

Good afternoon. My name is Hayden Hashimoto and I am an attorney with Clean Air Task Force. Thank you for the opportunity to comment on this review of EPA's Guidelines for Preparing Economic Analyses.

First, I would like to thank the Economic Guidelines Review Panel for their work on this review. While I have a couple of issues I would like to discuss, for the most part the draft report does a good job of identifying issues and making suggestions to improve the guidelines and ensure they are consistent with the literature.

The language on ancillary benefits is particularly significant, as the draft report is clear that, for the purpose of the economic analysis, there are no second-class categories of effects, and the goal of the analysis should be comprehensiveness. Ancillary and direct benefits and costs should be treated the same. The draft report does an excellent job of making this point, which is consistent with OMB Circular A-4.

The draft report also makes an excellent point about cost of illness. The report suggests EPA consider a robust undertaking to estimate the value of reductions in morbidity, and notes that cost of illness could be significantly undervalued, which could lead to an undervaluation of regulations that primarily reduce morbidity. This is an excellent point and suggestion.

It is also critical to emphasize the significance of unquantified effects, and necessary to maintain consistency with the recommendations of Circular A-4. On page 3 at line 28, the report suggests EPA revise Textbox 1.1, the agency checklist for RIAs, to include a reference to unquantified qualitative costs and benefits. This is an excellent suggestion, however, the proposed revisions to that textbox in Figure 1 at the bottom of page 3 and top of page 4 do not appear to include that reference. I would suggest the SAB add a question about whether the RIA includes a discussion or description of unquantified costs and benefits in this proposed textbox, perhaps after the question about quantifying and monetizing anticipated costs.

I am particularly concerned about the draft report's discussion of Models and Data. On page 26 at line 27, the report states that "In selecting models and underlying studies, the analyst should give a preference to models and studies where the documentation and data are publicly available." The report goes on to note that there may be situations where the data is not publicly available and in such cases the RIA should explain the reasons for using these sources. This language is problematic, and I suggest removing it or modifying it by changing word "should" to "may" so that an analyst *may* give preference to studies where data are publicly available.

I am concerned about this language for a couple of reasons. First, I do not agree that the policy analyst should be deciding which studies to consider or give preference to based solely on whether the underlying data is publicly available. There may be policy reasons or statutory requirements involved, such as with the National Ambient Air Quality Standards, which rely on the latest scientific knowledge regardless of public availability of data. Furthermore, public availability of data should not be a decisive factor because it is not necessarily indicative of a study's quality. For example, if the analyst is choosing between two studies, one which has publicly available data but does not account for confounders, while the other does not have publicly available data but does consider confounders, the analyst should not necessarily prefer the study that fails to account for confounders merely because it uses publicly available data.

To the extent that this language is intended to be consistent with EPA's science transparency proposal, I would also point out that there is a lot of uncertainty regarding that rule. The supplemental proposal included more than one option, specifically an approach that would exclude consideration of studies based on whether or not the data is publicly available and an approach that would weigh studies differently based on whether the data is publicly available. In addition, the supplemental proposal included an alternative to making data publicly available, by instead making data available subject to a tiered access system. Therefore, it is unclear in what form, if any, the science transparency rule will be finalized. By including this language here, the SAB risks advising EPA to revise its economic guidelines in a way that could be inconsistent with provisions in a final science transparency rule. At the very least, the word "should" here should be changed to "may" to provide more discretion to the analyst, leaving it up to EPA to decide whether to further limit this discretion through a final science transparency rule.

Thank you for listening to these remarks and thank you for all of your work on this important review.