

**THE COUNCIL ON ENVIRONMENTAL
QUALITY'S FY 2013 FUNDING
REQUEST AND THE EFFECTS ON
NEPA, NATIONAL OCEAN POLICY
AND OTHER FEDERAL ENVIRON-
MENTAL POLICY INITIATIVES**

OVERSIGHT HEARING

BEFORE THE

COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

SECOND SESSION

Wednesday, March 7, 2012

Serial No. 112-100

Printed for the use of the Committee on Natural Resources



Available via the World Wide Web: <http://www.fdsys.gov>

or

Committee address: <http://naturalresources.house.gov>

U.S. GOVERNMENT PRINTING OFFICE

73-228 PDF

WASHINGTON : 2013

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON NATURAL RESOURCES

DOC HASTINGS, WA, *Chairman*
EDWARD J. MARKEY, MA, *Ranking Democratic Member*

Don Young, AK
John J. Duncan, Jr., TN
Louie Gohmert, TX
Rob Bishop, UT
Doug Lamborn, CO
Robert J. Wittman, VA
Paul C. Broun, GA
John Fleming, LA
Mike Coffman, CO
Tom McClintock, CA
Glenn Thompson, PA
Jeff Denham, CA
Dan Benishek, MI
David Rivera, FL
Jeff Duncan, SC
Scott R. Tipton, CO
Paul A. Gosar, AZ
Raúl R. Labrador, ID
Kristi L. Noem, SD
Steve Southerland II, FL
Bill Flores, TX
Andy Harris, MD
Jeffrey M. Landry, LA
PJon Runyan, NJ
Bill Johnson, OH
Mark Amodei, NV

Dale E. Kildee, MI
Peter A. DeFazio, OR
Eni F.H. Faleomavaega, AS
Frank Pallone, Jr., NJ
Grace F. Napolitano, CA
Rush D. Holt, NJ
Raúl M. Grijalva, AZ
Madeleine Z. Bordallo, GU
Jim Costa, CA
Dan Boren, OK
Gregorio Kilili Camacho Sablan, CNMI
Martin Heinrich, NM
Ben Ray Lujan, NM
John P. Sarbanes, MD
Betty Sutton, OH
Niki Tsongas, MA
Pedro R. Pierluisi, PR
John Garamendi, CA
Colleen W. Hanabusa, HI
Paul Tonko, NY

Todd Young, *Chief of Staff*
Lisa Pittman, *Chief Legislative Counsel*
Jeffrey Duncan, *Democratic Staff Director*
David Watkins, *Democratic Chief Counsel*

CONTENTS

	Page
Hearing held on Wednesday, March 7, 2012	1
Statement of Members:	
Hastings, Hon. Doc, a Representative in Congress from the State of Washington	1
Prepared statement of	3
Markey, Hon. Edward J., a Representative in Congress from the State of Massachusetts	4
Prepared statement of	5
Statement of Witnesses:	
Sutley, Hon. Nancy, Chair, Council on Environmental Quality, Co-Chair, National Ocean Council	6
Prepared statement of	8

**OVERSIGHT HEARING ON “THE COUNCIL
ON ENVIRONMENTAL QUALITY’S FY 2013
FUNDING REQUEST AND THE EFFECTS ON
NEPA, NATIONAL OCEAN POLICY AND
OTHER FEDERAL ENVIRONMENTAL POLICY
INITIATIVES.”**

**Wednesday, March 7, 2012
U.S. House of Representatives
Committee on Natural Resources
Washington, D.C.**

The Committee met, pursuant to notice, at 10:06 a.m., in Room 1324, Longworth House Office Building, Hon. Doc Hastings [Chairman of the Committee] presiding.

Present: Representatives Hastings, Young, Lamborn, Fleming, Thompson, Rivera, Tipton, Southerland, Flores, Johnson, Markey, Kildee, Napolitano, Holt, Bordallo, Costa, Sablan, Luján, Sarbanes, Hanabusa, and Tonko.

The CHAIRMAN. The Committee will come to order and the Chairman notes the presence of a quorum, which under Rule 3(e) is two Members. We exceeded that.

The Committee on Natural Resources is meeting today to hear testimony for an oversight hearing on the Council on Environmental Quality’s Fiscal Year 2013 funding request, and the effects on NEPA, National Ocean Policy, and other Federal environmental initiatives. Under our Rule 4(f), opening statements are limited to the Chairman and the Ranking Member. However, I ask unanimous consent that any Member wishing to have opening statements included in the record, that they be submitted to the Clerk of the Committee prior to the close of business today.

[No response.]

The CHAIRMAN. And without objection, so ordered. I will now recognize myself for five minutes.

STATEMENT OF THE HON. DOC HASTINGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

The CHAIRMAN. I want to thank Chairwoman Sutley for coming to this committee, and I will make the formal introduction in a moment.

As many Members may know, despite having jurisdiction over the National Environmental Policy Act and the Council on

Environmental Quality, this committee has not held an oversight hearing over CEQ's budget for many years.

As the environmental policy arm of the White House, CEQ provides guidance to all Federal agencies through policy initiatives and the interpretation of statutes and regulations. As such, many of the initiatives developed by CEQ affect agencies and programs within this committee's jurisdiction.

One of these policy initiatives that we have significant interest in is the National Ocean Policy. This committee has already held two oversight hearings on the National Ocean Policy. Unfortunately, we still have many of the same concerns and questions as we had before the hearings.

While the main purpose of this hearing is to review the budget request of CEQ, that document does not provide much detail on how the funding will be used to implement the variety of environmental issues. I hope this hearing serves as a way to get more information on how the National Ocean Policy specifically is being funded.

Along those lines, almost two weeks ago, I sent a letter to Chair Sutley asking a number of questions and requesting a number of documents. While I understand some of these requests will take some time to comply with, I certainly hoped for answers to the budget-related questions prior to today's hearing. Unfortunately, that was not the case.

I asked the questions because the National Ocean Policy appears to be a very large undertaking, one that will require a lot of resources from a lot of different agencies. Yet no agency seems to be requesting funding specifically for this purpose. This implies to me that either nothing is planned for Fiscal Year 2013 to implement this policy, which I find hard to believe, or all of these agencies are quietly siphoning money from other activities to fund this unauthorized activity.

Since it appears many agencies are implementing the policy despite the fact that the Implementation Plan is still in draft form, I can only assume agencies are reluctant to tell Congress how much they are spending and where the money is coming from.

In the letter, I asked a number of specific questions regarding the funding of the June 2010 workshop held here in Washington, D.C., and the funding of the Governance Coordinating Committee, the GCC, a body that has already been appointed and is apparently holding meetings.

Despite the fact that this whole National Ocean Policy is supposed to be conducted in a transparent manner, this body has met in closed session a number of times. I am unaware of any notice of the meetings being published, and there are no transcripts or notes available from any of the meetings.

And, despite the National Ocean Policy's intent to reach inland activities to the uppermost reaches of each watershed and tributary, there are no inland states represented on the GCC. This does not bode well for inclusiveness.

The letter also requested the public comment period for the Draft National Ocean Policy Implementation Plan to be extended for 90 days. Although CEQ granted only a 30-day extension, this extension may have been for naught, based on comments we have

reviewed so far, since many of the affected industries feel that their continued participation in the process is being ignored. So, I would once again ask for the full 90-day extension.

We will likely hear today how huge strides have been made by allowing the Regional Fishery Management Councils to have a seat on the Regional Planning Bodies. Unfortunately, it is done in such a tortured manner that it really just gives the Governor another governmental seat. It is amazing, the steps being taken, from my point of view, in order to appear to be transparent, when in fact the Regional Planning Bodies remain FACA-exempt bodies.

So, I want to thank Chair Sutley for coming here before our committee today. I look forward to your testimony, and a continued dialogue, including full answers to the letter that I referenced earlier about your budget and about the National Ocean Policy.

And with that, I yield back my time and recognize the distinguished Ranking Member.

[The prepared statement of Mr. Hastings follows:]

**Statement of The Honorable Doc Hastings, Chairman,
Committee on Natural Resources**

I want to thank Chairwoman Sutley for coming before this Committee again.

As many Members may know, despite having jurisdiction over the National Environmental Policy Act and the Council on Environmental Quality, this Committee has not held an oversight hearing over CEQ's budget for many years.

As the environmental policy arm of the White House, CEQ provides guidance to all federal agencies through policy initiatives and the interpretation of statutes and regulations. As such, many of the initiatives developed by CEQ affect agencies and programs within this Committee's jurisdiction. One of these policy initiatives that we have significant interest in is the National Ocean Policy.

This Committee has already held two oversight hearings on the National Ocean Policy. Unfortunately, we still have many of the same concerns and questions after the hearings.

While the main purpose of this hearing is to review the budget request of CEQ, that document does not provide much detail on how the funding will be used to implement the variety of environmental initiatives. I hope this hearing serves as a way to get more information on how the National Ocean Policy specifically is being funded.

Along those lines, almost two weeks ago, I sent a letter to Chair Sutley asking a number of questions and requesting a number of documents. While I understand some of these requests will take some time to comply with, I certainly hoped for answers to the budget-related questions prior to today's hearing. Unfortunately, that was not the case.

I asked the questions because the National Ocean Policy appears to be a very large undertaking—one that will require a lot of resources from a lot of different agencies. Yet no agency seems to be requesting funding specifically for this purpose.

This implies to me that either nothing is planned for FY 2013 to implement the Policy, or all of these agencies are quietly siphoning money from other activities to fund this unauthorized activity. Since it appears many agencies are implementing the Policy despite the fact that the Implementation Plan is still in draft form, I can only assume agencies are reluctant to tell Congress how much they are spending and where the money is coming from.

In the letter, I asked a number of specific questions regarding the funding of the June 2010 workshop held here in Washington, D.C. and the funding of the Governance Coordinating Committee (GCC)—a body that has already been appointed and is apparently holding meetings. Despite the fact that this whole National Ocean Policy is supposed to be conducted in a transparent manner, this body has met in closed session a number of times. I am unaware of any notice of the meetings being published and there are no transcripts or notes available from any of the meetings.

And despite the National Ocean Policy's intent to reach inland activities to the uppermost reaches of each watershed and tributary, there are no inland states represented on the GCC. This does not bode well for transparency and inclusiveness.

The letter also requested the public comment period for the Draft National Ocean Policy Implementation Plan be extended for 90 days. Although CEQ granted only

a 30-day extension, this extension may have been for naught based on comments we have reviewed so far, since many of the affected industries feel that their continued participation in the process is being ignored. I ask again that you provide the extension for the full 90 days.

We will likely hear today how huge strides have been made by allowing the Regional Fishery Management Councils to have a seat on the Regional Planning Bodies. Unfortunately, it's done in such a tortured manner that it really just gives the Governor another governmental seat. It's amazing the steps being taken in order to appear to be transparent when in fact the Regional Planning Bodies remain FACA-exempt bodies.

I want to thank Chair Sutley for coming before our Committee again today and I look forward to your testimony and a continuing dialog including full answers to the letter I referenced earlier, and about your budget and the National Ocean Policy.

STATEMENT OF THE HON. EDWARD J. MARKEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. MARKEY. Thank you, Mr. Chairman. And welcome, Madame Chair.

Since its creation 42 years ago, the Council on Environmental Quality has played an integral role in helping Presidents of both parties protect America's environment while growing our economy. As one of those Presidents said, "The price of economic growth need not and will not be deterioration in the quality of our lives and our surroundings."

I don't often quote Richard Nixon, but he was right in that instance, and he was right to sign the National Environmental Policy Act in 1970. In addition to creating CEQ, the National Environmental Policy Act required that the Federal Government assess the impact of Federal actions on the environment, and gave the public an opportunity to participate in the decision-making process.

Through NEPA, Congress ensured that Federal agencies could no longer make decisions unilaterally. CEQ serves a critical function in coordinating actions involving multiple agencies, and providing uniform guidance and pilot programs to share cost-reducing and time-saving strategies between agencies. From protecting the Colorado River drinking water supplies from pollution coming from uranium mill waste in Moab, Utah, to anticipating the risk of wildfire to the nuclear research labs at Los Alamos, NEPA and CEQ have a history of helping to find solutions to complex environmental challenges.

That history continues today, with CEQ's leadership in the creation and implementation of the President's National Ocean Policy. It provides, at long last, a unifying framework to better coordinate and integrate over 100 different existing laws, policies, and regulations affecting oceans, coasts, and the Great Lakes.

Our ocean and coastal areas are a vital part of the U.S. economy, supporting tens of millions of jobs, and contributing trillions of dollars annually to our national economy. The growing utilization of our ocean and coastal areas is placing significant pressures on these natural resources, and the National Ocean Policy will help protect, maintain, and restore our national and coastal resources. CEQ is also helping the Federal Government save money and reduce pollution by increasing energy efficiency, and reducing the use of fossil fuels.

In January 2010, President Obama announced that the Federal Government would reduce its emissions of global warming pollution by 28 percent from 2008 levels by 2020. This will create cumulative savings of \$8 billion to \$11 billion in avoided energy costs. CEQ is helping to maximize taxpayers' dollars into the government's work, and not waste.

In leading the Interagency Climate Change Adaption Task Force, CEQ is also helping the Federal Government to respond to and plan for the impacts of climate change. The United States is also experiencing—is already experiencing climate change, including more frequent and extreme rainfall, longer wildfire seasons, reduced snowpack, extreme heat events, increasing ocean temperatures, and rising sea levels.

Last year showed us the economic consequences of extreme weather, as we suffered a record 14 weather disasters that caused \$1 billion or more in damage. CEQ's vision of a resilient, healthy, and prosperous Nation in the face of changing climate is one we should all share.

A year after President Nixon signed the National Environmental Policy Act into law, another iconic American environmental text was published. Dr. Seuss captured the concerns of the time about "smogulous" smoke and water so smeary. In *The Lorax* he gave us someone to speak for the trees. I will take a moment to speak for CEQ.

What will we do if we lose CEQ? Just a moment. I will tell you. We would find a lonely place that is in a disgrace, where rivers burn and fish can't swim, where the air is thick and the sunlight dim. It would be a sad place that time forgot. Unless someone like you funds CEQ, nothing is going to get better. It is not.

I urge this committee to support the critical work that CEQ does to ensure harmony between our environment and our economy. And I yield back, Mr. Chairman, the balance of my time.

[The prepared statement of Mr. Markey follows:]

**Statement of The Honorable Edward J. Markey, Ranking Member,
Committee on Natural Resources**

Since its creation 42 years ago, CEQ has played an integral role in helping presidents of both parties protect America's environment while growing our economy.

As one of those presidents said:

"The price of economic growth need not, and will not be, deterioration in the quality of our lives and our surroundings."

I don't often quote Richard Nixon, but he was right in that instance. And he was right to sign the National Environmental Policy Act in 1970.

In addition to creating CEQ, the National Environmental Policy Act required that the federal government assess the impact of federal actions on the environment and gave the public an opportunity to participate in the decision-making process. Through NEPA, Congress ensured that Federal agencies could no longer make decisions unilaterally.

CEQ serves a critical function in coordinating actions involving multiple agencies and providing uniform guidance and pilot programs to share cost-reducing and time-saving strategies between agencies.

