

## OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

November 3, 2011 (Senate)

## STATEMENT OF ADMINISTRATION POLICY

S. 1786 – Long-Term Surface Transportation Extension Act of 2011

(Sen. Hatch, R-Utah)

The Administration strongly opposes passage of S. 1786 because the bill does not give the Nation's economy the jumpstart it needs right now, even as it would undermine key environmental and public health protections and seriously disrupt the Federal Government's services. The President has proposed immediately investing \$50 billion in the Nation's highways, transit, rail, and aviation, which would put hundreds of thousands of construction workers back on the job and modernize America's crumbling infrastructure for the long-term. The President has also proposed a national infrastructure bank capitalized with \$10 billion, in order to leverage private and public capital in innovative and reform-minded ways without earmarks or political influence. None of these proposals are contained in S. 1786.

Among the problematic provisions that the Administration strongly opposes that are included in this bill are:

Title IV of the bill would impose an unprecedented requirement that a joint resolution of approval be enacted by the Congress before any major rule of Executive Branch agencies could have force or effect. This radical departure from the longstanding separation of powers between the Executive and Legislative branches would delay and, in many cases, thwart implementation of statutory mandates and execution of duly enacted laws, increase business uncertainty, undermine much-needed protections of the American public, and create unnecessary confusion. There is no justification for such an unprecedented requirement.

Title V and Section 140 would undermine public health protections under the Clean Air Act (CAA) and would prevent the Environmental Protection Agency (EPA) from moving ahead with long-overdue requirements to reduce air pollution from industrial boilers, solid waste incinerators, and cement plants. They also weaken EPA's ability to ensure that its standards protect American families from a range of harmful pollutants including mercury and other toxic metals, as well as smog and soot. Delaying implementation of important air pollution standards would increase exposure to mercury, which can impair children's ability to think and learn. Delay due to this title and section could mean foregoing over a hundred billion dollars in health benefits. Each additional year of delay would mean foregoing tens of billions of dollars more in net benefits.

Title VI, the Regulatory Time-Out Act of 2011, would block implementation of critical public health and safety protections. This Administration is committed to a regulatory system that is informed by science, cost-justified, and consistent with economic growth.

Finally, S. 1786 seeks to pay for its proposals with a rescission of \$40 billion of appropriated funds that runs counter to the spirit of two recent bipartisan agreements, including the recently-

enacted Budget Control Act of 2011 (BCA). Disregarding the BCA agreement and cutting already-tight discretionary program levels even further, as this bill would do, would be a serious mistake. The bill's unspecified rescission of \$40 billion in appropriated funds would cause serious disruption in the Federal Government's basic services in support of critical national goals, such as supporting education, protecting public safety, and promoting economic growth.

<u>If the President is presented with S. 1786, his senior advisors would recommend that he veto the bill.</u>

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