

# NEPA Reform Rides the Debt Ceiling Lift

PLUS, NOAA FUNDING AND E.O. ON ENVIRONMENTAL JUSTICE



# Fiscal Responsibility Act

## Passage averts debt-ceiling crisis by removing debt limit until January 1, 2025

**Timing:** On June 3, President Biden signed H.R. 3746, the Fiscal Responsibility Act of 2023. The U.S. Treasury had projected a potential default date of June 5.

**Negotiation:** The law came together via a negotiated agreement between the President and Speaker McCarthy, as facilitated by a 'Big 4' group of negotiators.

**Vote Count:** The bill had passed the House on a vote of 314-117, with 46 Democrats and 71 Republicans opposing. It passed the Senate in a 63-36 vote, with 5 Democrats and 31 Republicans opposing.

**Naysayers:** Opposition to the measure came from the progressive-wing of the Democratic party, and a combination of Republican defense hawks and fiscally conservatives.

**Takeaway:** Nonetheless, the Fiscal Responsibility Act received a strong vote in favor, passing easily upon agreement. Debt-ceiling brinksmanship will not return until after the 2024 election.



Speaker McCarthy and President Biden discuss the debt-ceiling legislation.  
Photo credit: Doug Mills, The New York Times

# Louisianans Half of 'Big 4' Debt-Ceiling Negotiators

When negotiations began in earnest, President Biden and Speaker McCarthy shrunk the room to four negotiators. The White House team was represented by Office of Management and Budget Director Shalanda Young and Steve Ricchetti. House Republicans were represented by Congressman Garret Graves and Congressman Patrick McHenry.

According to NBC, Louisiana natives Graves (Baton Rouge) and Young (Clinton) compared negotiations to making a gumbo.



*Young and Ricchetti.  
Photo credit: J. Scott*



*McHenry and Graves with Scalise and McCarthy. Photo credit Jabin Botsford, The Washington Post.*

# Fiscal Responsibility Act – Big Picture

## Debt Limit

- Lifted through January 1, 2025.

## Discretionary Spending & Appropriations:

- Reduces spending by an estimated \$1.3 trillion over ten years.
- Reduces overall discretionary spending by \$12 billion from FY23, so \$886 billion defense, \$704 billion non defense. Totals \$105 billion below the FY24 President's Budget.
- Limits federal discretionary spending growth to 1% annually for next 6 years.
- Enacts an automatic continuing resolution that provides a temporary 1% cut to discretionary federal spending if all 12 appropriations bills are not passed on time.

## Mandatory Spending

- No changes to mandatory spending or entitlements (Social Security, Medicare, etc.).

## Taxes

- No new taxes, despite White House proposal.

## Specific Cuts

- Largest rescission package in history (\$28 billion), as many funds spent to address the covid-19 pandemic were no longer needed.
- No funding for year 1 of the proposed IRS expansion.

## Policy Changes

- Statutory Administrative Pay-Go to limit costly regulations, through end of 2024.
- Reinstatement of work requirements for certain age classes in social safety net programs.
- Permitting reform making the first major changes to the National Environment Policy Act (NEPA) since 1982.
- End of student loan repayment freeze.
- No changes to revenue sharing as BREEZE Act was not included, despite being in House Republicans opening offer.