From protecting the Colorado River and drinking water supplies from pollution coming from uranium mill waste in Moab, Utah to anticipating the risk of wildfire to the nuclear research labs at Los Alamos, NEPA and CEQ have a history of helping to find solutions to complex environmental challenges.

That history continues today with CEQ's leadership in the creation and implementation of the President's National Ocean Policy. It provides, at long last, a unifying framework to better coordinate and integrate over 100 different existing laws, policies, and regulations affecting the oceans, coasts, and Great Lakes.

Our ocean and coastal areas are a vital part of the U.S. economy, supporting tens of millions of jobs and contributing trillions of dollars annually to our national economy. The growing utilization of our ocean and coastal areas is placing significant pressures on these natural resources and the National Ocean Policy will help protect, maintain, and restore our ocean and coastal resources.

CEQ is also helping the Federal government save money and reduce pollution by increasing energy efficiency and reducing the use of fossil fuels. In January 2010, President Obama announced that the Federal government would reduce its emissions of global warming pollution by 28 percent from 2008 levels by 2020. This will create cumulative savings of 8 to 11 billion dollars in avoided energy costs. CEQ is helping maximize taxpayers' dollars into the government's work, not waste.

In leading the Interagency Climate Change Adaptation Task Force, CEQ is also helping the Federal government respond to and plan for the impacts of climate change. The United States is already experiencing climate change including:

- more frequent and extreme rainfall,
- longer wildfire seasons,
- reduced snowpack,
- extreme heat events,
- increasing ocean temperatures and
- rising sea levels.

Last year showed us the economic consequences of extreme weather as we suffered a record 14 weather disasters that caused 1 billion dollars or more in damage. CEQ's vision of a "resilient, healthy and prosperous Nation in the face of a changing climate" is one we should all share.

A year after President Nixon signed the National Environmental Policy Act into law, another iconic American environmental text was published.

Dr. Seuss captured the concerns of the time about "smogulous smoke" and "water so smeary". In the Lorax, he gave us someone to speak for the trees. Now, I will take a moment to speak for CEQ.

What will we do if we lose CEQ?

Just listen a moment, I will tell you.

We'd find a lonely place, that's in a disgrace.

Where rivers burn and fish can't swim,

Where the air is thick and the sunlight dim,

It would be a sad place that time forgot!

Unless someone like YOU funds CEQ,

Nothing is going to get better. It's not.

I urge this Committee to support the critical work that CEQ does to ensure harmony between our environment and our economy.

The CHAIRMAN. I thank the gentleman for his statement. And of course, the big news there is your adoration of President Nixon.

[Laughter.]

The CHAIRMAN. Which I know is a stretch, in fairness.

We only have one witness here today, the Chairwoman of the Council on Environmental Quality. And Chairwoman Sutley, thank you very much for being here again.

Just to review the timing lights, your full statement will appear in the record. And when the green light comes on, it means you are doing well. When the yellow light comes on, it means you have 30 seconds. And the red light, of course, is your time has expired. So I would like to keep your timing to that, if you could, so we can have as much interaction with the Members as possible.

With that, I recognize you now for five minutes, and thank you very much for being here.

STATEMENT OF NANCY SUTLEY, CHAIRWOMAN, COUNCIL ON ENVIRONMENTAL QUALITY

Ms. SUTLEY. Thank you, Mr. Chairman, Ranking Member Markey, and members of the Committee. I appreciate the opportunity to discuss the President's Fiscal Year 2013 budget request for the Council on Environmental Quality.

As the President outlined in his *Blueprint for an America Built to Last*, the President's budget reflects the importance of safeguarding our environment, and strengthening our economy by investing in clean energy, innovation, and manufacturing.

The budget also focuses on living within our means, which is why CEQ's budget request includes a reduction from the Fiscal Year 2012 level.

As you may know, CEQ plays a coordinating role among Federal agencies. This helps to avoid redundancy and conflict, and foster cohesive environmental policy. We have focused our efforts on several priority areas, including: implementing and modernizing the National Environmental Policy Act; enhancing Federal Government sustainability; improving the stewardship of the oceans, coasts, and Great Lakes; protecting and restoring America's ecosystems; and promoting clean energy.

I would like to take this opportunity to share some of our progress with you. One of CEQ's primary focuses has been improving the efficiency and effectiveness of the NEPA process. Over the past year, CEQ has helped agencies expedite review of priority job-creating infrastructure projects, established interagency rapid response teams to expedite review of priority renewable energy transmission and transportation projects, launched a NEPA pilot program to solicit ideas from Federal agencies and the public about innovative time- and cost-saving approaches to NEPA implementation, and issued new guidance for agencies on improving the efficiency of the NEPA process, overall.

These represent just a few of the many steps we have taken to promote efficiency and speed the delivery of projects that create jobs—that we can engage the public in decisions, and protect the health of American communities.

CEQ is also responsible for overseeing the President's directive to enhance the sustainability of Federal Government operations. The Federal Government is the largest energy consumer in the U.S. economy, spending more than \$20 billion on energy in 2010, according to preliminary estimates. In 2009, the President signed an executive order that sets sustainability performance goals for Federal agencies. Agencies are advancing toward these goals, which can help avoid up to \$11 billion in energy costs by 2020.

CEQ also oversees the National Ocean Policy, which the President established in response to more than a decade of discussions, extensive public input, and calls for action from two bipartisan commissions.

As I stated before this committee in October, the National Ocean Policy provides the framework for all Federal agencies to better work together and avoid the kinds of conflicts that often delay or derail projects that support the economy and coastal communities. At its heart, this policy is about efficiency, reducing red tape, and making faster, more informed decisions. And a key aspect of the National Ocean Policy has been extensive public engagement and transparency.

The Administration has also focused on protecting and restoring the country's valuable lands and waters. America's outdoor economy supports more than 9 million jobs and brings in more than \$1 trillion a year. The President launched the America's Great Out-

doors initiative to develop a 21st Century conservation agenda, in partnership with the American people. Under this initiative, the Administration is expanding recreational access to public lands, partnering with private land owners to open millions of acres for hunting and fishing, and supporting community-led conservation projects.

As the President outlined in his State of the Union, the Administration is focused on building an economy that is built to last. We at CEQ are doing our part to support job creation and clean energy.

An example of one of these efforts is the Better Buildings initiative, which seeks to improve energy efficiency in commercial buildings, and has secured nearly \$2 billion in private financing for building energy upgrades.

Mr. Chairman, Ranking Member Markey, as you know, the Administration has requested \$3.1 million for CEQ for Fiscal Year 2013, a reduction of 1.3 percent from Fiscal Year 2012.

I am proud of what we have accomplished over the past three years, and I am looking forward to continuing our progress this year. I appreciate the opportunity to appear before you this morning, and look forward to answering your questions.

[The prepared statement of Ms. Sutley follows:]

Statement of Nancy Sutley, Council on Environmental Quality

Chairman Hastings, Ranking Member Markey, and Members of the Committee, thank you for the opportunity to appear before you today to discuss the President's Fiscal Year 2013 Budget request for the Council on Environmental Quality (CEQ). As the President has outlined in his *Blueprint for an America Built to Last*, the President's budget reflects the importance and complementarity of safeguarding our environment and strengthening our economy by investing in clean energy, innovation, and manufacturing. We at CEQ are pleased to play a part of that broader effort to speed up the economic recovery. But the budget also focuses on living within our means, which is why CEQ's FY 2013 budget request includes a reduction from last year's level. Those of us in public service are committed to continuing to find ways to make the Federal Government more efficient and more effective.

I would like to briefly discuss CEQ's role, our accomplishments to date, and what fully-funding the Administration's request for CEQ in FY 2013 will allow us to accomplish.

Council on Environmental Quality's Role

The Council on Environmental Quality was established by Title II of the National Environmental Policy Act (NEPA). Signed into law by President Nixon on January 1, 1970, following overwhelming bipartisan votes in both the House and Senate, NEPA is a cornerstone of our country's commitment to responsive government and informed decision-making. Under NEPA, CEQ has the following responsibilities:

- 1) To advise the President on national environmental policies and priorities;
- 2) To review and appraise Federal Government activities relating to environmental policy objectives, and to coordinate and resolve disputes among Federal agencies and departments' activities relating to the environment; and
- 3) To implement NEPA and develop appropriate regulations.

As Chair of CEQ, I serve as the President's principal environmental policy adviser, and in this capacity I develop policies, set priorities, and coordinate efforts of the many Federal agencies and departments. I am supported in these actions by my Deputy Director and General Counsel, Gary Guzy, and our staff in the Council of Environmental Quality.

CEQ Accomplishments from 2011

As you may know, CEQ's coordinating function helps to avoid redundancy and conflict while fostering efficiency and policy innovation across the Federal Government. Much of our focus the past year has been in the areas of streamlining Federal decision-making, sharing best practices, supporting job creation and facilitating interagency collaboration pertaining to NEPA.

Over the course of the last year, we have focused our efforts on several priority areas:

- 1) Implementing and modernizing NEPA;
- 2) Enhancing Federal Government sustainability;
- 3) Improving the stewardship of the ocean, our coasts, and the Great Lakes;
- 4) Protecting and restoring America's ecosystems; and
- 5) Promoting clean energy and addressing climate change.

CEQ, working alongside Federal Departments and Agencies, made progress in many of these areas, and I would like to take this opportunity to share those accomplishments with you.

1) Implementing and Modernizing NEPA

Over the past year, CEQ has intensified its ongoing work to accelerate infrastructure project delivery by modernizing agency implementation of NEPA and improving the overall efficiency and effectiveness of Federal environmental review and permitting processes.

Recognizing that the health of our environment and the health of the economy are inextricably linked, this Administration has focused on improving, and demonstrated a positive track record on, NEPA implementation. Over the course of the last three years, we have focused our efforts on:

- A robust effort to revise our NEPA guidance documents to Federal Agencies;
- An active dialogue with the general public on evidenced-based NEPA reforms; and
- Active engagement with the President's Jobs Council and Federal agencies on enhanced collaboration on expedited permitting for infrastructure projects.

On the last point, we believe our work on expedited permitting for infrastructure projects enhances Agency collaboration and be transferable to a broader universe of job-creating infrastructure projects, as well as to help realize broader permitting efficiencies that can be made.

NEPA requires the government to analyze and publicly disclose the environmental consequences of its proposed actions before undertaking actions that could significantly affect the human environment. CEQ's tracking of Federal NEPA reviews for 193,000 American Recovery and Reinvestment Act (ARRA) projects revealed that 99.9% were completed by September 30, 2011. Agencies were able to apply Categorical Exclusions (the least intensive form of NEPA review) to 96% of ARRA projects. Environmental information and public input obtained through the NEPA process helped agency decisionmakers choose cheaper, more efficient, and more sustainable ARRA project designs.

For major projects, the NEPA process can provide a vehicle for coordinating other permitting and planning requirements at the Federal, State, local, and tribal levels, and avoiding duplicative and unnecessary sequential reviews. Through interagency coordination and oversight of Federal NEPA implementation, CEQ is leading or participating in several efforts to achieve these objectives, either by accelerating decisions on particular priority projects, or advancing broad reforms to the overall process.

In response to recommendations from the President's Jobs Council, CEQ has worked closely with other offices on implementation of the August 31, 2011, Presidential Memorandum on "Speeding Infrastructure Project Delivery." Specifically, CEQ is working to facilitate agencies' review of 14 high-priority job-creating infrastructure projects for expedited environmental review and permitting decisions. CEQ also consulted with other offices on the design and launch of the Federal Infrastructure Projects Dashboard, where Federal agencies publicly track schedules and status information on pending Federal actions for the 14 priority projects.

CEQ has also established three sector-specific Rapid Response Teams (RRTs)—for Renewables, Transmission, and Transportation. Each RRT consists of senior staff representatives from the relevant action and resource agencies, who meet bi-weekly to set priorities, resolve issues, and report on progress. Through the RRTs, sector-specific priorities gain greater visibility in Federal agencies with jurisdiction over relevant permitting environmental approval decisions.

- The Renewables RRT is developing a roadmap of Federal regulatory requirements for project developers.
- The Transmission RRT is coordinating statutory permitting, review, and consultation schedules between Federal and State agencies for seven high-priority transmission lines.
- The Transportation RRT is facilitating coordination and issue resolution to expedite the six priority transportation projects selected by DOT under the Presidential Memorandum on Speeding Infrastructure Delivery.

NEPA Pilot Program

In March 2011, CEQ launched a NEPA Pilot Program to solicit ideas from Federal agencies and the public about innovative time- and cost-saving approaches to NEPA implementation. CEQ will work with project managers to track implementation and advocate that Agencies incorporate these best practices and lessons learned into new or revised NEPA procedures.

Two of the pilot projects are focused on disseminating IT solutions to improve the NEPA process. One pilot identified web-based tools developed by the National Park Service and the U.S. Forest Service that significantly shorten the amount of time needed to manage environmental reviews. Through another pilot project, CEQ is working with EPA on the public release of NEPAAssist, a GIS database of environmental data. Providing easy access to consolidated environmental information during initial project development, siting, and design will reduce and minimize the time and effort required to address environmental, safety, and health concerns.

Another pilot will gather lessons-learned from Federal and non-Federal NEPA practitioners who have significant experience preparing Environmental Assessments to develop best practice principles designed to assist in preparing more efficient and cost-effective NEPA environmental reviews.

In January 2012, CEQ and DOT announced a pilot project to cut costs and fast track construction for the high-speed inter-city passenger rail project in the Northeast Corridor between Washington, D.C., and Boston, MA. The Northeast Rail Corridor is the busiest rail corridor in the United States, and expediting this environmental review will lead to more jobs and a stronger regional economy. The pilot will engage government stakeholders and the public in the environmental review process earlier to set benchmarks that maintain rigorous environmental protections and save time and costs by avoiding conflicts and delays in the later steps of rail-project development.

Finally, in February 2012, CEQ and the U.S. Forest Service announced the selection of a NEPA Pilot, “Approaches to Restoration Management,” that will evaluate and compare the effectiveness of U.S. Forest Service environmental reviews for two innovative and collaborative forest restoration projects.

NEPA Efficiencies

In addition to these initiatives, CEQ has continued to exercise its statutory authority under NEPA to provide guidance to Federal agencies on how best to comply with the procedural requirements of NEPA. Since 2009, CEQ has issued several new guidance documents to advise Federal agencies on more efficient approaches to NEPA.

- In May 2010, CEQ issued guidance on Emergencies and NEPA that addressed how agencies can ensure efficient and expeditious compliance with NEPA when agencies must take exigent action to protect human health or safety and valued resources in a timeframe that does not allow sufficient time for the normal NEPA process. This guidance also addressed how agencies, in any situation including emergencies, can develop focused and concise Environmental Assessments (EAs) to provide an expeditious path for making decisions when the proposed action does not have the potential for significant impacts.
- In November 2010, CEQ finalized guidance on how to establish and use “categorical exclusions” (CEs) for activities—such as routine facility maintenance—that do not need to undergo intensive NEPA review because the activities do not individually or cumulatively have significant environmental impacts. The CE guidance reinforced the value of categorical exclusions.
- In January 2011, CEQ issued guidance on the use of mitigation commitments in EAs. Agencies often use EAs to identify mitigation measures that, when implemented, will eliminate potential significant impacts that might require review in a more intensive Environmental Impact Statement (EIS).
- In December 2011, CEQ issued new draft guidance for public comment on improving the efficiency of the NEPA process overall, by integrating planning and environmental reviews, avoiding duplication in multi-agency or multi-governmental reviews and approvals, engaging early with stakeholders, and setting clear timelines for the completion of reviews.

