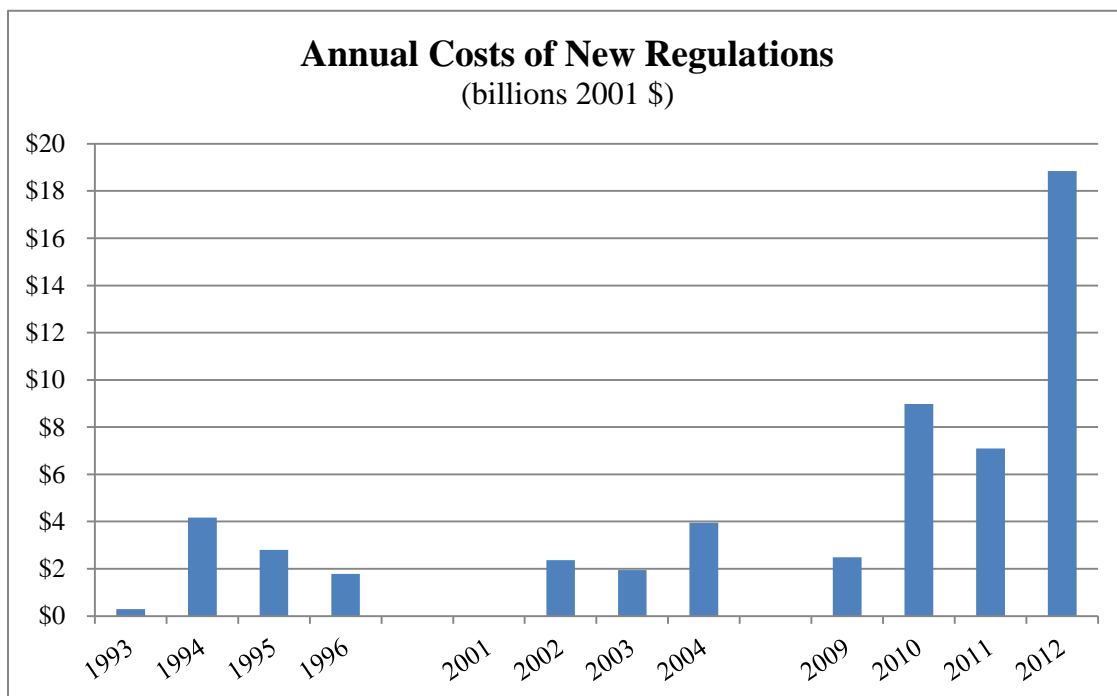


The Office of Management and Budget quietly released its draft [2013 Report to Congress on the Benefits and Costs of Regulations](#) on Friday, April 19, covering regulatory activity through the end (September 30) of fiscal year 2012.

Recall that, as the presidential election approached, the White House was [widely reported](#) to be [restraining the regulatory agencies](#) out of concern for the state of the economy. Now that the results are tallied, however, there is little evidence of restraint. By the administration's own estimates, the rules it issued in FY2012 alone imposed more costs on the economy than all the rules issued during the entire first terms of Presidents Bush and Clinton, combined.



Source: OMB [2013 Draft Report to Congress on the Benefits and Costs of Federal Regulations](#) Appendix tables D-1 – D-3. OMB reports data by fiscal years except the first year of each president's term, which begins on January 20<sup>th</sup> of that year.

The report does not highlight this fact, but instead points to the enormous regulatory benefits that it claims will flow from these rules. The benefits are very different in character from the costs, however. Of the reported benefits of regulations issued in FY 2012, over 95% derive from two assumptions that [many scholars](#) find [questionable](#): 1) that reductions in emissions of [fine](#)



[particles will cause](#) large reductions in premature mortality (55% of total benefits); and 2) that depriving consumers of their preferred choices in purchasing [appliances](#) and [cars](#) will ultimately make them better off, because the fuel savings are worth more – [to the consumers themselves](#) – than [consumers realize](#) (contributing 41% of the total benefits).

In making comparisons of net benefits across different administrations, the OMB report uses another questionable technique. If a court has vacated a rule issued by a previous administration, the report removes the net benefits from that administration's tally. Yet it continues to include in the Obama administration's tally the [cross-state air pollution rule \(CSAPR\) vacated in August 2012](#). With claimed net benefits of almost \$40 billion per year, selectively taking credit for the vacated CSAPR clearly affects the net benefits comparison. This seems particularly inappropriate because, as a result of the vacatur, the EPA is actually enforcing the Bush administration's (also overturned, but not vacated) [clean air interstate rule \(CAIR\)](#).

