by the EPA.

The report, *Behind Closed Doors at the White House: How Politics Trumps Protection of Public Health, Worker Safety, and the Environment*, is the most comprehensive empirical study to date of the role of the Office of Information and Regulatory Affairs (OIRA), a bureau within the White House Office of Management and Budget. No policy that might distress influential industries, from oil production to coal mining to petrochemical manufacturing, goes into effect without OIRA’s approval. In the 10 years studied in the CPR report, OIRA examined 6,194 draft regulatory actions by federal agencies, and hosted meetings that included 3,760 appearances by industry lobbyists. OIRA changed the agency rules more often in cases where it had been lobbied in person, the CPR study finds.

“President Obama promised to free government from the grip of special interests, but instead he’s opened the White House doors wide to industry lobbyists seeking to block needed health and safety protections, further politicizing the regulatory process” said report co-author Rena Steinzor, President of CPR and Professor at the University of Maryland Carey School of Law. “An open door may sound good, but in this case, it’s an ‘all you can meet’ policy that allows top polluters to dominate the regulatory process.”

“The sad reality here is that the President appointed strong leaders to the environmental, health, and safety agencies, but has undermined them over and over by allowing OIRA to substitute its judgment for the expertise of the agencies. Those agencies have an exhaustive process where all parties get to present their case – in public – about how a regulation should be designed, but the White House has subverted it.”

Obama Administration officials have claimed in several instances that they are required by executive order to meet with all parties who ask. No such provision actually exists.
In one example of OIRA’s influence, the office held captive for six months an EPA proposal to regulate coal ash disposal, written in response to the spill of 1 billion gallons of coal ash sludge in Kingston, Tennessee in 2008. OIRA hosted 47 meetings on the rule, 33 of them with industry representatives opposed to EPA’s proposal. When OIRA was done, it required EPA to revise its proposed rule by adding two new weak regulatory options, and to accompany it with an overhauled cost-benefit analysis that dramatically rigged the numbers against EPA’s original plan to strongly regulating the toxic ash.

The CPR report finds a number of patterns in 10 years of data:

- **Industry dominates the OIRA meetings process.** OIRA makes no effort to balance its meeting schedule by hearing from even a rough equivalence of organizations supporting protective regulations. In the 10 years studied in the report, OIRA hosted 1,080 meetings, with 5,759 appearances by outside participants. Sixty-five percent of the participants represented regulated industry interests; 12 percent of participants appeared on behalf of public interest groups. In only 16 percent of reviews involving meetings did OIRA meet with organizations from across the spectrum of interested groups, while in 73 percent OIRA met only with industry representatives.

- **OIRA meetings correlate with changes to rules.** Rules that were the subject of meetings were 29 percent more likely to be changed than those that were not. OIRA does not disclose its changes, but there is extensive evidence that OIRA functions as a one-way ratchet, exclusively weakening agency rules.

- **OIRA routinely misses deadlines, stalling public health and safety protections.** By executive order, OIRA has 90 days to review a rule, plus a possible 30-day extension. Of the 501 completed reviews in which outside parties lobbied OIRA, 59 (12 percent) lasted longer than 120 days and 22 extended beyond 180 days (about six months).

- **OIRA ignores public disclosure requirements.** OIRA is required by executive order to make available “all documents exchanged between OIRA and the agency during the review by OIRA,” and agencies are required to “identify for the public those changes in the regulatory action that were made at the suggestion or recommendation of OIRA.” Such requirements are almost never followed.

- **OIRA ignores the limitations on its reviewing authority.** An executive order instructs OIRA to focus on “economically significant rules” (those imposing more than $100 million in annual costs), allowing OIRA to extend the scope of its review in very limited circumstances. In practice, “non-economically significant rules” are reviewed at a ratio of six to one with the rules that should be the primary focus of OIRA’s work.

- **OIRA focuses on EPA.** While EPA rules made up only 11 percent of all reviews by OIRA, 41 percent of all OIRA meetings targeted EPA rules. EPA rules were changed at a significantly higher rate—84 percent—than those of other agencies—65 percent—over the whole ten-year period.

The meeting information posted on the White House website is not presented in a searchable format, and it includes incomplete names of organizations and frequent misspellings. CPR is making available an online database (http://www.progressivereform.org/OIRA-data.cfm) that for the first time allows the public to search comprehensively through the OIRA meeting records, enhanced by the data compiled for this report (including the full names of attending
organizations, the kinds of interests they represented, and the specific rule discussed at each meeting).

The report was researched and written by CPR President Rena Steinzor, Policy Analyst James Goodwin, and Intern Michael Patoka. It is available on CPR’s website at: http://www.progressivereform.org/articles/OIRA_Meetings_1111.pdf
The Executive Summary is available at: http://www.progressivereform.org/articles/OIRA_Meetings_1111es.pdf

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