Finally, CEQ has fulfilled its responsibilities to review proposed agency NEPA implementing procedures with an eye to improving agency NEPA compliance in a timely and efficient manner.

Retrospective Review of NEPA Regulations

In January 2011, President Obama issued Executive Order 13563, calling on agencies to engage in retrospective regulatory analysis of rules that may be outmoded, ineffective, insufficient, or excessively burdensome. To meet its obligations to improve our regulatory system by protecting public health, welfare, safety, and our environment while promoting economic growth, innovation, competitiveness, and job creation, CEQ is using the NEPA Pilot Program to review its NEPA Regulations. We are actively engaging with Federal agencies and the general public as part of this retrospective review process.

The CEQ NEPA Regulations establish guidelines Federal agencies must follow to ensure that their NEPA implementing procedures are consistent with NEPA's policy objectives and procedural requirements. CEQ's goal is to improve effectiveness and efficiency of the NEPA process by identifying and selecting projects that underscore the President's goals for improved public participation, greater integration and innovation, flexible approaches and sound science in our regulations. Eventually, successful pilots could lead to the adoption of new or revised NEPA procedures and could identify which of CEQ's NEPA Regulations would benefit from revision. Under this process, CEQ is working to identify innovative approaches that reduce the time and costs required for effective implementation of its NEPA Regulations. These innovative approaches promote faster and more effective Federal decisions on projects that create jobs, grow the economy, and protect the health and environment of communities.

2) Enhancing Federal Government Sustainability

The Federal Government is the largest consumer of energy in the U.S. economy. Preliminary data shows that the Federal Government spent more than \$20 billion on electricity and fuel in 2010. It owns nearly 500,000 buildings, operates more than 600,000 vehicles, and purchases more than \$500 billion per year in goods and services. The Federal Government's size and scale make improving its own practices an effective policy tool to move the country toward greater sustainability.

On October 5, 2009, the President signed an Executive Order (EO) that sets sustainability performance goals for Federal agencies and calls for reduction of greenhouse gas emissions from Federal activities. More specifically, the EO required Federal agencies to set a 2020 greenhouse gas emissions reduction target; increase energy efficiency; reduce fleet petroleum consumption; conserve water; reduce waste; support sustainable communities; and leverage Federal purchasing power to promote environmentally-responsible products and technologies. CEQ is responsible for assessing Federal agency progress towards the goals of the EO and for identifying tools and strategies to assist Federal implementation efforts.

Under the EO, each Federal agency was required to submit its 2020 greenhouse gas pollution reduction target to CEQ and OMB so that the Federal Government could develop an overall greenhouse gas reduction goal. On January 29, 2010, the President announced that the Federal Government would reduce its direct emissions of greenhouse gas pollution by 28 percent from 2008 levels by 2020. Assuming current energy prices, achieving this reduction target will save the American taxpayers a cumulative total of \$8 to \$11 billion in avoided energy costs through 2020.

In April 2011, CEQ released the first-ever comprehensive GHG emissions inventory for the Federal Government. Based on that inventory, the Federal Government reduced direct GHG emissions and GHG emissions associated with electricity and other offsite generated energy used by the Federal government (Scope 1 and 2) by 6.4 percent, from 52.5 million metric tons of carbon dioxide equivalent (MMTCO_{2e}) to 49.1 MMTCO_{2e}, from a 2008 baseline.

We are also on track for the Federal Government to meet the President's call to lead by example. In FY 2010, the Government purchased or produced renewable energy equivalent to 5.2% of total electricity use, reduced water consumption intensity by 10.4% relative to fiscal year 2007, and decreased energy intensity by 14.6% relative to fiscal year 2003. As an example of Government leading the way in renewable energy, the Department of the Navy is making one of the largest commitments to clean energy in history. As the President announced in his State of the Union Address, the Navy will purchase 1 gigawatt of renewable energy, enough to power a quarter of a million homes a year.

CEQ's Office of the Federal Environmental Executive will continue to work with agencies to ensure implementation of the Executive Order on Federal Leadership in Environmental, Energy, and Economic Performance and the Federal greenhouse gas emission reduction goal.

3) Stewardship of the Ocean, our Coasts, and the Great Lakes

America's ocean, coastal, and Great Lakes regions support over 66 million jobs and contribute nearly \$8 trillion to the national economy each year. In response to more than a decade of discussions, extensive public input, and calls for action from two bi-partisan Commissions, in July 2010, President Obama established the first comprehensive National Ocean Policy to improve the stewardship of the ocean, coasts, and Great Lakes, and a National Ocean Council to implement the Policy.

As I stated before this Committee last October, the National Ocean Policy provides the framework for all Federal agencies to better work together to thoughtfully manage our nation's oceans, coasts, and Great Lakes and ensure they will be healthy and productive for current and future generations. The policy is proactive, looking to avoid conflict and delay, which is all too often the norm. It provides for better coordination and integration of the laws, policies, and regulations affecting the oceans, coasts, and Great lakes, and seeks to avoid the kinds of conflicts and controversies that often delay and sometimes derail ocean-related projects that support the economy and coastal communities. At its heart, this policy is about efficiency, reducing red tape, and making faster, more informed decisions.

Since the National Ocean Policy was established, we are already seeing some progress:

- In January 2012, the National Ocean Council released its Draft Implementation Plan identifying priority actions under existing authorities that will provide the Nation with clean water and improve public health; support emerging and existing uses of the ocean, our coasts, and the Great Lakes—and the resources they provide—through basic research and more efficient permitting; strengthen the resiliency of coastal communities against climate change impacts; and deliver observations and information that allow our Nation's businesses to operate safely and efficiently off of our coasts. It reflects ideas and input from States, local officials, tribal governments, industry, recreational users, non-governmental organizations, the public, and other stakeholders who provided critical feedback to the National Ocean Council.
- The National Ocean Policy principles have helped shape numerous other ocean-related work in the Arctic, the Gulf Coast, and the Great Lakes. For example:
 - In light of the Policy's adoption of ecosystem-based management, the U.S. is proposing an ecosystem-based management initiative under the Arctic Council, which is now under way.
 - The National Ocean Council and the Gulf of Mexico Ecosystem Restoration Task Force are coordinating efforts to ensure resources and efforts are leveraged rather than duplicated with respect to Gulf Coast restoration.
- In December 2011, the National Ocean Council launched its data portal, *ocean.data.gov*, which is a one-stop source for Federal ocean data, information, and tools to improve science-based decision-making and support all stakeholders engaged in mapping and planning for the future uses of the ocean, our coasts, and the Great Lakes. *Ocean.data.gov* brings Federal data to the public in an open and transparent manner. Data sources for *Ocean.data.gov* will be provided by NOAA, the Navy, DOI, EPA, NASA, Army Corps of Engineers, DOE, the National Science Foundation, and other Federal agencies, and will make accessible valuable long-term datasets on oceanographic conditions and natural resources.
- A key aspect in the development and implementation of the National Ocean Policy has been extensive public engagement and transparency. For example, over the past year, the National Ocean Council brought together Federal, State, tribal, and local government representatives, members of the public, and other stakeholders from across the country for twelve regional public listening sessions on the draft Implementation Plan outlines, face-to-face meetings, and a National Coastal and Marine Spatial Planning Workshop, in addition to public comment periods, to discuss how implementation of the National Ocean Policy can grow and protect jobs, secure energy independence, enhance recreational activities, and maximize uses of our Nation's waters while ensuring their conservation.
- The National Ocean Council also established a Governance Coordinating Committee, comprising officials from states, Federally-recognized tribes, and local governments. The Governance Coordinating Committee works with the National Ocean Council on ocean policy issues that cut across political, geographic, and other boundaries. The Governance Coordinating Committee provides a critical link to and strengthens the lines of communication with State, tribal, and local governments on ocean, coastal, and Great Lakes issues.

We are also seeing better collaboration and use of resources across the Federal Government as a result of the Policy. For example, the National Ocean Policy has strengthened interagency collaboration on regional, ocean, and coastal restoration efforts in the Gulf Coast through the Gulf Coast Restoration Task Force and the Great Lakes through the Great Lakes Restoration Initiative.

4) Protecting and Restoring America's Ecosystems

On April 16, 2010, President Obama launched the *America's Great Outdoors* Initiative, calling upon the Secretaries of the Departments of the Interior and Agriculture, the Administrator of the Environmental Protection Agency, and the Chair of the White House Council on Environmental Quality to develop a 21st-century conservation agenda that would seek to protect America's natural and cultural resources, and connect people to the great outdoors through jobs, education, recreation, and service. The President asked Federal agencies to listen to and learn from the American people resulting in what became one of the largest public engagement efforts around conservation in our Nation's history.

The Administration has spent the last two years implementing the shared vision of the America's Great Outdoors initiative (AGO), and a few select accomplishments include—

- *Expanding Recreational Access to Public Lands*—The Administration established a Federal Interagency Council on Outdoor Recreation that is improving recreational access to public lands, waters, and shores in partnership with Federal, State, and tribal agencies.
- *Connecting Communities with the Outdoors in All Fifty States*—As outlined in the America's Great Outdoors 50-State Report released in November 2011, DOI is working with other Federal agencies, States, and communities on more than 100 projects across all fifty States to improve park accessibility, create urban green spaces, restore rivers, and protect special places.
- *Hunting and Fishing Access*—In the last two years, USDA helped support 25 State public access programs, which will open an estimated 2.4 million acres for hunting, fishing, and other outdoor recreational opportunities on privately-owned land. USDA provided almost \$23 million in grants in FYs 2010 and 2011 through the Voluntary Public Access and Habitat Incentive Program.

CEQ will continue its work in the coming year with its Federal agency partners and the general public on the AGO initiative.

The Obama Administration has given priority attention to targeted ecosystem restoration efforts. Through collaboration with State, local, tribal, nonprofit, and private stakeholders, we are achieving tangible improvements in water quality, species recovery, habitat restoration, and invasive species management with focused work in key ecosystems. Success and advancement could not happen without interagency coordination, because any one agency alone cannot address all of the issues these complex ecosystems are confronting. CEQ helps to coordinate and facilitate interagency work to restore America's ecosystems, as illustrated by the following examples—

- *Chesapeake Bay*—In May 2009, President Obama signed Executive Order 13508, calling on the Federal Government to lead a renewed effort to restore and protect the Nation's largest estuary and its watershed. This effort is widely regarded as essential and the most comprehensive plan yet to save this critical ecosystem.
- *Everglades*—The Administration has invested more than \$756 million in Federal construction funding from DOI and the Army Corps from 2009 to 2012 to jump-start projects that are restoring freshwater flows to the Everglades. Everglades restoration projects now under way have generated over 6,600 direct construction jobs and will generate thousands more.
- *Gulf Coast*—President Obama established the Gulf Coast Ecosystem Restoration Task Force to restore ecosystems from the damage of the Deepwater Horizon Oil Spill and to reverse long-standing ecological decline through coordinated actions. The Task Force released the *Gulf of Mexico Regional Ecosystem Restoration Strategy* in December 2011, and work is progressing to implement the strategy.
- *Great Lakes and Asian Carp*—The Obama Administration has made the most significant investment in decades in restoration of the Great Lakes, the world's largest surface freshwater system. Through a coordinated interagency process led by the EPA, implementation of the Great Lakes Restoration Initiative (GLRI) is helping to restore the Great Lakes ecosystem, and ultimately improve the health and environment of the area's 30 million Americans. Fur-

ther, GLRI has been central to the Administration's coordinated effort to prevent invasive Asian Carp from reaching the Great Lakes.

- *California Bay-Delta*—DOI, EPA, USDA, the Army Corps, NOAA, and the State of California are working to elevate and coordinate water issues in the California Bay-Delta.

5) Promoting Clean Energy and Addressing Climate Change

As the President outlined in his State of the Union, the Administration is focused on building an economy built to last. The President is committed to helping transition our economy to one that runs on clean energy while also preparing for the impacts of climate change. We at CEQ are doing our part to support job creation in clean energy and prepare for the effects of climate change.

Recovery Through Retrofit

In 2009, the Vice President asked CEQ to develop proposals to expand green job opportunities and boost energy savings for the middle class. In October 2009, CEQ presented the Vice President with the "Recovery Through Retrofit" report, the result of an interagency effort that was focused on ways to address barriers to and lay the groundwork for a self-sustaining home energy upgrade industry. The report focused on three particularly challenging areas—the lack of information available to consumers and businesses, the lack of financing options, and the lack of skilled workers—and suggested ways for the Federal Government to begin to break down these barriers. Since release of the report, CEQ has led ongoing implementation efforts across Departments and agencies, including:

- DOE's Home Energy Score, a new voluntary program that is helping homeowners make cost-effective decisions about energy improvements;
- A pilot program for the Federal Housing Administration's PowerSaver loan product, to help consumers finance energy-saving improvements;
- DOE's Guidelines for Home Energy Professionals, to help foster a skilled and credentialed retrofit workforce, including the development of standard work specifications for upgrades and guidelines for effective training and certification. To complement this effort, EPA has worked with DOE to release a set of Healthy Indoor Protocols for Home Energy Upgrades, which provide a set of best practices for improving indoor air quality in conjunction with energy upgrade work in homes; and
- USDA has launched the Rural Economic Development Energy Efficiency Effort (REDEEE), to improve access to home energy efficiency improvements in rural America by working with electric cooperatives.

Better Buildings Initiative

In February 2011, the President announced the Better Buildings Initiative, which aims to improve energy efficiency in commercial buildings by 20 percent by 2020 through a series of administrative actions, a challenge to the private sector, and legislative proposals. The Administration also announced a MOU between DOE and the Appraisal Foundation to establish standards and guidelines to industry practitioners for factoring energy performance into buildings appraisals, as well as a new competitive grant program for technical and community colleges to create training programs for building energy management. This past year, the President announced the formal rollout of the Better Buildings Challenge—a public-private partnership that by December 2011 included new private and local public sector commitments totaling more than 1.6 billion square feet, 300 manufacturing plants, and nearly \$2 billion in financing support for building energy upgrades. In addition, the President issued a Memorandum directing agencies to enter into a combined minimum of \$2 billion in performance-based contracts over the next two years to retrofit Federal buildings. These contracts represent an approach to financing retrofits that uses long term-energy savings to pay for up-front costs, resulting in no net cost to the American taxpayer.

CEQ's work over the past year has also included three specific energy and climate initiatives: transmission on public lands, Federal Government adaptation to climate change, and developing new Federal-state collaboration on Great Lakes wind energy.

Transmission on Public Lands

The Administration is committed to increasing the amount of clean energy produced and transmitted across the country. To further this commitment and avoid duplicative work by a number of agencies, CEQ facilitated the development of a Memorandum of Understanding (MOU) signed by nine Federal agencies that will expedite the siting and construction of transmission facilities in the U.S. The MOU, which was announced by the President on October 27, 2009, reduces duplication of

effort across the federal Government and reduces the time and barriers to site new transmission lines on Federal lands.

