



Federal Giveaways to Industry Dwarf Agency Budgets for Oversight

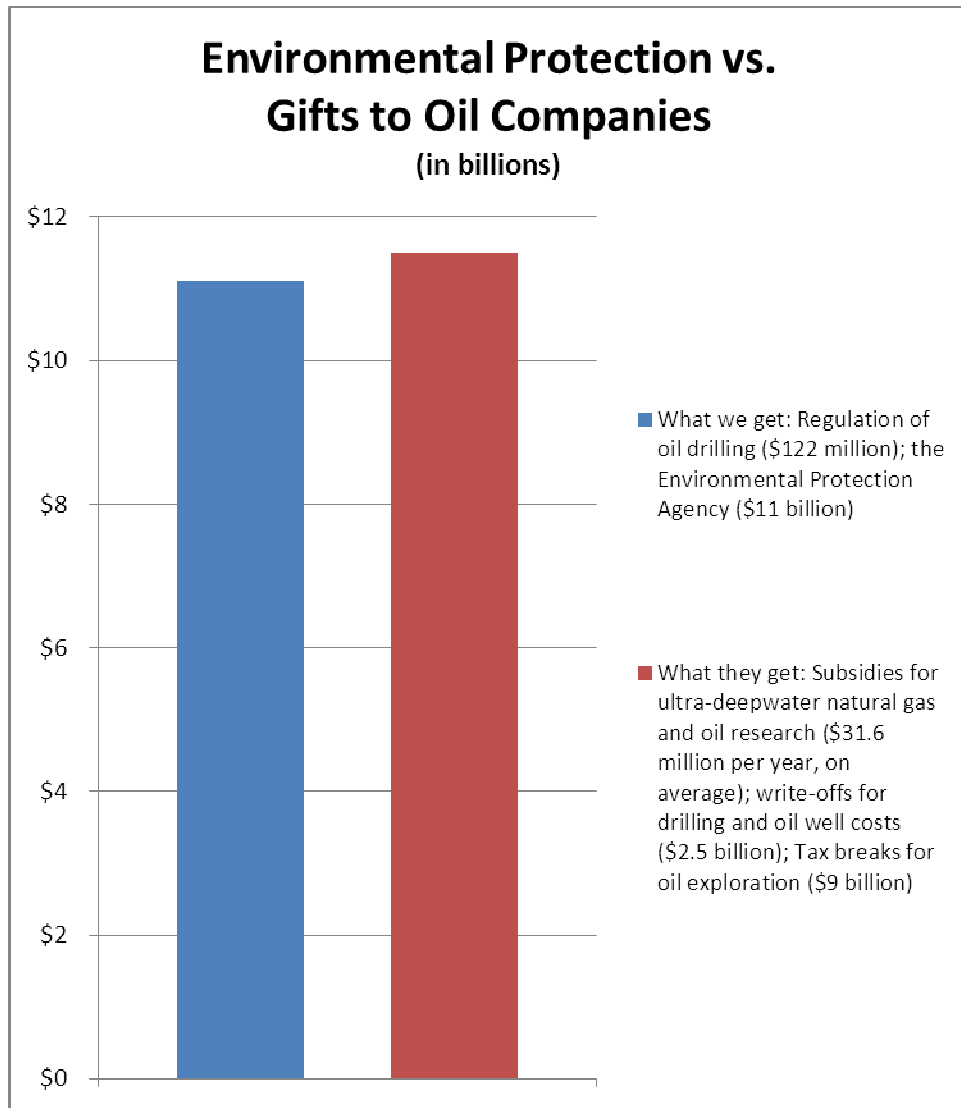
April 2011

As Americans cope with budget cuts that weaken or hamstring agencies that protect us from dangerous products and services, corporations that break the law and endanger our public health are receiving billions of dollars in subsidies. In fact the federal government often gives businesses far more in handouts than it spends overseeing them. Industries that engage in risky activities like deepwater drilling and nuclear energy production are receiving billions of taxpayer dollars, while the agencies that work to make sure those activities are performed safely and responsibly do so with a small fraction of that money.

