



TESTIMONY OF BILL MULLRAY, OWNER AND PRESIDENT,  
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Before the House Majority Policy Committee  
On the Need for Sound Science in the Development of Regulations  
April 26, 2011

Good morning. My name is Bill Mullray, and I am the owner and president of Mullray Builders Corporation, which is located in Malvern, Pennsylvania. I also serve as the chairman of both the Homebuilders Association of Chester/Delaware Industry Action Committee and the Pennsylvania Builders Association (PBA) Data Quality Task Force. With me today is Grant Gulibon, who serves as regulatory specialist with PBA and will join me in responding to your questions at the conclusion of my testimony.

I appreciate the opportunity to testify today regarding the need for sound science in the development of state government regulation and policy, and to describe a solution that Pennsylvania's housing industry believes is needed to ensure that this is the case.

PBA's interest in the quality of the data and scientific information underlying government policies and regulations stems from the fact that housing is a very heavily regulated industry. Builders and other housing industry professionals must comply with a growing number of environmental, transportation, financial and legal regulations that tend to increase in complexity each year. Those regulations are often based on scientific and other data and information, which is used by state and local government agencies to assist them in making decisions that affect infrastructure, the use of land, stream criteria, stormwater management, traffic studies, zoning hearings and various other issues critical to home builders.

However, the quality of a regulation cannot be separated from the quality of the information upon which it is based. If the information underlying a particular regulation is inaccurate, outdated, or otherwise unreliable, compliance with the resulting regulatory requirements may prove to be excessively costly, technologically unworkable, or otherwise impractical for affected businesses. The result can be the waste of a great deal of time and money by firms whose resources are already being stretched to the limit in the current economic climate.

Of course, many of the regulatory obstacles the housing industry must navigate are faced by other businesses in Pennsylvania and across the United States, and they share a common interest in ensuring that the regulations and policies that affect them are based

on current and reliable data, studies, and scientific research. To that end, the federal government over a decade ago enacted a “Data Quality Act,” which established standards for the quality of information used and distributed by federal government agencies. The Office of Management and Budget oversees the implementation of the federal information quality guidelines and offers a process to which federal agencies must meet when appeals are made to the quality of information disseminated.

The Federal Data Quality Act leads the way for state governments to offer laws governing state agencies and on disseminating quality data to improve the accuracy of information used in the development of regulations, and ensure that it is provided to the public and other agencies. Pennsylvania currently has an opportunity to do just that, in the form of Senate Bill 263, introduced by Sen. Edwin Erickson (R-Delaware).

Senate Bill 263 would amend the Regulatory Review Act by adding criteria to measure the cost and benefit of proposed regulations. Similar legislation sponsored by Sen. Erickson has overwhelmingly passed in the Senate the last two sessions, and was passed by both houses of the General Assembly in 2008, but was ultimately vetoed by former Gov. Rendell. In the current legislative session, it was unanimously reported out of the Senate State Government Committee and is awaiting action by the full Senate.

SB 263 will help ensure the use of current and reliable data, studies, and scientific research by state agencies in Pennsylvania during the promulgation of new regulations. The legislation also amends the Regulatory Review Act to expand the scope of review by the Independent Regulatory Review Commission to include the examination of the quality of data, studies, reports and information underlying state regulations.

Under SB 263, the burden of justification will be on the regulatory agency to demonstrate that the regulation is based upon testable information as evidenced in supporting documentation, statistics, report studies or research. If the agency does not, or cannot, it would be grounds for disapproval of the proposed regulation. PBA believes that this legislation will improve the overall quality and usefulness of Pennsylvania’s regulations as well as increase openness in government.

In closing, PBA is encouraged by the emphasis that Gov. Corbett and the majority leadership of the General Assembly have placed on improving Pennsylvania’s business climate, creating jobs and promoting long-term economic growth. Enacting a Pennsylvania “Data Quality Act” would be an excellent low-cost, high-return way to advance that effort by making sure that only the best scientific data and information are used as state agencies develop future regulations, thus increasing the probability that the resulting rules are clear, straightforward, and serve to reduce the time and expense of compliance for the regulated community. After all, the higher the cost of regulatory compliance, the fewer resources employers have remaining to invest in their facilities, equipment and employees—and the state’s entire economy in turn suffers.

On behalf of the Pennsylvania Builders Association, I again thank you for the opportunity to testify today, and we would be happy to take your questions.