CEQ is now working to ensure that the MOU is implemented on the ground through the interagency Rapid Response Team for Transmission (RRTT), which was briefly mentioned above. The RRTT is focusing initially on seven pilot project transmission lines which, when built, will help increase electric reliability and integrate new renewable energy into the grid. These seven transmission pilot projects are estimated to create thousands of construction and operation jobs.

Climate Change Adaptation Task Force

The Obama Administration is taking action to address the risks to our economy, water and food supply, national security, infrastructure, public health, and natural resources posed by the impacts of climate change. In 2009, by Executive Order, the Obama Administration convened the Interagency Climate Change Adaptation Task Force, co-chaired by CEQ, the Office of Science and Technology Policy (OSTP), and NOAA, and including representatives from more than 20 Federal agencies. Building on the expertise and resources of these agencies, the Task Force has been working to expand and strengthen the Nation's capacity to better understand, prepare for, and respond to extreme events and other climate change impacts.

Under the auspices of the Task Force, this year Federal agencies have taken steps to identify and address vulnerabilities across all sectors, providing scientific analyses and decision support in sectors, and development of three sector-specific adaptation strategies designed to ensure coordinated action to safeguard the nation's critical natural resources, particularly freshwater, oceans and coasts, and fish, wildlife, and plants.

As part of this effort, CEQ worked with DOI and NOAA to provide Congress with the fish, wildlife, and plants adaptation report called for the FY 2010 Interior Appropriations Conference report language.

Fiscal Year 2013 Budget Request for CEQ

Mr. Chairman, Ranking Member Markey, as you know, the Administration has requested \$3.1 million for CEQ for fiscal year 2013. This funding level includes a reduction of \$42,000 or 1.3 percent of last year's enacted level.

Now in its 42nd year, NEPA has a proven record of protecting public health, safety, and environmental quality by ensuring transparency, accountability, and public involvement in Federal actions and in the use of public funds. As environmental issues grow more complex, CEQ strives to provide the agencies a consultative resource and an institutional base of NEPA knowledge by assisting them to formulate, revise, and update their NEPA procedures on a regular basis. Maintaining this funding level is essential for CEQ to continue its mission of helping Federal agencies navigate environmental conflicts, find sustainable solutions, promote transparency, and ease NEPA implementation. In FY 13, we will continue our work to improve NEPA implementation, increase interagency coordination through the National Ocean Policy and America's Great Outdoors Initiative, and maximize efficiencies within the Federal Government to ensure that Federal regulations continue to protect the air we breathe and the water we drink in a commonsense and cost effective manner.

Mr. Chairman, Ranking Member, and all members of the Committee, I am proud of what the Council on Environmental Quality has accomplished over the past three years and with your support, and am looking forward to what the Council will achieve this year. I appreciate the opportunity to testify this morning and look forward to answering your questions.

The CHAIRMAN. Thank you very much, Chairwoman Sutley. I appreciate your testimony. We will start the questioning, and I will start first.

Let me—as I alluded to in my opening statement, at least the focus that I wanted to focus on is the National Ocean Policy. And at the October 26th hearing, I asked about the lack of public input and transparency in developing that National Ocean Policy, and the activities of the regional zoning bodies—and I included by asking why the regional zoning bodies are exempt from the Federal Advisory Committee Act, or FACA. But I really didn't get a clear answer on that.

And so, let me ask a question again. Will these regional zoning bodies be complying with the Federal Advisory Committee Act, including holding public hearings? And if not, why not?

Ms. SUTLEY. Well, thank you, Mr. Chairman, and I appreciate the opportunity to be here, and also your continuing interest in the National Ocean Policy.

The regional planning bodies will be comprised of governmental members, and therefore, not directly subject to the Federal Advisory Committee Act. But the commitment that we have made is to full, open, and transparent process for those regional planning bodies, so that we have the opportunity and—we provide the opportunity and are seeking the input of all the interested stakeholders, as we move forward on this policy.

I think it is our view that the benefit of doing this kind of upfront engagement, both for the coastal—the governments in the coastal area, but also including the public and the stakeholders, it will help to enhance the value of these planning bodies.

The CHAIRMAN. I am not sure I still got the answer to that, but let me go on to—maybe we should pursue that based on what you said. Maybe I will have a follow-up precisely on that.

Let me go to another area. In the past, when we were talking about the National Ocean Policy, or you know, I guess the leadership, they were reluctant to admit that this policy and the implementation of that would affect activities on the land. Yet the draft Implementation Plan makes it clear that this will affect land activities.

In fact, there is a new section that is titled—and I quote—“Water Quality and Sustainable Practices on Land.” This section cites suburban run-off, agriculture, transportation, and industry “even hundreds of miles away,” affecting water quality. This section also states that successful implementation of the policy will require—and again, I quote—“the use of regulatory and non-regulatory measures to enhance water quality.”

Now, that is a pretty clear statement, to me, that this National Ocean Policy intends to implement new regulations to restrict or alter on-land activities, like farming, to enhance ocean water quality. So, since this is in the draft plan, could you comment on this?

Ms. SUTLEY. Certainly, Mr. Chairman. The policy recognized that there is a connection between activities on the land and in the ocean, and that—but that there has to be sort of a reason, basis for making that connection.

So, the implementation plan, I think, just seeks to clarify that, that it is important, as we go forward in trying to deal with some of the things that are affecting water quality in our coastal areas, that there are circumstances in which you have to look at activities on the land, run-off being one of them. But—

The CHAIRMAN. Why, then, if—I mean if that is the case—you said hundreds of miles, yet representation on these boards are not made up of people that represent those areas inland? Why is that not the case?

Ms. SUTLEY. Well, let me just say that the idea is not to add new regulatory requirements, but try to focus those existing requirements where agencies need to sort of really focus on them, as we

were looking at activities on the land that may affect the health of the oceans. So we are not adding new activities.

In addition—

The CHAIRMAN. Well, since my time is running out, there was a statement in your draft that says—and I quote—“The policy”—and I quote—“The use of regulatory and non-regulatory measures to enhance water quality.” That certainly sounds to me like some regulatory activity.

Ms. SUTLEY. Well, there is currently regulatory activity and non-regulatory activity that is trying to reduce pollution in our waters.

The CHAIRMAN. I recognize all of that. I am talking about specifically the National Ocean Policy, which would be, according to the draft, another layer of regulations.

Ms. SUTLEY. Well, it is not intended to impose another layer of regulations. It is really intended to try to focus the attention of the agencies as they are doing their jobs to focus on the impacts of water quality in the—on the health of the oceans.

The CHAIRMAN. I am way over time on this. I thank you. I am sure we will have more conversation.

Mr. Markey is recognized.

Mr. MARKEY. Thank you, Mr. Chairman.

Ms. Sutley, the goal of the National Ocean Policy is to coordinate actions that impact our coasts and people and businesses utilizing these resources. Massachusetts has been at the forefront of developing marine spatial planning to provide coherence to activities off of its coast.

We can now put a dollar amount on how successful that effort has been. This week, a study published in the proceedings of the National Academy of Sciences was released, demonstrating that economic benefits of regional ocean planning, by bringing fishermen and offshore wind developers together, this study shows that using marine spatial planning over conventional practices could prevent over \$1 million in losses to fisheries and whale-watching industries, while generating over \$10 billion in extra value to the energy sector.

Rather than the negative impacts my Republican colleagues fear, isn't the purpose of the National Ocean Policy to achieve similar benefits to what Massachusetts has already experienced, but spread it across America's oceans and the Great Lakes?

Ms. SUTLEY. Well, thank you for the question. We believe the answer to that is yes, that I think building on the experience that States like Massachusetts has had, in terms of the up-front engagement about bringing in all the stakeholders, bringing in all the parts of the government that have some responsibility over the stewardship of our ocean and marine resources, that in bringing all of those together, we can use the best available science, get everybody involved in the discussion up front, and reduce the potential for conflict that can negatively affect economic activity in the ocean.

Mr. MARKEY. Well, the National Environmental Policy Act process provides a way to solicit stakeholder input on Federal actions and improve decisions that the government makes. In spite of this, the Republican Majority has passed legislation out of this committee, H.R. 2170, that would restrict NEPA to only allow consid-

eration of the proposed project, or no action for renewable energy projects. It would not allow for any middle ground solutions.

Given that 96 percent of Recovery Act renewable energy projects were authorized under NEPA's categorical exclusions, this legislation seems like an answer in search of a problem.

A, if this legislation were enacted, couldn't it actually significantly harm renewable energy development by forcing the BLM to select the "no action" alternative for many decisions, because other alternatives or mitigation measures could not be considered under NEPA?

Ms. SUTLEY. Thank you. We think that the way that NEPA currently handles things like looking at a range of alternatives actually helps to lead to better decision-making. And I think it also—I mean the purpose of NEPA is to engage the public, inform the public about decisions that the Federal Government is making, and for those agencies to describe the potential impacts on the environment. And I think that that helps to get a better set of decisions in front of decision-makers.

So, we think that the system actually works pretty well. And on the renewable energy side, we have been working closely with many agencies who have jurisdiction over renewable energy projects. And again, we find that up front engagement and collaboration and full consideration of alternatives leads to better decisions.

Mr. MARKEY. OK. Let me ask you this. Let me ask you a few hypothetical questions. If you owned property that was flooded year after year, would you take actions to protect it?

Ms. SUTLEY. Yes.

Mr. MARKEY. If you knew the risk of fire damage to your property was increasing, would you take measures to protect it—

Ms. SUTLEY. Yes.

Mr. MARKEY [continuing]. Against fires? If you knew your supply of drinking water was threatened, would you find ways to better manage it?

Ms. SUTLEY. Yes.

Mr. MARKEY. Well, since we know sea level is rising, extreme rainfall is increasing, the wildfire season is expanding, and snowpack across much of the West is declining, shouldn't the Federal Government prepare for these impacts, as good stewards of Federal lands and taxpayers' dollars?

Ms. SUTLEY. Yes. We believe that it is important to—in how we manage risks, and that in looking at the risks associated with climate change, and the potential impacts on not only on Federal activities, but as Federal activities affect all Americans, affect state and local government, affect our economic activity, that it is prudent to consider how we manage these risks, how we reduce vulnerability, and increase resiliency.

Mr. MARKEY. So—and that is the goal of the Interagency Climate Adaptation Task Force, is it not?

Ms. SUTLEY. Yes, it is.

Mr. MARKEY. Thank you. I thank you, Mr. Chairman.

The CHAIRMAN. The time of the gentleman is expired. Dr. Fleming is recognized.

Dr. FLEMING. Thank you, Mr. Chairman. Chair Sutley, I am very impressed with the credentials that you present on your bio: a master's from Harvard, a degree from Cornell, worked in the EPA and in other areas of administration. But have you, ma'am, ever owned or run a small business?

Ms. SUTLEY. No, sir.

Dr. FLEMING. Ever made a small business payroll?

Ms. SUTLEY. No.

Dr. FLEMING. You have some colleagues here today. Have any of them ever owned, managed, or made a small business payroll?

Ms. SUTLEY. I don't know the answer to that.

Dr. FLEMING. OK. Well, you know, I heard you talk about the impact on business and the economy. And I can tell you that one of the biggest complaints I get from my district, the Fourth District of Louisiana, is that all of these agencies, environmental committees, what have you, councils, seem not to understand the impact of regulations upon our cost, upon our employees and their lives.

And, in fact, I would like to refer back, just to lay the foundation of the question I am going to ask you. Very recently, when asked in committee, the Appropriations Subcommittee, Secretary of Energy Steven Chu—the question was, “If the overall goal is to get our gasoline”—“Is the overall goal”—no, I am sorry. “If the overall goal is to get our gasoline price lower”—or, I apologize, there is a misprint here. “Is the overall goal to get our gasoline price lower?” And his reply was no. And he added that the overall goal is to decrease our dependency on oil.

And that goes back to a previous statement that he made in which he said, “Somehow we have to figure out how to boost the price of gasoline to the levels in Europe.”

And we have had other comments. The President himself said, under his cap and trade plan, that electricity prices would necessarily skyrocket. Interior Secretary Salazar made statements to the effect that \$10 a gallon gasoline would be acceptable. This is very worrisome for my district, my constituents, when it comes to jobs and the gasoline prices that, as you know, are skyrocketing.

What I want to do is take you to the Outer Continental Shelf Lands Act, section 3, subsection 3. “It is hereby declared to be the policy of the United States that the Outer Continental Shelf is a vital national resource reserve held by the Federal Government for the public, which should be made available for expeditious and orderly development, subject to the environmental safeguards in a manner which is consistent with the maintenance of competition and the other national needs.”

How can a major new process that we are talking about today—and, more specifically, coastal and marine spatial planning—be consistent with the expeditious and orderly development directive set up under OCSLA?

Ms. SUTLEY. Well, thank you, sir. I think we all—and the President is very aware of the impact that rising gas prices have on American families. And we are all working very hard on the President's all-of-the-above energy strategy, to make sure that we are doing everything we can on behalf of the American people.

The specific question on the Outer Continental Shelf Lands Act and marine spatial planning, I would make a couple of points.

One is the latest program from the Department of the Interior is 75 percent of the recoverable—the known resources are open to export—are open to development. Our view is that we believe that the marine spatial planning will help to expedite consideration of any uses of the ocean by getting—

Dr. FLEMING. Well, I don't doubt that you believe that, ma'am. But there is absolutely no evidence to support that. I will remind you that all of these offshore areas were opened after—as President Bush left office, because prices were high before. President Obama actually came back and closed most of them down. And then, of course, after the Macondo incident we had all sorts of problems, which led to delays, and we are still trying to recover from that.

So, from my perspective, and from my constituents' perspective, that spatial planning is only adding another layer of bureaucracy to the process, slowing down the production of oil, increasing the prices of gasoline at the pump, and killing Louisiana jobs.

And so, as I say, I think from your perspective, coming from the EPA, coming from the Administration, where these don't directly impact you—but I would suggest to you that those who own small businesses, those who make payrolls, those who have to fill their cars with gasoline, and their trucks, and their business with fuel, that all they are seeing is just a lot of talk coming from Washington, but no action.

And again, the Strategic Oil Reserve, tapping that is about the only thing that has been suggested by this Administration when, in fact, gasoline prices are going up a cent per day.

I am sorry, I guess I am out of time, Mr. Chairman. But that is the way Louisiana feels about this.

The CHAIRMAN. Yes, the time of the gentleman has expired. The gentleman from Michigan, Mr. Kildee, is recognized.

Mr. KILDEE. Thank you, Mr. Chairman. Madam Chair, my district borders on the Great Lakes, specifically Lake Huron. How many agencies are involved in our efforts to control the Asian Carp, which is threatening to invade Great Lakes? Can you give some examples of the cooperation among the various agencies in trying to keep them from that invasion?

The Great Lakes are the largest body of fresh water in the world, although Lake Baikal might claim that, too, in the Russian Federation. But what type of cooperation are the various agencies doing to try to prevent that disastrous invasion?

Ms. SUTLEY. Well, thank you. Preventing the Asian Carp from establishing themselves in the Great Lakes is a high priority for the Administration. And CEQ chairs the Asian Carp Response Committee that is made up of a number of Federal agencies, as well as the Great Lakes states, to really focus on all of the things that we can do right now to prevent the spread of Asian Carp into the Great Lakes.

We put a significant amount of money into both physical barriers and—as well as fishing and just trying—and the research and development and monitoring, so that we can fight this potential spread as we are developing a long-term solution.

