

INTRODUCING A BILL TO DEFEND AMERICAN JUDGMENT AND FREEDOM

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 1, 2000

Mr. KNOLLENBERG. Mr. Speaker, today I submit legislation to save Americans' opportunities and to embrace Americans' judgment and freedom. This legislation defends the people's right to fully participate in government and to retain some measure of control over our own lives against this insatiable Administration, ever seeking greater powers over us, the people.

My bill extends the public comment period on the flawed regulatory proposals pertaining to clothes washers, air conditioners and heat pumps. I am proud that a bipartisan group of fifteen esteemed colleagues join with me as original cosponsors of the bill. The bill will ensure that the voice of America's working people is heard.

The special interests left the American consumers and taxpayers out of the backroom scam. The American family and the working people are being asked to bear the burden of these proposed regulations.

The average American family is not yet aware of the proposed mandate. They have not been informed of the cost they will be asked to shoulder—over one thousand dollars in total per household according to the scant government estimates. They have not been told of the loss of consumer choice that these intrusive regulations would entail.

Today's struggle hits American families where we live, in our homes.

1. The proposed mandate would hurt working Americans by severely limiting our options of clothes washers, air conditioning, and heat pumps.

2. Worse yet, the proposed mandate would force us against our will to buy products that we refuse to buy.

3. It gets still worse—we will have to pay hundreds of dollars more per product—paying as much as five times the cost of the product we currently select.

4. It gets even worse—the special interest groups know and have publicly stated that they know the American people don't want these products.

5. No, we're not done yet. The special interest groups themselves wrote the mandate!

6. Consumers and taxpayers were not represented.

7. In a backroom scam to benefit themselves, the special interest groups took an oath to work together purposefully to the detriment of consumer selection and to subjugate the will of the people.

8. Is there no end to the hypocrisy? A key part of the scam includes taking hundreds of millions of taxpayer dollars over and above taking hundreds of millions of consumer dollars. That's right—the scam includes 60 million dollars per manufacturer in tax breaks over and above the hundreds of millions of dollars per manufacturer in increased revenue forcibly taken from the purchasers in sales of the products.

9. Worse yet, the U.S. government colluded with the special interests and the U.S. Department of Energy has rubber stamped the mandate that the special interests concocted.

10. On top of all that, taxpayer dollars are being used in egregious public relations for the mandate against the people's will. Specifically, our tax dollars are being used for a free country/western music concert series to promote the mandate. Also, our tax dollars are being used to give away free washing machines to the people in Bern, Kansas, and Reading, Massachusetts as a promotion for the mandate.

Americans are not able to respond without additional time over and above the absolute minimum 60 days allowed by law. American working families are not equipped to read the voluminous and tediously technical Federal Register each day. In contrast, the special interest groups have fleets of lobbyists and computers and lawyers to comb through and analyze on a daily basis the regulatory proposals that affect them. The special interest groups exploit the disparity to tread on the will of the people. Well, sixteen of us Members of Congress have already taken up the "Don't Tread on Me" flag and more will join us.

A real issue here is the rush to regulate. Secretary Bill Richardson stated the Department is "on a rush to establish a . . . legacy." The Department has done the absolute minimum it can to allow the people's voice to be heard by setting the minimum comment period of 60 days. The Department has given Congress virtually no time to act, just proposing the regulation on October 5, 2000. We the people deserve more time than the minimum to defend our will.

This situation is exactly the type in which more time for people's comments is in order. All the elements for a comment extension are present here:

1. Virtually all American families are affected by the mandate;

2. The burden of regulations affects the American people so directly;

3. The inclination of the American people is thwarted by the mandate;

4. These mandated products are available now and people, as a rule, refuse to purchase them;

5. The cost increase of the mandate is so high, more than doubling the cost in many cases;

6. A last-minute rush to regulate has been admitted by the Secretary;

7. Having stated on May 23, 2000, that the rule would be proposed in June of 2000, the Department of Energy is grossly behind schedule with an October 5, 2000 publishing of the proposal;

8. Working Americans should not suffer as a result of gross bureaucratic delays and ineptitude, thus we Americans should not have our comment limited as a result of bureaucrats rushing to make up for their administrative problems and errors; and

9. American families do not have the luxury to read the Federal Register daily.

We are here to represent Americans' interests in a government of the people, by the people, and for the people.

When it comes to clothes washers, these regulations will impact the vast majority of households in America—over 81 million households. The Administration's own analyses show that millions of consumers will never be able to recoup the higher cost. Low-income households, households with fewer occupants—such as senior citizens living alone—who use washers less frequently, and

those households in areas where energy costs are disproportionately harmed.

Purchasing a new washer, air conditioner or heat pump for one's home or apartment is not a trivial matter. Several hundred dollars must be parted with, typically with little if any ability to plan for such a large expenditure. Now the Administration is making such a purchase much more expensive and in the process eliminating consumer choice. Even according to the most favorable determinations, the cost of a new washing machine will increase by at least an extra \$240. In viewing available costs for front-loading machines, that number appears quite low. Several of the front loading machines are actually twice the cost of a standard top-loader and in some instances cost over \$1000. When it comes to new air conditioners and heat pumps, the added initial costs are estimated to be at least \$274 and \$486 respectively. Keep in mind that these products are available now and the people refuse, as a rule, to purchase them.

Apart from the higher cost and reduced freedom of choice, the Administration has not been fair to consumers and taxpayers during the development of the standards. DoE is supposed to disclose potential standards and impact analyses in a public process. Instead it bases its regulatory decisions on proposals submitted by special interest groups meeting in backrooms. Persons and groups who normally would speak to and defend the interests of consumers and taxpayers, and who have in years past been invited to participate, have been excluded.

Under the clothes washer standards, the agreement reached by the special interest groups and submitted to DoE on July 27, 2000 demonstrates that the interests of consumers and taxpayers are not represented. Not only would the proposed standards impose huge additional costs, but also the "joint stakeholders" have proposed and agreed to lobby jointly for massive new tax credits for appliance manufacturers for each energy-efficient appliance that they produce. Up to \$100 per new unit manufactured with a cumulative of up to \$60 million per manufacturer. This new tax shelter for appliance manufacturers means that the U.S. taxpayer carries an even larger share of the federal tax burden in addition to the higher appliance costs.

Congress must assure that consumers are protected against faulty Administration regulations. A public comment period of 120 days more is necessary, given that the public has been largely excluded from the rulemaking process. This time will allow a thorough review and evaluation to be conducted and a proper determination as to whether consumers interests are being protected.

PERSONAL EXPLANATION

HON. JOHNNY ISAKSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 1, 2000

Mr. ISAKSON. Mr. Speaker, on rollcall No. 585, had I been present, I would have voted "yes."