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Student Loan Interest Fight Highlights Competing Values

According to a recent study by the [Pew Center on the States](#), Americans believe access to a quality education is the most important way the government can help people get ahead. Next year, reaching that goal could become more difficult. With the federal student loan interest rate set to double to 6.8 percent, college could become much more expensive for millions of students. Both parties in Congress have said they want to keep the lower rate, but they are far apart on how to find the \$6 billion annually to pay for the loan subsidies.

The federal government has a long history of helping people pay for higher education. After World War II, the GI Bill allowed millions of veterans to attend college with federal support for college tuition and living expenses. In 1965, the Federal Guaranteed Student Loan program was created as one of the Great Society programs. The program provided direct loans to millions of would-be college students; some were subsidized, some were not, depending on income and eligibility requirements. However, because all of the loans were directly financed by the federal government, individuals could receive a much lower interest rate than they would have through private banks. In 1988, the program was renamed the Stafford Loan program. Today, Stafford Loans and Pell Grants, which provide direct assistance to low- and moderate-income students, continue to help millions of young people afford college.

In many advanced industrial countries, higher education is fully paid for or heavily subsidized by the national government. By contrast, U.S. government support is mostly indirect in the form of grants and loans. This system has helped a growing share of the population to attend college: the number of people with college degrees has grown by almost [sevenfold since 1940](#).

A college education is generally considered a necessary but not sufficient entry ticket to the middle class. Those with a bachelor's degree earn roughly twice as much as those with just a high school diploma, and the unemployment rate of college graduates is half that of those with only a high school education ([as of 2010](#)).

However, the cost of college is exploding. Public four-year colleges are almost [four times as expensive](#) as they were thirty years ago (after adjusting for inflation). The escalating cost of college has resulted in a huge increase in student borrowing. Today, [34 percent of undergraduates](#) – nine million students – have Stafford Loans, and the average annual loan amount exceeds \$6,700. The average college student graduates with \$25,000 in student loan debt today, a [25 percent increase from ten years ago](#). Total student loan debt just topped [\\$1 trillion](#), more than the entire nation owes in credit card debt.

In 2007, a Democratic-controlled Congress cut government subsidies to private loan providers, saving the government [\\$20 billion](#). The [law](#) incrementally reduced student loan interest rates and increased funding for direct aid to low-income students (the Pell Grant program) in an attempt to lessen the debt burden on American students. The bill largely succeeded. In 2008, private loans, which typically have higher interest rates than federal loans, represented about [25 percent of new loans](#); in 2011, this figure had dropped to just seven percent.

Returning to higher rates for federal loans would cost a typical college student more than \$1,000 per year of schooling, a 17 percent increase in costs. The rate increase is set to kick in on July 1 as specified by the 2007 law.

Now that the issue has become a political football, all parties agree that the rate on Stafford Loans should be kept at 3.4 percent. The debate has moved to how to pay for the \$6 billion a year the program costs (over time, student loans actually generate [a net profit for the government](#)).

Democrats in the House and Senate have different ideas for how to pay for the extension. In the House, Democrats want to cut oil and gas subsidies to pay for the loan program. These subsidies cost the government [billions of dollars](#) a year; ending the subsidies would represent a subsidy transfer from profitable corporations to low-income students. In the Senate, Democrats are proposing to raise taxes on certain "[S-corporations](#)" (a type of corporation whose shareholders, rather than the corporation itself, typically pay federal income taxes) and ensure they pay their fair share. According to a [2009 report by the Government Accountability Office](#), S-corporations underreported wages by almost \$24 billion, which may have resulted in "billions in annual employment tax underpayments."

In late April, House Republicans passed an extension of the current interest rate levels, but in exchange for the lower rates voted to permanently eliminate a program called the Prevention and Public Health Fund (Prevention Fund). Worth about a billion dollars a year, the Prevention Fund supports two main investments that help provide health care services, typically to low-income areas,

according to [*The Washington Post*](#). The Prevention Fund spends about \$200 million a year on training new primary care doctors. (The nation is projected to be short about 30,000 primary care doctors over the next three years.) It also provides funding for anti-cancer screenings (particularly for women) and "health intervention" initiatives, such as smoking cessation and food access programs. Savings over multiple years from elimination of the fund would pay for a one-year extension of the low interest rates, a calculation built into the House extension bill.