So, I think we have had a very good interagency and intergovernmental work plan over the last three years, agencies, again, putting a lot of time and effort into both the actions right now to pre-

vent the spread of Asian Carp, as well as developing a long-term solution to keep them out permanently.

Mr. KILDEE. How serious is there discussion on closing the canals, the artificial canals, that were done at the beginning of this past century for shipping? Any serious discussion of closing those? Because there is no natural way those fish could get into the Great Lakes, except through the—those canals that are man-made.

Ms. SUTLEY. Well, there—we have been looking at all the possible solutions, and all the possible avenues where the Great Lakes—where the carp could enter the Great Lakes. So there is both a short-term dimension of this, the trying to manage under the current system, through the use of barriers and other techniques to keep the carp out right now, as well as investing in research. The biological research will help us understand how the carp move and how they behave, as well as developing the long-term solution.

So, we are constantly evaluating what the best techniques are to keep the carp out of the Great Lakes. The Army Corps of Engineers, at Congress's direction, is working on a study that looks at the connection between the Great Lakes system and the Mississippi River system, and what ways—what are the pathways that we need to pay attention to, and in developing the long-term solution to keep the carp out of the lakes.

Mr. KILDEE. I really appreciate the work you are doing. I encourage you to do it with all deliberate speed, and—because the danger is very, very imminent.

Ms. SUTLEY. We agree, and we appreciate the support from Congress, and know that this is a priority for the Administration, to make sure that we are working closely with the Great Lakes states, in trying to keep the carp out of the lakes.

Mr. KILDEE. Thank you, Madam Chair.

The CHAIRMAN. The gentleman yield back?

Mr. KILDEE. I yield back.

The CHAIRMAN. The gentleman yields back his time. Mr. Southerland from Florida is recognized.

Mr. SOUTHERLAND. Ms. Sutley, thank you very much for being here today. I know that last time you were here we had a spirited discussion on something that you alluded to just again a few moments ago, that the idea here is no new regulations. I am sure you recall—

Ms. SUTLEY. Yes.

Mr. SOUTHERLAND [continuing]. That exchange. I am amazed that you continue to say that it does not—that the idea is not for new regulations. But yet, I mean, the very statement from the White House is very clear, in that it will lead to new regulations.

I mean I am struggling with that. I have some other questions that I want to ask you, obviously, but you stated it again today. I mean is it still your opinion that the White House is incorrect, and that you are right?

Ms. SUTLEY. Well, I—as we discussed at the last hearing, the intention is not to have—it is not to have new regulations, that really, what we are trying to do is make—

Mr. SOUTHERLAND. Well, then why would the President sign an executive order that clearly lays the path for new regulations?

Ms. SUTLEY. Well, what the executive order and what the policy does is to say that we should not only work within the existing regulations, try to make more sense of the more than 100 laws, policies, and regulations that affect Federal agencies as they manage coastal and marine resources, but that—to look at our current policy and program, and see if there are ways that we can streamline that.

So, I don't think that I would think this is a success, if we ended up with new regulations. I think it would be a success if we end up streamlining the way that the Federal Government manages the coastal and ocean resources.

Mr. SOUTHERLAND. The—one question I would like to add, or comment. I know that the Ranking Member made reference to wind disasters and fire disasters and flood disasters, and you answered his question that you think it would—you would take prudent steps to protect your well-being in his example.

I mean I—I mean we are clearly in a financial disaster. I would assume that you would also believe that it is prudent to take necessary steps to protect our well-being in light of this current financial disaster that we find ourselves in. Would you not?

Ms. SUTLEY. Yes.

Mr. SOUTHERLAND. That is fair. We had a gentleman here yesterday who stated on the record that he thought that the President's budget—that he—the fourth consecutive trillion-dollar deficit budget that he has presented to Congress, and the \$5 trillion of new debt that has been added onto the backs of the hard-working men and women of this country was, in his words, "responsible."

I am just curious, because you are in a high position. I mean do you think that continuing to spend money that we do not have, borrowing \$.50 of every dollar, is a prudent step to protect our financial well-being?

Ms. SUTLEY. Well, I think the President presented a budget that does—that will meet the caps that Congress agreed to, and will reduce the deficit. For our part at CEQ, we—our Fiscal Year 2013 proposal does include a reduction. So the President has made the commitment for the Federal Government to live within its means.

Mr. SOUTHERLAND. Well, that is rather humorous, the Federal Government living within its means.

Let me ask you this regarding the specificity of the National Ocean Policy, regarding your budget. Would you provide for this committee a cross-cutting budget for the oceans policy going forward, so we can get an idea of—

Ms. SUTLEY. We are happy to follow up with that.

Mr. SOUTHERLAND. OK, OK. And my next line of questions would go well beyond my time remaining. So, Mr. Chair, I yield back.

The CHAIRMAN. The gentleman yields back his time. The gentleman from California, Mr. Costa, is recognized.

Mr. COSTA. Thank you very much, Mr. Chairman. I would like to ask Ms. Sutley on the President's National Ocean Policy, specifically dealing with coastal and spatial planning efforts, and my concern is its potential impacts on future oil and gas supplies.

Many of us are concerned that the marine spatial planning goes forward without having the up-to-date data necessary, and the potential impact it could have, long term, on those resources that we

need for domestic production. And the—I mean the spatial planning efforts that I have been familiar with I think are logical and, over the long term, probably are necessary. But the likely impact on the limitations of the plan I think remain forever locked up if we don't update the plan.

For example, planning outside the Gulf of Mexico in areas of—that we are currently utilizing, the data that we have is actually about 30 years old, I am told. If we are relying upon data that old, nobody would be investing much in the way of those natural resources. As an example, in the Gulf of Mexico, we have already seen five times as much oil, and six times as much natural gas as what we originally determined was there 30 years ago on that old data.

So, what assurances could you give us that the National Ocean Council is dedicated to gathering newer, more accurate information for OCS planning purposes, and the seismic survey work that must be done before decisions should be made, in my view, concerning what areas are appropriate for oil, gas, and other energy development?

Ms. SUTLEY. Well, thank you, Mr. Costa. The——

Mr. COSTA. You understand what I am saying, putting the cart before the horse?

Ms. SUTLEY. I understand. The——

Mr. COSTA. That is an old farm term.

Ms. SUTLEY. The National Ocean Policy is clear that we need to rely on the best available science in making decisions.

Mr. COSTA. But when some of that science is very old, that is not a good thing, I don't think.

Ms. SUTLEY. Well, and part of the purpose of bringing the agencies together is to share data, and to make sure that agencies are taking advantage of the scientific knowledge that there is around the government——

Mr. COSTA. OK. Well, I want to move the questioning along to another line. But could you provide the Committee and the rest of the Members of what attempts CEQ is doing to update the new available science and data, as a precursor for doing this planning?

Ms. SUTLEY. Excuse me.

Mr. COSTA. After you get done coughing. So just say yes, and we will move on to the next questioning.

[Laughter.]

Mr. COSTA. Let's bring it back home to California. As you know, I have been involved for years in trying to ensure that the entire State has adequate water supply. And 2009 and 2010 was awful, it was horrific, and ground zero was in my congressional district, in terms of the shortages of available water to the farmers, to the farm communities, and the farm workers that were devastated by both a hydrological and, in my view, regulatory-caused drought that made it far more difficult than it should have been.

Under the category of lessons learned in 2009 and 2010, what are we doing? Because last year we had a great year, 174 percent of snow pack. But at this year we are at 22 percent, and it ain't looking very good.

So, what concrete steps will the Council on Environmental Quality be taking in California's ongoing water challenges, and how

does the President's budget in the Fiscal Year 2013 help that effort?

Ms. SUTLEY. Well, thank you. It was a very important subject, and a high priority for the Administration, to ensure that we are both ensuring the health of the Bay Delta ecosystem, and ensuring that there are adequate water supplies. Pardon me.

Mr. COSTA. No, I understand. But we know that you are restating facts.

Ms. SUTLEY. Yes.

Mr. COSTA. Those are two equal goals.

Ms. SUTLEY. Yes.

Mr. COSTA. And I am concerned about both goals being coequal. So, on the latter part, in terms of assuring during lower snowpack, how are we going to make sure that we get more than 30 percent allocation?

Ms. SUTLEY. Well, and—

Mr. COSTA. Which is what has been projected last—two weeks ago.

Ms. SUTLEY. Thanks. The—excuse me. The Department of the Interior is taking the lessons learned from the very dry years that we faced, in terms of both better communication and better engagement with the water contractors in—and the reclamation commissioner has been spending a lot of time in California, working—

Mr. COSTA. Yes.

Ms. SUTLEY [continuing]. With the State. And I think the most important thing is that we continue the very strong cooperation with the State of California, to manage both the water resources now, and continue to work on developing the long-term solution to ensure that California has adequate water supply.

Mr. COSTA. All right. Well, my time has expired. And as you catch your breath, I would appreciate—I am in contact with all of your folks on a weekly basis, so—but I would like some assurances from you that your—that the White House is following up on this, and that we are not going to repeat some of the same mistakes we made in 2009 and 2010 that exacerbated the regulatory aspects of the deficient water supply that could have been done in a much more fair fashion, in my view. So—

Ms. SUTLEY. Yes—

The CHAIRMAN. The time of the gentleman has expired.

Mr. COSTA. Yes. So we will have that conversation. Thank you.

Ms. SUTLEY. Thank you.

The CHAIRMAN. The gentleman from Pennsylvania, Mr. Thompson, is recognized.

Mr. THOMPSON. Thank you, Mr. Chairman. Ms. Sutley, thanks for your testimony. Ms. Sutley, in your testimony you mentioned the President's executive order on the Chesapeake Bay, representing Pennsylvania. And actually, on the Agriculture Committee I chair the Subcommittee on Conservation, Energy, Forestry, and jurisdiction over watershed. So it certainly caught my eye.

You know, the TMDL is now in phase two, and we are still without an economic analysis. Now, this is a very serious issue that is already having extraordinary and devastating impacts on my home State of Pennsylvania, and throughout my congressional district.

Now, the EPA has told me in writing that they expect the cost benefits analysis to be completed by the end of the year. But there is no firm deadline for completion. And, in fact, the EPA has also indicated to me that, in a quote from communications, "The cost benefit analysis being conducted by EPA will not change the TMDLs" outcomes or—in regard to outcomes or implementation. Frankly, in my opinion, prejudging the facts will be ignored.

So, my first question is, why does this Administration continue to push through these enormously impactful regulations—and make no mistake that TMDL is a regulation—without performing basic economic and social analysis of the impacts?

Ms. SUTLEY. The President has committed us to enact regulations in a cost-effective and sensible way. It is reflected in his executive order on regulatory review. I can't speak to the specific circumstances with EPA, but I would be happy to look into it.

Mr. THOMPSON. Well, you referenced in your testimony, though, specifically the executive order on Chesapeake Bay. And to show that we do have good bipartisanship, my friend from California, I think, was the one that talked about putting the cart before the horse. And it seems to me cost benefit analysis would be done before you drive out enormously impactful regulations. And so, you know, I really—I know what the President says, but I want to see that line up with the actions of the Administration.

My follow-up question is why even do such an analysis if it has no impact on the regulations being forced on the States?

Ms. SUTLEY. Well, the Chesapeake Bay is a very important watershed for the region and for the country. And the executive order was focused on trying to get the Federal agency working with the States to try to make some progress to addressing the health of the Chesapeake Bay, and that there—an emphasis on working with all of the—not only working with the States, but all the affected stakeholders in the region.

And so, the—and EPA and other agencies working very closely—EPA working very closely with the Department of Agriculture in reaching out into the agricultural communities to try to find solutions that work for everyone.

Mr. THOMPSON. Well, and I appreciate that. But when—you know, and I like being a team player, that has been important to me throughout my whole life, professionally and personally. But when I am coming together with a team, unless I am working with a group of carpenters, I don't bring a hammer. And that is what the Obama Administration has brought to this "teamwork," to the States.

And so, I mean, how do you justify the Obama Administration having no problem coming down hard with the hammer, but provide no funding to the public and to the States for this compliance, based on a cost benefit analysis that has not been completed yet, and that the EPA has acknowledged that—in communications that I have had with them in my respective Subcommittee chairmanship, that they are not even going to consider, in terms of the TMDLs?

Ms. SUTLEY. Well, again, I think that, clearly, the health of the Chesapeake Bay depends on everyone working together.

Mr. THOMPSON. Well, I would invite you up to the Pennsylvania Fifth District. You know, our agriculture community—our kids still swim in those streams.

Local watersheds are important. And if the local watersheds are clean, you know, I can't account for much of what goes on into the Chesapeake Bay, hundreds of miles away. So we are not here talking about a commitment to a national treasure, which is what the Chesapeake Bay is, we are talking about a failed approach to policy that is based on a hammer, and really a total lack of—and I am running out of time, so one last question.

Since the States have been egregiously hurt by this Administration's failure to conduct cost benefit analysis, or even worse, even worse, prejudging that they are not going to use the findings in the TMDLs, perhaps the States are better positioned to make honest environmental impact determinations. And as Chair of Environmental Quality, I would ask you your thoughts on that.

Ms. SUTLEY. Well, as I said, I can't speak to the specifics with EPA, but I would be happy to follow up on you.

But the States are obviously a very important part of how we are going to improve our environment. And it is important that we at CEQ and others work closely with the States on these important issues.

Mr. THOMPSON. Right. And my time has expired, but I would also offer that I think the folks in the States probably care more about the environment of their respective States than what agencies in Washington do. So it is like let's let them have primacy.

Thank you, Mr. Chairman.

The CHAIRMAN. The time of the gentleman has expired. The Chair recognizes the gentlelady from Hawaii. Ms. Hanabusa is recognized.

Ms. HANABUSA. Thank you, Mr. Chair. Chair Sutley, when you began your opening statement, you spoke about one of the goals of the CEQ is the improving of the efficiency and the effectiveness of the NEPA process. And in reviewing your testimony, what caught my eye is basically statements found at page three and four of your testimony, where you spoke, in particular, about the ability to fast-track. And in the situation of the ARA funding, how you basically expedited the NEPA process, whether that be through some sort of EA process, or EIS process.

Can you explain to me exactly how this expedited—I think you call it permitted for infrastructure projects, how that is working, and how the pilot is actually functioning right now?

Ms. SUTLEY. Well, thank you. We believe that there is both opportunity and real commitment to make progress, to make NEPA work better. It has been a real focus for CEQ in a number of areas. We have issued guidance since I became Chair to clarify for agencies where there are flexibilities in NEPA that they can take advantage of, and you reference the Recovery Act. We found that the vast, vast majority of Recovery Act projects completed their NEPA on time, and were able to deliver the projects on time.

And so, we have been working in a number of different areas, through setting up with agencies, interagency rapid response teams to ensure that agencies are focused on high-priority projects. The President issued a memorandum last August, directing agencies

particularly to focus on high-priority infrastructure projects, to track those, and to work on expediting the approvals of that.

And just yesterday I signed some additional NEPA guidance, again to point out to agencies where there are opportunities for efficiencies in the NEPA process.

Ms. HANABUSA. Now, one of the issues, as I recall, the ARRA, or what we call the stimulus legislation, was that the projects that were being, I guess, done by the state levels, because that is where the basic authority went, to the respective Governors—was the fact that the projects themselves had to be technically shovel-ready. So if they are shovel-ready, I assume by that—and something that you just said is that the NEPA compliance—I guess whether Environmental assessment or a FONSI or something—has been complied with already.

