# STATEMENT OF BRENDA MALLORY CHAIR COUNCIL ON ENVIRONMENTAL QUALITY

# BEFORE THE COMMITTEE ON NATURAL RESOURCES UNITED STATES HOUSE OF REPRESENTATIVES

June 22, 2023

### Introduction

Chairman Westerman, Ranking Member Grijalva, and distinguished Members of the Committee. Thank you for the opportunity to testify today in support of President Biden's 2024 Budget for the Council on Environmental Quality (CEQ).

CEQ was created by the National Environmental Policy Act (NEPA) of 1969. In my role as Chair of CEQ, I advise the President on environmental and natural resources policies that improve, preserve, and protect public health and the environment for America's communities. As the agency responsible for implementing NEPA, CEQ also works to ensure that environmental reviews for infrastructure projects and Federal actions are effective and efficient, and reflect the input of local communities.

Under President Biden, we are fulfilling Congress's original vision that CEQ would function as an environmental policy council within the White House, focused on the most pressing environmental challenges of our time. CEQ is leading the government's efforts on environmental justice, land and water conservation, PFAS and toxic pollution, climate resilience, Federal sustainability, and more. Through strong, coordinated collaboration with our agency partners, CEQ is proud to be helping advance the nation's priorities on the environment, natural resources, and energy.

### President Biden's Fiscal Year 2024 Budget

For fiscal year (FY) 2024, the President has proposed a budget of \$4.825 million in discretionary appropriations for CEQ, an increase of \$149,000 from the FY 2023 enacted budget. The FY 2024 budget builds on critical investments in the Inflation Reduction Act (IRA) (P.L. 117-169) and supports the following CEQ priorities and goals:

- Combating climate change by transitioning to clean energy and making our communities more resilient;
- Pursuing environmental justice so all communities have clean air, clean water, and a healthy environment in which to live;
- Protecting the nation's lands, waters, and wildlife; and
- Ensuring that environmental reviews are conducted fairly, effectively, and efficiently.

## Investments from the Inflation Reduction Act

The IRA provided CEQ with \$62.5 million for FY 2022-2026. Specifically, it provided \$32.5 million to support environmental and climate data collection efforts and \$30 million to support efficient and effective environmental reviews.

CEQ is using the \$30 million for environmental reviews to bring on talented professionals who can guide the Administration's permitting initiatives, train professional staff across the Federal Government on NEPA and other environmental review requirements, and facilitate the smooth and efficient implementation of CEQ's NEPA regulations. We are also exploring opportunities to improve the permitting process using programmatic approaches and digital tools.

Regarding the \$32.5 million for data collection, CEQ is working to improve the quality and availability of data that supports the Federal Government's efforts to address environmental injustice, pollution, and climate change—and to ensure that decisionmakers put that data to use. In particular, funding will support CEQ's continued development and improvement of the Climate and Economic Justice Screening Tool (CEJST) and other information products that can help inform Federal decisions and investments. Funding will also enable CEQ—through partnerships with other Federal agencies and nonprofit institutions—to bolster national-level data on the cumulative and disproportionate impacts of climate change, pollution, and other environmental and socioeconomic burdens on disadvantaged communities. We will work to ensure these data are used effectively to reduce burdens and improve outcomes for communities with environmental justice concerns.

## **National Environmental Policy Act**

NEPA is the crucial mechanism through which decisionmakers account for the potential environmental impacts of agency actions, make informed decisions, listen to affected communities, and enable sustainable and healthy economic growth. Done right, NEPA reviews lead to better decisions that generate more value for every taxpayer dollar we invest. Yet, we know that we can and must take steps to improve and modernize our permitting processes and we can do so without losing sight of the important values they serve. I am here today to talk to you about how we are pursuing that critical work.

We at CEQ and across the Administration are laser-focused on ensuring that these reviews occur efficiently and serve as effective decision making tools. I'm pleased to share the improvements we are making to the permitting and environmental review process in light of lessons learned across the Federal Government and the recent amendments to NEPA in the Fiscal Responsibility Act (FRA). CEQ is working expeditiously to integrate these NEPA amendments into our modernization of the NEPA regulations, and will soon propose a rule to help agencies implement these new efficiencies while encouraging early community engagement and advancing environmental justice.

## The Value of Environmental Review

Prior to the bipartisan passage of NEPA, our government made decisions in an uncoordinated, inefficient manner that often wasted federal resources and failed to take communities'

perspectives into account. Not surprisingly, this resulted in damaging and costly environmental and economic outcomes.

One of NEPA's key functions is to prevent the damage and costs that arise from rushed, biased, and incomplete environmental decision making. NEPA requires intergovernmental coordination; objective analysis of alternatives and potential mitigation strategies; appropriate evaluation and consideration of environmental effects; and meaningful public engagement. These are hallmarks of democracy and good governance that result in stronger, smarter, scientifically supported decisions, with benefits for everyone in the United States.