The nation is slowly recovering from the recession, but many young people leaving school are still struggling to find a foothold in the economy. Allowing their student loan rates to double will make it even harder for them to make ends meet and have enough financial resources to pay for everyday needs such as transportation and housing. Continuing to subsidize the student loan program by asking profitable corporations to pay more will not depress demand. Insisting that the program be financed with cuts in other areas could. Austerity budgets aren't working in Europe, and they won't help rev the engine of the U.S. economy: consumer spending.

Each time choices like this come to the fore in the coming months, the American people need to ask: Who benefits when a program or subsidy is extended? Who suffers when a program disappears? All fiscal choices have consequences.

FCC Rule Will Modernize Broadcaster Transparency, Illuminate Money in Politics

On April 27, the Federal Communications Commission approved reforms to [modernize the disclosure requirements for broadcasters](#) operating on the public airwaves. The rule will create an online database of TV stations' public files – previously available only by appearing in person at station offices – expanding public access to information about the stations' content, including political advertisements. But even as the rule moves forward, significant loopholes remain that will leave the public in the dark about political ad buys in substantial areas of key states during the current election season.

The Public's Airwaves

The public airwaves are a common asset, owned by no one, like the ocean or the atmosphere. But like the ocean and air traffic, the airwaves need "rules of the road" or interference among broadcasting devices would lead to chaos and make communication impossible. Therefore, in 1934, Congress created the Federal Communications Commission (FCC) to regulate use of the public airwaves, with a mandate that such use should ultimately serve the public interest.

The FCC assigned certain parts of the airwaves for use by television and radio broadcasting. To allocate that spectrum, the FCC grants licenses for organizations to broadcast on a particular frequency in a certain geographic area. In exchange for use of the public airwaves, licensees are tasked with serving their communities and are subject to certain obligations established by Congress and the FCC. For instance, TV stations must provide a certain amount of educational programming for children and must offer closed captioning for viewers with hearing disabilities.

Although they provide similar services, cable and satellite TV and radio broadcasters are regulated differently than television broadcasters because they use different technologies. Cable and satellite providers are not subject to as-strict public interest obligations.

Public Inspection Files

Broadcasters must maintain a public inspection file. To enable the public to oversee the use of the airwaves, stations must disclose certain information about their programming and operations. [As the FCC notes](#), "the public file is an excellent resource to gauge a station's performance of its obligations as a Commission licensee." Broadcasters have maintained public files on paper since 1965.

The public files include information on the station's license and ownership, compliance with FCC rules and equal employment opportunity, programming, political advertising, and comments from the public. Cable and satellite companies are also required to maintain public files, including information on political advertising, but with some other differences.

While ostensibly public, access to the files has been limited by their manner of disclosure. Stations have only been required to make a hard copy available at their main studios during regular business hours. Stations also were required to provide copies in person and could charge a "reasonable cost" for reproduction.

These rules limited access to people with the means and time to physically visit a station's main studio, imposing high barriers. Furthermore, those who did make the trek to a studio sometimes encountered difficulties such as delays, high copying charges, and unresponsive service. Once obtained, the file was a photocopy on paper, not a searchable and reusable digital format, further limiting analysis.

Modernizing Disclosure

To improve public access, the [new rule](#) requires TV stations to post their public files to an online database maintained by the FCC. Stations will also be required to link from their websites to their public inspection file.

To reduce burdens on licensees, TV stations will no longer be required to maintain their public files on paper at their studios. The net effect should be an increase in transparency, as online access will be markedly easier for most users than traveling to the studio.

Information about Political Advertising

In the discussion about modernizing the requirements, the political files attracted particular attention. Campaign finance watchdogs focused on the political files as a way to shed light on political advertising, especially ads by super PACs and other third-party organizations that have ballooned in the aftermath of the [Citizens United](#) decision. Though they offered proposals to address the decision, Congress and the Federal Election Commission have ultimately [failed to update](#) campaign finance

rules to effectively regulate or even disclose attempts to influence our elections through massive ad buys on television by undisclosed donors.