So I am trying to understand how then do you step in and accelerate that process? And, more importantly than that, you know, what authority do you see yourself having the ability to somehow modify NEPA, which is an existing law? Because on page four, where you talk about this January project with the DoT, January 2012, a pilot project to cut costs and fast track, I am trying to see how the NEPA process has been modified in what you are doing, if it has been modified at all.

Ms. SUTLEY. Well, to the Recovery Act, what we found—and we reported to Congress quarterly on NEPA and the Recovery Act—that about 96 percent of the projects, the Recovery Act projects, used categorical exclusions, which is the sort of lightest touch of NEPA in evaluating those—in complying with NEPA and evaluating those projects, and that only one percent of those projects required an environmental impact statement, and those were completed.

CEQ has authority under NEPA, basically, to help the agencies comply with NEPA, that, by and large, compliance with NEPA is done by the agencies, but that CEQ interprets both the statute and CEQ's own regulations, and provides advice to agencies on how to interpret NEPA.

So, in the example that you referenced, we have set up this pilot program to try to look at, basically, best NEPA practices, where agencies have—use techniques, whether it is through using information technology or bringing stakeholders in early to help to expedite the NEPA process. And we have been working with the Department of Transportation on a—what is a big project that involves a number of States and a number of different jurisdictions to help bring all of that together, to make sure that we are both meeting the environmental needs and helping make sure this project goes through.

Ms. HANABUSA. Thank you, Mr. Chair. My time is up, but I would like to request that the Chair provide us in writing exactly how the process is working, what evaluation. And I am also curious as to whether or not there have been legal challenges to whatever they may have done, in terms of waiving the NEPA process, or making determinations that it could go into this special category. Thank you, Mr. Chairman.

The CHAIRMAN. I think that is a good request. I would hope that the Chairwoman would follow up on that. To all the Committee, I might add.

Ms. SUTLEY. Happy to.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado, Mr. Tipton.

Mr. TIPTON. Thank you, Mr. Chairman. Thank you, Ms. Sutley, for being here. Part of your obligation under CEQ is to issue and develop procedures, regulations. Can you tell me—just give me a number—how many new regulations you put forward since the Obama Administration was elected?

Ms. SUTLEY. Well, we have not put any new regulations forward. What we—

Mr. TIPTON. You put forward no new policies?

Ms. SUTLEY. We have put—

Mr. TIPTON. Or suggested any?

Ms. SUTLEY. We put through a number of guidance documents to—

Mr. TIPTON. How many new regulations or rules has that added up to, do you know?

Ms. SUTLEY. I think we have issued—

Mr. TIPTON. Ultimately, through all the agencies?

Ms. SUTLEY. Through all the agencies?

Mr. TIPTON. Mm-hmm.

Ms. SUTLEY. I don't know the answer to that.

Mr. TIPTON. Can you get us a number for that? I think it would be interesting. We have heard testimony that if we stack up all the regulations that have come into place since this Administration took office, it stacks over 13 feet tall. I would be interested to know what kind of role you played in that.

Ms. SUTLEY. We would be happy to follow up with you on that.

Mr. TIPTON. You know—and I would like that. You know, you have a draft policy here on draft Ocean Policy. And when we read through this, we find that you are discussing about inland waters hundreds of miles away impacting our oceans that are going on.

This Administration, as you are probably aware, has some policies that, in Colorado, are inhibiting our ability to be able to get in and to harvest out and treat dead and standing timber in our areas which, when that catches fire, is going to greatly impact our water, and probably ultimately go down—looking at your policy for the oceans—as well.

But when I am looking at this I guess what really kind of disturbs me when we are looking at increased regulations and further tentacles of government going in—no one disputes wanting clean water, a good and health environment, but you are including forestry, animal feed lots that you are going to start checking. What kind of cost analysis are you doing on this?

Ms. SUTLEY. Well, what we are trying to do is focus the agencies on understanding the connections. So, as I said, we don't anticipate there being new regulations there. And these draft implementation policies are out for public comment right now, and we hope to get feedback on—from everyone on some of the areas that we have highlighted.

Mr. TIPTON. And there will be no new regulations that will come off of this.

Ms. SUTLEY. That is not my intention.

Mr. TIPTON. That is not your intention. OK. Good.

You know, today we are going—Representative Gosar and I have a bill on the Floor of the House here. It is a small regulation Conduit Hydropower Development and Rural Jobs Act of 2012. This is aimed, in large part, at streamlining some of the regulatory processes out of NEPA. During legislative Committee hearings on this committee bill we heard testimony from rural and manmade pipeline companies that are putting in—trying to put in these projects. Their cost was \$20,000 to install a small hydro unit. By the time NEPA came into the equation, that jumped up \$50,000 additional cost on that. Our bill will be addressing that. This cost has rendered many of these projects economically unfeasible. And, as a result, existing regulatory framework discourages investment in renewable energy.

What I would like to know is what is the Council doing, from your end, to address other areas? We are addressing one with legislation today. Are you trying to streamline these processes?

Ms. SUTLEY. Well, as I said, we have issued guidance to agencies to point out where there are flexibilities in NEPA. And even our own regulations say that the purpose of NEPA is not to foster paperwork, it is to get to better decisions. So—

Mr. TIPTON. Is the goal to reduce costs? Because you just commented that the President wants the rules to be “a cost-effective and a sensible way.” Cost-effective to whom?

Ms. SUTLEY. Well, as I said, we have been working to focus on infrastructure projects, on job-creating infrastructure projects, tried to work with the agencies to streamline their reviews of those kinds of projects. And—

Mr. TIPTON. Are you aware that some of the policies have increased—we have families right now that are struggling to be able to keep a roof over their head. And because of regulatory policy, their water bills are going up, their electric bills are going up, all because of regulatory policy, and they are unable to feed their kids.

Ms. SUTLEY. As I said, we are trying to look at all the ways that we can help agencies to understand where there are flexibilities under NEPA, and providing guidance for them, working with them through these rapid response teams and through these pilot projects, where we are trying to show where there are best practices, to help to reduce the time and the cost of environmental reviews.

The CHAIRMAN. The time of the gentleman has expired. The Chair recognizes the gentleman from New Jersey, Mr. Holt.

Dr. HOLT. Thank you, Mr. Chairman. And thank you, Chair Sutley, for coming. There is lots to talk about, but I would like to look at two topics, to give you a chance to elaborate on some of what you have already said—your role in the ARRA and NEPA expedition, and also the Climate Adaption Task Force.

Our colleagues—actually, one of them—pressed you on what your background was in business. I would just point out that he and anyone who cares about these things should want a vigorous NEPA

process, because through that process all the stakeholders get to weigh in. And so I think that is what you have been trying to do.

It seems to me that several million dollars in your budget is a bargain for this country, in what—the kinds of coordination that you provide, and specifically the ARRA. You know, you have surveyed what happened in the various projects there, and found nearly 200,000 NEPA reviews were completed expeditiously. Could you explain a little bit what value added CEQ brought to that process?

The ARRA, despite claims from the other side, has been demonstrated to be an economic success, a real economic success. It seems to me that it is also an environmental success. To what extent did you help make that happen?

Ms. SUTLEY. Well, thank you for the question. We have—one of the things that the ARRA required was that we report regularly to Congress on NEPA and the Recovery Act, and we provided those reports which showed, again, that—as you noted—hundreds of thousands of projects, most of them, were—could use categorical exclusions to comply with NEPA, which is—which, again, the lightest touch environmental review, because they have very little impact on the environment, and we recognize that.

We also saw documented in those reports a number of areas where the NEPA process itself helped to make the projects either go faster, or ended up with better projects. And that—I think we have seen throughout the history, the 40-plus-year history of NEPA, where the engagement of the public early on, where the focus on having the agencies understand and communicate the environment effects of proposed Federal actions has resulted in better projects. And so we saw that throughout the Recovery Act.

And we also work very closely with the agencies, to make sure that they were—that their NEPA procedures were—you know, applied the right level of analysis to the kinds of Recovery Act projects. So that—we believe that most—and the numbers show that the vast, vast majority of Recovery Act projects were covered by categorical exclusions.

Dr. HOLT. Well, thank you. Let me turn, then, briefly to the Climate Adaptation Task Force. There is a new article in Science Magazine on the geological record of ocean acidification, which points up a dimension of our climate change, the human emission of carbon into the atmosphere, it is changing the acid, the acidity of the ocean, with probably devastating effects.

And the point of this article is, well, first, that the ocean, which has really been a metaphor for vastness, for infinity, for limitless over the years, is really quite finite, and we are changing it. And we are changing it at a pace greater than has ever been observed over several hundred million years of geological record.

The Washington Post today has an editorial on this subject that says, “Scientists cannot and need not be definitive about exactly what will happen and when all over the earth. As ever with climate change, there is a range of risks involving mind-bogglingly complex planetary systems that scientists can attempt to anticipate. The point is there are enough dangers of such magnitude and probability that humans should invest in reasonable policies to avoid them.”

Isn't that the point of the Climate Adaptation Task Force? Sorry, I leave you no time to respond. Yes or no?

Ms. SUTLEY. Yes.

Dr. HOLT. Thank you.

The CHAIRMAN. I thank the gentleman.

Dr. HOLT. Thank you.

The CHAIRMAN. The gentlelady from Guam is recognized, Ms. Bordallo.

Ms. BORDALLO. Good morning, Chairman Sutley, and thank you for your testimony this morning. I am going to focus more on the territories in the Pacific Islands, since we don't talk too much about them. And I know my colleague is with me on this. The citizens in Guam and the other Pacific Islands have a vital interest in protecting ocean and coastal resources, since naturally we are surrounded by the ocean.

However, administrative efforts frequently do not extend out to our territories. For example, in June of 2011, a National Ocean Policy listening session in the State of Hawaii was provided as a video conference to Guam. But due to technical issues, the attendees in Guam were not able to fully participate in the conference. And, as far as I know, there has never been a follow-up.

How can we ensure that all stakeholders are involved in the creation and implementation of the national policy? And, in addition to the regional planning bodies, can you please describe other ways that local stakeholders can have input on actions taken under the National Ocean Policy?

Ms. SUTLEY. Well, thank you for the question. And we apologize for the technical trouble in getting residents of Guam involved in that particular listening session. But one of the key aspects of the National Ocean Policy is to engage the public. And we will certainly be happy to follow up with you and discuss further ways that we can ensure that residents of the territories have the opportunity to participate. Because for this to work, we really do need the participation of all the stakeholders and the public in this process.

Ms. BORDALLO. Well, thank you, Madam Chairman. I really feel that the territories are very important to our country.

Also, another question. The draft Implementation Plan states that 4 of the 9 regional planning bodies will be established by 2013, while the remaining 5 will not be established until 2015. How will priority among the regions be established, and how will the local members of the councils be determined?

Ms. SUTLEY. Well, we are—as to the membership of the councils, we are working on that right now. We want to ensure that there is adequate representation of all the governments involved in that. And in terms of the priorities, it is really in dialogue with the regions to figure out who is ready to go, and where there needs to be more groundwork laid.

So, the idea—there are some areas that have proceeded out at the state level or at the regional level. We are working on a number of these issues, for example, in New England, where there has been a lot of work done. So, you know, they are likely to proceed faster than some of the other regions, but that is really something

that we will determine working with the governments in each region.

Ms. BORDALLO. Well, thank you. Now, as you know, Guam provides an important military presence in the Pacific region. And often we are forced to choose between the environment and security, although I do not believe this is always necessary. Does the National Ocean Policy consider national security interests in the planning process?

Ms. SUTLEY. Yes, absolutely, it does. We have, from the very beginning, had very active engagement from both the civilian and military side of the Department of Defense, as well as the Coast Guard. And we recognize that we need to work, again, closely with the governments throughout the coastal regions to ensure that we are balancing all of these interests.

Ms. BORDALLO. And one further question I have. One of the tenants of the NOP is to improve access to data gathered by Federal programs. I applaud the launch of the oceandata.gov web portal. Now, can you provide any information on improving access to this information beyond the web portal? Is there any movement to create a Pacific regional data portal?

Ms. SUTLEY. I will have to get back to you on that, Congresswoman Bordallo, but we will be happy to follow up with you on that.

Ms. BORDALLO. Thank you. Thank you, Chairman Sutley. And I yield back.

The CHAIRMAN. The time of the gentlelady has yielded back. The Chair recognizes the gentleman from Alaska, Mr. Young.

Mr. YOUNG. Thank you, Mr. Chairman. I would just like to ask one. Where do you get your money to run your operation?

Ms. SUTLEY. We are appropriated money by Congress.

Mr. YOUNG. Directly to?

Ms. SUTLEY. Yes.

Mr. YOUNG. Where is the National Ocean Policy coming from, the money?

Ms. SUTLEY. Well, we are working on some specific responses to the questions from the Chairman on that, but we are largely—

Mr. YOUNG. Let's get to the quick, now. Where do you get your money? How do you get paid, and where do you get your money?

Ms. SUTLEY. CEQ comes through the Interior appropriations, and—

Mr. YOUNG. CEQ gives it to you directly, there is no understanding, you know, how it is going to be spent?

Ms. SUTLEY. Well, we develop our budgets, as all agencies do. We are—

Mr. YOUNG. Who do you file the budget with, the Congress? Or is it filed with the other group, Interior?

Ms. SUTLEY. No. For the Council on Environmental Quality—I am sorry if I am not understanding your question—Council on Environmental Quality, we are part of the Interior appropriations bill. We have a separate line item for the Council on Environmental Quality.

Mr. YOUNG. Just one line item? All right, I am still—we will find out where that—and, Mr. Chairman, thank you for asking that question, too, because I am—the National—the draft National

Ocean Policy Implementation Plan notes that the ecosystem-based management section—that a pilot project will help identify what, if any, changes may be needed to existing statutory and regulatory mandates and requirements.

At the last hearing you stated the National Ocean Policy would not result in any regulations. This implies there will be new regulation requirements. Which one is it, last testimony or this testimony?

Ms. SUTLEY. Well, I think that the purpose of the implementation plans is to find out how things are working, and to see where we can make improvements. So we are not intending to add any regulations.

Mr. YOUNG. Intending? Yes or no, are you going to have new regulations?

Ms. SUTLEY. We do not intend to.

Mr. YOUNG. The same section also says that special areas of high and unique value must be identified. Who will do that identification, and what criteria will be used?

Ms. SUTLEY. Well, the marine spatial planning process is one that has to be done in concert with all of the States in the various regions, with the governments in the various region, and with the stakeholders and the public.

Mr. YOUNG. They will be all involved, and nothing will be defined until they all agree?

Ms. SUTLEY. That is right. The process is one where we are trying to bring everyone together to use the best available information, to understand what the uses of the ocean are, and what we know about different parts of the ocean.

Mr. YOUNG. OK. The CEQ and other—and many agencies—the use of a cautionary approach in evaluating environmental effects and activities. There is an equivalent to precautionary approach to determine economic effects. Do you look at the economics, as well as the other facts?

Ms. SUTLEY. Well, we certainly consider the importance of the economic activities that are going on in the ocean. We know they are very important to our country, and we will certainly keep those very high in our consideration.

