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6 FISCAL YEAR 2024:

7 ENVIRONMENTAL PROTECTION AGENCY BUDGET REQUEST

8 Wednesday, May 10, 2023

9 House of Representatives,

10 Subcommittee on Environment, Manufacturing, and Critical

11 Materials,

12 Committee on Energy and Commerce,

13 Washington, D.C.

14

15 The subcommittee met, pursuant to call, at 10:01 a.m.,

16 in Room 2123 Rayburn House Office Building, Hon. Bill

17 Johnson [chairman of the subcommittee] presiding.

18

19 Present: Representatives Johnson, Carter, Palmer,

20 Crenshaw, Joyce, Weber, Allen, Balderson, Fulcher, Pfluger,

21 Miller-Meeks, Obernolte, Rodgers (ex officio); Tonko,

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22 DeGette, Schakowsky, Sarbanes, Clarke, Ruiz, Peters,
23 Barragan, and Pallone (ex officio).
24

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25 Also present: Representatives Curtis, Pence,
26 Harshbarger; Castor, Cardenas, Dingell, and Fletcher.

27

28 Staff present: Sarah Alexander, Professional Staff
29 Member, Energy & Environment; Kate Arey, Digital Director;
30 Sarah Burke, Deputy Staff Director; Jerry Couri, Deputy
31 Chief Counsel for Environment; Sydney Greene, Director of
32 Operations; Jack Heretik, Press Secretary; Nate Hodson,
33 Staff Director; Tara Hupman, Chief Counsel; Sean Kelly,
34 Press Secretary; Peter Kielty, General Counsel; Emily King,
35 Member Services Director; Mary Martin, Chief Counsel, Energy
36 & Environment; Brandon Mooney, Deputy Chief Counsel, Energy;
37 Kaitlyn Peterson, Clerk, Energy & Environment; Karli
38 Plucker, Director Operations (shared staff); Emma
39 Schultheis, Staff Assistant; Peter Spencer, Senior
40 Professional Staff Member, Energy; Michael Taggart, Policy
41 Director; Dray Thorne, Director of Information Technology;
42 Timia Crip, Minority Professional Staff Member; Waverly
43 Gordon, Minority Deputy Staff Director and General Counsel;
44 Tiffany Guarascio, Minority Staff Director; Anthony
45 Gutierrez, Minority Professional Staff Member; Caitlin

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46 Haberman, Minority Staff Director, Environment,
47 Manufacturing, and Critical Minerals; Mackenzie Kuhl,
48 Minority Digital Manager; Kylea Rogers, Minority Policy
49 Analyst; Andrew Souvall, Minority Director of
50 Communications, Outreach and Member Services; and Rebecca
51 Tomilchik, Minority Junior Professional Staff Member.
52

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53 *Mr. Johnson. The subcommittee will come to order.

54 The chair now recognizes himself for an opening statement.

55 Well, good morning and welcome to the Environment,
56 Manufacturing, and Critical Materials Subcommittee hearing
57 on the fiscal year 2024 budget for the EPA. Administrator
58 Regan, thank you for being here, and more personally, thank
59 you for showing up in our little Appalachian village of East
60 Palestine multiple times.

61 I've seen firsthand how you've treated my constituents
62 with compassion, working to enforce accountability, bringing
63 your agency's technology tools and personnel to answer the
64 questions and try and calm the fears of the residents while
65 supervising the ongoing emergency testing cleanup and
66 assistance to those displaced. So from my perspective, the
67 EPA can be a force for good. I've seen it firsthand in my
68 community.

69 However, I am concerned that at the national level,
70 striking a balance and protecting the health of the
71 environment with the safety, security, and economic freedom
72 of the American people is taking a backseat at the EPA. Now
73 I understand you work at the pleasure of the President, but

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74 the statutory authority of your agency, Administrator Regan,
75 comes from the laws Congress passes. And that authority is
76 being abused to effectuate a vast set of troubling actions
77 to pursue ideological green goals apparently regardless in
78 many cases of the consequences.

79 Time and again, by its own admission, we've seen this
80 Administration first choose a policy goal, like forcing
81 consumers to purchase all electric cars, whether practical
82 and affordable or not, shutting down oil and gas production,
83 or shutting down reliable and dispatchable power generation
84 and then on the back end attempt to shoehorn an EPA
85 regulation end -- to achieve these ends. This is not what
86 the EPA is designed to do.

87 Republicans are for energy innovation, but we simply
88 cannot deindustrialize the United States in pursuit of the
89 100 percent use of wind and solar power generation, which
90 seems to be this Administration's current policy. The
91 results would be disastrous. So we're not going to go along
92 with this idea of the ESG-inspired so-called energy
93 transition that's now synonymous with the fantasy that the
94 world will totally shut down the use of oil, natural gas,

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95 and coal.

96 Yes, Republicans do care about the climate and the
97 environment. And perhaps rather than a premature energy
98 transition, we could change the conversation to an energy
99 journey, one with very real grid reliability, grid
100 resilience, safety, security, and economic considerations to
101 address along the way.

102 Now regarding the subjects we'll cover today, they're
103 best described as an EPA regulatory onslaught. Over 150 new
104 regulatory actions underway. The agency is being used as
105 the tip of the spear in the Administration's premature
106 pursuit of its green agenda. For example, EPA's electric-
107 generating unit, or EGU strategy, undermines electric
108 reliability by placing burdensome and economically
109 unattainable requirements on coal-fired and gas-fired power
110 plants.

111 Consequently, reliability of our nation's electric grid
112 is at risk as many more of those plants will be prematurely
113 shut down due to a litany of EPA regulations that take
114 reliable energy off the grid with no plan for replacement.
115 This will lead to more blackouts.

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116 Another problem is the EPA's proposal to dramatically
117 lower the standard for fine particulate matter to a level
118 that could bring nearly the entire country into
119 noncompliance with the PM2.5 standard. We need to encourage
120 more manufacturing in the United States not create standards
121 so low that many of our small businesses and family farms
122 can't function.

123 Another concern is the EPA's proposed methane rule.
124 This on top of the new natural gas tax, oil and gas
125 producers in my district would suffer immensely. Before you
126 finalize the rule, Mr. Administrator, it's my hope that
127 there will be cleared-eyed, thoughtful consideration given
128 to what the impact to our national security could be if
129 American energy production is throttled right now with a
130 devastating, potentially-expanding war in Europe and China
131 becoming more belligerent in the Pacific. The world is
132 becoming increasingly volatile, and in my view, choosing to
133 curtail domestic fossil fuel production right now ignites --
134 invites significant and unnecessary risks.

135 Finally, President Biden's effort to force electric
136 cars on an unwilling public is deeply troubling. This

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137 includes the set proposal that would perversely introduce
138 electricity into the Renewable Fuel Standard program, a
139 final rule cracking down on heavy-duty trucks, and worst of
140 all, proposed emission standards that would essentially
141 eliminate gas-powered vehicles from the market.

142 With all these actions and literally hundreds more, I'm
143 concerned about the 19 percent increase for the EPA
144 requested in the President's budget. On top of 60 billion
145 from the IIJA and the 41.5 billion from the IRA, we're
146 looking at a hundred billion in taxpayer dollars extra to
147 pay for actions that will further intrude into American's
148 lives and throttle our economy. Mr. Regan, this is the
149 opposite of accountability, and it's not reflective of the
150 kind of work that your agency has done in my district.

151 In closing, I want to highlight that Chair Rodgers and
152 I have sent you letters on a range of topics: IIJA and the
153 IRA, the EGU Strategy, the Clean School Bus program, HFCs,
154 and eRINS proposal. I appreciated the three responses we
155 received yesterday and hope that you will commit to
156 responding to the remaining letters promptly. Thank you.

157 [The prepared statement of Mr. Johnson follows:]

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158

159 *****COMMITTEE INSERT*****

160

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161 *Mr. Johnson. And with that I recognize the ranking
162 member for five minutes.

163 *Mr. Tonko. Thank you, Mr. Chair, and thank you,
164 Administer -- Administrator Regan for joining us. It is
165 great to see you back at the subcommittee for today's
166 discussion, President Biden's Fiscal Year 2204 Budget
167 Request.

168 The chair of the subcommittee indicated your support
169 for his district in your visits. Let me do likewise. Thank
170 you for your efforts made in New York 20 that I represent.
171 You're always welcome. You're a great partner on some of
172 the projects we've initiated, and I appreciate your ushering
173 us into a new era of energy and environment policy and
174 thinking.

175 We know the EPA has awesome responsibilities to protect
176 public health and the environment. And more and more
177 Americans are becoming increasingly aware of and concerned
178 by environmental threats, including the danger of
179 unmitigated climate change, the damage that can be caused by
180 lead and PFAS in drinking water, and the risk from
181 industrial accidents and chemical spills.

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182 The 12 billion dollar budget request before Congress
183 will allow EPA to fulfill its mission and address these and
184 other pressing environmental challenges related to climate
185 change, clear air, clean water, chemical safety, land
186 remediation, and environmental justice. This funding will
187 also help ensure effective administration of the historic
188 funding that has already been provided to the agency over
189 these past two years.

190 I'm so proud of the legislative successes of the 117th
191 Congress, and I am especially proud that many of the EPA
192 policies and programs included in those laws were developed
193 and championed by Democratic members of this given
194 committee. The Infrastructure Investment and Jobs Act
195 included around 60 billion dollars for EPA which will enable
196 the agency to make significant investments in our nation's
197 crumbling water infrastructure, replace those lead service
198 lines, remediate Superfund and Brownfield sites, and deploy
199 fleets of electric school busses across our country.

200 But that is not all we accomplished. The Inflation
201 Reduction Act included over 41 billion dollars for EPA which
202 will address climate pollution, including methane and HFCs,

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203 and enhance environmental justice. These funds have the
204 potential to reduce pollution and create jobs in every
205 community across our great country. I have no doubt that
206 these laws will improve people's lives.

207 But I also acknowledge that there is still more work to
208 do, and that starts by investing in the EPA itself by
209 growing its workforce to meet the scale of our nation's
210 environmental challenges, enabling the agency to carry out
211 effective regulatory and enforcement agendas while providing
212 robust technical and financial assistance to our states,
213 local, and tribal governments, schools, and community-based
214 organizations.

215 I have the utmost respect for EPA's career employees,
216 and I do hope the agency's management will do everything in
217 their power to support the recruitment, the retention, and
218 professional development of these outstanding public
219 servants. So I was very happy to see the President's budget
220 request over 1,900 new FTEs to ensure EPA is able to operate
221 at full capacity.

222 Finally, it is critical that EPA builds upon the
223 historic IIJA and IRA funding by pursuing complementary and

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224 ambitious enforcement and regulatory agendas. EPA has
225 significant existing legal authorities to tackle climate and
226 traditional air pollution, pollution from power plants and
227 vehicles, keep PFAS chemicals out of commerce, and get the
228 lead out of our water systems more quickly.

229 I will continued to strongly encourage EPA to develop
230 and finalize a suite of ambitious public health protections
231 over this next year. Of course, this regulatory agenda must
232 be driven by sound science, and these scientific efforts
233 must be built on robust implementation of EPA's scientific
234 integrity policy, which ensures employees can conduct their
235 research and their analysis free from interference by
236 political and special interests. EPA is one of our great
237 federal science agencies, and its workforce must be
238 confident that it can carry out its scientific mission
239 without fear of being undermined.

240 Administrator Regan, thank you again for joining us.
241 Thank you for your outstanding work, and I look forward to
242 working with you as EPA carries out its responsibilities
243 including implementing IIJA and IRA funding to indeed
244 protect public health and our environment in developing a

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245 complementary regulatory agenda.

246 [The prepared statement of Mr. Tonko follows:]

247

248 *****COMMITTEE INSERT*****

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250 *Mr. Tonko. With that, Mr. Chair, I yield back.

251 *Mr. Johnson. The gentleman yields back. I now
252 recognize the chair of the full committee, Chair Rodgers,
253 for five minutes for an opening statement.

254 *The Chair. Thank you, Mr. Chairman.

255 Administrator Regan, I appreciate you being here today.
256 Our visions for the EPA should be aligned. America has the
257 highest environmental labor standards in the world, and
258 Energy and Commerce Republicans are committed to this legacy
259 to ensure clean air, clean water, and continuing our
260 leadership in reducing carbon emissions.

261 Achieving this requires stewardship over how American
262 hard-earned taxpayer dollars are spent. Unfortunately, that
263 is not what we're seeing today at the EPA as it seems that
264 the focus is on President Biden's so-called climate agenda
265 that is increasing prices on low and middle income families,
266 seeking control of the cars we drive, and making America
267 dependent on Chinese supply chains that are dirtier and use
268 slave labor.

269 Since President Biden took office, the EPA has been
270 injected with more than a hundred billion dollars in

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271 taxpayer dollars. This is on top of the annual
272 appropriations funding. This is a thousand percent increase
273 in spending. It's truly staggering. While the American
274 people are already paying for record-high inflation.

275 And this increase is on top of the 60 billion in the
276 Infrastructure Investment and Jobs Act and the 41 billion --
277 over 41 billion in the Inflation Reduction Act. The EPA
278 doesn't need more money. Its regulatory agenda is out of
279 touch with the needs of the American people. Last week, the
280 Office of Management and Budget, OMB -- OMB Unified Agenda
281 and Regulatory Plan listed 151 separate rulemakings pending
282 from EPA. 151 pending rulemakings.

283 This list contains some of the most aggressive
284 mandates. Shortening public comment periods, introducing
285 regulatory changes that lack the analysis to justify them.
286 These actions place substantial financial burdens on
287 Americans that lower their standard of living. From
288 blackouts in California to seasonal energy shortages in New
289 England and the Midwest, the pain is being felt by people
290 across the country.

291 These impractical, expensive standards will eliminate

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292 good paying jobs, destroy our manufacturing base and
293 domestic supply chains, and threaten America's leadership in
294 key industries that have historically been critical to our
295 efforts to reduce emissions. For instance, a recent
296 economic impact report by the National Association of
297 Manufacturers found that EPA's proposed air quality
298 regulations for particulate matter will jeopardize an
299 estimated hundred -- or 850,000 manufacturing jobs and over
300 160 billion dollars in economic activity. And this is on
301 top of other EPA-enacted policies that are out of step with
302 the congressional-mandated authority to regulate.

303 You know, just last year the Supreme Court ruled in
304 *West Virginia v. EPA* that EPA is exceeding its statutory
305 authority. As the elected representative of the people, I
306 was encouraged that the court ruled that EPA had exceeded
307 their legislative authority. And they called upon Congress,
308 they said that Congress needs to, on behalf of the people,
309 hold the EPA accountable. I'm concerned when I consider 151
310 proposed rulemakings that there is additional abuses of
311 power by the administration through all this rulemaking and
312 the -- and I want to assure you we're going to be watching

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313 very closely to ensure that the agency is not exceeding the
314 authority, and that's our constitutional responsibility.