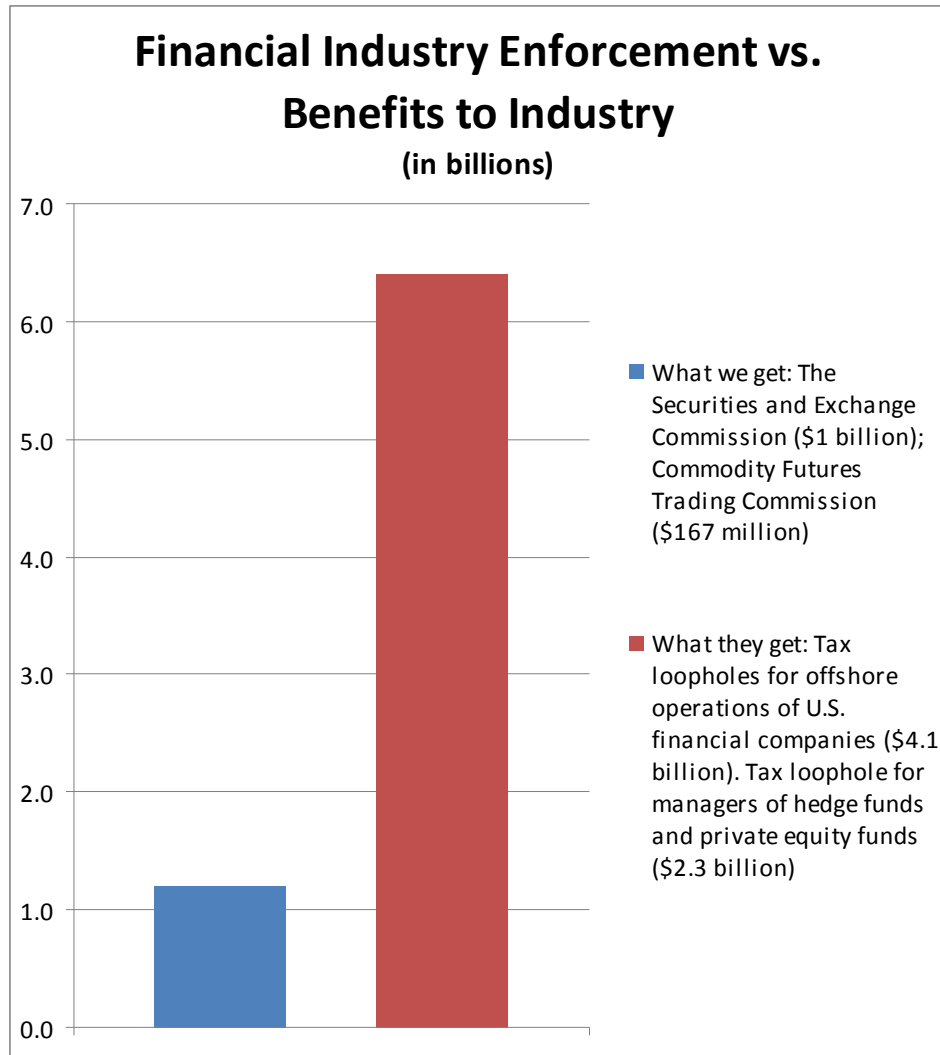
For example, oil companies receive \$9 billion in tax breaks for oil exploration and \$2.5 billion in write-offs for drilling and well costs. Combined, that \$11.5 billion is half a billion more than the *entire* budget for the Environmental Protection Agency (EPA) for fiscal year 2010, and more than 94 times the amount of money spent on public protections from the hazards of oil drilling.

These massive corporate subsidies encourage risky behavior by shifting the consequences of failure to taxpayers, who are unknowing supporters of a who's who of corporate wrongdoers, from BP and Massey Energy to Goldman Sachs.