Each year, NEPA helps inform approximately 100,000 Federal agency actions and decisions. More than 95 percent of these actions are approved under the most expedited form of environmental review, called a Categorical Exclusion, or CEs. Of the remaining 5 percent, nearly all are reviewed and approved using environmental assessments, or EAs. Only around 200 projects each year across the Federal Government—around two-tenths of one percent—require the most comprehensive type of environmental analysis: the environmental impact statement, or EIS and these are done on the projects that have the greatest potential impact on people and the environment. To inform good project design and decision making, it is critically important that all of these reviews be done right. It is also essential that these reviews be conducted efficiently, to avoid unnecessary and costly delays.

Permitting delays can come at a steep cost to communities, the economy, and the environment. CEQ and the Administration are already taking major steps to address this challenge and reform the permitting process to secure faster and better decisions that benefit the American people. And CEQ's forthcoming rulemaking will enable us to do even more.

## The Administration's Efforts to Date

The Bipartisan Infrastructure Law (P.L. 117-58) and the IRA provide more than one billion dollars to make sure that agencies have the environmental review and permitting experts they need, because insufficient personnel and resources is a serious cause of delay. Additionally, President Biden has elevated this issue to the highest levels of government for the first time by forming an Investing in America Cabinet that meets regularly on permitting and other priority issues for infrastructure implementation.

Last year the President released the Biden-Harris Permitting Action Plan, which sets forth a strategy for ensuring that Federal environmental reviews and permitting processes are effective, efficient, and transparent; guided by the best available science to promote positive environmental and community outcomes; and shaped by early and meaningful public engagement—without unnecessary delay. Following the Permitting Action Plan, we are developing strategies to maximize efficiency in key sectors, including offshore wind, broadband, and transmission.

The President has also been working on a bipartisan basis to advance the Administration's permitting principles that were released in May, some of which are reflected in the NEPA amendments in the Fiscal Responsibility Act (FRA). In particular, we believe the FRA provides important new tools to help agencies use CEs and programmatic environmental reviews to streamline permitting timelines for projects that do not have significant environmental effects or

where an analysis of effects has already occurred. CEQ is also convening an Interagency Working Group on CEs to promote their effective use across the government.

CEQ has also published guidance for Federal agencies on appropriate ways to consider greenhouse gas emissions and climate change in environmental reviews. CEQ's interim NEPA Guidance on Consideration of Greenhouse Gas Emissions and Climate Change promotes consistency and predictability across Federal agencies in this important area.

## Looking Forward on Environmental Reviews

Over the next several months and the upcoming year, CEQ will continue to advance efforts to improve Federal agency decision making and the environmental review and permitting process, so that we deliver on NEPA's goal to harmonize economic growth and environmental sustainability. CEQ's forthcoming draft rule will propose reforms and updates to the regulations implementing NEPA to ensure full and fair public involvement in the NEPA process and promote better decision making consistent with NEPA's statutory requirements, including the recently enacted amendments. We are planning a robust public engagement process to ensure that the regulations will achieve better outcomes for our communities and our environment.

In addition to using IRA funding to improve environmental reviews, we also look forward to carrying out the E-NEPA permitting portal study required under the FRA. CEQ will also continue to work with our partners at the Office of Management and Budget and the Federal Permitting Improvement Steering Council to continue to implement the Permitting Action Plan by identifying additional agency-specific and sector-specific strategies for accelerating project delivery.

# **Environmental Justice**

For far too long, communities across our country have faced persistent environmental injustices through toxic pollution, underinvestment in infrastructure and critical services, and other disproportionate environmental harms thrust upon low wealth and low power communities and often associated with a legacy of racial discrimination, including redlining. These communities with environmental justice concerns face even greater burdens due to climate change. For the first time in our nation's history, the President has made it a goal to recognize and undo the intersectional burdens from environmental injustice, the climate crisis, and underinvestment in disadvantaged communities.

Like President Biden and Vice President Harris, I believe that every person should be able to breathe clean air, drink clean water, and live in a healthy community. During his first week in office, President Biden signed Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*, which launched the most ambitious environmental justice agenda in our nation's history and established several of the President's environmental justice initiatives, including the Justice40 Initiative, the Climate and Economic Justice Screening Tool (CEJST), and the Environmental Justice Scorecard. CEQ is committed to continuing to deliver on the President's environmental justice vision. We are working with Federal agencies to create more equitable policies, ensure government funds are reaching the communities that need them most, and broaden our policy perspective by creating space for the voices of impacted communities.

