

## ***Government Regulations: Who Gains, Who Loses?***

by

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**Lesson Description:** Students analyze the costs and benefits of government regulations by reading a portion of Mick Harte Was Here. The students look at the impact of a bicycle helmet law on consumers, producers, and other citizens and then determine if they oppose or support the law and why. Then, working in groups they analyze another issue and try to convince a group of their fellow students, serving as school board members, to support or oppose the proposed rule.

**Grade Level:** Fifth

**Essential Question:** How do government regulations affect consumers and producers?

**Standard:** Economics 1b

**End of Cluster Expectations (Benchmarks):** Students will understand that consumers and producers make economic choices based on supply, demand, access to markets, and the actions of government.

**Link to Additional Standards, if any:** Civics Standard 1

**Assessment:**

This assessment gives evidence of the student's ability to understand that consumers and producers make economic choices based on the actions of government.

The federal government has placed over 100 regulations on the production and sale of a large pizza with everything.
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How might these government regulations affect producers of pizza? Explain.

**Objectives:**

Students will be able to:

- Analyze the costs and benefits of government regulations.
- Explain how government regulations affect the decisions of consumers and producers.

**Prior Knowledge and Skills:** Students need to understand the concepts of producer, consumer, supply and demand.

Civics Standard 1

**Time to complete:** 2 – 3 forty-five minute periods

**Materials:**

- A copy of Mick Harte Was Here by Barbara Parks
- Activity 1, one per student
- Activity 2, cut apart, enough of each issue for half the class
- Activity 3 and 4, one per student
- Visual 1
- Small sticky notes, one per student
- 2 different colored transparency markers

**Procedures:**

1. Ask students how many of them have a bicycle. Discuss.
  - a. What are some rules (laws) you must follow when riding your bike? (Ride with the flow of traffic, stop at stop signs and traffic lights, signal when turning, ride in bike lanes, wear a helmet.)
  - b. Who made the laws that you must follow? (State lawmakers, i.e. senators and legislators.)
  - c. How many of you like to wear bike helmets? Explain. (Most students will say no because they don't like how helmets feel, they mess up their hair, they look funny in the helmets.)
  - d. Why do you think state lawmakers passed a helmet law in Delaware? (Answers will vary but most will say to keep bicyclists from getting injured if they fall off their bikes or are hit by a car.)
2. Give each student a small sticky note. Ask them to write their name on the note.
3. Write two headings on the board. Support helmet law; Oppose helmet law. Have students place their sticky notes under the heading that represents their opinions.
4. Tell students you are going to read them a portion of the book, ***Mick Harte Was Here*** by Barbara Park. Tell them this book is about a boy who didn't wear his bicycle helmet.
5. Read pages 75 - 86 from *Mick Harte Was Here* and discuss.
  - a. Do you think there was a bicycle helmet law in Mick Harte's town? (No.) Explain. (Mick never took his helmet out of his box.)

- b. Do you think there should have been a law? Explain. (Yes, because if there had been a law, the helmet would have protected his head and he might not have died.)
    - c. How might the citizens of the town go about getting a helmet law passed? (They could write letters to their state legislators, conduct a survey and get signatures on a petition.)
6. Distribute a copy of Activity 1 to each student. Inform students that Delaware does have a bicycle helmet law. Read the Delaware law to the students.
7. Display Visual 1. As students discuss the questions below, fill in the chart.
  - a. How could this bill affect the producers of bicycle helmets? (They must produce helmets that meet the requirements if they want consumers in Delaware to buy their helmets.)
  - b. How might the helmet law affect the production of helmets? (Cost of producing the helmets may increase if the producer has to use different materials or purchase new equipment.)
  - c. How would increased cost of production affect the price of helmets? (Decrease supply, increase price.)
  - d. How would the helmet law affect consumers of helmets? (They have to buy a helmet and it must meet the requirements as stated in the law. The price of these helmets may be higher than other helmets if the producers' production costs go up. Price could also go up if there is an increase in demand for the helmets. Fewer head injuries result in lower medical expenses. Helmets are uncomfortable to wear. Without helmets, riders might have brain damage for life. Helmets make owning a bike more costly. Consumers don't have a choice. Their freedom is restricted.)
8. Explain to students that there are costs and benefits to government regulations such as the bicycle helmet law. Tell them that costs are what you sacrifice and benefits are what you gain.
9. Review the costs and benefits of the bicycle helmet law. Discuss.
  - a. What are some possible costs of the bicycle helmet law? Underline these on Visual 1 with a colored pen. (Possibly increase cost of production, higher prices for consumers of helmets, helmets are not comfortable to wear, requiring helmets increases the cost of owning a bicycle, law restricts consumer choice.)