315 I also wanted to highlight EPA's rule in reviewing and
316 approving human health water quality criteria. In December
317 the EPA set an unattainable PCB standard for human health
318 water quality criteria in Washington State, my home state.
319 Not only is this standard unattainable with current
320 technology, it's not even detectable using EPA's approved
321 last test methods.

322 Even more troubling, it appears that the Washington
323 State Department of Ecology is using an unapproved test
324 method to determine whether job creators in Washington are
325 in compliance with this unattainable standard. I want clean
326 and safe water in Washington State. It's vital, it's life.
327 But I also want regulations to be based on sound science and
328 have predictability for the job creators, for our farmers,
329 and for our manufacturing companies, our recycling plants.

330 I'll close by making this appeal to you. The concerns
331 we raise today are directly from the people that we
332 represent, and we're concerned by the EPA's regulatory
333 agenda and their -- that is encroaching on our way of life

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334 and our future. You're -- you are accountable to the people
335 through us, the elected representatives, and we -- we're
336 working to ensure that we can afford energy bills and drive
337 the cars that we would like. That's freedom for a better
338 life and to make the best decisions for ourselves.

339 [The prepared statement of The Chair follows:]

340

341 *****COMMITTEE INSERT*****

342

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343 *The Chair. So I look forward to this discussion, and
344 I yield back.

345 *Mr. Johnson. The gentlelady yields back. I now
346 recognize the gentleman from New Jersey, the ranking member
347 of the full committee, Representative Pallone, for five
348 minutes for an opening statement.

349 *Mr. Pallone. Thank you, Mr. Chairman. And I want to
350 thank Administrator Regan for joining us today to discuss
351 the Presidents fiscal 2024 budget request for the EPA.

352 Let me just start out, you know, I hear what the
353 Republicans say and, you know, I respect them a great deal.
354 But, look, the EPA doesn't regulate for the sake of
355 regulating. When I go home, people are asking me what
356 you're doing to protect their health and safety. And the
357 fact of the matter is we have a lot of challenges out there
358 that we didn't have three or four years ago, climate change
359 being one of them. You know, hurricanes and natural
360 disasters are getting stronger, the sea level is rising,
361 more problems with asthma and people's health.

362 These are challenges that must be addressed, and I
363 don't -- what I hear when I go home is, oh, I'm not -- I --

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364 the -- not that the EPA is overregulating but what's the EPA
365 doing, what is the federal government doing to protect my
366 health and safety. That's the bottom line. And you have to
367 do that, and that costs more money. I mean, that's the
368 reality.

369 So I just wanted to say that last Congress, Democrats
370 delivered historic wins for the American people that are
371 directing investments into communities around the nation.
372 The Bipartisan Infrastructure Law invested 1.2 trillion
373 dollars to modernize our nation's aging and crumbling
374 infrastructure.

375 It included EPA funding to ensure American's have
376 access to safe and clean water by making infrastructure
377 upgrades and replacing lead pipes to reduce harmful
378 exposure. The law is also revitalizing communities by
379 cleaning up Superfund and Brownfield sites. People are
380 concerned about contamination from these sites. People are
381 concerned about their health and how lead pipes impact their
382 health. You're trying to address those things.

383 The Inflation Reduction Act will help us lead the world
384 in the transition to a clean energy economy by producing

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385 home-grown clean energy, combatting the climate crisis,
386 creating millions of good-paying jobs, lowering energy
387 costs, and building a more healthier, sustainable future.
388 This is what people are concerned about in my district.

389 This law was enacted nine months ago and it's already
390 producing major results. Projects valued at tens of
391 billions of dollars are already underway. More than half of
392 them are in Republican congressional districts, and more
393 than 142,000 clean energy jobs have been created. And yet
394 not one Republican on this committee supported either of
395 these bills. Instead, my Republican colleagues have spent
396 the first month of their majority fixated on undermining
397 these investments and these environmental protections at
398 every turn. And now they're threatening a default crisis
399 with their Default on America Act that puts polluters over
400 people.

401 Republicans have made their agenda clear. Repeal the
402 Inflation Reduction Act and provide broad carve-outs to
403 bedrock environmental laws for polluters at the expense of
404 the health and safety of workers and families. This is
405 unpopular, short-sighted, and it puts the economy at great

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406 risk.

407 In sharp contrast, the President's budget request
408 builds on the success of these unprecedented investments and
409 reflects Democrat's commitment to the health, safety, and
410 prosperity of all American families. To combat the climate
411 crisis, the budget increases funding for reducing greenhouse
412 gas emissions and helping communities build resilience to
413 the impacts of climate change. It also allocates 1.4
414 billion to improve air quality across the country.

415 EPA will also drive down super pollutants with methane
416 reduction programs and the implementation of the American
417 Innovation and Manufacturing Act, a bipartisan law to curb
418 the production and use of potent hydrofluorocarbons in our
419 atmosphere. That one was done when Trump was President and,
420 you know, we did it on a bipartisan basis.

421 The budget request supplements the reinstatement of the
422 Superfund tax to fund more cleanup activities. I fought for
423 decades to reinstate this tax, and thanks to these two
424 bills, it is once again a reality. Over 20 percent of
425 Americans live within three miles of a Superfund site and
426 remediating and revitalizing contaminated properties will

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427 create jobs, mitigate threats to human health, and directly
428 benefit the communities affected by these sites.

429 The budget also bolsters EPA's work to advance
430 environmental justice by using the new Office of
431 Environmental Justice and external civil rights to help
432 deliver on its commitments to the communities who have
433 struggled with legacy pollution for far too long. I'm also
434 pleased to see that the budget devotes 170 million to
435 combatting PFAS and increases funding to effectively
436 implement the Toxic Substances Control Act, again
437 bipartisan, allowing the agency to evaluate and manage risks
438 from toxic chemicals, protecting workers and families.

439 So this is a budget request that will ensure EPA can
440 fulfill its mission to protect human health and the
441 environment. To be successful, EPA must have adequate
442 funding and staff to meet the statutory obligations as set
443 by Congress, and I think the President recognizes.

444 So once again, I just have to say I listen to my
445 Republican colleagues, I -- when I go home, this is what
446 people care about. They're worried -- they want to clean up
447 these sites. They don't want pollution. They don't want

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448 asthma to get worse. I -- that's what we were trying to do,
449 and that's your job, and I commend you for doing it.

450 [The prepared statement of Mr. Pallone follows:]

451

452 *****COMMITTEE INSERT*****

453

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454 *Mr. Pallone. And I yield that -- I yield back, Mr.
455 Chairman.

456 *Mr. Johnson. The gentleman yields back.

457 Our witness today is the Honorable Michael Regan,
458 Administrator of the EPA. Administrator Regan, as I
459 mentioned, you have demonstrated to me personally and to our
460 state you can be a force for good. I've seen it firsthand.

461 I'm hopeful that at the end of this hearing and as we
462 move forward working together that we'll be able to come to
463 that commonsense balance of protecting the environment at
464 that same time that we consider and protect the safety, the
465 energy security, the national security, and the economic
466 freedom for the American people, that we attain that
467 balance. I think you're capable of doing that, but we'll
468 see.

469 You're recognized for your opening statement.

470

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471 STATEMENT OF THE HON. MICHAEL S. REGAN, ADMINISTRATOR,
472 ENVIRONMENTAL PROTECTION AGENCY

473

474 *Mr. Regan. Thank you, Chairman Johnson, Chairwoman
475 McMorris Rodgers, Ranking Members Tonko and Ranking Member
476 Pallone, and members of the committee. I appreciate the
477 opportunity to appear before you today to discuss the
478 necessary vision laid out in the United States Environmental
479 Protection Agency's proposed fiscal year 2024 budget.

480 Chairman Johnson, I'd also like to take a moment to
481 thank you for your leadership. I'd like to thank you for
482 your partnership. We would not be where we are or have
483 accomplished what we have without your leadership. You are
484 an incredible advocate for your community. I'm grateful for
485 that.

486 In this budget request, we lay out an ambitious and
487 transformative plan for EPA with a goal of building a
488 healthier, more prosperous nation while ensuring global
489 competitiveness, energy independence, and energy security.
490 President Biden's proposed fiscal year 2024 budget request
491 for EPA provides 12.1 billion dollars to advance key

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492 priorities, including protecting air quality, upgrading our
493 nation's aging water infrastructure, tackling the climate
494 crisis, and rebuilding some core functions at the agency.

495 Over the last year, EPA has made significant progress
496 towards many of these goals. We've taken action to cut smog
497 and hazardous air pollution from power plants which will
498 reduce the risk of cancer in some nearby communities by 96
499 percent. We've taken strides to ensure that all people have
500 clean water by proposing the first ever legal limits for
501 PFAS and investing billions to remove 100 percent of lead
502 pipes across our country.

503 And we've accelerated our transition to a clean
504 transportation future by proposing the strongest ever
505 standards for cars and trucks while awarding 2,400 clean
506 school busses to school districts all across the country.
507 I'm proud of the foundation we've laid and the partnerships
508 that have underpinned our successes.

509 But there's still so much more work to do to ensure
510 that all of our children have safe, healthy places to live,
511 learn, and play. To build a stronger, more sustainable
512 economy, and to advance American innovation and ingenuity.

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513 Simply put, investing in EPA is investing in America.
514 Across the country, poor air quality still affects millions
515 of people, perpetuating harmful health and economic impacts.

516 In fiscal year 2024, the agency will protect our air
517 quality by cutting emissions of ozone forming pollutants,
518 particulate matter, and air toxins. The President's budget
519 includes 1.4 billion to improve air quality and to set
520 standards that reduce pollution from mobile and stationary
521 sources. EPA's work to set these standards provides
522 certainty to industry, builds on advances in technology,
523 reinforces market movement towards a clean energy system
524 that provides affordable, reliable energy.

525 A thriving economy must -- also requires clean and safe
526 water for everyone. Although progress has been made, many
527 still lack access to healthy water, face inadequate
528 wastewater infrastructure, and suffer from the effects of
529 lead pipes. America's water systems are also facing new
530 challenges including cybersecurity threats, climate change,
531 emerging contaminants such as PFAS.

532 The budget proposes more than 4 billion to upgrade
533 drinking water and wastewater infrastructure nationwide with

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534 a focus on underserved communities. Over the last year,
535 I've had the privilege of traveling across the country from
536 Jackson, Mississippi to visiting East Palestine with you,
537 Mr. Chairman. I've seen firsthand the environmental and
538 public health challenges many of our constituents continue
539 to experience.

540 I've spoken to families who have been sickened by the
541 air they breathe. I've met with people who live with toxic
542 waste in their backyards. I've seen conditions that are
543 simply unacceptable in the United States of America. From
544 investing in our nation's climate resilience to cleaning up
545 contaminated land and water, there is no shortage of
546 important work to be done.

547 Members of the committee, EPA is up to the task and
548 we're eager to work with all of you to deliver for our
549 fellow Americans and to secure our nation's global
550 competitiveness. But we need your support. Both the
551 urgency and economic opportunity presented by climate change
552 require that we leave no stone unturned.

553 I'd also like to take a moment to remind folks that we
554 must keep moving forward. 2024 will undoubtedly present a

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555 unique set of challenges and moving backwards certainly is
556 not an option. Reverting back to the fiscal year 2022
557 budget would force the agency to make very difficult
558 tradeoffs.

559 EPA would have to cut hundreds of millions of dollars
560 from programs that protect communities all across America,
561 impacting our ability to hire critical staff, including
562 toxicologists, engineers, scientists, and others who play a
563 crucial role in protecting this country and the people on
564 the planet. Cuts would make it harder to address dangerous
565 contaminants like PFAS and would slow our progress to
566 replace lead pipes.

567 President Biden's budget positions EPA to create
568 durable environmental policy, invest in America, and sets
569 our nation on a path to win the 21st Century. It will also
570 allow us to address the environmental concerns of millions
571 of Americans and fundamentally improve people's lives for
572 the better.

573 Thank you all for the opportunity to be here today and
574 submit this testimony for the record, and I look forward to
575 our continued partnership to achieve these yet -- these

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576 ambitious yet necessary goals, and welcome all questions.

577 Thank you.

578 [The prepared statement of Mr. Regan follows:]

579

580 *****COMMITTEE INSERT*****

581

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582 *Mr. Johnson. The gentleman yields back, and I will
583 begin the questioning, and I recognize myself for five
584 minutes.

585 Administrator Regan, EPA's actions have been forcing
586 premature closures of important coal-fired generating
587 sources which has undermined electric reliability. A new
588 regulation is promised to drive even more premature closures
589 as part of your EGU strategy. After Congress and electric
590 system operators raised concerns about reliability, you
591 issued a memorandum of understanding with DOE on reliability
592 this past March. I have a copy of it right here.

593 The MOU states that EPA "gives careful consideration to
594 electric reliability implications as it develops and
595 implements regulations for electric-generating facilities."
596 It states further that EPA engages with stakeholders,
597 including independent system operators and RTOs in
598 developing regulations that are consistent with maintaining
599 reliability.

600 So I want to dig into this MOU a little bit.
601 Administrator, reports from the ISOs and RTOs tell a
602 different story. Did you consult the operators of the

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603 nation's electric grids about your EGU strategy?

604 *Mr. Regan. [Nonverbal response.]

605 *Mr. Johnson. You have? Okay.

606 Well, you might want to consults with them again. I'm
607 entering into the record a report from PJM Interconnection
608 and a Wall Street Journal article on this topic entitled,
609 "SOS For the Electric Grid."

610 [The information follows:]

611

612 *****COMMITTEE INSERT*****

613

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614 *Mr. Johnson. This report's findings are simple. We
615 are shutting down too much reliable power on the grid,
616 accelerated by EPA regulations, with no plans to replace it.

617 So, Mr. Administrator, I want to get it on record
618 today. The State of Ohio, my constituents and over 60
619 million Americans in total, get their power on the PG&E --
620 or PGM grid. Can I go back to my district and tell them
621 that they will enjoy equal to or better electric reliability
622 in 2030 as they do today?

623 *Mr. Regan. Yes, Mr. Chairman. And I'll say that --

624 *Mr. Johnson. That's great. And I got a lot of
625 questions to ask you, so that's an important question and an
626 answer.

627 Are you confident the regulatory impacts of your rules
628 would pass an independent reliability review by the North
629 American Electric Reliability Corporation, or NERC?

630 *Mr. Regan. I am.

631 *Mr. Johnson. Okay. Reports indicate EPA's new clean
632 power plan rulemaking, replacing the one rejected by the
633 Supreme Court as part of *West Virginia v. EPA*, will
634 conveniently be announced tomorrow after this hearing. Will

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635 you provide a broad and diverse array of stakeholders
636 including RTOs, and ISOs, and affected states more than 60
637 days to review and comment on those proposals?

638 *Mr. Regan. We can consider that.

639 *Mr. Johnson. Okay. Would you commit to returning to
640 this committee to discuss this proposal?