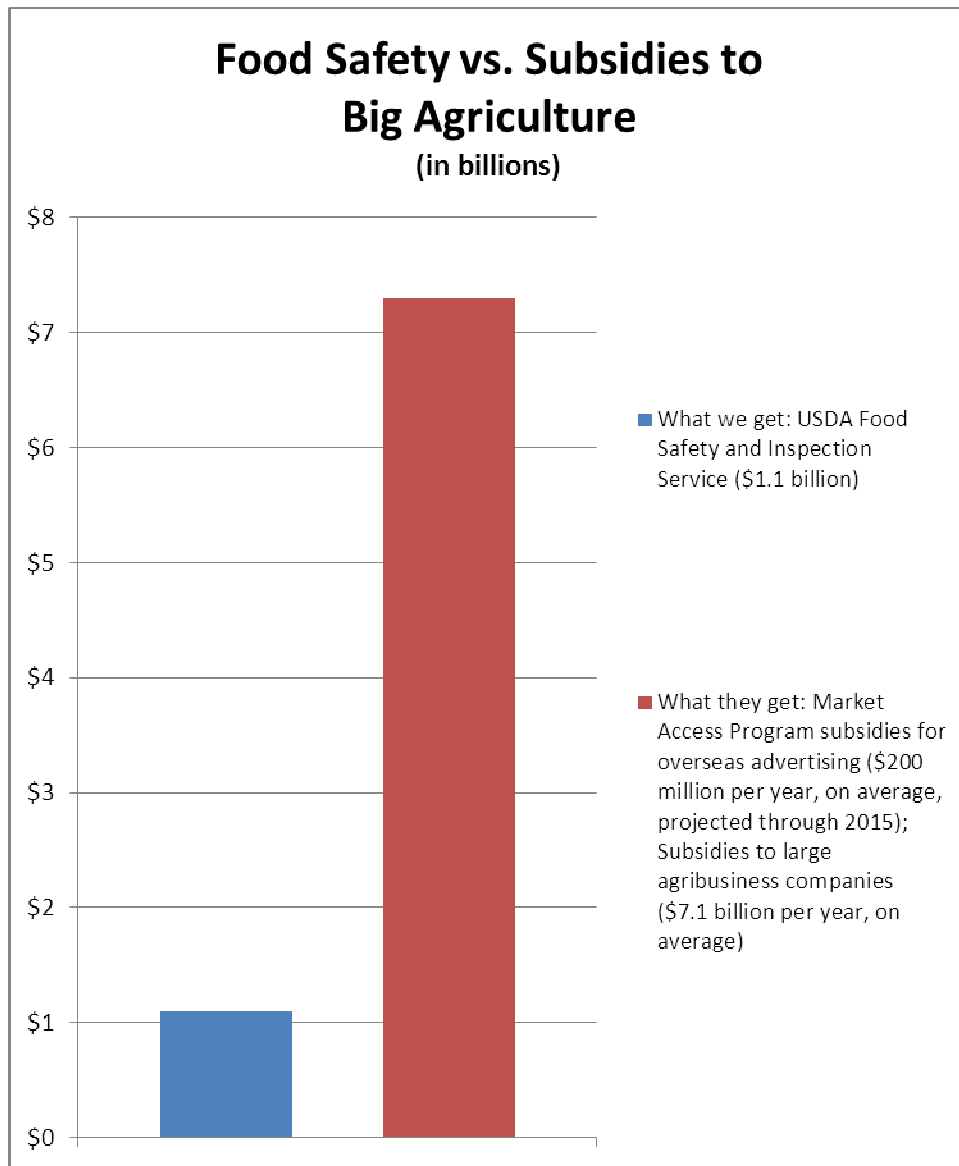
As Congress cuts funding for safety agencies and forces taxpayers to subsidize giant corporations, it's little wonder the last several years have been a series of major catastrophes: a devastating oil gusher, mine and workplace disasters, toxic children's products, and the collapse of the U.S. economy. It's time for Congress to fully fund agencies like the EPA, Occupational Safety and Health Administration (OSHA), Food and Drug Administration (FDA), and Consumer Product Safety Commission (CPSC), and to stop funding industry recklessness.



