

Chairman Johnson
Subcommittee on Environment, Manufacturing, and Critical
Materials
Subcommittee Markup
February 28, 2023
As prepared for delivery

The Subcommittee will now come to order.

The Chair will now recognize himself for 5 minutes for an opening statement.

Welcome to the first markup of the 118th Congress for the Subcommittee on Environment, Manufacturing, and Critical Materials.

This afternoon, our subcommittee continues the Majority's efforts to unleash American energy, ease the burden of energy inflation for American families, and strengthen our critical supply chains.

To do our part, we will be marking up a number of bills that address permitting and supply chain matters for laws under jurisdiction of our subcommittee.

In particular, we are examining ways to ensure the regulatory landscape does not throw up insurmountable roadblocks for the processing and refining of critical minerals in the United States.

This is a defining policy issue of the 21st century, and America must take the lead here.

We also will take up two bills aimed at repealing particularly costly and burdensome provisions from the partisan so-called Inflation Reduction Act, which would raise the cost of energy for American families and businesses.

Representative Pfluger's Natural Gas Tax Repeal Act, and Rep. Palmer's Greenhouse Gas Reduction Fund Repeal Act would help reverse that damage.

And if we actually want to lower greenhouse gas emissions - at a large scale I might add - I encourage members to support bills we heard about earlier today that would unleash American natural gas, and LNG exports which is proven to slash dependence on dirtier fuels overseas.

So today, we will be considering H.R. 1070, introduced by Representative Carter, which is intended to give investment certainty to critical minerals processors and refiners. Mineral processing can be a waste subject to the Resource Conservation and Recovery Act and a facility that stores, treats, or disposes of the waste on site needs a permit 180 days before physical construction of the facility can begin.

H.R. 1070 grants a requesting facility that intends to process or refine a critical energy resource the status as an interim – or Part A – permit holder under the Resource Conservation and Recovery Act. The granting of this permit status does not absolve the interim permit holder of following the law.

Moreover, the U.S. Environmental Protection Agency or a State with delegated authority can review this permit to decide the permit's status.

We will also consider legislation introduced by Representative Pence, H.R. 1140. Some laws implemented by the EPA contain authority for the laws to be waived in the case of national security or to respond to gasoline shortages, like those after a hurricane.

As we heard during our legislative hearing, the Clean Air Act and the Solid Waste Disposal Act need to be updated to clearly foresee and articulate a defined response to both national security and energy security threats.

This legislation, patterned after section 202(c) of the Federal Power Act provides clear authority to take necessary actions under the Clean Air Act and the Solid Waste Disposal Act to meet a national security or energy security threat when it comes to critical energy resources.

In addition, we will also markup legislation introduced by Mr. Curtis that addresses the backlog of new critical energy resource technologies in EPA's Chemicals office.

Under the Toxic Substances Control Act (TSCA), a maker of a new chemical or new use of an existing chemical cannot commercially manufacture until EPA determines and regulates that risk.

TSCA also requires EPA to make a decision in 90 days, but no more than 180 days, or face financial penalties.

Unfortunately, EPA reviews and decisions are operating at a snail's pace compared to both the Obama and Trump EPAs.

The Curtis legislation eliminates EPA's incentive to drag its feet or make excuses; it prevents EPA from asking people to voluntarily withdraw or suspend their innovations so EPA doesn't take a financial hit. The legislation also will require that EPA holistically balance the risks and benefits of these innovations.

Finally, we'll mark up legislation introduced by Representative Crenshaw. Mr. Crenshaw's bill addresses the Biden EPA's regulatory policy of – every 5 years -- imposing design and manufacturing process requirements on gasoline refiners that use hydrofluoric acid alkylation units.

His legislation, which impacts 40 percent of domestic gasoline production and half of U.S. refining capacity -- would not make these mandatory technology and alternatives assessments

apply to currently permitted and operating plants. These kinds of assessments make the most sense at the design phase of a petroleum refinery.

For new facilities, the legislation would permit these facilities to either comply with EPA's technology and alternatives assessment regulation or demonstrate that the refining facility conforms to the domestic industry's most recent risk management standard.

So, with that, I thank the subcommittee members for being here today, and I yield any remaining time I have.

I now recognize the Ranking Member of the Subcommittee, the gentleman from New York, Mr. Tonko, for 5 minutes for his opening statement.