641 *Mr. Regan. You know, I am committed to transparency,
642 whether that be in front of this committee or provide it to
643 all of your staffs --

644 *Mr. Johnson. I'll give you an opportunity. I'll call
645 you back. Thank you very much.

646 Administrator Regan, I'd like to ask about EPA's plans
647 to impose new regulations for methane on top of the IRA's
648 new methane fee, the natural gas tax. I'm concerned that
649 new taxes and regulations, well as CBO reported, increase
650 compliance costs, reduce energy production, and increase
651 energy prices. I don't believe EPA has statutory authority
652 to regulate methane as proposed, and because there are
653 significant questions about how the methane fee and the
654 methane regulations will interact with each other.

655 So, Mr. Administrator, will EPA's new taxes and

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656 regulations on natural gas increase prices for the American
657 people?

658 *Mr. Regan. I can't speak to the taxes pieces. I'm
659 not quite sure if I understand that.

660 *Mr. Johnson. Can you get back to me on that?

661 *Mr. Regan. Yes.

662 *Mr. Johnson. Can you ask your team? Okay. Will you
663 agree to not finalizing any rule that increases consumer
664 prices or produces -- or reduces energy production?

665 *Mr. Regan. We do a very careful cost benefit analysis
666 for all of our rules that are proposed.

667 *Mr. Johnson. But that's not what I asked you. I said
668 will you agree to not finalizing any rule that increases
669 consumer prices or reduces energy production?

670 *Mr. Regan. It will be hard to tell whether it's
671 solely our rule that increases prices. I think that we can
672 walk you through the cost benefit analysis that we use to
673 propose all of our rules.

674 *Mr. Johnson. Do you believe EPA has authority to
675 expand the natural gas tax to other sources or sectors
676 beyond oil and gas producers like agriculture, for example?

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677 *Mr. Regan. We're not expanding the tax. So I'd like
678 to talk to you in detail about the --

679 *Mr. Johnson. Do you have -- do you think you have the
680 authority to do that?

681 *Mr. Regan. -- rule that we propose -- we don't have
682 authority --

683 *Mr. Johnson. Okay.

684 *Mr. Regan. -- or have not proposed any tax.

685 *Mr. Johnson. What is the status and timeline for EPA
686 to finalize the rulemaking for collecting the new methane
687 fee?

688 *Mr. Regan. Hopefully before the end of this year.
689 We've received over 500,000 comments the first time, close
690 to half a million the second time as well, so we're
691 carefully going through those comments.

692 *Mr. Johnson. Okay. With that I yield back.

693 I now recognize the ranking member for five minutes for
694 questions.

695 *Mr. Tonko. Thank you, Mr. Chairman. Thank you again,
696 Mr. Administrator.

697 As I stated earlier, the EPA's workforce has so many

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698 talented and dedicated public servants that are working hard
699 to fulfill the agency's mission. I appreciate EPA is making
700 a concerted effort to recruit a more diverse and inclusive
701 workforce as it seeks to provide the next generation of
702 environmental experts with career opportunities.

703 From 1992 through 2012, EPA consistently had around
704 17,000 employees. Since 2013, that number has hovered
705 around 14 to 15,000 when there was this anti-science message
706 coming through the agency of late, prior to your
707 administration. We know that some left demoralized and some
708 rushed their retirement plans.

709 We know EPA is being asked to address more numerous and
710 more complex challenges and administer historic levels of
711 funding. For years, we've been asking these employees to do
712 more with less.

713 So, Mr. Administrator, I know the budget request would
714 get EPA back to that 17,000 level. How important is that
715 part of the request, and can you please update us on EPA's
716 efforts hire qualified people to support implementation of
717 the very important IIJA and IRA policies?

718 *Mr. Regan. Well, thank you for the question. And

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719 it's absolutely important. I think when we look at the
720 decline of our staff -- qualified staff, the areas that have
721 been hit the hardest are those areas where we want to give
722 farmers more tools. So when we look at our pesticides and
723 our herbicides and looking at putting new markets -- new
724 products on the market, we need to get those things through
725 review.

726 When we look at the implementation of TSCA and look at
727 how we evaluate and assess all of these chemical compounds
728 that are very dangerous to our society, we need those staff
729 members. Yes, we receive resources from bill to address
730 lead and drinking water but a recent study we did found that
731 9.2 million people in this country are exposed to lead. We
732 only receive 15 billion dollars; we estimate that there's 43
733 billion in need. So as we look at hiring our staff, we want
734 to keep pace with all of these environmental challenges.

735 And the last thing I'll say is 85 percent of this
736 budget we're requesting goes through EPA to our states and
737 our regional partners. So this is building capacity at our
738 state levels so our states have the ability to continue to
739 have autonomy and comply with these federal laws.

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740 *Mr. Tonko. I appreciate that. The infrastructure law
741 funding will reduce the risks of lead, PFAS, and other
742 contaminants in American's drinking water, but we know
743 funding is only part of the solution. EPA has also been
744 working on standards that will further protect our
745 communities.

746 Mr. Administrator, I know EPA is updating the Trump
747 Administration's lead and copper rule revision. I believe
748 this is a critical complementary action to the 15 billion
749 dollars provided by the infrastructure law to replace said
750 lines. Can you provide an update on the lead and copper
751 rule, and how can this rule enable us to get every lead pipe
752 out of our water systems?

753 *Mr. Regan. It's a very important piece of the work,
754 and we've been working hard. We anticipate proposing the
755 lead and copper rule in 2023 and finalizing in 2024. It is
756 a priority for the agency, and we want to be able to have
757 this rule that will complement the resources that Congress
758 gave us through the Bipartisan Infrastructure Law.

759 *Mr. Tonko. Thank you. And similarly, EPA is working
760 to address the traditional air and climate pollution,

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761 building upon funding and tax incentives included in the
762 Inflation Reduction Act.

763 Mr. Administrator, I know we are expecting a proposed
764 Clean Air Act standard for power plants in the near future.
765 I'm guessing you cannot comment on this specifics rules, but
766 can you provide us with the background on the process that
767 has led to its development?

768 *Mr. Regan. We've been engaged in the power sector for
769 almost two years now. Grid operators. State agencies as
770 well. We have been also focused on staying well within the
771 confines of the Supreme Court and the decision on *West*
772 *Virginia*.

773 And what we're going to do is propose a rule that sets
774 an emission limit but gives the power sector maximum
775 flexibility in terms of their technology choices to reach
776 that, whether it's best management practices, whether it's
777 CCUS, whether it's battery storage or renewables, there's a
778 range of options that the Inflation Reduction Act, along
779 with this rule, gives our power sector for this opportunity.

780 *Mr. Tonko. Thank you. And why is reducing emissions
781 from polluting power plants an important complement to the

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782 IRA incentives for clean energy in our comprehensive
783 national climate action plan?

784 *Mr. Regan. Well, we know that whether it's SOx, or
785 NOx, or mercury, or climate pollutants, they're
786 disproportionately impacting a number of people in this
787 country. And all of our technology standards are just that,
788 they're technology standards, meaning they use technologies
789 or these practices exist and can be put in place from a cost
790 benefit perspective. And so we believe in engaging with the
791 power sector and moving forward, this is complement to where
792 the market has been going for the past 10 years.

793 I know people continue to reference the *West Virginia*
794 case. That was a rule proposed two administrations ago.
795 That's not the Biden Administration's rule. And so as we
796 look at our rule moving forward, ours will be in line with
797 *West Virginia*, it will be in line with our statutory
798 authority, and it will be in line with the conversations
799 we've been having with the power sector for almost two years
800 now.

801 *Mr. Tonko. Thank you, Mr. Administrator. I
802 appreciate building up of quality staff and the morale

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803 enhancement that has also followed. Thank you.

804 I yield back.

805 *Mr. Johnson. The gentleman yields back. I now
806 recognize the gentleman from Pennsylvania, Dr. John Joyce,
807 for five minutes.

808 *Mr. Joyce. Thank you, Mr. Chairman, and,
809 Administrator Regan, for appearing here today.

810 I am very concerned about the EPA's proposed EtO
811 emissions and draft regulation decision. While the EPA
812 acknowledges that your actions could lead to sterilizer
813 facility closures and cause shortages in sterile medical
814 devices, the EPA does not identify the magnitude, size,
815 impact, or location of these shortages.

816 In college, I spent a summer in the central supply and
817 sterilization unit of a community hospital. I can say with
818 firsthand knowledge how critical adequate sterilizing
819 procedures are for surgery and for medical procedures, and
820 ultimately for patient's safety. That is why I'm
821 particularly concerned when I hear the FDA's Director of
822 Partnership and Technology Innovation, Dr. Suzanne
823 Schwartz's warning on this matter. And I quote her, "We

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824 would be concerned if even one additional facility shut down
825 we will start to see spot shortages. There is no question
826 about that. In terms of more catastrophic national impact
827 with two facility shutdowns, it is almost a certainty.''

828 At an event on April 28th, FDA Commissioner Califf was
829 asked about the EtO rulemaking and stated, "This issue is
830 very much on the forefront for us. We are highly aware of
831 it, and we are engaged in discussions. I'm very worried.''
832 FDA submitted extensive comments to the EPA as part of the
833 interagency review, and it appears that none of them were
834 addressed by the EPA. So now I'm very worried.

835 Question for you, Administrator Regan. Do you commit
836 that the EPA will not publish a final rule until it has
837 developed plans that the FDA has approved to ensure that a
838 sufficient supply of all sterilized medical devices, and can
839 we make a commitment that these rules will not impact
840 patient's access to safe, sterile medical devices or put any
841 lives at risk?

842 *Mr. Regan. We absolutely will make the commitment to
843 continue to work with the FDA and ensure that our rules do
844 not have any kind of worry for the FDA, along with these

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845 facilities. And let me just say that our path to this has
846 been with the backdrop of the EPA Inspector General citing
847 us for not acting and complying with the law.

848 *Mr. Joyce. I think that dialogue is so important. I
849 thank you for that commitment. And while I appreciate your
850 efforts, my concern as a doctor is to ensure that my
851 patients, my constituents receive the care and the safety
852 that they need with that care. Can you commit to providing
853 our committee with a briefing alongside the FDA by May 24th
854 so we can be assured that the EPA's actions do not impact
855 patient access to critical, sterile medical devices.

856 *Mr. Regan. We can commit to that.

857 *Mr. Joyce. Thank you, I greatly appreciate that. And
858 now figuratively and literally switching gears, I'm also
859 concerned about a potential waiver granted by the EPA for
860 California's Advanced Clean Cars II regulations. These
861 regulations will mandate 100 percent electric vehicle sales
862 by 2035. Since 17 states representing over 40 percent of
863 the automotive market have already adopted some aspect of
864 California's regulations, this mandate has a potential to
865 spread rapidly.

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866 Administrator Regan, do you think that it is
867 appropriate that granting one state a waiver will
868 dramatically disrupt the entire American automobile market?

869 *Mr. Regan. We have not received the waiver that
870 you're referencing.

871 *Mr. Joyce. We will make sure that you receive that.
872 And I want to just have a clarification.

873 *Mr. Regan. It would have to come from the State of
874 California. The State of California hasn't submitted a
875 waiver for Clean Cars II to the EPA.

876 *Mr. Joyce. We will make sure that you see what that
877 waiver is. Do you feel that your administration and the
878 Biden Administration supports the ban of selling new
879 vehicles with internal combustion engines starting in 2035?

880 *Mr. Regan. No, not at all.

881 *Mr. Joyce. You do not support a ban of internal
882 combustion automobiles or any vehicles by 2035?

883 *Mr. Regan. No, I don't support that and neither do
884 our regulations. By the way, our regulations don't ban
885 anything. They're technology standards that guide the
886 future and especially complement the market --

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887 *Mr. Joyce. Do you support that the consumer should
888 have the choice of what type of vehicle they drive? That
889 the trucking industry, that the automobile industry has that
890 right to purchase individual vehicles that have internal
891 combustion engines?

892 *Mr. Regan. I absolutely do. That's why I'm such a
893 strong proponent of E15 biofuels -- advanced biofuels. I
894 don't see a near term future where we don't have a fuel
895 supply that complements electric vehicles and provides
896 customers choice.

897 *Mr. Joyce. I think it is so important that those
898 individual choice by my constituents, by the American public
899 are so important. Thank you for making that commitment to
900 us today. Thank you again for presenting yourself to us
901 today.

902 And, Chairman Johnson, I yield the remainder of my
903 time.

904 *Mr. Johnson. The gentleman yields back. The chair
905 now recognizes the gentlelady from Colorado, Ms. DeGette,
906 for five minutes.

907 *Ms. DeGette. Thank you, Mr. Chairman. Administrator

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908 Regan, thank you so much for coming to spend the morning
909 with us. We appreciate it. We appreciate the job you and
910 your agency are doing and also trying to rebuild the
911 personnel and the morale over there. It's really important.

912 In a recent hearing, some of my colleagues on the other
913 side of the aisle made the -- what I thought was a stunning
914 statement that we all breathe the same air and we drink the
915 same water. People like me who represent underserved
916 communities know that these communities frequently have --
917 they're low-income, disadvantaged, minority communities.
918 They frequently have multiple sources of pollution that
919 compound on one another which has a negative impact on the
920 community's health and leads to increased rates of asthma
921 and cancer, among other diseases.

922 And in my own congressional district, you've heard me
923 talk about this before, we see -- we have an area called
924 Globeville Elyria-Swansea. It's a neighborhood that's just
925 downwind of an industrial area. And so I want to ask you
926 what actions does EPA plan to take during this Congress to
927 alleviate the environmental and health risks of the
928 cumulative impacts for these communities?

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929 *Mr. Regan. Well, thank you for that question. And
930 there are two things that we've done. The first is we've
931 established a new national program that's laser-focused on
932 environment justice and external civil rights to be sure
933 that all Americans are receiving the equal protection under
934 the law.

935 The second is that we've committed to take a number of
936 steps to address cumulative impact, in particular from
937 multiple sources of pollution, especially those experienced
938 by overburdened communities. The Office of Research and
939 Development has developed -- or issued a report on
940 cumulative impact, and our Office of General Counsel has
941 published the Cumulative Impacts Addendum to our legal tools
942 which lays out our authorities and our ability to address
943 cumulative impact.

944 I've traveled all across this country. In the State of
945 California, West Virginia, and North Carolina, we know that
946 communities are being disproportionately impacted because of
947 income or because of race. We have to address this issue.

948 *Ms. DeGette. Thank you. Now how does this budget
949 this year, in tandem with the investments that we made in

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950 the Inflation Reduction Act, help you to achieve these goals
951 with the agency?

952 *Mr. Regan. Well, it continues to help us to build on
953 the staff. A lot of the resources that came from the
954 Inflation Reduction Act were for grants or programs. And
955 so, number one, we need to have the technical expertise at
956 headquarters in our regions to work with our communities to
957 ensure that everything we do is viewed through that
958 environmental justice lens.