#### Justice 40 Initiative

The Justice 40 Initiative is a national commitment to secure environmental justice and confront decades of underinvestment in communities that are marginalized, underserved, and overburdened by pollution.

The Justice40 Initiative seeks to deliver 40 percent of the overall benefits of certain Federal investments to disadvantaged communities. Since President Biden created the Initiative in January 2021, it now has the participation of nearly 470 programs across 19 Federal agencies. These agencies are actively reimaging and transforming their programs to meet the Justice40 goal—for example, by prioritizing applicants that serve disadvantaged communities, and by engaging with stakeholders and the public to ensure that the benefits and outcomes of programs meet disadvantaged communities' needs. The Justice40 Initiative is fundamentally reshaping how the Federal Government ensures communities that were left behind and underinvested in for decades are seeing the benefits of our historic investments in clean energy, clean water, public transportation, affordable and sustainable housing, and more.

Communities have been involved in shaping the Justice 40 Initiative from the beginning of this Administration, making clear that delivering federal climate, clean energy, clean transit, clean water and wastewater infrastructure, and other investments would help advance environmental justice and address decades of underinvestment. Through the Justice 40 Initiative, we are already seeing meaningful change on the ground in communities all across the nation.

## Data Collection and Transparency

In order to inform equitable decision making across the Federal Government, the Administration is creating new tools that will not only promote the latest science and research, but also elevate transparency and accountability. Two of these tools are the CEJST and the Environmental Justice Scorecard.

The CEJST is a geospatial mapping tool for Federal agencies to identify disadvantaged communities that are marginalized and overburdened by pollution and underinvestment for purposes of the Justice40 Initiative, and other programs that are required by law to benefit disadvantaged communities. The Environmental Justice Scorecard is the first-ever government-wide assessment of what the Federal Government is doing to advance environmental justice. The Phase One Scorecard, released in April 2023, provides a valuable snapshot of the Administration's key environmental justice work to ensure that all communities experience the protection of our nation's bedrock environmental laws.

## Executive Order 14096:

Revitalizing our Nation's Commitment to Environmental Justice
In April, the President signed Executive Order 14096, Revitalizing our Nation's Commitment to
Environmental Justice for All. This action is a testament to the work of community members and
leaders from across the country who have devoted their lives to moving environmental justice to
the heart of national policy. It also honors and builds on the foundation of environmental justice
work undertaken by the Federal Government.

The new Executive Order outlines an ambitious approach to environmental justice that is informed by scientific research, high-quality data, and meaningful Federal engagement with communities, as well as through consultation with and respect for Tribal sovereignty, self-governance, cultural practices, and Indigenous Knowledge. It establishes the first White House Office of Environmental Justice within CEQ to coordinate the implementation of environmental justice policy across the Federal Government.

The Executive Order makes clear that the pursuit of environmental justice is a responsibility of all executive agencies, and directs agencies to make achieving environmental justice a part of their missions, consistent with their relevant statutory authorities. It requires Federal agencies to develop, implement, and periodically update environmental justice strategic plans with their visions, goals, priority actions, and key metrics. And it requires agencies to develop and publish regular assessments of their progress on environmental justice. The Executive Order also requires Federal agencies to notify affected communities in the event of a release of toxic substances from a Federal facility.

Never before has the Federal Government committed to and delivered such an ambitious, structured, and intentional approach to improve the health and well-being of communities across the country. While visiting communities across the nation, I have seen the impacts of this work firsthand. The Administration's historic investments in water infrastructure, clean energy, legacy pollution cleanup, and more will lead to cleaner air and better health in communities that need it most. CEQ will continue to work to improve coordination across the Federal Government on a whole-of-government approach to advancing environmental justice.

## **Conservation of Land and Water**

CEQ works to conserve important aquatic, marine, and terrestrial habitats, while also supporting healthy communities, consistent with the land conservation and water quality initiatives of this Administration. In his first weeks in office, President Biden announced the first national conservation goal: to conserve at least 30 percent of U.S. lands and waters by 2030. The President launched the America the Beautiful Initiative to bring together locally led, voluntary efforts to conserve and restore lands and waters across the country. The Initiative's key principles include respecting private property rights and working closely with Tribal Nations, and its early focus areas include expanding access to nature; supporting private lands conservation; and enhancing natural corridors and connectivity.

### America the Beautiful Challenge

With once-in-a-generation investments from the Bipartisan Infrastructure Law and the Inflation Reduction Act, this Administration has worked to expand voluntary land conservation efforts through several coordinated funding initiatives. The Administration's America the Beautiful Challenge is a one-stop shop for States, Tribes, and other collaborators to access conservation and restoration funding using a simplified application process administered by the National Fish and Wildlife Foundation.