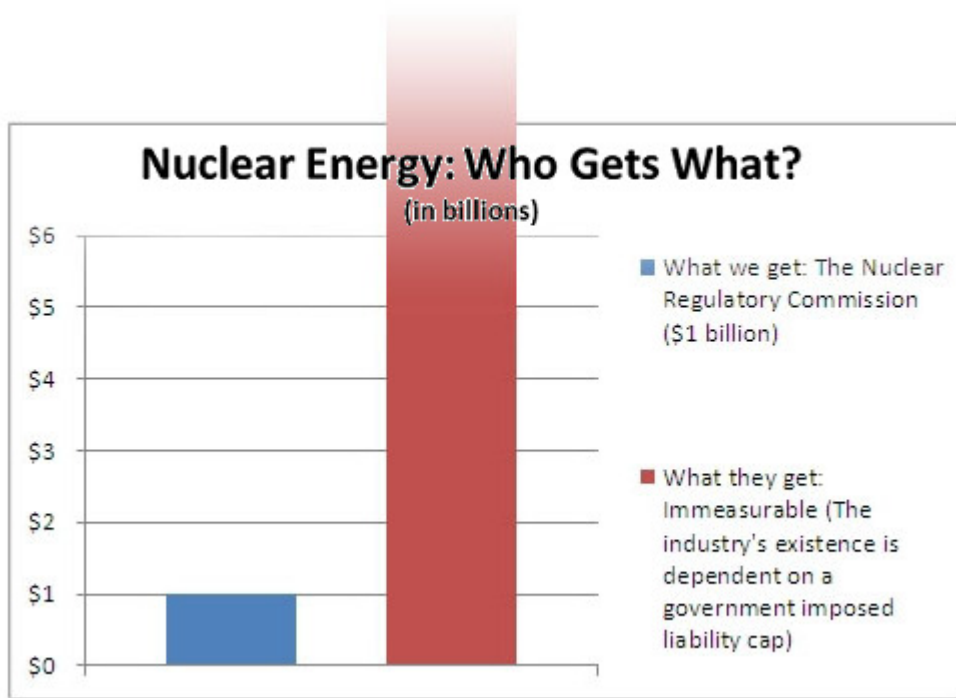
Notes: Oil drilling regulation figure taken from Third Way's Tax Receipt project, available at <http://www.thirdway.org/taxreceipt>, referring to 2010 budget of the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE). EPA spending refers to total outlays in 2010, as reported in President Obama's 2012 budget proposal. Available at <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/environmental.pdf>. Five-year cost of subsidy for ultra-deepwater research taken from "Toward Common Ground: Bridging the Political Divide to Reduce Spending," published by the National Taxpayers' Union and U.S. PIRG Educational Fund, October 2010, available at http://cdn.publicinterestnetwork.org/assets/3ffceaf43849e603a903fe29b117d51a/USP_N_TU_Fiscal-Report-List_Final-Oct2010.pdf. Subsidies for oil drilling taken from "Infographic: Tax Breaks vs. Budget Cuts," Center for American Progress, Feb. 2011, available at http://www.americanprogress.org/issues/2011/02/tax_breaks_infographic.html



Notes: Securities and Exchange Commission spending refers to 2010 budget. Financial industry benefits reported by “Infographic: Tax Breaks vs. Budget Cuts,” Center for American Progress, February 2011, available at http://www.americanprogress.org/issues/2011/02/tax_breaks_infographic.html.



Notes: FSIS figure refers to 2010 outlays. See, [http://www.fsis.usda.gov/News & Events/Testimony Hagen 031511/index.asp](http://www.fsis.usda.gov/News%20&%20Events/Testimony%20Hagen%20031511/index.asp). Agriculture subsidies based on projected five-year costs (2011 to 2015) in "Toward Common Ground: Bridging the Political Divide to Reduce Spending," published by the National Taxpayers' Union and U.S. PIRG Educational Fund, October 2010, available at [http://cdn.publicinterestnetwork.org/assets/3ffceaf43849e603a903fe29b117d51a/USP_N TU Fiscal-Report-List Final-Oct2010.pdf](http://cdn.publicinterestnetwork.org/assets/3ffceaf43849e603a903fe29b117d51a/USP_N_TU_Fiscal-Report-List_Final-Oct2010.pdf).



Notes: Nuclear Regulatory Commission figure represents 2010 budget. Estimation of nuclear industry's subsidy is Public Citizen's calculation.