- b. What are some possible benefits of the bicycle helmet law? Underline these with a different colored pen. (Bicycle riders are safer, less severe injuries, less medical bills, reduced emotional cost to families.)
  - c. How would the law affect the choices of consumers and producers? (Consumer—costs of owning a bicycle increase because you must buy the bicycle and a helmet, price of helmets may increase, helmets are uncomfortable to wear, restriction of consumer choices, fewer head injuries, improved safety, fewer medical bills; producers—increase in sale of helmets; possibly increase costs of production; must produce helmets according to specifications.)
10. Explain that if students think the costs of the bicycle helmet law outweigh the benefits, they will oppose the helmet law. If they think the benefits outweigh the costs, they will support the bicycle helmet law.
  11. Ask students to look at where they placed their sticky notes on the board and allow students to move their notes.
  12. Ask students to justify why they moved or did not change their sticky notes.
  13. Explain that students should always look at the costs and the benefits of important issues before making a decision.
  14. Divide students into small groups. Give half the groups Card 1 and half Card 2.
  15. Distribute a copy of Activity 3 to each student. Instruct the groups to read the cards, list the costs and benefits of the proposed school policy, outline how the policy, if passed, will affect the choices of consumers and producers, and decide if they support or oppose the policy and why. (Possible answers: Policy 1: Consumers—Cost of purchasing uniforms, displeasure of students who wear the uniforms, benefit of knowing what to buy for school clothes, easy to know what to wear everyday, buy less of non-uniform clothes, fewer disputes among kids over clothing, less distraction in class; Producers—increased sales for stores selling uniforms, decreased sales in non-uniform clothes. Policy 2: Consumers—limited selection of snack food, healthy choices may be more expensive, healthier choices available, healthier students; Producers—loss of revenue for vendors of snack food, increased revenue for vendors of health foods.)
  16. Tell students that the groups with Card 2 will serve as school board members. Groups with Card 1 who support the proposed policy will try to convince members of the school board to vote for it. The groups who oppose the policy will make a case against it.
  17. Allow time for groups to make their arguments. Have the school board members vote and explain their decision.

18. Reverse the roles. Groups with Card 1 will serve as school board members. Repeat steps 16 and 17.
19. Tell students to select one of the two policies and write an editorial stating whether they agree or disagree with the school board's final vote and explain how the policy affects the decisions of consumers and producers.

**Closure:**

Review the key points of the lesson using the following questions.

1. What is a cost? (Something you give up or sacrifice.)
2. What is a benefit? (Something you gain.)
3. Propose the following situation.

The legal driving age is raised from age 16 to age 18.

- a. How might this affect consumers? (Freedom of teenagers is restricted. Parents or other adults must continue to drive youth under the age of 18. Less car accidents, loss of part-time employment because of transportation problems, employers' part-time employee pool decreases.)
- b. What might be the affect on producers? (Decrease in sale of cars and car related supplies, increase demand for other transportation services.)

**Assessment:**

Distribute a copy of Activity 4 to each student.

**Scoring Rubric:**

2 = This response gives an accurate effect with a relevant and accurate explanation.

1 = This response gives an accurate effect with an irrelevant, inaccurate, or no explanation.

0 = Inaccurate response

**Tips for the Teacher**

Students often have problems identifying who the consumers and producers are. For example, they don't see employers as consumers who buy labor.

**Citations**

*Mick Harte Was Here* by Barbara Park, a Bullseye Book published by Random House, Inc., 1995

## Activity 1

### **Delaware Bicycle Helmet Law Signed on May 23rd, 1995**

**Effective 4/1/96**

SPONSOR: Rep. Oberle; Reps. Buckworth, Davis, Maroney, Roy, Smith,  
Wagner, Sens. Sokola, Amick, Bair, Sorenson

#### **HOUSE OF REPRESENTATIVES**

#### **138TH GENERAL ASSEMBLY**

#### **HOUSE BILL NO. 57**

AN ACT TO AMEND TITLE 21 OF THE DELAWARE CODE RELATING TO  
RULES OF THE ROAD.