959 *Ms. DeGette. Thank you. Now, Administrator, the
960 President's budget includes 757 million dollars, and 3,350
961 for FTE to strengthen environmental enforcement which is
962 really important because these communities I talked about
963 are frequently the targets of repeated violations. So how
964 does the EPA intend -- plan to follow up through its
965 enforcement requirements that will help eliminate violations
966 from repeat offenders?

967 *Mr. Regan. Well, I appreciate that question because
968 that is definitely something that the EPA Inspector General
969 highlighted for us and indicated that our lack of
970 enforcement and capacity jeopardizes our ability to meet our

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971 statutory obligations. And so we've lost more than 900 FTE
972 since 2011 -- or actually 2022.

973 And so we are looking for this budget to not, you know,
974 replace all 900, but help us get back on that trajectory so
975 we can protect our communities, especially our most
976 vulnerable communities.

977 *Ms. DeGette. Yeah, you can't -- I mean, if you don't
978 have the personnel to do the enforcement, then you can't
979 just get that out of thin air.

980 *Mr. Regan. We're forced to prioritize the worst
981 offenders. And you're right, we cannot adequately complete
982 our mission.

983 *Ms. DeGette. Yeah. I was really heartened in your
984 opening statement to hear you talking about the -- replacing
985 the lead service lines across the United States. My
986 community of Denver was one of the communities, and we're
987 still working through our problem, but because of the lead
988 variance issued by the EPA under the Safe Drinking Water
989 Act, Denver Water has been able to put together a
990 comprehensive approach for reducing lead in drinking water.

991 So I want to ask you briefly how is EPA using

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992 successful programs like the one in Denver to work with
993 other cities and towns to make sure that everybody has
994 access to clean lead-free drinking water?

995 *Mr. Regan. Well, thank you for that, and thank you
996 for Colorado and Denver's leadership on this issue. You
997 know, Denver has a variance program that allows for
998 accelerated progress, and so there's some flexibility and
999 innovation built into Denver because of the city's unique
1000 experiences. We're studying that. We're studying those
1001 local experiences, whether it be Denver, or Newark, or
1002 Chicago. We know that one size doesn't fit all, and we want
1003 to match our resources with the local innovation.

1004 *Ms. DeGette. Thank you so much, and I renew my
1005 invitation for you to come out and look at Globeville
1006 Elyria-Swansea with me. Thanks.

1007 *Mr. Regan. Thank you.

1008 *Mr. Johnson. The gentlelady yields back. The chair
1009 now recognizes the gentleman from Texas, Mr. Weber, for five
1010 minutes.

1011 *Mr. Weber. Thank you, sir.

1012 Administrator Regan, the summer is almost officially

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1013 here. I'm sure you noticed my ice cream suit by now. And I
1014 understand that the chairman has invited you back, and
1015 hopefully if you come in May you'll get to wear a Colonel
1016 Sanders' suit as well. So just a little fun there.

1017 *Mr. Regan. [Laughter.]

1018 *Mr. Weber. I want to ask you about the American
1019 Innovation and Manufacturing Act, or AIM Act. Before I was
1020 elected to Congress, I owned and operated an HVAC company in
1021 Texas, and I know that keeping systems cooling folks in the
1022 summer literally is a matter of life or death. That is --
1023 this is why Congress took great care in AIM to ensure an
1024 adequate supply of hydrofluorocarbons, or HFCs, that would
1025 be available for the lower cost HVAC system refrigerant.

1026 Let me put that in perspective from personal
1027 experience. We can talk about underserved communities or we
1028 can talk about low social-economic. I forget exactly what
1029 Representative DeGette, the terms you all used. But because
1030 of the rules that were put in place by the federal
1031 government, if you went into somebody's house and if they
1032 needed a new evaporator coil that was leaking up in the
1033 attic or in the closet, it might be a thousand dollar job.

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1034 But because they increase efficiency, SEER ratings on
1035 units that used a different form of refrigerant, now the
1036 outside unit had to be changed, a lot of the duct work, the
1037 plenum work had to be changed to match the larger system,
1038 and now it becomes an eight or nine thousand dollar job.
1039 Well, just imagine a family who is struggling who wasn't
1040 sitting around waiting thinking, I mean, I hope my coil goes
1041 out, I got a thousand dollars set aside.

1042 Now all of the sudden they've got to come up with
1043 \$9,000. And so those rules are really hurting American
1044 families, especially in my district. That was my
1045 experience.

1046 And so I feel like -- it feels like the EPA don't have
1047 a way to help AIM supporters with implementation. But what
1048 -- has the EPA done it or have they -- have you
1049 deprioritized implementing this pro-consumer portion of the
1050 law until the very end? In other words, low-cost
1051 refrigerant needs to be available to those people. What say
1052 you?

1053 *Mr. Regan. Thank you for that. I'm -- I would remark
1054 I'm from North Carolina, I'm not afraid of a seersucker

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1055 suit, so I got one ready for you.

1056 *Mr. Weber. Okay.

1057 *Mr. Regan. And, you know, I think we have worked
1058 really hard with the manufacturers on the implementation. I
1059 will double back with my staff to see if we are at this
1060 point here. But I think we reconstructed the allocations,
1061 we've worked very hard with the manufacturers on the
1062 execution of this rule, and if there's something outstanding
1063 on that last leg of it, I'd like to talk to you about it.

1064 *Mr. Weber. Well, please do, because it really impacts
1065 the lower income people a lot more than maybe professionals,
1066 for example. It doesn't matter what their race, color, or
1067 creed is if the professional people have two salaries and
1068 they're able to set aside some money, they're able to maybe
1069 manage that shock, because it's a shock to your budget.
1070 I've seen too many times standing in somebody's house where
1071 they just can't believe it's happening to them. And so
1072 please check into that and get back to us.

1073 *Mr. Regan. Absolutely.

1074 *Mr. Weber. Based on the EPA's timing, Americans are
1075 going to have no choice to pay for more air conditioning,

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1076 higher prices this summer. When is the earlier time you
1077 think you can be back and wear that suit for us?

1078 *Mr. Regan. [Laughter.] I'll circle with my staff and
1079 see what we can do.

1080 *Mr. Weber. Okay. Secondly, Administrator Regan,
1081 sound chemical management policies are critical to American
1082 innovation and competitive. EPA's approach to chemical
1083 management can have a direct impact on American's ability to
1084 be an innovation leader, whether building in construction,
1085 materials to semiconductors, healthcare and energy
1086 solutions, like EVs, wind turbines, and solar panels.

1087 Last week, EPA issued a proposed TSCA rule, Toxic
1088 Substance Control Act rule, where they announced it was
1089 missing information about economic impacts, and workplace
1090 exposures, and practices, and asked the affected industry,
1091 those industries to submit this information to the EPA. I'm
1092 also told that the EPA proposal did not take into account
1093 supply chain disruptions and whether risk management action
1094 could adversely affect critical infrastructure, IRA
1095 investments, and national security objectives, something I
1096 think -- would hope this Administration would care about.

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1097 Public comment rule period has been set for 60 days.
1098 EPA has said it will apply -- use its applied similar
1099 regulatory practices for this chemical analysis despite
1100 critical data missing and sloppy scientific and regulatory
1101 impact analysis in future TSCA, or Toxic Substance Control
1102 Act, cases. Will you commit now to extending the comment
1103 period past this 60 days so that those same stakeholders are
1104 capable of collecting and providing EPA's request for
1105 information and to enable the agency to conduct the
1106 necessary comprehensive review of supply chain and
1107 infrastructure impacts?

1108 *Mr. Regan. Well, let me say that I don't think that
1109 we have proposed a rule that is incomplete. There may have
1110 been a request for additional information during the comment
1111 period, but I don't believe we proposed an insufficient
1112 rule. I will tell you, though, that because of the historic
1113 investments that we've seen, whether it be CHIPS and Science
1114 Act or IRA, we're taking all of this stuff into
1115 consideration. It absolutely is on my mind that we would
1116 propose something that would disrupt our pursuit of
1117 semiconductor or domestic manufactures.

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1118 *Mr. Weber. So you can get back to us on that?

1119 *Mr. Regan. Sure, I will. Absolutely.

1120 *Mr. Weber. My time's up. Thank you, Mr.

1121 Administrator. Thank you, Mr. Chairman.

1122 *Mr. Johnson. The gentleman's time is expired. The

1123 chair now recognizes the gentlelady from Illinois, Ms.

1124 Schakowsky, for five minutes.

1125 *Ms. Schakowsky. Thank you, Mr. Chairman. And I thank

1126 you so much, Administrator Regan. I appreciate the work

1127 that you've done. I also wanted to give a little shout out

1128 to our regional administrator, Deb Shore, who I think has

1129 done a great job for the whole region. I'm from the City of

1130 Chicago, but the work that she did with the railroad crisis

1131 I think has been really exemplary.

1132 So I want to -- I have a particular thank you for you.

1133 Illinois is number two in the country when it comes to lead

1134 service lines, and I really appreciate the fact that you

1135 have done -- completed the review of the drinking water

1136 infrastructure needs survey. And as a consequence of that,

1137 Illinois is getting more money than we had originally been

1138 allocated, and that means so much. Chicago alone has over

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1139 400,000 lines that need to be replaced. So I want to thank
1140 you for that.

1141 I also just wanted to note that the International Panel
1142 on Climate Change put out such a dramatic warning to all of
1143 us, and I think all of our colleagues have to acknowledge
1144 that we are on the verge if we don't take urgent action,
1145 immediate action right now that we'll be unable to avoid
1146 some of the worst effects of climate change right now.

1147 So I am concerned right now that what we are seeing is
1148 that Republican colleagues of mine have decided that there
1149 ought to be the repeal of the infrastructure reduction --
1150 the -- I'm sorry, the -- what is it -- anyway. We're
1151 talking about problems of the reversal of bills that we have
1152 passed, and I am very concerned. I wanted to ask you about
1153 that.

1154 Yes, the infrastructure reduction -- the Inflation
1155 Reduction Act, would, if they had their way, include taking
1156 away the inclusion of the Methane Emissions Reduction Act
1157 and also the Greenhouse Gas Reduction Act. And I want to
1158 ask you what is the consequence to not only the EPA but to
1159 our constituents, and their healthcare, and their jobs if

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1160 those bills were repealed?

1161 *Mr. Regan. Well, I think there -- we're working
1162 extremely hard on developing the framework for the 1.5
1163 billion dollars for the methane program. I think the
1164 industry has indicated that they want those resources to
1165 help with mitigation, to help with technical assistance.
1166 And so we're working very hard. That 1.5 billion dollars is
1167 very important to the industry.

1168 I think when you look at the greenhouse gas reduction
1169 fund, 27 billion dollars that we are working with
1170 independent organizations to partner with the private sector
1171 to leverage those resources to invest in advanced
1172 technologies, especially those that will grow jobs, create
1173 an economy, but also grow jobs locally. There's a
1174 tremendous opportunity there.

1175 So these are economic and technology opportunities just
1176 as importantly as they are human health opportunities as
1177 well. It would be a major setback, and I think that
1178 industry and many of our stakeholders fought aggressively to
1179 get those provisions into the IRA, and it would be a shame
1180 to see that taken out.

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1181 *Ms. Schakowsky. Do you have an estimate of how many
1182 jobs actually could be lost if these programs didn't move
1183 forward?

1184 *Mr. Regan. I'll circle back and have my team give you
1185 sort of a breakdown of what we estimate the job impact
1186 potential could be. We know that there -- it's significant,
1187 especially when we think about being competitive in the 21st
1188 Century. It's really significant.

1189 *Ms. Schakowsky. Let me just also say how concerned I
1190 am if there actually were a great reduction back to a couple
1191 years ago of funding for the EPA, what it would mean for our
1192 ability to save these programs, and additionally, to save
1193 our planet. So thank you very much for the work that you
1194 do, I appreciate you.

1195 *Mr. Regan. Thank you.

1196 *Mr. Johnson. The gentlelady yields back. The chair
1197 now recognizes the chair of the full committee, Ms. Rodgers,
1198 for five minutes.

1199 *The Chair. Thank you, Mr. Chairman. The EPA's
1200 vehicle emissions proposal is really seeking to transform
1201 the domestic auto market so that two-thirds of the new

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1202 vehicle sales of -- will be battery electric vehicles in
1203 less than 10 years, by 2032, two-thirds, without regard to
1204 what people want, whether the infrastructure charging
1205 exists, and still being dependent upon continued subsidies.

1206 Now, Mr. Administrator, you may argue that these rules
1207 don't set any kind of -- don't ban any kind of cars, they
1208 only set a technology standard. But the way that they are
1209 written, it is a de facto ban on vehicles that aren't
1210 battery electric vehicles. Hybrids won't qualify. Plug-in
1211 hybrids won't qualify. Hydrogen, propane, and certainly the
1212 internal combustion engine won't qualify, regardless of what
1213 people want.

1214 Now, on affordability, the average price of an EV, a
1215 battery electric vehicle is \$65,291, which is more than
1216 17,000 than the average price of current cars. Mr.
1217 Administrator, the raw materials required to build one
1218 battery electric vehicle could instead be used to build 90
1219 hybrids. The overall carbon reduction of those 90 hybrids
1220 over their lifetime is 37 times as much as one battery
1221 electric vehicle.

1222 So my question is why did EPA propose a tailpipe

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1223 emission standard that phases out the environmental
1224 improvements and practical benefits offered by hybrids?

1225 *Mr. Regan. Well, thank you for the question. And I
1226 just don't believe that that's the case. I think the
1227 proposed rule, which is out for discussion, has a range of
1228 53 to 67 percent of vehicles sold by the year 2032. We're
1229 talking about way out to 2032. And so I just don't believe
1230 that there is a dire choice here.

1231 We are also promoting advanced biofuels, biofuels, and
1232 biofuel infrastructure as well, so I just don't quite see it
1233 --

1234 *The Chair. Thank you. Reclaiming my time. I'll just
1235 say I would -- I guess you'll hear during the comment
1236 period, but there are grave concerns about the way this rule
1237 is written and the impact that it's going to have, decisions
1238 that will have to be made today in order to, you know, get
1239 us to this mandate by the Biden Administration of two-thirds
1240 of new car sales being battery electric only by 2023 (sic).

1241 So the proposed tailpipe emissions standard is driving
1242 us further towards China dependence. China controls 50 to
1243 70 percent of the global lithium and cobalt. Can you tell

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1244 me how much new lithium and other mineral processings will
1245 be required in the United States to meet this new
1246 requirement under the tailpipe emissions proposal?

1247 *Mr. Regan. And I think you mentioned 2023, but
1248 actually we're looking at 2032.

1249 *The Chair. 2030 -- I'm sorry, yes. Thank you.

1250 *Mr. Regan. Okay. Yes.

1251 *The Chair. 2032. I got my numbers flipped. Yes.

1252 *Mr. Regan. I think that's important --

1253 *The Chair. Yes.

1254 *Mr. Regan. -- because we -- in this proposal, we're
1255 soliciting comments because we have a --

1256 *The Chair. Yes.

1257 *Mr. Regan. -- a buildout time.

