

April 7, 2014

Office of Environmental Information  
U.S. Environmental Protection Agency  
Mail Code 28221T  
1200 Pennsylvania Ave., NW  
Washington, DC 20460

**Re: Docket No. EPA-HQ-OA-2014-0129, Draft Supporting Materials for the Science Advisory Board Panel on the Role of Economy-Wide Modeling in U.S. EPA Analysis of Air Regulations**

On behalf of the 6,000 members of the American Road and Transportation Builders Association (ARTBA), I respectfully offer comments on the U.S. Environmental Protection Agency's (EPA) "Draft Supporting Materials for the Science Advisory Board Panel on the Role of Economy-Wide Modeling in U.S. EPA Analysis of Air Regulations"

ARTBA's membership includes private and public sector members that are involved in the planning, designing, construction and maintenance of the nation's roadways, waterways, bridges, ports, airports, rail and transit systems. Our industry generates more than \$380 billion annually in U.S. economic activity and sustains more than 3.3 million American jobs.

ARTBA members undertake a variety of activities directly impacted by EPA's regulations under the federal Clean Air Act (CAA). ARTBA's public sector members adopt, approve or fund transportation plans, programs or projects under Title 23 U.S.C. and Title 49 U.S.C., while ARTBA's private sector members plan, design, construct and provide supplies for all federal-aid transportation improvement projects. This document represents the collective views of our 6,000 member companies and organizations.

ARTBA is encouraged by EPA's efforts to improve the economy-wide modeling used to analyze the impacts of proposed CAA regulations. An accurate review of economic impacts is essential to the discussion of any proposed regulation. No matter their intentions or end goals, all regulations have an effect on job creation, development and the overall economic health of the areas where they are implemented. Being able to accurately quantify these effects allows better decision making when balancing the costs and benefits achieved by proposed regulations. As an example, the importance of accurate economic modeling was recently demonstrated by EPA's own data showing tightening federal ozone standards could cost the U.S. economy as much as \$90 billion annually.

Transportation construction is directly tied to the economic health and development of this country. According to Federal Highway Administration data, every \$1 billion spent on highway and bridge improvements supports almost 28,000 jobs. Given these broad direct and indirect economic contributions, the impact on transportation development should be taken into account

when analyzing new CAA regulations. If a new regulation would force a county out of compliance with the CAA and place its federal highway funds in danger of being withheld, the economic repercussions could be severe.

Additionally, as ARTBA has noted in multiple sets of comments to EPA over the years, delaying transportation improvements also delays the congestion reduction and improvements to public health and safety associated with their completion. In order to more accurately assess the impacts of its CAA rulemakings, EPA must strive to take all of these factors into account as it analyzes future regulations.

Specifically, ARTBA has two suggestions for future EPA economic analyses. First, any proposed rule should take into account differences among areas of the country where the regulation will be implemented. This has been a problem with EPA regulations in the past, such as stormwater where EPA sought to apply a single numeric standard to the entire United States. In order for proposed regulations to be more workable, they need to be flexible enough to recognize unique aspects of the localities charged with their implementation.

For example, the economic impacts of delaying a transportation improvement in a sparsely populated rural county are likely to be different from a project being delayed in a dense, urban setting. For the transportation sector, much of this information could be ascertained from a region's long-term transportation plans. Looking at an area's has plan for transportation development will give EPA an idea of exactly what types of transportation improvements could be placed in jeopardy by a proposed regulation.

Furthermore, EPA should strive to design a process where its economic analyses are independently verified. Neutrality is important in determining whether or not there is sufficient justification for proposed regulations. Having verification of economic data from a party which neither supports nor opposes the regulation in question will provide an increased level of certainty to the rulemaking process and also help bolster the record for regulations in the event of litigation.

In conclusion, ARTBA applauds EPA for initiating this discussion on economy-wide modeling in the analysis of CAA regulations and looks forward to continuing a dialogue which will result in regulations balancing the needs for transportation improvement with sound environmental protection.

Sincerely,

A handwritten signature in black ink, reading "T. Peter Ruane". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

T. Peter Ruane  
President & C.E.O