Broadcasters adamantly opposed posting the political files on the Internet because the files show the amounts paid for political ads. Broadcasters argued that wider access to their ad rates could weaken their negotiating power with advertisers and put TV stations at a disadvantage *vis-à-vis* other advertising media.

Supporters of the rule countered that rate information is already public. Even if online disclosure did reduce stations' ad revenue – which has grown by millions of dollars since *Citizens United* – the FCC is bound to protect the public interest, not broadcasters' profits.

However, the rule adopts some measures to address broadcasters' concerns. The requirement to post the political file initially will apply only to stations affiliated with ABC, CBS, NBC, or FOX in the 50 largest media markets. Stations in the remaining markets, and stations not affiliated with the Big Four networks, are exempt from online disclosure of their political files until 2014. As a result, disclosure for the 2012 elections will be partial and will exclude many areas of "swing states" in the upcoming presidential election, as well as Spanish-language networks. In addition, the FCC will collect comments in 2013 on the effect of online disclosure of political files for those stations already required to comply in order to consider possible refinements before the full requirement goes into effect.

Limitations

Other aspects of the rule will further limit its effectiveness at strengthening transparency. The FCC did not establish any specific formats for disclosing the information. Instead, the agency simply required stations to submit the information in its native format to the extent feasible. As a result, the information will likely be posted in a hodgepodge of formats, making it more difficult to search for particular information or extract the data for further analysis. Stations also are permitted to upload scanned documents. Although the FCC will endeavor to make these files searchable, technical limitations in this process will further limit the usefulness of the online public files.

In addition, the FCC exempted from online disclosure letters and e-mails from the public to stations regarding their programming, even though this information will remain in the public file available in person at the studio. Finally, although TV and radio broadcasters are required to maintain the same public files, the new online disclosure rules apply only to TV stations. Given the role of talk radio in our political process, this is a particularly troubling omission.

In addition, the final rule abandoned elements of the FCC's earlier proposal to expand the content of the public files. The FCC had proposed to require stations to disclose more information about product placement, including "pay-for-play" news, and sharing agreements between stations, which advocates argue can circumvent ownership limits meant to foster programming diversity.

Next Steps

The FCC should ensure that the database is easy for the public to use. To maximize usability, the FCC should move toward collecting information in a structured format, allowing it to be disclosed in ways that facilitate analysis and reuse. Although the FCC chose not require a particular format at the current time, it should ultimately make the submission of structured information mandatory.

The fact that online disclosure will not apply to radio licensees is an obvious disparity that the FCC should revisit in the near future. This disparity highlights the need for a government-wide approach to updating disclosure policies for the 21st century. All companies that use public resources should be required to uphold high standards of accountability.

The administration and Congress should also seek to establish new reporting requirements that will create more universal reporting on spending for political advertising. This could mean creating requirements for cable and satellite companies similar to those for television broadcasters. Alternatively, the problem could also be solved by establishing new transparency requirements for those producing political advertising. In 2010, the Democracy Is Strengthened by Casting Light On Spending in Elections (DISCLOSE) Act was introduced in both the House and Senate as a legislative effort to respond to the *Citizen United* decision and create new reporting. The House passed the legislation but the Senate failed to approve the bill.

EPA Improves Public Access to Geographic Information Systems Tools

On April 26, the U.S. Environmental Protection Agency publicly released a collection of web-based tools to enhance access to environmental information and encourage public participation in taxpayer-funded projects. This is part of a White House pilot program to encourage innovation in federal agencies and could empower citizens to improve their communities.

Background

Signed into law in 1969 by President Nixon, the National Environmental Policy Act (NEPA) requires the government to determine and disclose the environmental impact of taxpayer-funded projects, consider alternatives, and respond to public comments. The law is often cited by environmentalists as a critical tool for improving American quality of life. For example, the NEPA review process gives communities the opportunity to insist that highways are constructed away from local drinking water sources and that truckers who ship waste route their toxic cargo away from homes.