# NEPA Reform via Rep. Graves' BUILDER Act

## Provisions Included from BUILDER Act

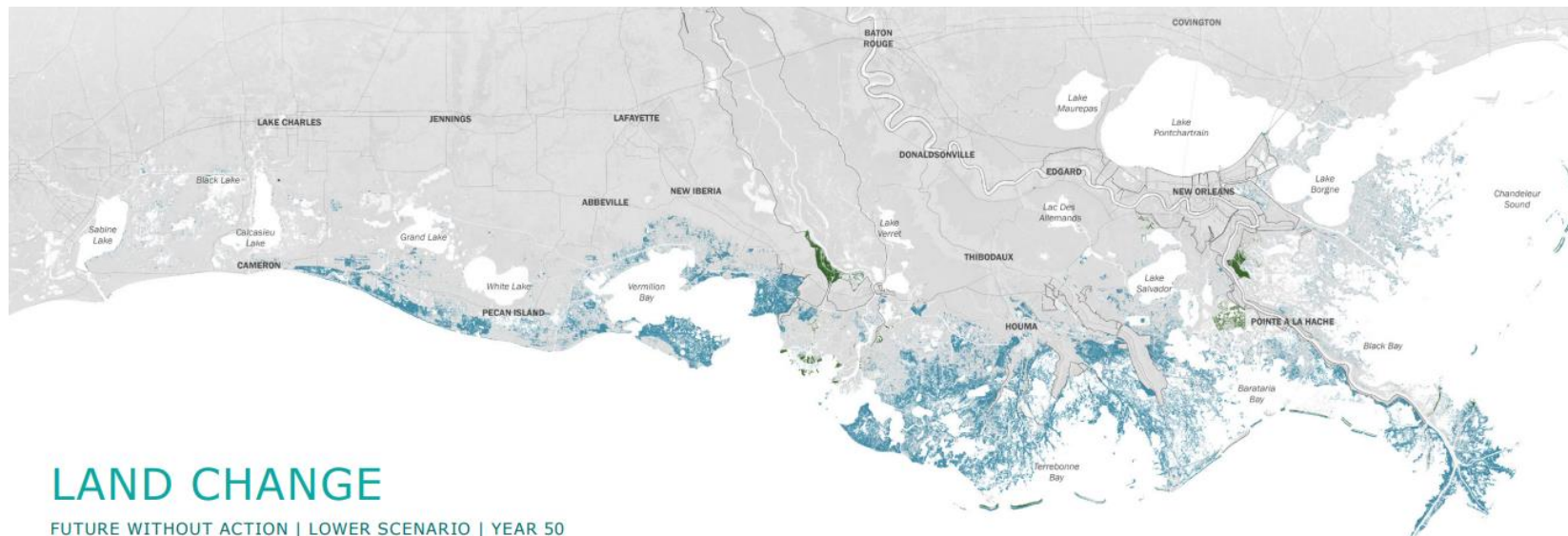
- Implements the Trump-era 'One Federal Decision' framework for all projects.
- Allows for the designation of a lead agency to set a permitting schedule when multiple agencies are involved.
- Requires a single document for environmental reviews, limited at 75 pages for environmental assessment (EA), 150 pages for Environmental Impact Statements (EIS), and 300 pages for EISs of extraordinary complexity. Appendixes are allowed.
- EAs have 1 year time limit. 2 years for EISs. Sponsors have a right of action to petition the court if there is not consensus to delay project beyond those time frames. Court could compel agency to act.
- Permitting project sponsors can participate with federal agencies on reviews to speed up the process, but federal agencies still are responsible for final decisions. Certain sponsors such as states and local entities can be designated as joint leads.



- Narrows scope of agency consideration.
- Allows federal agencies to adopt categorical exclusions possessed and used by other federal agencies.
- Clarifies the definition of "major federal action" under NEPA, including actions that do not qualify as such.
- Encourages use of programmatic EISs, including extending duration.
- Tasks White House Council on Environmental Quality (CEQ) to evaluate using digital technologies to facilitate information exchange and increase transparency, called E-NEPA.

# Language of Key NEPA Reforms for Coastal Louisiana

- Changes NEPA to consider the “**reasonably foreseeable environment effects**”, instead of impacts. The wording change should allow more consideration of project benefits, as well as contain the scope of review.
- Alternatives considered under NEPA can include “**an analysis of any negative environmental impacts of not implementing the proposed agency action in the case of a no action alternative.**”
- Alternatives considered must also be “**technically and economically feasible**”, as well as “**meeting the purpose and need**” of the proposal.
- NEPA analysis can make use of reliable data and resources, without having to gather data just for covering perceived legal liability. Data can be gathered if it is “**essential to a reasoned choice among alternatives and the overall costs and time frame of obtaining it are not unreasonable.**”
- Issuing funds like GOMESA funds are excluded from the definition of ‘major Federal action’ per the following language: “**Funding assistance solely in the form of general revenue sharing funds which do not provide Federal agency compliance or enforcement responsibility over the subsequent use of such funds.**”



# Keen Interest in Additional Permitting Reform

## Senate poised to move next

### [S. 1456](#), [Spur Permitting of Underdeveloped Resources \(SPUR\) Act](#);

Led by Senate Energy & Natural Resources Ranking Member John Barrasso (R-WY) and sponsored by all 11 Republicans on the committee.

