

Valuing Environmental Health Risk Reductions to Children

OPENING REMARKS BY

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**Remarks for Marianne L. Horinko
Acting Administrator of the U.S. Environmental Protection Agency
at the
Valuing Environmental Health Risk Reductions to Children Forum
Washington, D.C.**

October 20, 2003

Thank you, Jessica (Furey), for that introduction. It is a pleasure to be here with you for the 9th Economy and Environment workshop – again highlighting a great partnership between EPA’s Office of Policy, Economics and Innovation, Office of Research and Development, and our co-sponsors, the Office of Children’s Health Protection and the University of Central Florida. For the second time, this series will focus on the importance of children’s health protection – a topic that we are taking very seriously at EPA, especially as we recognize Children’s Health Month during October. This month – and this forum – are excellent opportunities for us to discuss how we can use economic analyses to improve our decision making in the areas that affect children’s health.

I’m not an economist, but those at EPA who are tell me that “environmental economists” approach the problem of valuing health risk reductions differently than “public health economists.” I suspect that is true for children’s risks as well, and it brings to mind what George Bernard Shaw once said: “If all economists were laid end to end they would not reach a conclusion.” While they may not agree on a conclusion, economists provide vital information that informs policy decisions throughout the agency.

At EPA we consider economics a science, just as biology, toxicology, and chemistry are sciences. And, it is critical that we produce sound science that will help lead to quality decisions. Part of the scientific process is to engage in debate and disagreement. That is how progress is made, and it is why we are here. I encourage you to continue to engage on these critical issues, even when serious disagreement exists among - and within - branches of economics.

I will admit that I am frustrated when our economists say we lack the methods and research necessary to value specific benefit categories. Often times we use proxies or no valuation at all. We have to change that, and your work is crucial to gaining the information we need to do so. Your research provides the underlying information needed to support sound analyses and decision making. I am proud that our STAR grants program in the Office of Research and Development provides support to some of you to help us fill these critical knowledge gaps.

In the end, of course, there is far more agreement than disagreement. Indeed, the underpinnings of benefit-cost analysis, discounting, willingness-to-pay, and other economic

concepts are now fundamental principles in textbooks. So it seems clear to me that tackling the problem of valuing health risk reductions to children is a situation where better communication among the various fields of economics will lead us to the quality decisions we want and need for our children. This conference will certainly get us closer to that goal. In fact, it is a goal that we have already been working toward for several years at EPA.

Protecting children is an important part of EPA's mission, and finding ways to value risk reductions for this vulnerable segment of society is critical to this work. As you may know, EPA does not account for age differences when estimating benefits for policy-making. However, we are committed to furthering our understanding of both the science and the valuation components of our decisions – which is why in 2003, EPA spent \$18.4 million on children's health risk research.

We do know that children are not just little adults. As you know, their neurological, immunological, and digestive systems are still developing. They eat more food, drink more fluids, and breathe more air than adults in proportion to their body mass. And, children's behavioral patterns – such as crawling and placing objects in their mouths – may result in greater exposure to environmental contaminants. Because of these characteristics, children may not be sufficiently protected by regulatory standards that are based on risks to adults.

That does not mean that we have not made real progress in protecting children. For example, largely due to removing lead from gasoline, the median concentration of lead in blood of children under the age of 5 dropped by 85 percent between 1976 and 2000. This is important because lead exposure can result in lowered intelligence, impaired hearing, hyperactivity, and other adverse health effects. Building on the progress made by removing lead from gasoline, EPA spends \$2.5 million annually on regulation development and public education to further reduce children's exposure to lead. Clearly, all of our efforts over the last three decades are working.

I hope that several years from now, the same will be said for our ongoing efforts to reduce childhood asthma. Between 1980 and 1995 the percentage of children with asthma doubled from 3.6 percent to 7.5 percent – today more than 6.3 million children under the age of 18 have this disease that forces them to miss 14 million days of school each year. The Clean School Bus USA initiative – which EPA launched last spring – will help clean up emissions from buses and reduce asthma symptoms by eliminating unnecessary idling, replacing older buses with new ones, and equipping buses with advanced emission control technologies. This program seeks to make sure that every public school bus on the road in all 50 states will be a clean school bus by 2010. They will emit less pollution, contribute to cleaner air, and – most importantly – keep our kids safe and healthy on the way to school.

Clean School Bus USA is the newest in a long line of EPA initiatives designed to improve the lives of children suffering the health – and social – impacts of asthma. Tools for Schools, Smoke Free Homes, and the President's Clear Skies Initiative – along with a request for a \$3 million increase in the President's FY 04 budget for children's health research – will

continue to help us combat this epidemic.

The cases of lead and asthma show that when it comes to environmental health risks, children need special attention. We have targeted children by focusing on things like school buses, ventilation systems, and educational initiatives for families – but we must go further. During my time as Acting Administrator – and in my former role as Assistant Administrator for OSWER – I have seen that it is tremendously difficult to reflect children’s issues in our regulatory process – but I think we can all agree that we must continue to try.

As we work to develop better scientific data on how pollutants affect children, and better regulatory analysis addressing children’s risks, it is important to keep track of how well children’s health protection efforts are working. Earlier this year, EPA published the second edition of *America’s Children and the Environment* – a ground breaking report that shows trends in children’s environmental health. Today, I am pleased to announce the launch of the online version of *America’s Children and the Environment* which will house new information and data as it becomes available and will be a valuable resource for researchers, concerned citizens, and policymakers. I am also pleased to announce the release of the *Children’s Health Valuation Handbook*, which is a companion to EPA’s *Guidelines for Preparing Economic Analyses* that was released in 2002. The *Handbook* is a reference tool for those conducting economic analyses of EPA policies that are expected to affect children’s health, providing information on how we might incorporate the unique risks to children into our analyses.

This is where you come in. Your research and the work you are presenting over the next two days will be invaluable for our ability to further understand this process and ensure that we develop policies that are protective of everyone – not just adults. It is a true measure of our society how well we protect those who are the least able to protect themselves. I fully anticipate that your presentations will challenge and inspire us to continue tackling these difficult issues in an effort to improve public policy – and the lives of our children.

Thank you.