On Jan. 1, 2009, in honor of the law's 40th anniversary, President Obama affirmed that "my Administration will recognize NEPA's enactment by recommitting to environmental quality through open, accountable, and responsible decision making that involves the American public." In response, the White House office in charge of monitoring federal NEPA compliance, the [Council on Environmental Quality \(CEQ\)](#), began a broad effort to improve the implementation of the law, open its processes to the public, and encourage more public participation.

As part of this effort, CEQ invited the public and federal agencies to nominate projects related to environmental review so that innovative techniques for completing such reviews could be explored. NEPAssist, a collection of web-based tools, is one of five projects that CEQ selected as part of its pilot program.

NEPAssist: Key Features and Uses

The [NEPAssist website](#) provides tools for users to analyze environmental and geographic data and evaluate the potential environmental and public health impacts of proposed federal projects. More specifically, the website displays environmental and demographic data from many locations and sources on an interactive map. Site visitors can, for example, use the tools to assess the impact of highway projects on local communities, including effects on their parks and schools. Visitors can also identify the specific names of aquifers and water bodies to assess the status of compliance with the Clean Water Act in their communities.

Users can map more than 25 types of locations, such as schools, hospitals, churches, flood zones, aquifers, Superfund areas, industrial facilities, or critical habitat for plant and animal species. The location of these facilities and their position relative to each other in communities may surprise many users. In addition to mapping locations and facilities, visitors can map socioeconomic data for a selected area, including population density, per capita income, and race and ethnicity. Such functions could make it easier for environmental justice communities to identify objectionable projects. Site visitors can also generate summary reports to accompany the maps.

NEPAssist also offers its users various options for searching and viewing data. Visitors can search for a location by address, county, airport code, watershed, congressional district, or latitude/longitude coordinates. Once an area is selected, users can view data in 2D or 3D, and with various overlays, including road, aerial, bird's eye (i.e., low-angle, high-resolution aerial map), or label (i.e., an overlay of streets, highways, and landmarks).

The Environmental Protection Agency (EPA) originally developed NEPAssist to provide federal, tribal, state, and local decision makers with accurate, timely maps of project areas, location of infrastructure, and data that could help address environmental compliance issues before project and permitting approvals were issued. Thanks to its inclusion in the pilot program, however, the site is now available to the public, and EPA plans to expand the number of datasets available on the site and improve its user interface.

Next Steps

Though NEPAssist provides many benefits to its users, there is room for improvement. For one, it would be useful to expand the information that is available on the interactive map. For example, NEPAssist provides links to environmental justice reports, which include health statistics, such as asthma prevalence and cancer mortality rates, but this information currently cannot be mapped.

Also, the site provides hyperlinks to background information about the data, some of which then may be downloadable from external sites. However, NEPAssist does not currently allow users to download

data in Excel files. Allowing site visitors to download data would allow them to conduct further analysis. In addition, some of the datasets included on the site, such as data from the U.S. Census, are significantly out of date and need to be updated.

The NEPAssist site does not have any mechanism to collect feedback and suggestions for improvements from the public. In the past, the EPA sought input from federal, state, and local agencies and other NEPA practitioners to refine the tool, and the agency should establish a similar process for the public. The feedback mechanism should also encourage users to explain how they used the site and what benefits they received from the information they found. Too often, the actual use of government information goes largely untracked and unnoticed. This knowledge would foster the refinement of existing online tools and provide a guide to agencies for future efforts.

Worker-Killing Regulatory Delays

April 28 marked [Workers' Memorial Day](#), a day set aside to honor and remember workers who have been killed on the job. The majority of these deaths are the result of inadequate health and safety standards on the job or inadequate enforcement of the worker safety standards that do exist. It's time for our elected and appointed officials to recognize that delaying workplace health and safety protections can have deadly consequences.

The history of the Occupational Safety and Health Administration's (OSHA) ongoing struggle to protect workers from exposure to silica dust – the most common component in sand – illustrates this problem. Silica has been known to cause chronic, life-threatening scarring of the lungs since ancient times through a disease known as silicosis. At least 1.7 million U.S. workers are exposed to [breathable crystalline silica](#) in a variety of industries and occupations, including construction, sandblasting, and mining. In 2007, the National Institute of Occupational Safety and Health (NIOSH) – the national research institution dedicated to studying worker safety – [estimated that 123 workers died](#) that year from silicosis. Public health experts estimate that there are 15 to 30 new cases of silicosis for every reported silicosis death, or 1,800 to 3,600 newly diagnosed cases of silicosis each year. Scores more workers die from silica-induced lung cancer annually.