1258 *The Chair. So how much lithium and other material
1259 processing will we need by 2032?

1260 *Mr. Regan. Well, I think we need more, right? And I
1261 think --

1262 *The Chair. Okay. How much -- how many lithium mines
1263 do we have today in the United States?

1264 *Mr. Regan. I'm not quite sure.

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1265 *The Chair. How many lithium processing?

1266 *Mr. Regan. I'm not quite sure.

1267 *The Chair. Well, my understanding is zero. It all
1268 has to go to China, and then it comes back to us. We have
1269 one lithium mine. And as you know, the permitting is such
1270 in America that it's going to be at least 10 years to get
1271 any new mines permitted. It is a dangerous -- it's a
1272 dangerously dependent policy that's going to put us
1273 dangerously dependent upon China.

1274 Okay, I'm running out of time here. I wanted to get to
1275 the new human health water quality criteria for Washington
1276 State, and I wrote you a letter, EPA's standards for PCBs at
1277 seven parts per quadrillion, seven PPQs for the State of
1278 Washington. It's unattainable with the current
1279 technologies, it's undetectable with current EPA-approved
1280 test methods. Is EPA's human health water quality criteria
1281 that is unmeasurable, unattainable with current technology
1282 consistent, that it be based on sound science?

1283 *Mr. Regan. Yes, absolutely based on sound science.
1284 And thank you for the meeting yesterday.

1285 *The Chair. Mm-hmm.

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1286 *Mr. Regan. I still believe and maintain that that
1287 permit is not in jeopardy. I think there may be some
1288 discrepancies between the State of Washington and the EPA on
1289 those requirements.

1290 *The Chair. So the -- so -- okay, thank you. So does
1291 EPA support states, like the State of Washington right now,
1292 using a non-EPA approved method for detecting PCBs to
1293 determine whether permit holders are compliant with federal
1294 standards?

1295 *Mr. Regan. I can tell you as a former state regulator
1296 that states have certain autonomy under the law, that they
1297 can go further than the federal government.

1298 *The Chair. So they're using a non-approved EPA
1299 technology. Anyway, I'm also very concerned about 151
1300 separate rulemakings. Have you done any work on whether or
1301 not this agenda is actually focused on -- can you track how
1302 the nation's environmental quality has improved over the
1303 last 10 years?

1304 Okay. Maybe I'm going to have to follow up with a
1305 letter. Ran out of time. I guess my point is I hope that
1306 we're looking at actually the impact, the results of these

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1307 regulations not just issuing 151 new regulations for lord
1308 knows what purpose. Okay.

1309 *Mr. Regan. And if I might, all 151 aren't new and
1310 many of them are court-ordered. As you know, from various
1311 administrations, these things carry over, so I would like to
1312 continue that conversation.

1313 *Mr. Johnson. As you've heard yet again, Mr.
1314 Administrator, we're looking for a balance. Protect the
1315 environment but ensure the safety security, the energy
1316 security, the economic freedom of the American people.
1317 That's what we're looking.

1318 The gentlelady, her time is expired. The chair now
1319 recognizes the ranking member of the full committee, the
1320 gentleman from New Jersey, Mr. Pallone, for five minutes.

1321 *Mr. Pallone. Thank you, Mr. Chairman.

1322 I wanted to ask the Administrator about the Superfund
1323 program which is so important to my home state of New
1324 Jersey. But again, by way of background, because I hear
1325 what the Republicans are saying, look, nobody likes
1326 regulation, nobody likes taxes. But part of the reason why
1327 we have a Superfund is because there wasn't proper

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1328 regulation years ago and companies did whatever they wanted
1329 and threw agent orange and all kinds of pollutants on the
1330 ground and in the water, and so we've got to clean it up.

1331 And that takes money, and that's one of the reasons
1332 that I was in favor of reinstating the Superfund tax, which
1333 lapsed in 1995, and worked to reinstate this, what I call
1334 polluter pays tax ever since, because I don't think
1335 taxpayers should have to foot the bill to clean up these
1336 toxic waste sites. That responsibility should fall to the
1337 polluters who created the problem in the first place.

1338 And so, thankfully, we reinstated the tax -- the
1339 Superfund tax last Congress through a combination of the
1340 Bipartisan Infrastructure Law and the Inflation Reduction
1341 Act. So I wanted to ask you, how has the dedicated funding
1342 stream created by the Superfund tax reinstatement helped to
1343 speed up or increase the number of clean ups started by the
1344 EPA?

1345 *Mr. Regan. Well, thank you so much, Congressman
1346 Pallone, for your support of Superfund and the Superfund
1347 tax. We've seen an exponential increase in speed. In some
1348 communities, we've seen calendars move forward by a year.

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1349 In 2022, we obligated about one billion dollars in bill
1350 funding at 116 Superfund sites. And, you know, we're using
1351 that bill funding to clear the backlog of 49 sites that were
1352 previously unfunded and did not have any construction
1353 occurring, so this is a significant shot in the arm in
1354 communities all across the country who are living in these
1355 blighted areas.

1356 *Mr. Pallone. Well, thanks. Now the funds provided by
1357 the tax obviously have -- are helpful, but they do not cover
1358 every need of the Superfund program, so to that end, the
1359 budget requested an additional 355 million dollars. So
1360 could you talk about those additional funds and why they are
1361 critical for the Superfund program?

1362 *Mr. Regan. They're very critical. You know, we're
1363 grateful for the leadership, the Bipartisan Infrastructure
1364 Law and the billions of dollars from bill, but there's a
1365 gap. There's a deficit for a lot of communities, and you
1366 and I have been to some of these communities, and you
1367 understand that the impact on these communities is not only
1368 a health impact but there's an economic impact, there's a
1369 psychological impact from living close to these blighted

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1370 sites. And so this 355 million dollars is really going to
1371 help communities all across the country.

1372 *Mr. Pallone. Well, thanks. Now the administration
1373 has also put a spotlight on environmental justice through
1374 its Justice40 Initiative, and that was championed by my late
1375 friend and colleague from this committee, Representative
1376 McEachin. So can you tell us -- share how the Superfund and
1377 Brownfields programs factor into Justice40 and how the
1378 budget furthers the Administration's Justice40 Initiative
1379 more broadly.

1380 *Mr. Regan. Well, you know, fortunately or
1381 unfortunately, the majority of these Brownfield sites and
1382 Superfund sites are in low-income communities and
1383 communities of color, and your tribal communities. And so,
1384 as we've allocated this funding towards those who need it
1385 the most, we have met and exceeded the Justice40 Initiative,
1386 which is at least 40 percent of these federal dollars be
1387 invested in communities, and you see the benefits in those
1388 communities.

1389 We're very proud. In the first year of the Superfund
1390 program, I believe we were in the high 60 percent of those

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1391 resources were going to underserved communities. And again,
1392 that's low income and communities of color. This is very
1393 important. It's very important that we have that Justice40
1394 floor, but in many instances, our programs far exceed that.

1395 *Mr. Pallone. And I appreciate, you know -- I think
1396 it's important that we talk about not just Superfund but
1397 Brownfields, right, because there are so many more
1398 Brownfield sites than there are Superfund sites, and
1399 although they may not be as dangerous because they're not on
1400 the national priority list, they're not as toxic per se,
1401 there are many of them. And so I do think that we need
1402 funding to help clean those up, it can't just be borne by
1403 the state, otherwise it's not going to happen.

1404 But again, I'll just conclude by this, Mr. Chairman,
1405 which is, you know, the budget cuts and rollbacks that are
1406 included in the Default on America Act, you know, the one
1407 that the Republicans passed just before the last break, you
1408 know, to address in their minds the deficit, is -- it's
1409 really going to hurt a lot of this cleanup and the funding
1410 cuts will really make it much harder for you to meet your
1411 health and safety goals.

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1412 So I understand that they're -- they've expressed
1413 concern about how you're going about things, but the bottom
1414 line is if you have a lot of cuts from their default act,
1415 you're not going to be able to do a lot of the things that
1416 are important for people's public and health and safety. So
1417 thank you.

1418 Thank you, Mr. Chairman.

1419 *Mr. Johnson. The gentleman's time has expired. The
1420 chair now recognizes the gentleman from Georgia, Mr. Carter,
1421 for five minutes.

1422 *Mr. Carter. Administrator Regan, thank you for being
1423 here, I appreciate your presence here. I appreciate your
1424 presence in my district at the Georgia Ports last week. I'm
1425 sorry that I wasn't invited, but my staff found about it the
1426 night before, and they were able to get there, so I
1427 appreciate them being there. But thank you for being there.
1428 You saw what an economic engine the Georgia Ports are to --
1429 not to only our area in the southeast part of Georgia and to
1430 our state but the entire Southeast United States, and the
1431 impact reaches all the way up into the Ohio Valley.

1432 So that's one of the reasons that I'm so concerned

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1433 because we've had a lot of growth and prosperity that's come
1434 to our district, and I'm concerned about some of these new
1435 rules that -- and regulations that are being pushed by the
1436 Administration. I don't want to see that deterred. I don't
1437 want to see that growth and prosperity deterred. No one
1438 cares more about clean air than I do, and I say that
1439 sincerely.

1440 Where you were at is about two miles from where I grew
1441 up. I grew up right down the river from where you were at
1442 last week and, you know, I would have people when I was in
1443 college come home and visit with me, and they'd -- we had so
1444 many paper mills they'd say, what's that smell, and I said
1445 that smell's money. That's what it is, and that's what it
1446 was to us. The smell of a paper mill was money, and it put
1447 bread -- milk and bread on our tables.

1448 I worked in the paper mill. My dad worked in it for
1449 33-and-a-half years, and it was important. Just as these
1450 things that you saw this past week are important to our
1451 economy.

1452 And that's why I'm just concerned about the impact this
1453 is going to have, particularly the particulate matter rule

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1454 where the new air quality standards are -- that you're
1455 proposing for PM2.5 for particulate matter particles that
1456 measure two-and-a-half micrometers or less in diameter.
1457 Even the EPA says that the United States has some of the
1458 cleanest air in the world, that we have done a good job. I
1459 believe there's a chart on your website that shows alongside
1460 the dramatic economic growth and even vehicle miles
1461 traveled, even through that, we've been able to accomplish
1462 some of the cleanest air in the world.

1463 And that's why, again, I'm just concerned about these
1464 proposed standards and proposed changes. You know, there
1465 have been some questions about the rulemaking process, and
1466 I'm concerned about the rulemaking process, too. But I want
1467 to mention that in 2001 President Obama withdrew an EPA
1468 proposal to reconsider ozone standards citing, and I quote
1469 in his words, "The importance of reducing regulatory burdens
1470 and regulatory uncertainty, particularly as our economy
1471 continues to recover."

1472 Looking at the proposals and -- do you recognize, as
1473 President Obama did, that the President -- that EPA can
1474 consider regulatory costs and burdens when deciding whether

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1475 to move forward with the discretionary air quality control
1476 reconsideration?

1477 *Mr. Regan. Absolutely. I think that we absolutely do
1478 a cost benefit analysis for all of these rules, and PM2.5
1479 and ozone are obviously different regulations here. But
1480 this one that we've proposed, and we're still having a
1481 conversation, we proposed it, we're taking comment, would
1482 avoid about 4,300 premature deaths and get a lot of lost
1483 work days. And we believe the technology exists to do this.
1484 So there is a cost --

1485 *Mr. Carter. But aren't you concerned, I mean, you
1486 know, we got inflation, we've got -- and you -- again, you
1487 were there last week, you saw our economy is buzzing down
1488 there. We're doing great. And I don't want that to be
1489 deterred at all, and I'm concerned that this is going to do
1490 it.

1491 *Mr. Regan. Well, and that's -- I was there at the
1492 Port of Georgia for a reason which is that port is
1493 demonstrating that they are well-positioned for a
1494 significant chunk of that four billion dollars that we
1495 announced from the Inflation Reduction Act. Those types of

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1496 announcements that we're making to use those resources will
1497 help ports and communities all across the country comply
1498 with these regulations.

1499 The goal is to have our regulations be complementary of
1500 the resources that we're getting with these technologies.

1501 *Mr. Carter. Well, and I admire that goal, but let's
1502 please make sure that we don't inadvertently or unwittingly
1503 do just the opposite and deter growth.

1504 I want to get real quickly to Brownfields because I've
1505 got quite a few Brownfields in my district, particularly in
1506 the southernmost part of my district in Glynn County. You
1507 mentioned the Justice40 requirements. Can you tell me about
1508 those? How are the conditioning grants based on Justice40
1509 requirements?

1510 *Mr. Regan. Well, and based on the money from bill, 40
1511 percent of the benefits that result from the Bipartisan
1512 Infrastructure Law must go into communities that have been
1513 described as disadvantaged, or disproportionately impacted,
1514 or low income, and 40 percent of the resources that come
1515 from the federal government will prioritize those
1516 disadvantaged communities.

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1517 *Mr. Carter. We've got a real concern with
1518 Brownfields. We -- and this has been going on so long, I
1519 get so frustrated. These Brownfields that I'm talking about
1520 in my district have been on the books for over 20 years, two
1521 decades.

1522 I'm going to follow up with some questions. I'm out of
1523 time, but thank you very much again for being here, and
1524 thank you again for visiting the district.

1525 *Mr. Regan. Absolutely.

1526 *Mr. Johnson. The gentleman's time has expired. The
1527 chair now recognizes the gentleman from California, Mr.
1528 Ruiz, for five minutes.

1529 *Mr. Ruiz. Thank you, Mr. Chairman.

1530 Right now we have the opportunity to protect our
1531 environment, safeguard our public health, and strengthen our
1532 national security with clean energy from critical minerals
1533 found right here in the United States, like in the Lithium
1534 Valley and the Imperial Valley at the Salton Sea region in
1535 my district. By filtering out critical minerals from
1536 closed-loop geothermal brine such as lithium, cobalt, and
1537 nickel, we can reduce the need for mining.

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1538 Mitigating our use of mining can help preserve our
1539 natural ecosystems because it would lessen land degradation
1540 and water and air pollution. And as we know, lithium is
1541 important for battery manufacturing. We will need batteries
1542 for our clean energy future.

1543 But while we increase production of batteries for clean
1544 energy technologies in our consumer products, we also need
1545 to make sure that we are properly and responsibly disposing
1546 of them and not creating pollution down the road, especially
1547 in -- and creating frontline environmental injustice
1548 communities, okay.

1549 As the demand for lithium mined batteries continue to
1550 grow, we must implement policies that promote circularity to
1551 ensure that we are getting the most of our natural resources
1552 and are protecting public health and the environment in the
1553 process. In addition to optimizing recovery of critical
1554 minerals like lithium, the proper disposal of batteries can
1555 decrease the chances of them potentially releasing hazardous
1556 substances into the environment or bursting into flames when
1557 mixed with other toxic chemicals at landfills.