### [S. 1449](#), [Revitalizing the Economy by Simplifying Timelines and Assuring Regulatory Transparency \(RESTART\) Act](#):

Led by Senate Environment and Public Works Ranking Member Shelley Moore Capito (R-WV) and sponsored by all 11 Republicans on the committee.

### [S. 1399](#), [Building American Energy Security Act of 2023](#):

Led by Senate Energy & Natural Resources Chairman Joe Manchin (D-WV).

### [Discussion Draft](#), [Promoting Efficient and Engaged Reviews \(PEER\) Act](#):

Led by Senate Environment and Public Works Committee Chairman Tom Carper (D-DE) and 5 other Senate Democrats.

### [S. 1804](#), [Facilitating America's Siting of Transmission and Electric Reliability \(FASTER\) Act](#):

Led by Senator Martin Heinrich (D-NM).

# NOAA's \$3.3 Billion Plan from the Inflation Reduction Act

*From the IRA: \$2.6 billion... for the conservation, restoration, and protection of coastal and marine habitats and resources, including fisheries, to enable coastal communities to prepare for extreme storms and other changing climate conditions, and for projects that support natural resources that sustain coastal and marine resource dependent communities*

Climate-Ready Coasts and Communities Initiative	\$2.6 Billion
Climate Resilience Regional Challenge	\$575 million
Tribal Priorities	\$390 million
Climate-Ready Fisheries	\$349 million
Climate Resilience Accelerators	\$100 million
Climate-Ready Workforce	\$60 million
Remaining funds for <b>high-quality projects through the IJA NOFO</b> , Integrated Ocean Observing System, or technical assistance	\$1.1 billion



Other designated NOAA IRA Funds	\$700 million
Climate Data and Services	\$200 million
NOAA Facilities	\$200 million
High-performance computing	\$190 million
2 <sup>nd</sup> Hurricane Hunter Aircraft	\$100 million
NOAA Permitting	\$20 million



# Executive Order on Environmental Justice

## E.O. 14096, Revitalizing our Nation's Commitment to Environmental Justice for All

Issued on April 21, 2023, E.O. 14096 builds upon seven prior executive orders issued by President Biden to provide a whole-of-government approach to environmental justice (EJ).

The executive order creates the [White House Office of EJ](#) within the Council on Environmental Quality (CEQ), founds the [White House EJ Interagency Council](#), and establishes an [EJ Subcommittee](#) within the White House Office of Science and Technology.

Furthermore, the order requires each federal agency to make achieving EJ part of its mission and produce strategic plans to that effect.

Additionally, the E.O. requires greater transparency and more timely notices about the release of toxic chemicals.



President Biden walks with author Catherine Coleman Flowers, a leading environmental and climate justice activist, to the White House Rose Garden for an announcement before signing E.O. 14096. Photo: Kevin Lamarque, Reuters.

# Environmental Justice Defined

Defines Environmental Justice as:

“The just treatment and meaningful involvement of all people, regardless of income, race, color, national origin, Tribal affiliation, or disability, in agency decision-making and the Federal activities that affect human health an the environment so that people:

- are fully protected from disproportionate and adverse human health and environmental effects (including risks) and hazards, including those related to climate change, the cumulative impacts of environmental and other burdens, and the legacy of racism or other structural or systemic barriers; and
- have equitable access to a healthy, sustainable, and resilient environment in which to live, play, work, learn, grow, worship and engage in cultural and subsistence practices.”



President Biden signs E.O. 14096 in the White House Rose Garden. Photo: Susan Welch, AP.