Mr. YOUNG. OK. In a recent meeting with one of the Committee staff, a fisherman from California described efforts where fishermen voluntarily mapped their fishing grounds for purposes of planning efforts and, actually, harvesting efforts. That information was later used by environmental groups to target closures for specific fisheries.

Why do you think fishermen will benefit from the marine special planning program? And do you understand why they are suspicious of this effort?

Ms. SUTLEY. Well, I certainly understand their concerns, but we think it is important that they be part of the process, so they can bring not only their information, but their points of view to all of these—

Mr. YOUNG. Well, see, ma'am, all due respect, they did do that, and they submitted their information because they plan where they are fishing, and yet that was used against them. Why would any-

body participate in your program, if that is going to occur? Can you stop that?

Ms. SUTLEY. Well, we think that there is also—we think that there is the experience—I mean we have seen the experience in other places, where bringing everybody to the table early on built trust and helped to result in a better outcome.

Mr. YOUNG. Well, apparently that did not happen in California.

Ms. SUTLEY. Well, I am not that familiar with that specific incident, but I—

Mr. YOUNG. I would suggest you find out about that, and find out what occurred, and whether you can stop that type of activity. Because I know if I was a fisherman, I wouldn't give you any information.

Ms. SUTLEY. Understand.

Mr. YOUNG. You know, I used to fish, and I damn well wouldn't give you any information, because you would use it against me. And that doesn't gain trust, because—and I really don't like your organization to begin with, so let's make that perfectly clear, because I do believe you overreach, you don't know where your money comes from, you put on policy, and I don't think the policy is vetted with necessary people that are directly involved to a point where it makes good sense.

Mr. Chairman, my time is up.

The CHAIRMAN. The time of the gentleman has expired. The Chair recognizes the gentleman from the Northern Marianas, Mr. Sablan.

Mr. SABLAN. Thank you very much, Mr. Chairman. And welcome, Madam Chair.

In 2008, I think, or—yes, it was late 2008—former President Bush, for his own reasons, decided to create a 95,000 square miles monument in the Marina Islands, and including the 3 island units. There were—I was in the room when your predecessor made some promises. None of those promises have been kept. You got what you wanted, but we got nothing.

So, at this time—I know that there is some conversation between Congress and your office. I am trying to get at least one of those, so far. We would really like to urge you, if I may get your commitment, that we would get that discussion fully and finally settled. I think we are waiting on a letter on—because we need to get something, for starters, for our agreement to this 95,000 square miles of monument.

I won't go to the visitor center yet, because that is another promise that has really gone nowhere. If we cannot get a letter, we cannot get a visitor's center, I assure you.

But I am going to ask several other questions. We are—and just for the record, if anyone really has any doubt on the science of climate change, I have a place called Micronesia, and we can come and I will show you the rising waters where—because I went to school on some of these islands, where homes that used to be on land, they are now under water.

We are also clearly experiencing greater demands on the use of the ocean. The current permit-by-permit approach to the way we manage the ocean is simply not meeting these growing challenges, and we are seeing increased conflicts: greater delay and increased

cost. Can we afford to simply sit back and continue with the status quo?

Ms. SUTLEY. Well, thank you. The purpose of the National Ocean Policy is to try to break down some of those silos among agencies, and that we are working together, coordinating, working with the governments around our coastal and marine resources so that we can continue to get the benefit of the economic activity that is associated with a healthy ocean.

Mr. SABLAN. All right. And because I didn't get an answer to my earlier statement—

Ms. SUTLEY. I am sorry.

Mr. SABLAN [continuing]. Do we have a commitment from you that we can—

Ms. SUTLEY. We will work—

Mr. SABLAN [continuing]. Get that letter that we are being asked for—

Ms. SUTLEY. We are happy to follow up with you on that, sir.

Mr. SABLAN. Follow up is not—I have learned here in three years in Congress, “follow up” doesn't mean anything. Yes or no?

Ms. SUTLEY. We will work through this. Thank you, sir.

Mr. SABLAN. My other question, is coastal and marine spatial planning in fact regulatory zoning that will restrict uses?

Ms. SUTLEY. No, it is not. It is really about sharing information, about bringing everyone to the table early on, so that we understand the uses of the ocean and how to ensure that we continue to get the benefit of those uses in a healthy ocean.

Mr. SABLAN. All right. And so, the improved collaboration and prioritization on key issues provided in the National Ocean Policy, exactly what we need in time for shrinking budgets. Isn't this what we need?

Ms. SUTLEY. Yes. I think the collaboration among agencies helps us to leverage the resources that each agency brings to the table, tries to make sense out of more than 100 laws and regulations around the ocean, so that we can make better use of the taxpayer's dollar.

Mr. SABLAN. So won't this decrease duplication and waste? So that—decreased duplication and waste actually helps—

Ms. SUTLEY. Yes.

Mr. SABLAN [continuing]. With limited funding. And probably my last question, Mr. Chairman.

Is—do any of the nine priority objectives of the National Ocean Policy supersede the Regional Fisheries Management Council jurisdiction, or the Magnuson-Stevens Act?

Ms. SUTLEY. No, they don't.

Mr. SABLAN. They don't? And just to follow up on Ms. Bordallo, the gentlelady from Guam's, statement, they couldn't get on the VTC is her complaint. We couldn't actually hear the discussion on the phone. So there was really some mix-up, and I am sure it will not happen again.

Ms. SUTLEY. We will—

Mr. SABLAN. But I thank you for your commitment, and we will work on that letter—

Ms. SUTLEY. Yes.

Mr. SABLAN [continuing]. That we really need as soon as possible.

Thank you, Mr. Chairman. And I yield back.

The CHAIRMAN. The gentleman yields back his time, and the Chair recognizes the gentleman from Ohio, Mr. Johnson.

Mr. JOHNSON. Chairwoman Sutley, thank you for being here today. I understand that the Council on Environmental Quality has been involved with the rewrite of the stream buffer zone rule, as CEQ was to coordinate agency policy discussions based on the 2009 Memo of Understanding.

My first question is, when precisely did CEQ become involved with discussions to rewrite the stream buffer zone rule?

Ms. SUTLEY. Thank you for the question. We have received oversight requests. We are working on the answers to those. I can't give you a precise date, but—

Mr. JOHNSON. Can you get back to me about when—

Ms. SUTLEY. Yes.

Mr. JOHNSON [continuing]. Your Department first became involved? I asked for this precise date because a Federal Register notice from June of 2010 stated, "We had already decided to change the rule, following the change of Administration on January 20, 2009."

Additionally, there are internal OSM documents that state OSM had already begun developing a revised rule, following the change of administrations on January 20, 2009.

So, according to internal Administration documents, not only was the decision made to change the rule upon the change of the administration, but work had begun on the rewrite when the administration changed.

Now, you weren't confirmed by the Senate until January 22, 2009, so you might not know if CEQ played any role in the Administration's original decision to change the rule. But it would be helpful to know when you and CEQ became involved in the decision to rewrite the rule.

Ms. SUTLEY. Try to get—

Mr. JOHNSON. OK, so you will get back to me on that.

Have you met with Director Pizarchik on the stream buffer zone rule rewrite? And if so, who else attended those meetings?

Ms. SUTLEY. I have not.

Mr. JOHNSON. You have not?

Ms. SUTLEY. No.

Mr. JOHNSON. Has anyone in your Department?

Ms. SUTLEY. I am not aware of that, but I will—we can get you that—

Mr. JOHNSON. OK. If you could get back to me on that, I would appreciate it.

Were you or anyone at CEQ involved or aware of the decision by OSM to not defend the 2008 stream buffer zone rule against 2 lawsuits filed against the Administration by environmentalist groups that were ultimately settled?

Ms. SUTLEY. I personally was not, but again, we can follow up with you.

Mr. JOHNSON. OK. Were you or anyone at CEQ involved in or aware of the decision in which OSM employees directed the con-

tractors to use false assumptions to show the preferred rule would not cost as many direct and indirect coal jobs after the original job loss number appeared in the press reports?

Ms. SUTLEY. No, I was not, and I am not aware of anyone at CEQ involved in that.

Mr. JOHNSON. OK. Were you or anyone at CEQ involved in or aware of the decision by OSM to end the contract with the original contracting team, and then to pay them in full when they told OSM that they would not lie to hide the job loss numbers?

Ms. SUTLEY. I was not involved, and I am not aware of anyone at CEQ being involved.

Mr. JOHNSON. OK. With that, Mr. Chairman—those are all my questions—I yield back the remainder of my time. I can yield my time to Mr. Flores, if he would like it.

The CHAIRMAN. Go right ahead.

Mr. FLORES. Thank you, Mr. Johnson. Thank you, Mr. Chairman. Ms. Sutley, thank you for joining us today. Got a series of questions.

The first one has to do with section 6(b) of executive order 13547, that established the National Ocean Policy in July of 2010. And this executive order requires that each executive department, agency, and offices that is required to take actions under this order shall prepare and make publicly available an annual report, including the concise description of the actions taken by the agency in the previous calendar year to implement the order, a description of written comments by persons or organizations regarding the agency's compliance with this order, and the agency's response to such comments.

This committee is not aware of any such annual reports having been prepared. And so, pursuant to this requirement, has CEQ prepared and made any such annual report publicly available?

Ms. SUTLEY. Not that I am aware of, but we could follow up with you on that.

Mr. FLORES. OK. When you send it, I would like an executive summary of it, as to what your findings and contents are in that report.

As the Chair of the CEQ, are you aware—in the capacity of the Co-Chair on the National Ocean Council, are you aware of any reports that any of the other agencies have done? You know, that includes State, Defense, Interior, Agriculture, Health and Human Services, Commerce, Labor, Transportation, Energy, Homeland Security, Justice, Environmental Protection Agency, NASA, Federal Energy Regulatory Commission, Office of Management and Budget, National Intelligence Science and Technology Policy, and the National Science Foundation. Have any of those issued annual reports, as far as you know?

Ms. SUTLEY. Offhand, I don't know, but we will follow up with you.

Mr. FLORES. OK, thank you. Quickly, I hope.

The CHAIRMAN. The time of the gentleman has expired. The gentlelady from California, Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Mr. Chair. And welcome again, Ms. Sutley, good to see you.

Looking at the budget that you have—and you are now getting another budget cut—how are you going to be able to follow up on some of these things? And maybe in that area I am really puzzled by our embracing in this committee, especially my colleagues on the other side, repeatedly pass bills to create exceptions to NEPA, the law designated to ensure that major Federal actions affecting the environment are transparent, and that our public, the citizens, the ones affected, have an opportunity to comment on those actions and their environmental impact.

And, as Mr. Tipton was mentioning, later today the House will vote on yet another NEPA exemption, that one on small conduit hydropower, which I find a little troubling. And does the Administration oppose these types of exemptions?

Ms. SUTLEY. Well, thank you for the question. We believe that NEPA performs an important purpose, as you said, to engage the public, involve the public, and provide transparency into Federal decision-making, and to ensure that Federal agencies are considering the impacts on the environment on proposed actions.

We also believe that there is flexibility under the NEPA statute, that agencies are—under NEPA are to focus their attention and their resources on the decisions that have the greatest environmental impact. And we believe the agencies have done a good job of managing that.

Mrs. NAPOLITANO. OK, and that brings to a point that has been discussed in the Transportation and Water Subcommittee, and that is the issue of California's CEQA being more stringent than NEPA. And that would save NEPA some money, instead of having to go through the process of verifying the CEQA projects. Is there anything going on that is going to allow California to use CEQA and waive NEPA on this particular—since the requirements are more stringent?

Ms. SUTLEY. Well, there are some differences between CEQA and NEPA, in particular with respect to evaluation of alternatives. Having said that, we have been working closely with the State of California, as—in looking at some opportunities to work even better together on NEPA and CEQA, and for many projects in California. You know, they try to merge the documents so that you have both an EIS and a—

Mrs. NAPOLITANO. I would love to be able to get some report on that, Ms. Sutley—

Ms. SUTLEY [continuing]. But we will follow up.

Mrs. NAPOLITANO [continuing]. Simply because they are very critical.

And in mentioning streamlining, a lot of the conversation has gone to the cost. There is some costs that sound exorbitant, but I don't know how long it has gone, although they are stating in many instances that the process is so long, that it is so costly, that some people may give up.

In your streamlining, whether it is true or not, are you looking at cutting not only the cost to the projects, but also the reduction in time? And how, as you are going out seeking input, how is that affecting your decision to be able to reach that?

Ms. SUTLEY. Well, particularly with respect to highway projects, we do have some information from the Federal Highway Adminis-

tration, that most of their highway-related actions are covered by categorical exclusions, and that only .3 percent of highway projects need a full environmental impact statement, and that not just Federal highways, but—

Mrs. NAPOLITANO. Right. But—I'm sorry, but my time is running out—but specifically to cutting the cost and cutting the time frame to be able to process, how are you going to do that in receiving the input?

Ms. SUTLEY. We have established with the Department of Transportation a transportation rapid response team to look at a number of priority projects that will bring in all of the stakeholders and the States, as well as all the agencies that have—

Mrs. NAPOLITANO. OK, that is transportation. What about water? What about in looking at these conduit hydropower projects that are being proposed to be able to create additional power?

Ms. SUTLEY. Again, it is my understanding that most of those are already covered by categorical exclusions, which is the least intensive level of environmental review, and that provides an opportunity to expedite those projects.

Mrs. NAPOLITANO. But would you favor the waiver of NEPA for these small conduit under 1.5 megawatt?

Ms. SUTLEY. No.

Mrs. NAPOLITANO. Thank you, Mr. Chair. I yield back.

The CHAIRMAN. The gentlelady yields back. The Chair recognizes the gentleman from Texas, Mr. Flores.

Mr. FLORES. Thank you, Mr. Chairman. The reason I am bringing this question up is we are reviewing your funding request. And so we have oversight responsibilities, as well as fiduciary responsibility to take care of the taxes of hard-working American taxpayers.

And so, let's roll—in order to look at future funding requests, we need to roll the clock back just a little bit. And so my question is this. In June of 2011 there was a National Ocean Policy workshop. How was that funded?

Ms. SUTLEY. We are in the process of responding to a request from the Chairman for that information. We are working on that, and we will get back to the Committee as soon as we can.

Mr. FLORES. OK, did—and I am sorry I wasn't here for that question. Did it include a request for the number of attendees, and from which agencies they came, and so forth?

Ms. SUTLEY. I believe we will provide that information.

Mr. FLORES. OK. Is it—did it ask about any non-governmental funding for the workshop?

Ms. SUTLEY. Yes.

Mr. FLORES. It did? OK, all right. OK. With that, I yield back to the Chairman.

The CHAIRMAN. I—the gentleman yields back his time. The Chair recognizes the gentleman from Mexico, Mr. Luján.

Mr. LUJÁN. Thank you very much, Mr. Chairman. Madam Chair, thank you for being with us as well today.

As you know, my State of New Mexico has enormous potential for solar power development, I think, in the United States, only second to Arizona. One of the biggest obstacles is connecting the generation site to markets. There is a proposed project, SunZia, a

transmission line that would connect New Mexico and Arizona, potentially open up markets into Southern Colorado and elsewhere, especially with the convergence of a project we hope to see come to fruition soon with Tres Amigas.