1558 By reducing these environmental and safety impacts, we

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1559 can also keep the public healthier. Improperly disposed of
1560 batteries can end up in landfills that have the potential to
1561 release toxic chemicals into the environment. These toxic
1562 chemicals don't just affect our soil and water but also
1563 affect the air quality of communities nearby. We often see
1564 this in lower economic communities where batteries and other
1565 toxic materials are more likely to be dumped improperly.

1566 Communities like my own in California's 25th District,
1567 improving how we manage our discarded batteries is an
1568 important component of strengthening our circular or the
1569 reduce, reuse, and recycle economy. We need to ensure that
1570 we are focusing on solutions that maximize the value of
1571 recovered materials while protecting public health, worker
1572 safety, and the environment.

1573 Last Congress, my colleagues and I took action on this
1574 important issue through the Infrastructure Investment and
1575 Jobs Act which allocated 50 million dollars for EPA to
1576 develop a voluntarily battery labeling guidelines and 10
1577 million dollars to develop best practices for battery
1578 collection. I'm glad to see that the EPA has made progress
1579 on these guidelines and best practices and look forward to

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1580 the positive outcomes that will result from these efforts.

1581 So, Administrator Regan, can you please speak to the
1582 public health and environmental benefits of investing in
1583 this circular economy for batteries?

1584 *Mr. Regan. Well, thank you for the question, and I do
1585 want to thank you -- before I answer, thank you for your
1586 leadership on the Oasis Mobile Home Park. We really
1587 appreciate your leadership on that very important topic.

1588 Absolutely. When I travel the country and travel the
1589 world, the issue that young people talk about the most is
1590 recycling, and a lot of it is focused on battery recycling.
1591 I'll also tell you that the private sector is laser-focused
1592 on battery recycling. Thank you for the resources in the
1593 Bipartisan Infrastructure Law to focus specifically on
1594 battery recycling.

1595 *Mr. Ruiz. So how do you think the voluntary labeling
1596 guidelines will help promote a circular and sustainable
1597 battery supply?

1598 *Mr. Regan. Well, it just makes the process easier.
1599 If you have the labeling done, and if you have a priority on
1600 these products, then it's easier to gain access to, you can

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1601 understand and quantify the amount, and then you can build a
1602 market around it. And that's what so many of our private
1603 sector friends want to do. They don't want to use the
1604 energy to really go mine again if they can recycle,
1605 preserve, and use that solar panel again or use that battery
1606 again.

1607 *Mr. Ruiz. Yeah.

1608 *Mr. Regan. We're seeing that interest from the
1609 private sector.

1610 *Mr. Ruiz. So thank you for answering my call to have
1611 EPA coordinate and focus with the different agencies in my
1612 district around the Oasis Mobile Home Park. I believe with
1613 our leadership, we can really make the significant
1614 difference as needed to improve clean drinking water so that
1615 our farm workers don't have to drink arsenic at toxic levels
1616 in their dilapidated water systems.

1617 But I also am putting a call out for the EPA to be
1618 forward thinking and helping us mitigate or prevent creating
1619 new environmental justice frontline communities with these
1620 batteries that we're planning to manufacture in the district
1621 as well as around the country. So I'd like to work with you

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1622 on helping to develop guidelines to -- in the recycling and
1623 disposal of batteries to prevent another environmental
1624 injustice.

1625 *Mr. Regan. Absolutely.

1626 *Mr. Ruiz. Thank you.

1627 *Mr. Regan. Absolutely.

1628 *Mr. Johnson. The gentleman yields back. The chair
1629 now recognizes the gentleman from Georgia, Mr. Allen, for
1630 five minutes.

1631 *Mr. Allen. Thank you, Mr. Chairman. And this is a
1632 very important hearing this morning. I want to thank
1633 Administrator Regan for coming before our subcommittee.

1634 You know, we talked about what folks are asking us or
1635 what folks are concerned about back home. You know,
1636 obviously our folks are concerned about inflation, the
1637 ability to, you know, meet the family budget, and obviously
1638 our future economic prosperity. They just don't see -- I
1639 mean, it looks pretty grim out there, to be honest with you.

1640 And then, of course, from a national defense
1641 standpoint, our adversaries are there as well, and then we
1642 compete in a world economic -- it's a competition, and we

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1643 have to -- and, you know, we have to stay on top to maintain
1644 our status in the world.

1645 Unfortunately, your budget is filled with a lot of
1646 burdensome regulations that will harm manufacturers and will
1647 increase energy prices for Americans, and that's something
1648 that, like I said, is a real problem right now in this
1649 country.

1650 I have a lot I want to cover, but I'd first like to
1651 mention that you could put me and my constituents on the
1652 list of those folks that are very unhappy with your WOTUS
1653 rule, and I know we're not alone.

1654 I next want to discuss an issue that has greatly
1655 impacted my district, and that is the chlorpyrifos. I
1656 represent a district where the number one industry is
1657 agriculture. I want to take you back to a conversation you
1658 had at a prior hearing for chlorpyrifos.

1659 Were you aware that your agency on June 24th was
1660 exchanging offers and closing in on an agreement with the
1661 industry on 11 uses for this agrichemical, but then within
1662 one week EPA faced lobbying from ENGOS cozy with this
1663 Administration and New York's attorney general resulting in

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1664 EPA going a different direction?

1665 *Mr. Regan. I'm not --

1666 *Mr. Allen. You're not aware of that?

1667 *Mr. Regan. No, I don't -- I'm not familiar.

1668 *Mr. Allen. You testified that you did not appeal the
1669 court's decision on the 11 uses. Was this because United
1670 States government uniformly believed these uses were unsafe?

1671 *Mr. Regan. I think the Ninth Circuit had spoken up
1672 and had indicated they were frustrated with the pace of the
1673 agency. We took a look at the law and what the Ninth
1674 Circuit had required, and I think that is the result of the
1675 proposal that we put out.

1676 *Mr. Allen. You also testified that the court was
1677 clear with you that it was frustrated; however, an appeal
1678 would be before a new slate of judges. Did you have
1679 information that those judges were also frustrated with this
1680 issue?

1681 *Mr. Regan. I don't have any information on judges.

1682 *Mr. Allen. If a future judicial action remains (sic)
1683 this decision to EPA, can we expect a different outcome?

1684 *Mr. Regan. You know, if it is remanded back to the

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1685 agency, we'll look at the direction that the court has given
1686 us, and we'll try to govern ourselves accordingly.

1687 *Mr. Allen. Let's move on to another topic of concern,
1688 as you're aware, that manufacturers, utilities, and other
1689 pay -- others pay attention to potential future regulatory
1690 costs and compliance costs when making long-term decisions
1691 to maintain or expand operations. And the more EPA signals
1692 and outlines what its plans for regulations, owners of
1693 facilities take that into account. Would you agree?

1694 *Mr. Regan. Yes.

1695 *Mr. Allen. So this coming Thursday, it's been
1696 reported, you will be proposing new emissions regulations on
1697 electric generation, and this follows a number of costly EPA
1698 regulatory actions on the electric sector. We know from
1699 experience that some of these rules will never be
1700 implemented, but that's not the problem. The problem is EPA
1701 appears to be pursuing a strategy to send as many signals as
1702 possible that future costs are going to increase, and so
1703 owners and investors will decide to shut generation
1704 permanently.

1705 Administrator Regan, is that an appropriate strategy

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1706 for the EPA to pursue?

1707 *Mr. Regan. It's the not strategy at all. I think
1708 I've been engaging with the utility CEOs and the power
1709 sector for close to two years now. They've asked us for
1710 some regulatory certainty. They asked us to be responsible
1711 in terms of looking at that regulation and how it coincides
1712 with the *West Virginia* case --

1713 *Mr. Allen. Well, you said you all do cost benefit
1714 studies so --

1715 *Mr. Regan. We do cost benefit analysis with every
1716 rule.

1717 *Mr. Allen. Okay. So if the cost goes up, then you --
1718 I mean, you say -- what's the benefit?

1719 *Mr. Regan. Well, we look at the benefits not only to
1720 the economy but to public health. We look at the benefits
1721 to lost work days, lost school days, premature deaths, loss
1722 of life. So there's a complicated scenario that we put this
1723 cost benefit analysis together. And we'd be happy to brief
1724 your team on how we arrived at that.

1725 *Mr. Allen. Well, the last thing we need is to have
1726 more burdensome regulations that will add to rising energy

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1727 prices. And I thank you for being here today, and I yield
1728 back.

1729 *Mr. Regan. Thank you.

1730 *Mr. Johnson. The gentleman yields back. The chair
1731 now recognizes the gentlelady from New York, Ms. Clarke, for
1732 five minutes.

1733 *Ms. Clarke. Thank you, Chair Johnson and Ranking
1734 Member Tonko, for holding today's hearing. And I'd also
1735 like to thank Administer -- Administrator Regan for being
1736 here to testify this morning.

1737 I commend your leadership in ensuring environmental
1738 justice, combatting climate change, and protecting public
1739 health, which are clearly top priorities for the EPA. As
1740 you are well aware, air pollution from diesel-fueled trucks
1741 places an equal burden on communities of color. Exposure to
1742 air pollution like particulate matter and nitrogen oxide is
1743 linked to a whole laundry list of health problems including
1744 asthma, heart disease, and stroke.

1745 The failure of our government to secure clean air for
1746 our communities leads to thousands of preventable premature
1747 deaths each year. The last time you were before this

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1748 committee, I asked about administration's clean trucks plan
1749 which set emissions standards by heavy-duty vehicles
1750 starting in model year 2027. Now that the clean trucks rule
1751 has been finalized, do you have any estimate of how many
1752 deaths will be prevented because of the new emissions
1753 standard?

1754 *Mr. Regan. Well, I -- we definitely have that number.
1755 I will be sure to have my staff get that number to you for
1756 those years, 2027 and beyond for those heavy-duty vehicles.

1757 *Ms. Clarke. Wonderful. Multiple programs like DERA
1758 and newly created Clean School Bus program focus on removing
1759 dirty diesel vehicles from our roads but don't specifically
1760 prioritize electrification of other sources of emissions in
1761 the transportation sector like refrigeration units on trucks
1762 or port equipment. I was glad to see the EPA recently
1763 released RFIs for the Clean Heavy-Duty Vehicles and Clean
1764 Ports programs created under the Inflation Reduction Act
1765 which will help speed emissions reductions in this space.

1766 However, I wanted to ask about another provision in the
1767 IRA related to reducing diesel emissions. I work with my
1768 colleagues on this committee to ensure the law included 60

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1769 million dollars for reducing diesel emissions for good
1770 movement in low-income and disadvantaged communities. This
1771 provision was drafted with the express intent to ensure the
1772 eligible uses included the electrification of equipment
1773 outside of the vehicle's engine itself like the
1774 electrification of truck's refrigeration units or eTRUs.

1775 What is the status of implementation of the Section
1776 60104 Good Movement program, and how is the EPA considering
1777 eTRUs with regard to reducing diesel emissions in
1778 communities that are disproportionately impacted by these
1779 types of emissions?

1780 *Mr. Regan. Well, thank you for that question, and
1781 thank you for your leadership on this topic. Because of the
1782 conversations we've had, we've made it a priority. Just
1783 last fall, we issued a tool that specifically tracks
1784 emissions from these transportation refrigeration units.
1785 We're building a repository so that we can understand where
1786 they are, what the impact is. And we're actually trying to
1787 marriage -- marry that tool to these TCTAC grants or these
1788 EJ grants so that communities can apply for those grants and
1789 address some of these issues quicker than probably the

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1790 federal government can.

1791 *Ms. Clarke. As a matter of fact, I'm pleased to see
1792 the agency's recent announcement of the Environmental
1793 Justice TCTAC Program which will build capacity and remove
1794 barriers for environmental justice communities to navigate
1795 federal grant programs. How does the agency's budget
1796 request support the critical work of these centers and
1797 connect the agency's broader goals of prioritizing
1798 environmental justice?

1799 *Mr. Regan. You know, it's a significant priority for
1800 us, and we don't pretend that the federal government has all
1801 the answers. So whether you're in New York or McDowell
1802 County, West Virginia, these TCTACs will work with local
1803 groups -- local grassroots organizations who know their
1804 communities best, and we will provide technical assistance
1805 to these communities so that they are prepared and armed
1806 with grant writers and the understanding of the
1807 accountability for these federal grants, and be positioned
1808 for the over three billion dollars in Environmental Justice
1809 and Climate Justice grants provided by the Inflation
1810 Reduction Act.

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1811 *Ms. Clarke. Well, Administrator Regan, I want to
1812 thank you for your diligence and your hard work, your
1813 commitment to clean air, to cleaning up our environment.

1814 And with that, Mr. Chairman, I yield back.

1815 *Mr. Palmer. [Presiding.] I thank the gentlelady. I
1816 now recognize myself for five minutes for questions.

1817 Administrator Regan, there appears to be a trend where
1818 the EPA is denying an increasing number of small refinery
1819 exemptions to the renewable fuel standard. The GAO put out
1820 a report that found that the EPA has not analyzed the
1821 accuracy of its assumptions that small refineries do not
1822 experience disproportionate economic hardship from the
1823 renewable fuel standards. And GAO's analysis found that
1824 small refineries have paid on average for compliance credits
1825 that are higher than the large refineries.

1826 And what I want to know is why has the EPA not analyzed
1827 the accuracy of the assumptions used to deny the small
1828 refinery exemptions?

1829 *Mr. Regan. We have. We have analyzed those and, you
1830 know, most of our -- or all of those recent denials are in
1831 response to the ruling that the Tenth Circuit gave. We had

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1832 to prove the SREs as an agency in previous years. The
1833 courts ruled against that understanding.

1834 *Mr. Palmer. Well, are you saying that you're basing
1835 your rulings on the Tenth Circuit Court or based on your
1836 analysis that -- are you saying that they're not paying
1837 more?

1838 *Mr. Regan. We've updated our analysis based on the
1839 losses that we've faced in court to be sure that we are on
1840 the right side of the law.

1841 *Mr. Palmer. But are they paying more -- are the small
1842 refineries having to pay more?

1843 *Mr. Regan. Well, I think the question is how we
1844 define the economic benefit.

1845 *Mr. Palmer. No, I'm asking the question. The
1846 question is pretty simple. Are the refineries being forced
1847 to pay more?

1848 *Mr. Regan. As the EPA administrator, I'm only allowed
1849 to consider the economic disproportionate impact, not just
1850 to the refiner but to the state and to a number of entities,
1851 so that's outside of our jurisdiction just to make a
1852 decision --

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1853 *Mr. Palmer. So what you're telling me is is that
1854 you're admitting that the small refineries are being
1855 disproportionately impacted by your decisions on the
1856 renewable fuel span -- standards --

1857 *Mr. Regan. I don't have the authority just to
1858 consider -- I guess what I'm saying is I don't have the
1859 authority just to consider the question you're asking which
1860 is are the refineries being disproportionately impacted
1861 solely. That's not the way the SRE program works.