In the first year alone, the program received over \$1 billion in applications for projects in all 50 States, 3 territories, and the District of Colombia. The program awarded 55 grants, totaling \$91

million, and leveraged an additional \$50 million in matching funds for a total conservation investment of \$141 million. Over one-third of the grants went to Tribal partners, which was a historic first for the National Fish and Wildlife Foundation.

Overall, Congress provided over \$10 billion in the Bipartisan Infrastructure Law and the Inflation Reduction Act for these restoration and resilience investments. Key investments have included \$161 million that the Bureau of Land Management recently awarded to projects to restore 21 priority landscapes across 11 western States and \$1.2 billion that the Forest Service invested in restoration projects in 2022. Finally, the U.S. Department of Agriculture's Natural Resources Conservation Service is leveraging Inflation Reduction Act investments to partner with farmers, ranchers, and private land owners to support resilience, conservation and climatesmart agriculture. These activities provide significant co-benefits for water quality, wildlife habitat, and other conservation outcomes.

#### Water Conservation

In an era of increasing water extremes—too much, not enough, wrong place, wrong time, or too polluted—CEQ's work to address the nation's water challenges is multifaceted. We have convened interagency conversations that advance key environmental and economic objectives. For example, in the Puget Sound, endangered salmon and Southern Resident Orcas require strong conservation measures, but the development and maintenance of infrastructure, including piers, is fundamental to the economy of the region. CEQ helped broker a joint resolution memorandum between Army Civil Works and the National Oceanic and Atmospheric Administration that clarifies how these agencies will work together to make efficient permit decisions while also addressing the protection of endangered species.

Likewise, in the Yazoo Backwater Area in Mississippi, we convened the Army Corps of Engineers, the Environmental Protection Agency, and the Fish and Wildlife Service to think innovatively about how to address flood risks while avoiding irreparable harm to wildlife and the environment.

We are continuing to advance the President's directive to consider the designation of a national marine sanctuary in the Pacific Remote Islands area. The proposed sanctuary would be among the largest marine protected areas on the planet, and would honor the traditional practices and ancestral pathways of Pacific Island voyagers. With input from Tribal partners, this Administration has also begun the designation process for multiple new national marine sanctuaries, including the Hudson Canyon in the Atlantic Ocean and the Chumash Heritage National Marine Sanctuary off the coast of Southern California.

CEQ also collaborates closely with the Ocean Policy Committee, which I co-chair with the Director of the Office of Science and Technology Policy (OSTP). CEQ helped the Ocean Policy Committee author and launch the first-ever United States Ocean Climate Action Plan; and CEQ and OSTP are now working with members of the Ocean Policy Committee to develop an Ocean Justice Strategy and a National Strategy for a Sustainable Ocean Economy. The ocean spans 70 percent of the globe, from shallow bays to the depths and areas beyond any nation's jurisdiction. And although climate change is having numerous unprecedented impacts on the ocean, the ocean also has the potential to advance a powerful set of solutions to address the climate crisis.

#### Land Conservation

This Administration has committed to protect historically and scientifically important sites, honor culturally significant areas, support and enhance our working lands, and conserve and restore our country's treasured outdoor spaces. Congress has both led on and supported these efforts by passing conservation bills, including the Amache National Historic Site Act and the Blackwell School National Historic Site Act.

The President has built upon these conservation efforts by designating three new national monuments: the Camp Hale-Continental Divide National Monument in Colorado, which protects the site of a World War II-era military training range; the Avi Kwa Ame, or Spirit Mountain, National Monument in Nevada, which is the center of the creation story for numerous Tribal Nations in the southwest; and the Castner Range National Monument, on the site of a former Army depot right outside of El Paso, Texas that now provides a refugia to numerous plants and animals and will provide critical outdoor access in the future for the surrounding community. These and other community-led designations are helping to tell our nation's conservation story and ensure that America's public lands reflect the full diversity and history of America.

We know that nature's most important benefits are often immeasurable, and America's outdoor spaces are more than just travel destinations. They bring nature into the communities where people live, serving as refuges to take in fresh air, escape urban heat, and unwind in a safe space. Those benefits should not only be available to the fortunate few, but to everyone. Yet so many Americans, especially in low-income communities and communities of color, are without meaningful access to nature. That's why we will continue to build on the President's record of delivering the most ambitious land and water conservation agenda in American history.

### **Conclusion**

CEQ is hard at work delivering on the President's commitment to environmental justice, conservation, and to building a clean-energy economy that will combat climate change and make our communities more resilient. The investments that Congress made through the Bipartisan Infrastructure Law and the Inflation Reduction Act will deliver the benefits of a cleaner environment to all Americans for generations to come. Thank you for the opportunity to testify today. I look forward to our continued partnership and welcome any questions you may have.