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Opening Statement of Rep. Henry A. Waxman
Ranking Member, Committee on Energy and Commerce
Hearing on “Regulatory Reform Series # 8 – Private-Sector Views of the Regulatory
Climate One Year After Executive Order 13563”
Subcommittee on Oversight and Investigations
February 16, 2012

Mr. Chairman, this is our eighth hearing on regulatory reform. And if today’s hearing is anything like the first seven, we won’t hear much about ensuring that regulations are carefully tailored to meet their need. This hearing is titled, “Regulatory Reform Series 8 – Private-Sector Views of the Regulatory Climate One Year After the Executive Order.” And what you have are four people who are going to tell us that they’re unhappy. But do they represent the whole private sector? Are we going to hear a balanced view of how these regulations are operating?

We, the Democrats, have two witnesses at the table who are going to give a different point of view, and the Chairman wasn’t even willing to acknowledge them and welcome them to this hearing. I’m very pleased they’re here, and I appreciate the Chairman giving us some witnesses to give another point of view.

But the point that I’m trying to make is this is not a fact-finding hearing to understand whether we need changes in the regulatory system. This is a hearing to hear anecdotes from four people from four different industries about their complaints. And I don’t want to diminish or minimize the genuineness of what they have to say, but this is not a balance.

For example, we’re going to hear from a fellow Californian Mr. Andrew Puzder who runs the Carl’s Jr. and Hardees restaurant chains. He is here to tell us that he doesn’t like the inflexibility and costly regulation stemming from the Affordable Care Act, although he glosses over the flexibility that allowed his company to receive a waiver from important Medical Loss Ratio regulations. He is also going to criticize the new menu labeling laws. I’m interested in his criticism, but that law was supported by the National Restaurant Association. They’re in the private sector as well, and they strongly support these regulations. They call it a “win for both restaurant owners and guests.”

We also have Kimber Shoop of the Oklahoma Gas and Electric Company. His company has also received important benefits from the Affordable Care Act – collecting almost \$700,000

to help continue providing affordable health care coverage to their early retirees. But that's not why he's here. He's here to complain about regulations that he finds troublesome.

What we have is a hand-picked group of four people to give a certain perspective on regulations. And this perspective is the Republican perspective that we've been hearing over and over again.

I could call it a rush to judgment, but it's not even that. It's a statement of a political point of view. This hearing, as the others we've held on this subject, has been focused on politics over policy, more focused on attacking the President than working with us and him in a bipartisan way to solve America's problems. I don't have high hopes for this hearing, although I'm pleased that the witnesses are here, and I'm pleased that we have two additional witnesses to give some bit of another point of view.

We can't make decisions by anecdote. We've got to have data. We've got to have debate. We've got to hear different points of view as we're urged to make decisions.

But I have high hopes for one of our witnesses to clear up an important matter from a previous Committee hearing. Three years ago, the Energy and Environment Subcommittee held a hearing on climate change. At that hearing, Dr. Patrick Michaels from the Cato Institute testified that widely accepted scientific data has "overestimated" global warming and that regulation enacted in response to that data could have "a very counterproductive effect." He was the only scientist to testify that climate change didn't warrant congressional action.

After the hearing, we discovered information that appeared to indicate that Dr. Michaels had made misrepresentations to the Committee, concealing some of his financial support from big energy businesses. Rep. Welch asked him at that time what his financial relationship were with certain energy companies for the record. Dr. Michaels never directly answered these questions.

Today Barbara Walz, a representative of Tri-State, will be testifying. We sent a letter to her in advance of this hearing because public documents indicate that Tri-State funded Dr. Michaels work to discount the seriousness of climate change. I'm sure it's in the interest of the company, but that might well indicate that he had some kind of reason to come up with the conclusions he wanted.

I think we need to understand this matter further. Dr. Michaels appeared before the Committee and presented himself as an academic researcher, discounting his ties to polluting industries. I think clarifying this will be very helpful. That's about the only thing I think we may get from a positive point of view out of this hearing, other than a lot of genuine, heart-felt complaints.