1862 *Mr. Palmer. Well -- but you do have the authority to
1863 report accurately to Congress, whether or not that is the
1864 case, so that Congress, if need be, can take appropriate
1865 action. The GAO also found the EPA's inconsistency in
1866 grating exemptions makes the agency's decisions to appear ad
1867 hoc resulting in market uncertainty that can harm small
1868 refineries and renewable fuel producers.

1869 Under this current Administration, gas prices have
1870 skyrocketed and Americans are definitely feeling the pain.
1871 What has -- why has the EPA contributed to high prices with
1872 its attack on small refineries?

1873 *Mr. Regan. I think the EPA's response is in response

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1874 to the SREs that were given in previous years and the courts
1875 denied those and said that the EPA acted outside of its
1876 legal authority. And so our decisions moving forward are
1877 based on what we believe our legal authority is in concert
1878 with the way and the advice that the courts have given us.

1879 *Mr. Palmer. Well, you know, this is another example
1880 of this Administration, you know, giving favorability to
1881 certain players in the marketplace, and it ultimately harms
1882 the American consumer. And I don't know why your agency
1883 wants to create this market uncertainty for the small
1884 refineries when everything gets passed down to the consumer,
1885 and it shows up in -- you know, I've made this point time
1886 and time again, that energy is the most inflationary
1887 component in the entire economy because everything has an
1888 energy cost, whether it's the gas at the pump, or shows up
1889 on the utility bill, or it shows up at the grocery shelf.

1890 I want to ask you something else. During COVID we sent
1891 a massive amount of money to the Small Business
1892 Administration in the form of the Payroll Protection Plan,
1893 far exceeding their budget, and tasked them in a very short
1894 amount of time to distribute these funds to applicants, and

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1895 it resulted in massive fraud. I mean, unprecedented in the
1896 history of the United States.

1897 Your EPA has about an 11 billion dollar budget, but
1898 you're being tasked with distributing 27 billion dollars
1899 from a green bank slush fund, that's my analysis of it. I
1900 want to know -- and you have to do it by September of next
1901 year. Does the EPA -- what have you done to ensure that
1902 there will be no fraud and no mismanagement of this money,
1903 which is more than double, it's two-and-a-half times your
1904 budget?

1905 *Mr. Regan. Well, the first thing that I've done and
1906 continue to do is meet with my Inspector General, and as we
1907 design the programs that Congress has delegated to us to be
1908 sure that we have all of the backstops and protections in
1909 place to avoid any kind of wasteful spending. I feel really
1910 good that we've done a good job on the Bipartisan
1911 Infrastructure Law. We'll do a great job on the Inflation
1912 Reduction Act.

1913 And I am very well aware that there is a lot of
1914 oversight that is watching everything the agency is doing.
1915 So we're being very careful with these resources.

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1916 *Mr. Palmer. Well, I appreciate that answer. We will
1917 be observing very closely what happens with this money. We
1918 cannot allow ourselves to go through another situation like
1919 we did in COVID where billions and billions of dollars were
1920 fraudulently taken.

1921 I yield back and recognize the -- Mr. Sarbanes for his
1922 questions.

1923 *Mr. Sarbanes. Thanks very much, Mr. Chairman.

1924 Thanks, Administrator Regan, for being here. We
1925 appreciate you. It's a very, very tough job. You're doing
1926 a lot, you're juggling a lot of things, making real
1927 progress, though, for the American people.

1928 As a lifelong Marylander, I'm sure you understand that
1929 I've been a supporter of restoring the Chesapeake Bay which
1930 is the largest estuary in the United States. It's a
1931 national environmental treasure. It's a regional economic
1932 engine. It's been one of my top priorities since I've come
1933 to Congress.

1934 And over time, as the Bay's health has been negatively
1935 impacted by locally-produced nutrient runoff, rising sea
1936 levels due to climate change, the loss of coastal marine

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1937 habitat, and other factors, EPA's Chesapeake Bay Program has
1938 been absolutely critical to facilitating the complex cross-
1939 state effort that is imperative to restoring the Bay. Only
1940 EPA can, in a sense, bring the regional impact to this
1941 effort.

1942 And the Bay program is a unique partnership, as you
1943 know, that brings together the six Chesapeake Bay watershed
1944 states: Maryland, Virginia, Pennsylvania, West Virginia,
1945 Delaware, New York, the District of Columbia, the Chesapeake
1946 Bay Commission, and the federal government. So it's really
1947 all hands on deck.

1948 Each Bay Program partner uses its own resources to
1949 implement Bay restoration and protection activities, while
1950 federal Bay Program funds are used to coordinate the complex
1951 multi-state science, research, modeling, monitoring, data
1952 collection, and other activities that are essential to
1953 support partner's collaboration.

1954 This year, you've requested -- the EPA has requested
1955 92.094 million dollars, a little over 92 million dollars
1956 through its geographic programs for the Chesapeake Bay
1957 Program, an amount equal to last year's enacted levels, and

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1958 I'm pleased to say that, you know, we saw that as a historic
1959 investment last year in the program's critical work. With
1960 these funds, the Bay Program has been able to make
1961 significant strides in meeting the goal of restoring the bay
1962 by 2025. We're not there yet. But those goals are set
1963 forth in the Chesapeake Bay Watershed Agreement.

1964 As we rapidly approach that 2025 deadline, can you
1965 share the progress that the record level of funding which
1966 has been brought to bear has allowed EPA to make on this
1967 goal?

1968 *Mr. Regan. Absolutely. And thank you for your
1969 leadership and support of that funding. We have almost
1970 reversed the decline of oysters, freshwater mussels, and
1971 some aquatic vegetation. You know, wastewater treatment
1972 facilities have been upgraded. And an increasing number of
1973 counties and municipalities have stronger stormwater
1974 programs that are reducing that combined water/sewer
1975 spillover into the bay.

1976 I am very proud to chair the Chesapeake Bay Executive
1977 Council, and have spent some time with the governors of
1978 Virginia, and Maryland, and Pennsylvania. And I think that

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1979 those resources give my staff the capacity to have very
1980 serious conversations about how we meet these goals while
1981 understanding the tough road that the agriculture community
1982 has to follow in order to help us to meet these goals.

1983 And so I think everybody's rowing in the same
1984 direction, and we know that we're protecting the ecosystem,
1985 and an economy, and a way of life. And so those resources
1986 are very precious to us.

1987 *Mr. Sarbanes. Thank you. As I'm sure you're aware,
1988 Republicans have proposed some limits on discretionary
1989 spending that would likely impact the Chesapeake Bay Program
1990 and its ability to support states in their coordinated
1991 effort to meet the 2025 deadline. What challenges to
1992 meeting the shared goal we have of restoring by 2025 still
1993 remain, and how would cuts to the program, the Chesapeake
1994 Bay Program, at this critical juncture, threaten our ability
1995 to sustain the progress that we've already made?

1996 *Mr. Regan. I think -- well, I don't think, I know the
1997 governors of Virginia, and Maryland, and Pennsylvania, and
1998 in some of the other borderline states would say that this
1999 is an all hands on deck approach right now. And, yes, we

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2000 are not going to meet our 2025 deadline as some had hoped a
2001 couple of years ago, but we're redefining what it -- what
2002 success looks like. If we don't get these resources, we
2003 won't be able to have the innovative programs on the ground
2004 to meet these restoration goals, and it will have an impact
2005 on the economy.

2006 *Mr. Sarbanes. I agree with you a hundred percent.
2007 Without the strong and continued investment the EPA has
2008 requested for the Chesapeake Bay Program in fiscal year
2009 2024, the risk is we could jeopardize decades of work in
2010 collaboration towards the Bay's restoration. This is
2011 absolutely not the moment to pull back, it's got to be full
2012 steam ahead, all hands on deck, as you said. This is the
2013 moment to act. We have to provide the resources that are
2014 necessary to achieve the full measure of the Bay's
2015 restoration. So I appreciate very much your testimony here
2016 today.

2017 And I'll just pick up on something you mentioned a
2018 moment ago which is the agricultural runoff. Dimension of
2019 this continues to be a huge challenge. We're in a year also
2020 where we're looking at reauthorizing the farm bill, and I

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2021 think that conversation across agency is going to be very
2022 important to the success of the Chesapeake Bay Program.

2023 Thank you, Administrator. I yield back my time.

2024 *Mr. Johnson. [Presiding.] The gentleman yields back.

2025 The chair now recognizes the gentleman from Ohio, my
2026 colleague from Zanesville, Mr. Balderson, for five minutes.

2027 *Mr. Balderson. Thank you, Mr. Chairman, and thank
2028 you, Mr. Regan, Administrator, for being here today.

2029 We've dabbled a little bit around it with the
2030 automobile piece, but, Administrator Regan, in the EPA's
2031 proposed rule for emissions standards for model years 2027
2032 and later on light and medium-duty vehicles, the EPA claims
2033 the proposal is estimated to increase electric power in use
2034 by EVs by between 0.1 percent in 2028 and 4.2 percent in
2035 2055. The EPA also notes that because U.S. electric power
2036 utilities generally have more capacity to produce
2037 electricity than is consumed, expected increase in electric
2038 power demand attributed to vehicle electrification is not
2039 expected to adversely affect grid reliability.

2040 However, NERC's most recent long-term assessment noted,
2041 government policies for the adaption of EVs and other energy

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2042 transition programs have the potential to significantly
2043 influence future demand and energy needs. Further, NERC's
2044 assessment provided an example from California where the
2045 California Energy Commission estimates a 25 percent increase
2046 or 5,500 megawatts in demand at midnight, and a 20 percent
2047 increase or 4,600 megawatts of demand at 10:00 a.m. on a
2048 typical weekday by 2030. This added electric load is solely
2049 from plug-in EV charging under the State's zero emission
2050 vehicle targets.

2051 Administrator, do you still believe this rule, which
2052 will require two-thirds of new light-duty vehicle sales by
2053 2032 to be fully electric will have no impact on our grid
2054 reliability?

2055 *Mr. Regan. No, I don't think it will. I think that
2056 in concert with proposing the vehicle rule we're also
2057 preparing to announce a power plant rule. We're looking at
2058 both of these in concert, having a lot of conversations with
2059 our grid operators, a lot of conversations with the power
2060 sector, who by the way are really looking forward to these
2061 customers being on the market, and we're looking at the
2062 investments that DOE and others are making to our grid. So

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2063 there's a lot of technology that's coming to bear.

2064 And by the way, I think when you look at our proposed
2065 power plant rule, we're not sacrificing the role that
2066 natural gas plays. There are technologies in there like
2067 CCUS and others to keep that base low. So we feel like
2068 there's a really good solid picture that we're painting as a
2069 regulatory agency.

2070 Obviously, both of these rules would be out for
2071 proposal, and we look forward to an active engagement and
2072 conversation on this.

2073 *Mr. Balderson. Okay, thank you. Just, you know, look
2074 forward to continue working with your staff and following up
2075 and -- on some of this information and estimates with this,
2076 so we'll look forward to working with you and your staff.

2077 My next question, Administrator, is this tailpipe
2078 emissions proposal references the joint memorandum of
2079 understanding between the EPA and the Department of Energy
2080 to provide a framework for interagency cooperation and
2081 consultation on electric sector resource, adequacy, and
2082 operational reliability. As Chairman Johnson discussed
2083 earlier, this memorandum notes that the EPA and Department

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2084 of Energy will engage with stakeholders that include power
2085 companies, relevant trade associations, state public utility
2086 commissions, regional transmission organizations, and
2087 independent system operators, NERC, and more.

2088 When drafting this proposed rule, did EPA engage with
2089 any of these stakeholders and did any of these stakeholders
2090 raise concerns that this rule would negatively impact the
2091 reliability of the electrical grid?

2092 *Mr. Regan. We absolutely engaged with all of those
2093 stakeholders. I think the chairman raised a letter that,
2094 one, a particular regional planning organization raised. We
2095 talked with them. We believe that in our proposal we will
2096 have addressed many of those concerns. But again, I want to
2097 stress, these are proposals. We want to actively engage
2098 with all of our stakeholders.

2099 And I do want to say, that MOU between the Secretary of
2100 DOE and I is because I take reliability and affordability
2101 very seriously, wanting to be sure that here are no stones
2102 unturned and that our two agencies are working hand in hand
2103 to ensure that as we put these rules out.

2104 *Mr. Balderson. Okay. Thank you very much. My last

This is an unedited transcript. The statements within may be inaccurate, incomplete, or misattributed to the speaker.

2105 question, 40 seconds. Administrator, gave -- five years ago
2106 Congress gave EPA funding to come up with rules for the
2107 RCRA, the Resource Conservation and Recovery Act, coal ash
2108 permit program, when EPA issued its proposal in 2020. It has
2109 yet to finalize these rules.

2110 Given the Administration's concerns about potential
2111 noncompliance at coal-fired utilities and the general
2112 consensus that implementing a coal ash permit program is the
2113 quickest and most efficient way of addressing compliance,
2114 why has the EPA delayed finalizing the rules for this permit
2115 program?

2116 *Mr. Regan. We're working very diligently on that
2117 rule. We're having interagency conversations. Obviously,
2118 the disposal of coal ash will have an impact on cost, and
2119 reliability, and all of those good things, so we want to be
2120 sure that we're incorporating how you deal with that waste
2121 with the other programs that we have in place.

2122 *Mr. Balderson. Okay. I look forward to following up
2123 with you on that process, too.

2124 Mr. Chairman, I yield back. Thank you.

2125 *Mr. Johnson. The gentleman yields back. The chair

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2126 now recognizes Mr. Fulcher from Idaho for five minutes.

2127 *Mr. Fulcher. Thank you, Mr. Chairman.

2128 Mr. Regan, thank you for being here today. I
2129 appreciate your input. And I'm from the great State of
2130 Idaho, and before having this conversation we reached out to
2131 some of our constituents to try to get some feedback on what
2132 would be important to them, and so my questions reflect some
2133 of that feedback.

2134 One thing the EPA is good at, at least according to the
2135 people that I serve, is adhering to deadlines when it tends
2136 to benefit them organizationally but not so good when the
2137 deadline compliance helps industry. For instance, many of
2138 your agency's significant rules impacting most aspects of
2139 the agency, including precedent setting ones, overlap each -
2140 - they overlap each other and only provide the public 60
2141 days to comment. Yet these same proposals ask for reems of
2142 detailed technical items from regulated stakeholders, and as
2143 administrator, you've refused requests to use your authority
2144 to extend those comment periods.

2145 So my first question is, why don't you grant extra time
2146 for industry to meaningfully address technical questions that

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2147 get asked during rulemaking?

2148 *Mr. Regan. I think typically we have a pretty
2149 standard recipe for extensions. If there are certain
2150 criteria met, then my assistant administrators who manage
2151 those programs typically do. I'm not quite sure which one
2152 you're referring to but --

2153 *Mr. Fulcher. And I will get you some specifics.

2154 *Mr. Regan. Yes.

2155 *Mr. Fulcher. But the bottom line is is that at least
2156 my constituents disagree with you on that. Why does the EPA
2157 alternately routinely miss deadlines and many other programs
2158 such as permitting? The permitting process, that seems to
2159 be a process that get missed on a frequent basis.

