



Regulation Review

Proposed Agricultural Worker Safety Standards for Pesticides

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The Environmental Protection Agency (EPA) recently released a proposed rule that would update safety requirements for workers handling pesticides. The rulemaking is yet another stage in a string of past regulations dating back to the early 1990s. The [unofficial, pre-publication version](#) of the proposal is 345 pages.

As with many safety regulations during the past few years, this proposal takes a comprehensive approach by requiring more extensive training procedures, more detailed warning labels, and expanded use of certain safety apparatuses like respirators. Interested parties will have 90 days from the regulation's formal publication to comment.

BREAKDOWN

- Total Regulatory Costs: [\\$640 million](#)
- Annualized Costs: \$73 million
- Annualized Benefits: \$14 million
- **Net Costs: \$59 million**
- Paperwork Burden: 6.54 million hours

ANALYSIS

This rule appears modest at first glance. At \$73 million in annual costs, the rulemaking does not rise to the level of an “economically significant” rule, nor does it trigger the Unfunded Mandates Reform Act. And although it would affect more than 300,000 small businesses, it apparently does not trigger the Regulatory Flexibility Act.

However, this proposal is the sort of rulemaking that still has cost-benefit issues worth addressing. For instance, at more than 6.5 million additional hours of paperwork, it is the most burdensome non-tax rule so far in 2014. Assuming a 2,000-hour work-year, this equates to more than 3,250 employees working full-time to complete the required paperwork.

Perhaps more interesting, EPA's monetized cost-benefit analysis is “upside-down.” According to the agency, the high-end estimated annual benefits are \$14 million, or approximately one-fifth of estimated annual costs. EPA claims that the benefits of mitigating long-term health issues associated with pesticide exposure rectify the cost disparity. However, they are unable to quantify or monetize this aspect.

This is hardly the first time EPA (or any other agency) has promulgated this “upside-down” cost-benefit determination. However, one would assume a rule with net costs would address some incredibly urgent public

health need. Perhaps there have been rising levels of pesticide incidents? No. According to [EPA's own data](#), such incidents have steadily declined since 1998. EPA actually notes this pattern in the rulemaking's Economic Analysis: "the number of cases reported by this source ranged from 2,827 in 2000 to 2,040 in 2009."

As EPA notes, "there remain a substantial number of incidents," but it seems that EPA is implementing a regulatory solution to a problem that is slowly dissipating. This "solution" imposes substantial paperwork burdens and the possibility that it will impose more costs on society than it will generate in benefits.