The current workplace limit for silica exposure was adopted by OSHA in 1972, based on a consensus standard agreed to in 1968. The standard relies on a complicated formula based on the amount of quartz present in the material being sampled. In the construction industry, the sampling equipment needed to measure compliance with the standards no longer exists – that's how outdated the standard is. The current standard does not require that employers train workers about the hazards of silica or offer exposed workers medical exams to see if they are ill. A new OSHA standard is woefully overdue.

Since OSHA adopted its standard in 1972, the International Agency for Research on Cancer (IARC) and the National Toxicology Program (NTP) have both listed silica as a known human carcinogen (a substance that causes cancer), heightening concern about the health effects of workplace exposure.

Despite this widespread recognition among scientists that silica exposure can be deadly, over 38 years have passed since OSHA first announced its intent to protect workers from silica. Unfortunately, the

unwavering opposition of industry, interference by the Office of Management and Budget (OMB) in OSHA rulemaking, changing priorities, and the agency's own inertia have blocked any forward motion.

NIOSH recommended that OSHA reduce worker exposure to silica in 1974. OSHA responded by publishing an Advanced Notice of Proposed Rulemaking that same year. [Then nothing happened for two decades](#), even as scientists confirmed that silica exposure causes lung cancer. Under President Clinton, OSHA indicated that setting a silica standard would be part of its regulatory agenda in 1997. Nothing moved. The Bush administration designated silica regulation a high priority in 2002 and conducted small business review panels the following year. Then nothing happened for several more years. Finally, the Obama administration re-designated silica regulation a high priority and completed a draft proposed rule in 2010, which it forwarded to OMB's Office of Information and Regulatory Affairs (OIRA) for review in February 2011.

Under Executive Order 12866, OIRA review should take no longer than 120 days. But 14 months later, OIRA has not acted on the proposal, leaving it stuck in regulatory limbo. OIRA has not returned the proposal to OSHA, an action which would effectively kill the rule, nor has it released the proposal so OSHA can publish it in the *Federal Register* and begin public hearings. Since it began reviewing OSHA's proposal, OIRA has had eight meetings with outside groups about the proposal: six times with industry representatives but only once with labor and once with medical experts. We don't know what was discussed at these meetings because OIRA doesn't disclose the substance of what was discussed. The last publicly disclosed meeting OIRA held on the silica rule was in August 2011 – over eight months ago.

Why the delay? OSHA's proposal mandates reductions in silica exposure to the level NIOSH recommended in 1974. This limit can be complied with using readily available technology. In fact, Tom Ward, a bricklayer whose father died of silicosis at age 39, [testified](#) before the U.S. Senate Committee on Health, Education, Labor and Pensions last month that at most jobs, the standard could be met by simply spraying water to minimize how much silica dust becomes airborne.

OSHA estimates that the reduction in silica exposure it is proposing will prevent 60 deaths each year. This means that during the 38 years that this rule has been delayed, more than 2,200 workers died needlessly. How can industry oppose a standard that has already cost 2,200 lives? The evidence is clear: the failure to regulate kills workers.

Anti-Environment Provisions Complicate Conference on New Transportation Bill

Next week, members of Congress from both chambers will meet to negotiate a comprehensive federal transportation bill. They will have to hash out the differences between two disparate extension bills and address controversial, anti-environment policy riders in the House version. The House bill would force the approval of the full Keystone XL pipeline and includes an industry-backed amendment that would prevent the federal government from issuing uniform safeguards for potentially toxic coal ash waste. Environmental groups call the coal ash amendment a gift to Big Coal and are urging Senate

conferees and the Obama administration to ensure that it is not included in the final transportation bill.

