Welcome to today's hearing of the Energy and Commerce Committee's Subcommittee on Oversight and Investigations.

Over these past three years the Biden Administration has made clear it is willing to push the boundaries of executive authority.

Whether it is making rules to force power plants utilizing our most reliable energy resources offline, setting impractical standards really meant to mandate electric vehicles on the American consumer, or shelling out billions of federal funds to preferred industries, and giving outside organizations billions of taxpayer dollars, it seems to be obsessed with a rush to a green society.

Unfortunately, the passage of the so-called Inflation Reduction Act or "IRA" last Congress has only further empowered the Administration to pursue its radical green agenda. The Environmental Protection Agency (EPA), which has been chomping at the bit for this green push, received around $41.5 billion for 24 new and existing programs. Today, we will focus on one of the more unconventional programs I've come across in my tenure, the so-called "Greenhouse Gas Reduction Fund." This fund includes some characteristics of what are known as "green banks," or institutions that receive taxpayer funds and then claim to mobilize and leverage investment in low carbon technologies and infrastructure.

Under the IRA's Greenhouse Gas Reduction Fund provisions, the EPA received $27 billion to hand out to nonprofits, states, Tribes, and cities to support the deployment of zero-emissions technologies and greenhouse gas reduction projects. This is a staggering amount of money, almost doubling the regular appropriations of EPA.

Under the IRA, EPA must decide how it is going to hand out all $27 billion by September 30, 2024. That's just 9 months from now.

In order to accomplish this, the EPA has decided to split the Greenhouse Gas Reduction Fund into three accounts or programs and hold three separate funding competitions. Under the National Clean Investment Fund, the EPA will pick two or three nonprofits to establish the so-called “national clean financing institutions.” These national clean financing institutions will then choose green technology projects that will receive taxpayer dollars.

The second program is called the Clean Communities Investment Accelerator, and it will choose two to seven nonprofits to serve as “hubs” that will then provide taxpayer dollars and technical assistance and training to small and unconventional lenders to finance so-called green projects in poorer and disadvantaged communities.

Finally, the so-called “Solar for All” program will award grants to states, territories, Tribal governments, municipalities, and nonprofits for community solar programs.

Particularly with the first two programs, EPA is picking a handful of nonprofit grantees and giving them wide latitude to manage and distribute taxpayer dollars and abdicating a lot of the responsibility for how it is spent.

In other words, a few nonprofits are going to make decisions on who receives billions of dollars of taxpayer funds. There is something that doesn’t sit right with non-profits giving out billions of taxpayer dollars.

The EPA has never administered a program like this, and this Committee has a lot of questions. How is the EPA evaluating applicants and attempting to select the best grantees? Who will be involved in this process? When these grantees make loans for clean energy projects, how will they determine which projects to finance? What qualifications will their staff possess? How will the EPA monitor the work of grantees once the money goes out the door, and how will the agency maintain accountability? What remedies will the EPA have if the money is not used as directed?

Did certain special interest groups or individuals have priority access or outsized input in designing these programs and therefore gain an unfair advantage in the competitions? What happens when projects fail?

We hope to answer these questions and more today. The Committee has been pushing the EPA for more information about the Greenhouse Gas Reduction Fund. And while unfortunately it took some prodding, the EPA has agreed to join us for this hearing today.

We welcome Mr. Zealan Hoover, Senior Advisor to the Secretary at the EPA. Mr. Hoover oversees the EPA's implementation of both the Infrastructure Investment and Jobs Act and the IRA. As part of these duties, he has also been involved in establishing the new Greenhouse Gas Reduction Fund.

Thank you for joining us, Mr. Hoover, and I look forward to learning more about this new program and the controls on these $27 billion dollars at stake.