WHEREAS, enactment of this legislation will help reduce many bike-related head  
injuries and deaths suffered by children; and

WHEREAS, each year in the United States, eight thousand children are killed and fifty  
thousand more are permanently disabled; and

WHEREAS, in 1990, an estimated three hundred eighty-three thousand, four hundred  
fifty-nine children were treated in emergency rooms for bike-related injuries; and

WHEREAS, seventy-five percent of all bike-related injuries include trauma to the head;  
and

WHEREAS, this act will help mitigate these injuries within the State of Delaware by  
requiring children to wear approved bicycle helmets;

WHEREAS, a BIPED (Bicycle Injury Prevention Education, Delaware) program serving  
a minimum of eight thousand students each year has now been offered to the public for  
five years;

NOW THEREFORE:

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF  
DELAWARE (Two-thirds of all members elected to each House thereof concurring  
therein):

## Activity 1 (Continued)

Section One. Amend Subchapter XI, Chapter 41, Title 21 of the Delaware Code by adding thereto a new section to read:

"Para. 4198J. Helmet Requirements.

(a) A person under sixteen years of age shall not operate, ride upon, or ride as a passenger any bicycle, unless that person is wearing a properly fitted and fastened bicycle helmet which meets or exceeds the standard of the American National Standards Institute (ANSI Z90.4 bicycle helmet standard or subsequent standard) or the Snell Memorial Foundation's 1984 Standard (or subsequent standard) for Protective Headgear for Use in Bicycling. This requirement shall apply to a person who rides upon a bicycle while in a restraining seat which is attached to the bicycle or in a trailer towed by the bicycle.

(b) Any guardian who fails to cause his child to wear a bicycle helmet as provided herein shall be fined for the first offense twenty-five dollars, and for each subsequent offense, fifty dollars.

(c) The Court may dismiss all charges pursuant to this Section upon presentation of evidence that a violator hereof has purchased or obtained a bicycle helmet which meets or exceeds the standards set forth herein subsequent to the violation.

(d) The requirements of this Section shall apply at all times while a bicycle is being operated on any property open to the public or used by the public for pedestrian or vehicle purposes.

(e) Failure to wear a bicycle helmet as herein described shall not be considered evidence of either comparative or contributory negligence in any civil suit arising out of any accident in which a person under sixteen years of age is injured, nor shall failure to wear a bicycle helmet be admissible as evidence in the trial of any civil action."

Section Two. (1) The Delaware Bicycle Council, in cooperation with the Departments of Public Safety and Public Instruction and the Cooperative Extension Services of the University of Delaware and Delaware State University, shall sustain and improve the program of bicycle safety education offered to the public in each of the counties of the State.

(2) The state shall initiate a statewide bicycle helmet bank for those that cannot afford to purchase helmets to be in place by the date this Act becomes effective.

(3) This Act shall become effective April 1, 1996.

# Visual 1

Group	Impact
Producers	
Consumers	

## Activity 2

### Policy Proposals

#### Proposed School Board Policy 1

The school board met on Monday evening and proposed the following policy.

Policy 1: All students in grades K-12 will wear uniforms beginning next school year.

This policy change will be voted on at the next scheduled school board meeting.

#### Proposed School Board Policy 1

The school board met on Monday evening and proposed the following policy.

Policy 2: No snack foods will be sold in the schools. All vending machines that sell soda, chips, candy, and other snack foods will be removed from school cafeterias.

Vending machines offering health foods will be allowed.

This policy change will be voted on at the next scheduled school board meeting.

### Activity 3

### Cost Benefit Analysis

Use the attached chart to list the costs and benefits of the proposed policy and how it affects members of the school community. Decide if the school board should pass this policy and why. Be prepared to present your decision before the school board.

Proposed Policy:	
Costs	Benefits
Effects on Members of the School Community	

## **Activity 4**

### **Assessment**

The federal government has placed over 100 regulations on the production and sale of a large pizza with everything.

How might these government regulations affect producers of pizza? Explain.