The transportation conference committee is expected to meet May 8, where [14 senators](#) and [33 representatives](#) will negotiate new, "must-pass" transportation legislation. After failing to pass a five-year transportation authorization bill, the House approved on Apr. 18 a 90-day surface transportation extension bill, [H.R. 4348](#), that maintains current programs and funding through September 2012. The inclusion of controversial environmental provisions may complicate the committee's ability to reconcile H.R. 4348 with the Senate bill, [S. 1813](#), a two-year extension passed in March.

The coal ash amendment, sponsored by Rep. David McKinley (R-WV), mirrors the Coal Residuals Reuse and Management Act ([H.R. 2273](#)) passed by the House in October. That bill, also sponsored by McKinley, would require the U.S. Environmental Protection Agency (EPA) to defer to state regulation of coal ash, thus limiting federal oversight. EPA has been slow to regulate coal ash, and the amendment would effectively prevent the agency from finally issuing a rule.

New calls for the regulation of coal ash began in 2008 after an embankment holding wet coal ash ruptured at the Tennessee Valley Authority's Kingston plant, releasing 5.4 million cubic yards of coal ash sludge that buried a community and severely contaminated a nearby river. Coal ash can contain arsenic, lead, chromium, and other heavy metals, all of which poison humans. Coal ash is disposed of in almost every state, and those living near disposal sites can face increased risks of cancer and other diseases caused by drinking contaminated water and by exposure to toxins.

In 2010, EPA proposed [two options for regulating coal ash](#):

- The first option would designate coal ash as a hazardous waste, requiring special handling, transportation, and disposal, and would closely monitor any potential reuse. This option would be far more protective of Americans' health and the environment.
- The second would regulate coal ash in a way used to control less toxic wastes like household garbage – an option that would limit EPA's responsibility and authority over coal ash management.

In April, environmental and public health groups [filed a lawsuit](#) to compel the EPA to regulate coal ash and set a deadline to adopt federal coal ash protections. That suit is pending.

The Industry Campaign to Kill Federal Coal Ash Protections

Industry has wanted to block EPA from regulating coal ash for some time. In 2010, the American Legislative Exchange Council (ALEC), a corporate funded group that brings together corporate lobbyists and elected officials to approve "model" legislation, passed a [resolution](#) agreeing with a decade-old EPA determination that coal ash does not warrant federal regulation as a hazardous waste. ["ALEC Exposed"](#), a project of the Center for Media and Democracy (CMD), uncovered ALEC's legislative strategy guide. An ALEC report, the *EPA's Regulatory Train Wreck*, criticizes the proposed EPA regulation of coal ash as a hazardous waste. [According to CMD](#), members of the House have

pushed ALEC's federal agenda in an effort to weaken the EPA. CMD also reported that McKinley's [top campaign donors](#) are from the coal industry.

ALEC received [national attention](#) after the ALEC Exposed project revealed the extent of the group's influence over controversial legislation like the "Stand Your Ground" law in Florida. Several major companies have cut ties with ALEC, and Common Cause alleges that the group has abused its nonprofit tax status. Still, the lobbying efforts of the coal industry could prove successful. If the measure passes with the transportation bill, "it may be the most effective protection of Big Coal ever enacted by Congress," [said](#) Lisa Evans, a coal ash expert with Earthjustice.

Although the White House criticized McKinley's coal ash bill when it came through the House in October, the administration [stopped short](#) of issuing a veto threat. Environmental and public interest groups are now [appealing](#) to Senate conferees to reject the coal ash amendment.

The inclusion of contested environmental measures is likely to complicate the committee's negotiations, but some leaders are imploring the conference committee to maintain focus on creating jobs and supporting infrastructure. "Controversy should not be part of the conference . . . we should come together for the good of the country," [said](#) Sen. Barbara Boxer (D-CA), a conferee and chair of the Senate Environment and Public Works Committee. President Obama also [condemned](#) bringing partisan politics into the transportation debate. "Congress needs to do the right thing. It shouldn't be hard. Not everything should be subject to thinking about the next election instead of thinking about the next generation. Not everything should be subject to thinking about politics," he said.

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OMB Watch • 1742 Connecticut Avenue, N.W. • Washington, D.C. 20009
202-234-8494 (phone) | 202-234-8584 (fax)

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