You recognize this project as a part of your Rapid Response Transmission initiative. Unfortunately, some of our colleagues want to abolish the financing for projects like SunZia, the Centennial Clean Line, and TransWest Express. Can you talk about how your Rapid Response initiative is helping with new transmission permitting, how these new lines can help address new transmission needs, and what would happen if the western area of power financing was abolished?

Ms. SUTLEY. Well, thank you. We believe it is very important for us to focus on transmission that will connect renewables and other generation to the demand for that electricity, that we need to look at our transmission system and how it can integrate renewables. And also, transmission obviously provides important benefits, in terms of reliability.

And so, we set up this—established this Transmission Rapid Response Team, again, to bring all the agencies in who have some role in the Federal approval of transmission projects. We work closely with the States, with both the western interconnect and the eastern interconnect, and we think it is an important part of our infrastructure going forward, that will allow us to access low-cost supplies of generation, including—with renewables.

So, it is an important part of our energy future to—as the President said, that we need an all-of-the-above energy strategy that includes developing new sources of energy, including renewables.

Mr. LUJÁN. And if the western area power financing was abolished, do you have a concern that that could hinder these projects?

Ms. SUTLEY. Well, I don't have any specific knowledge of that. But as I said, we think that these are important projects. These are projects that the States think are important. And we are working as hard as we can to work with the States to make sure they go forward.

Mr. LUJÁN. Appreciate that. And then another area, Madam Chair, that needs your support and assistance with, and consideration with, some of the responsibilities that the Council has in regarding of consideration. There has been some conversations associated with categorical exclusions with some projects.

In New Mexico we have one of the oldest forms of governance associated with adjudication of water. And it is in Southern Colorado, as in most of New Mexico, and it is an acequias system—which is spelled a-c-e-q-u-i-a-s—which some people would describe as ditches, others would describe them as canals. But they are really unique, and they start at the headgates. There is compuertas, which are headgates in these watersheds. And you open them up—and they predate the Forest Service, predate the U.S. Government. And we have some challenges associated with how categorical exclusions are evaluated by those that are administering some of the public lands policy with the difference of new construction versus maintenance.

And I would ask that—as we work in the Committee, we have had some conversations about codifying traditional use access to

public lands, what these acequias mean. We will be following up with some information to you and to your office, documentaries talking about acequias. If we can get the team out to New Mexico to walk in some of these areas firsthand, there is an acequia that actually runs through my front yard.

Growing up, we—as a community you come together as members of these acequias. They are called *parciantes*, where you are members, and you actually clean those ditches out yourself with a shovel, with a rake. You cut the weeds, you form the ditch, and you work collectively to make sure you can get that water to produce crops, to provide water to your animals. We still raise sheep where I come from. My grandfather was a sheep herder.

And so, this is something that is critically important. And so we are hoping that we might be able to get your support in this area. And we will definitely be bringing it to your team.

Mr. Chairman, I know this is something that we will be talking about a little bit later in the Committee associated with access to some of the public lands. So I appreciate you bringing us together today, and the support on that endeavor.

Thank you, Madam Chair.

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Florida, Mr. Rivera.

Mr. RIVERA. Thank you very much, Mr. Chairman. As you may know, the State of Florida and its congressional delegation has serious concerns regarding drilling off the coast of Cuba, and how a potential accident would affect the United States and our coastline. And I have been disappointed with the lack of effort by this Administration to prevent a state sponsor of terrorism like Cuba to drill approximately 60 to 65 miles off of Florida's coast, and therefore providing economic aid and comfort to the Castro dictatorship.

So, I would like to ask you, Chairwoman Sutley, going back to your field of expertise, the proposed drill sites are very close to—or even beneath—the Gulf stream. There is limited information about where pollutants such as spilled oil, associated drilling products, and chemical dispersants may be transported in the surface and subsurface ocean, or on the general effects of oil spills and spill treatments on coral reefs, oceanic and coastal ecosystems.

There are several Florida universities and research institutions that have proposed a scientific research agenda that would provide valuable information necessary to respond quickly to a spill in the Cuban waters. Many consider it an early detection system, so to speak, because we can't trust the Castro regime to notify us when an accident has occurred, because by the time we find out, it may be too late. The plan includes baseline assessments of physical and biological oceanography, toxicity studies on oil and dispersed oil on organisms and ecosystems, and detailed predictive models of where spilled oil or other pollutants may be transported, and what the impacts may be.

Have you heard of, or are you familiar with any of these proposals from these universities and research organizations?

Ms. SUTLEY. Personally I am not—

Mr. RIVERA. You have not. Maybe, if it is possible, I would like to arrange a meeting with you and some of their representatives, so that we can discuss some of these matters, because I think it

is important that, rather than just reacting to a disaster, we should be working proactively to develop a plan and coordinate the appropriate agencies with our partners in academia and the private sector to launch some sort of ocean monitoring network.

So I appreciate that, Chairwoman Sutley. I hope we can work together on this.

And I would like to yield my time, I believe, to Congressman Southerland, Mr. Chairman, with your permission.

Ms. SUTLEY. Thank you.

Mr. SOUTHERLAND. I would like to thank my fellow colleague from Florida for yielding.

Ms. Sutley, I wanted—earlier in your comments you made reference to how the Administration is working closely with the States. And there is an issue that is very dear to us in Florida, and I just want to bring it to your attention, and ask for your encouragement. The State of Florida, our Legislature in the State of Florida has been working feverishly on numeric nutrient criteria legislation. We, our delegation, the Florida delegation, have—recently wrote a letter to Administrator Jackson of the EPA, that they would adopt the Florida standards.

As you may or may not be aware, Florida has recently been singled out, and we now have to—according to the EPA, they have promulgated rules that holds Florida to a higher standard than all other 49 States in the Nation. So we have in some ways been singled out, and I think that is certainly not democratic, the way that this has rolled out.

However, there is great bipartisan support. This bill that came out of the Florida Legislature, unanimous support by Democrats, Republicans, signed by the Governor, and there is broad support from the Florida delegation, Members on both sides of the aisle. So I would like, with your permission, to hand you a letter that we sent, just ask you, if you would, in the spirit of the Administration working with the States, this is certainly something that is important to over 21 million residents of the State of Florida, and the 67 counties, and I would appreciate your consideration.

Ms. SUTLEY. Thank you. I appreciate what an important issue this is, and I am certainly happy—

Mr. SOUTHERLAND. Sure.

Ms. SUTLEY [continuing]. To follow up with you on that. Thank you.

Mr. SOUTHERLAND. Thank you. And with the time left, I am going to yield the balance of that to the gentleman from Texas.

Mr. FLORES. Thank you, Mr. Southerland. The final recommendations of the Interagency Ocean Policy Task Force found that coastal and marine spatial planning in particular will require—and I quote—“significant initial investment of both human and financial resources.”

More recently, the draft National Ocean Policy Implementation Plan noted that as the National Ocean Council developed actions to include in the draft plan, Federal agencies were asked to provide information on how “existing resources can be repurposed for greater efficiency and effectiveness.”

So, my question is, as the Co-Chair of the National Ocean Council, please describe the response of the Federal agencies on how they plan to reprogram their funding to address this issue.

Ms. SUTLEY. Well, we are happy to follow up with specifics, but I would just say that, as I said, we expect agencies, you know, to work within their existing resources, that agencies now—and many Federal agencies—devote significant resources to the oceans and to ocean resource management, and that the purpose—and one of the benefits, we think, of the National Ocean Policy is to help to focus those resources, and also to leverage resources in—within the agencies.

Mr. FLORES. OK. But you will provide a fulsome response to us on this question?

Ms. SUTLEY. We will.

Mr. FLORES. OK. And when you are doing that, if you would provide the statutory authority for those agencies to be re-purposing their funds to do that, if you would.

Ms. SUTLEY. Yes. As we have said before and to this committee, we believe that agencies, within their existing authorities, can—that the activities of the National Ocean Policy are covered within existing authority.

Mr. FLORES. Well, I think—

The CHAIRMAN. We will—

Mr. FLORES. We have a difference of opinion. Thank you. I yield back.

The CHAIRMAN. We will follow up on that. The Chair recognizes the gentleman from Maryland, Mr. Sarbanes.

Mr. SARBANES. Thank you, Mr. Chairman. Thank you for being here. Before I ask you my question, I just wanted to clear something up for the record. I think earlier Mr. Young had raised some concerns about an instance where a fisherman had shared some information or something that was then used against them, in their view. And the Committee staff has informed me that this was actually a state process in California, and not the National Ocean Policy. And I just want to make sure that was clarified for the record, Mr. Chairman.

Now, Chair Sutley, thank you very much for being here. I am very appreciative of the work that you do. It is an incredibly important role that you play. You take the responsibilities of your office very seriously, and I think are carrying them out as the original NEPA envisioned. And I thank you for all the work that you are doing.

As you know, I am focused a lot of the time on all things Chesapeake Bay, and I wanted to just ask you a couple of questions about that. I always like to begin or preface these questions by reminding people that the Chesapeake Bay Watershed encompasses six States and the District of Columbia: New York, Pennsylvania, Virginia, West Virginia, Maryland, Delaware, and the District of Columbia. And there are over 50 districts, congressional districts, that have tributaries in them that flow into the Chesapeake Bay Watershed.

So, certainly those folks have a mutual stake, but the Chesapeake Bay is a national treasure. It is the largest estuary in the country, and there is—that ecosystem is so fragile that we have to

do all we can to make sure that we are protecting it, we are restoring the health of the Bay over time. And obviously, the CEQ plays a critical role here. There are seven agencies, Federal agencies, as you know, that have different responsibilities pursuant to the Chesapeake Bay program, to make sure that all the efforts are being coordinated.

And I would like you to just give me your view, sort of from where you sit as Chair of CEQ, on how those efforts are going, in terms of good coordination, whether we are making the kinds of strides that you and I would like to see with respect to the Chesapeake Bay.

Ms. SUTLEY. Well, thank you. And we agree, the Chesapeake Bay is a national treasure. It is, as you noted, the largest estuary, very important to the region and to the Nation, as a whole, and that to protect the Chesapeake Bay and to restore its health, it takes the effort of not just the seven Federal agencies, but all the States within the watershed. And the efforts underway right now are really to coordinate Federal activities and to work closely with the States to ensure that we are making progress.

And for example, we are seeing some improvements, both in terms of some of the important fisheries and—shellfisheries in the Bay, as well as a reduction in the pollution loads, some of the pollution loads in the Bay, and I think some very important sort of break-throughs in working, for example, between EPA and the Department of Agriculture, working with the agricultural community within the watershed on voluntary programs and best practices to keep run-off from reaching the Bay.

So, obviously, a lot of work to be done. And what it is going to take is the continued focus of the agencies, and certainly the continued focus of the States.

Mr. SARBANES. One of the things that we are glad to see is that there is an ambition now to collect metrics on a more regular basis, in terms of the health of the Bay. We used to set out these programs to restore and protect the Bay, where you would have kind of a 10-year goal and, you know, at 9 years everyone is scrambling around to see what had happened. But we now have the opportunity—frankly, because there is so much more information at our fingertips—to take a look on a more regular basis, so we know whether we are on the right track, and to make adjustments if we need to, and make sure that all the agencies and partners that are in this effort are coordinating with one another.

And I do also want to thank you, because I think CEQ and certainly you and others in the Federal agencies that are working on the Chesapeake Bay have recognized as well how important it is to establish a partnership between the Federal Government, and not just state and local governments, but with the citizenry in the Chesapeake Bay Watershed.

And my view—and we have talked about this before—is ultimately the health of the Bay will depend on reaching a tipping point where the 17 million residents of the Chesapeake Bay Watershed, who may collectively have some bad habits right now when it comes to looking after the Bay and water quality and so forth, develop good habits. And there is so much desire out there on the part of ordinary citizens to step forward and embrace these efforts

with the environment and with the Chesapeake Bay, that I think it holds great promise.

And I thank you for your continuing interest in that, and the work that you are doing at CEQ. With that, I yield back.

The CHAIRMAN. The time of the gentleman has expired. Before we close, I just want to briefly yield to the gentleman from New Jersey, Mr. Holt.

Dr. HOLT. I appreciate the courtesy of the Chair. Chair Sutley, I would like to just ask you one more question, and ask you to get back to me.

In your written testimony you describe the work being done by the Rapid Response Team for Transmission, focusing on seven pilot project—transmission projects which, when built, are intended to integrate energy, renewable energy, into the grid.

The Susquehanna-Roseland Line, one of these projects, would run through parts of New Jersey, including park land and other environmentally important areas—national park land, I should say.

Some of my constituents have expressed concern that the line would, in fact, carry electricity from coal-fired plants, primarily. Although I don't expect you to be personally familiar with the details of that project, I would like to ask you to look into it, and reply to us on whether this is really a wise way to handle the project.

The CHAIRMAN. If you could do that in writing, I would certainly appreciate that.

Ms. SUTLEY. I would be happy to do that.

Dr. HOLT. Thank you.

The CHAIRMAN. And finally, in my opening statement, in the letter that I had sent you asking for documents, you said you needed more time. I certainly recognize that, but we do want to get the information. And to follow up with Mr. Johnson, you said you would get back to him on the stream buffer in a timely manner also.

I would like if you could get back to us by the end of the month. That gives you a whole month. We have obviously had a time—if you could commit to doing that, I would certainly appreciate that.

Ms. SUTLEY. I will consult with my staff to make sure we can do it, but we will make every effort to do so.

The CHAIRMAN. And communicate with us on that time frame.

Ms. SUTLEY. Yes, absolutely.

The CHAIRMAN. And finally, can we get a commitment also that you will provide a detailed spending plan for how much each agency is spending on the National Ocean Policy in Fiscal Year 2012, and the budget request for each agency that will participate in the National Ocean Policy for Fiscal Year 2013? Can we get a commitment that you will provide us with a detailed spending plan of that?

Ms. SUTLEY. We will be happy to follow up with you on exactly what information you would like, and we will—

The CHAIRMAN. Well, it is pretty simple. Agencies are participating in the Ocean Policy, and we want to know how much they are spending in that regard. It is nothing more complicated than that. What it was in 2012 and what the request is in 2013.

Ms. SUTLEY. We will do our best.

The CHAIRMAN. OK. Well, I hope you do better than your best; I hope we get the information.

Ms. SUTLEY. Thank you.

The CHAIRMAN. That is why we are having this hearing. I mean, after all, this is a budget hearing. And this is an issue that clearly has a lot of interest of Members, really, on both sides. So that is why we would like to have that information.

Ms. SUTLEY. And we appreciate that, and appreciate your continued interest in this.

The CHAIRMAN. OK. And what I would like is a commitment from you—is that, you know, my staff will be in touch with you. “How are you going? Give us a status report.”

Ms. SUTLEY. Yes, absolutely.

The CHAIRMAN. OK? Will you commit to that?

Ms. SUTLEY. Yes.

The CHAIRMAN. All right. With that, I want to thank all Members for participating. As usual, there are always follow-up questions that comes from testimony. And so, if you could respond in writing to whatever Members in a timely manner, I would certainly appreciate it.

Ms. SUTLEY. Yes, we certainly will do so.

The CHAIRMAN. With that, Chairman Sutley, thank you very much for being here, and the time you have taken. With no further business before the Committee, the Committee stands adjourned.

[Whereupon, at 12:05 p.m., the Committee was adjourned.]