2160 *Mr. Regan. Which permits are you referring to?

2161 *Mr. Fulcher. The -- in general, Mr. Regan, the
2162 permits seem to fall to the wayside and the regulatory
2163 aspects seem to rise to the top. Are -- do you disagree
2164 with that?

2165 *Mr. Regan. Yeah. Yes, I'd have to know which
2166 specific -- I think we're meeting our permitting deadlines
2167 for the most part. There may be permits or rules that fall

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2168 outside of that but --

2169 *Mr. Fulcher. Okay. We will be happy to follow up on
2170 that.

2171 *Mr. Regan. Yes.

2172 *Mr. Fulcher. I want to also just talk about the
2173 greenhouse gas emissions standards for heavy-duty vehicles
2174 Phase 3. There's a proposed rule that the EPA has come out
2175 with that would set standards for heavy-duty highway
2176 vehicles starting at model year 2028 through model year 2032
2177 and revise the greenhouse gas standards for that model year
2178 2027. The EPA's updated emissions standards of heavy-duty
2179 commercial vehicles for the model year 2027 tightens the
2180 tailpipe NOx limits to a level 80 plus percent below the
2181 current standard. That's 80 not eight.

2182 At the end of April, the Senate passed the
2183 Congressional Review Act Resolution disapproving of the EPA
2184 rulemaking on the heavy-duty trucks. So the end result of
2185 this action, according to the heavy-duty truck industry, is
2186 that these regulations would increase equipment costs to
2187 manufacturers, fleet owners, operators, and would have a
2188 detrimental effect on pretty much the entire industry.

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2189 Mr. Regan, how is this not an attempt to push out the
2190 internal combustion engine in the industry?

2191 *Mr. Regan. Oh, it is absolutely not an intention to
2192 push out --

2193 *Mr. Fulcher. 80 percent, not eight. Eight zero below
2194 current standards by 2027.

2195 *Mr. Regan. The trucking industry, which we've had a
2196 lot of really good conversations, would say that the
2197 technologies exist to meet those NOx levels. They recognize
2198 that there's a disproportionate impact in our urban areas
2199 and many communities in terms of respiratory distress. But
2200 I will say that it's a proposal. We're in active
2201 conversations with the trucking industry. I would love to
2202 be in conversation with you and your staff. It's a
2203 proposal.

2204 *Mr. Fulcher. Mr. Regan, I just have to say, 80
2205 percent by 2027 is going to have a devastating impact, and
2206 that is a direct link to our food security, the cost to our
2207 families and farms, the supply chain.

2208 *Mr. Regan. The NOx control technologies exist.
2209 That's not even speaking about electric vehicles or anything

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2210 of that nature.

2211 *Mr. Fulcher. Let's say that it does. What about the
2212 existing vehicles on the road? I mean, trying to hit the
2213 accelerator button so quickly, especially at a time when the
2214 -- everyone wants to follow the science. It simply doesn't
2215 support it.

2216 *Mr. Regan. Well, and I would say very quickly is
2217 right, we -- we're not doing this overnight. There's a
2218 phase-in period and there's a grandfathering period as well.
2219 So I would hate to leave you all with the impression that in
2220 2027, 2028 these emissions standards just kick in and
2221 everybody has to start over. That's just not the way the
2222 programs work.

2223 *Mr. Fulcher. I do have more, but I do need to also be
2224 mindful of the time, so I'm not going to go to the next one.
2225 I'll just close by saying this has got to be looked at
2226 further.

2227 *Mr. Regan. Absolutely.

2228 *Mr. Fulcher. Thank you, Mr. Chairman, I yield back.

2229 *Mr. Johnson. The gentleman yields back. The chair
2230 now recognizes the gentleman from Texas, Mr. Pfluger, for

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2231 five minutes.

2232 *Mr. Pfluger. Thank you, Chairman.

2233 Administrator, thank you for being here. I speak for

2234 750,000 constituents that are extremely worried about the

2235 overreach and the attack and assault on American energy.

2236 When you talk about loss of life, the single greatest

2237 prevention of loss of life over the past decade has been

2238 from the Permian Basin, which has helped a billion people

2239 worldwide extend their lives and lift them out of poverty.

2240 Last summer the EPA released a regulatory agenda which

2241 included the consideration of a redesignation of ozone

2242 attainment in the Permian Basin. If this is finalized, it

2243 would impose serious regulatory burdens. In fact, the White

2244 House today just released their priorities, I'm sure you've

2245 seen them, for infrastructure and energy, and one of them

2246 says, prioritizing community engagement.

2247 Administrator, I've sent six letters asking for a

2248 meeting with the Region 6 director, Ms. Nance, and do you

2249 know how many of those request have come back answered to

2250 me? Six of them. Zero. Unacceptable. That's not

2251 community engagement.

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2252 Is the EPA actively pursuing a discretionary
2253 consideration of redesignation of ozone attainment in the
2254 Permian Basin?

2255 *Mr. Regan. Well, you should absolutely be involved in
2256 those conversations.

2257 *Mr. Pfluger. Sir, we're not. And I expect after this
2258 hearing today that we will get a call from Ms. Nance.

2259 *Mr. Regan. Yes.

2260 *Mr. Pfluger. Is the EPA considering a redesignation
2261 regarding ozone of the Permian Basin?

2262 *Mr. Regan. I'd have to look into that. Obviously,
2263 that's a Region 6 issue so --

2264 *Mr. Pfluger. But you're the EPA administrator.

2265 *Mr. Regan. I have regional administrators for a reason
2266 who oversee thousands of programs.

2267 *Mr. Pfluger. This is the most prolific area of energy
2268 production in the entire world. If it were not for the
2269 Permian Basin, this country and the world would have serious
2270 problems. That's very disheartening to not know the answer
2271 to that.

2272 Let's go to the next one on the natural gas issue, the

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2273 natural gas tax. You know, look, my constituents are
2274 extremely worried about the overreach. Congress sets laws.
2275 Congress passes new laws. The unelected bureaucrats, to my
2276 knowledge, have not been to my district in at least five
2277 years. We've gone back, haven't seen an EPA administrator
2278 or director do the community engagement.

2279 Given Congress' clear intent to exempt marginal wells
2280 defined by less than 15 barrels a day and small producers,
2281 how does the EPA plan to communicate, if at all, to
2282 operators that were not reporting on the date of enactment
2283 of the IRA that they do not have to comply?

2284 *Mr. Regan. The IRA is a law that was passed by
2285 Congress that was delegated to the EPA. The EPA hasn't
2286 voluntarily established any taxes, so I'm not quite sure I
2287 understand the question. We do have natural gas proposed in
2288 a supplemental rule that the industry actually asked us for
2289 at the beginning of the Administration because they wanted
2290 some regulatory certainty. I think in the IRA, there was
2291 1.5 billion dollars proposed and delegated to the --

2292 *Mr. Pfluger. And how will the EPA communicate on how
2293 to follow those?

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2294 *Mr. Regan. Community engagement. Number one, we've
2295 been communicating, and as a matter of fact, we've gotten a
2296 lot of feedback from the natural gas industry on how they
2297 want that 1.5 billion spent. We know they want it spent on
2298 mitigation; we know they want it spent on technology. We're
2299 designing that program right now with their input.

2300 *Mr. Pfluger. There are many trade organizations that
2301 would disagree with that characterization that have not been
2302 contacted that do not support this and support my
2303 legislation to repeal the natural gas tax so that they can
2304 produce. Because here's the important thing, 80 percent of
2305 our production comes from independent producers. Those
2306 marginal wells, 80 percent in this country, over 80 percent
2307 of the wells we have in this country are marginal. And so -
2308 -

2309 *Mr. Regan. You would have to overturn that law before
2310 I could not abide by the law.

2311 *Mr. Pfluger. Well, we want to know how you're going
2312 to inform them. And, you know, I got two more questions.

2313 *Mr. Regan. Sure.

2314 *Mr. Pfluger. It's a very worrisome thing. It's

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2315 overreach. And my constituents who are actually lowering
2316 the cost of energy and doing the work are at risk. The
2317 entire country is at risk. But they have not been engaged
2318 in this. They have not been consulted, and that's very
2319 troublesome.

2320 Representative Veasey and I, along with a bipartisan
2321 group of Texas members, recently sent you a letter urging
2322 efficient and fair review of the railroad -- Texas Railroad
2323 Commission's application for primacy on Class 6 wells. Can
2324 you please give me a timeline for when that's going to be
2325 responded to?

2326 *Mr. Regan. That would be in the regional
2327 administrator's office, and I will get back to you.

2328 *Mr. Pfluger. The six letters I've sent to meet with
2329 the regional director, these were questions I had for her,
2330 and we've received no response.

2331 *Mr. Regan. I will be sure that you get a response.

2332 *Mr. Pfluger. Administrator, we are extremely
2333 concerned. Energy security is national security. The
2334 Permian Basin deserves to have a fair shake when it comes to
2335 producing energy. We know how to do it better than anywhere

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2336 else, and it's critical that the EPA not overreach, not do
2337 things that you -- you know, again, as the chairman said at
2338 the outset, there's a lot of potential for good here.

2339 *Mr. Regan. Sure.

2340 *Mr. Pfluger. But when you don't communicate with us
2341 and you don't engage with us, we can't work together.

2342 With that, Mr. Chairman, I yield back.

2343 *Mr. Johnson. The gentleman yields back. The chair
2344 now recognizes the gentlelady from Iowa, Ms. Miller-Meeks --
2345 Dr. Miller-Meeks, for five minutes.

2346 *Mrs. Miller-Meeks. I thank you, Mr. Chair, and thank
2347 you, Administrator Regan, for appearing before us today.

2348 Representing Iowa, a lot of the work I do naturally
2349 focuses on ensuring biofuels, including ethanol, remain in
2350 the national energy mix. With CO2 capture during the
2351 ethanol production process, ethanol serves as a tool to
2352 reduce emissions associated with liquid fuels for on-road
2353 vehicles. With ethanol available as a viable fuel source,
2354 one that drives emission reductions, I have concerns about
2355 recent actions EPA has taken to prop up electric vehicles at
2356 the expense of ethanol and biofuels.

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2357 This includes EPA's recent vehicle standards proposal
2358 and the set proposal. Instead of focusing on only one
2359 solution, EVs, EPA should focus on a level playing field for
2360 all types of fuels and vehicles that can reduce emissions.
2361 The solutions from my bill, the Next Gen Fuels Act, are a
2362 great example of a pathway to reduce admissions and cost
2363 with cleaner fuels and vehicles.

2364 Administrator Regan, the set proposal creates an
2365 entirely new eRINS program where electric vehicle
2366 manufacturers generate RINS. Under the Clean Air Act, the
2367 authority to generate RINS is given to any person that
2368 refines, blends, or imports gasoline. Now I will also say
2369 in quoting you earlier from this hearing, you said,
2370 hopefully I'm quoting accurately, you're a strong supporter
2371 of E15 and biofuels. And personally, I appreciate the EPA's
2372 recent action on E15 for this year and look forward to a
2373 permanent solution.

2374 However, it seems punitive since Congress specifically
2375 designed the RFS program to encourage the use of
2376 domestically-produced biofuel blends. Under what statutory
2377 authority did EPA use to allow electric vehicle

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2378 manufacturers to generate eRINS and participate in the RFS
2379 program?

2380 *Mr. Regan. We don't have --

2381 *Mrs. Miller-Meeks. You have no statutory authority?

2382 *Mr. Regan. We don't -- no, no, no. We don't have --

2383 *Mrs. Miller-Meeks. Thank you for that.

2384 *Mr. Regan. -- a eRINS program.

2385 *Mrs. Miller-Meeks. EPA's set proposal also
2386 establishes volumes for advanced biofuels and biomass-based
2387 diesel that are below current blending levels and
2388 significantly lower than the expected growth of the biofuels
2389 industry. Last year alone, companies announced six billion
2390 in investments for 21 projects that would deliver billions
2391 of gallons of biofuels as soon as this year. Why did the
2392 EPA set volumes at such a low rate?

2393 *Mr. Regan. We don't have a final eRINS program. It
2394 doesn't exist, for the record. Number two, this
2395 Administration has set the highest RBOs ever in EPA history
2396 from 2020, 2021, and 2022. As we look at the several --

2397 *Mrs. Miller-Meeks. For biodiesel?

2398 *Mr. Regan. As we look at the set rule for 2023 and

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2399 beyond, we have proposed -- and let me just be clear. I
2400 have engaged mightily with the biodiesel industry since we
2401 proposed that rule, and we haven't finalized those numbers
2402 yet. So I think it's premature --

2403 *Mrs. Miller-Meeks. The biofuels industry has engaged
2404 mightily with me as well --

2405 *Mr. Regan. I think it's premature --

2406 *Mrs. Miller-Meeks. -- and they were disappointed at
2407 the volumes. So -- and I was also interested, you talked --
2408 I think it was Representative Fulcher asking you about the
2409 energy needed for electric vehicles, and you -- I think you
2410 indicated that you think that there is enough energy
2411 production sources at this point in time to meet the EPA's
2412 emission standards which would, I won't say mandate, would
2413 veer us towards 67 percent of vehicles on the road being
2414 electric. Are you aware of how many vehicles -- passenger
2415 vehicles are on the road today?

2416 *Mr. Regan. I think you -- your premise is at this day
2417 and time. These rules propose for years modeled out. And
2418 so I didn't on the record say that you could get a 67
2419 percent EV penetration rate today with this infrastructure

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2420 and this environment. That's --

2421 *Mrs. Miller-Meeks. You're saying you're bringing
2422 online over the course of the next years enough energy
2423 production to meet a 67 percent change in vehicles to EVs.

2424 *Mr. Regan. I say that that the rule proposes a range
2425 from 53 to 67, and we're taking comments from power plants,
2426 from grid operators, from a lot of people.

2427 *Mrs. Miller-Meeks. I just want to make sure I
2428 understand that -- you know, we are currently at 13 percent
2429 renewables with wind and solar, 35 percent natural gas for
2430 our energy. The biggest saving to life is in heating our
2431 homes and preventing deaths from cold, and that has been
2432 largely responsible to the Permian Basin.

2433 I think the most environmentally injustice thing that
2434 we can do, which was pointed out to us in one of our
2435 previous hearings, was to have energy production that does
2436 not keep up with demand, that forces people to lower their
2437 standard of living, and not provide for them the energy to
2438 heat their homes, to put fuel in their gas tanks, and to buy
2439 groceries at an affordable level. Hurting and dis -- and
2440 putting at a disadvantage our most vulnerable.

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2441 Thank you, and I yield back my time.

2442 *Mr. Johnson. The gentlelady yields back. The chair
2443 now recognizes the gentleman from California, Mr. Obernolte,
2444 from -- for five minutes.

2445 *Mr. Obernolte. Thank you very much, Mr. Chairman.

2446 Mr. Regan, thank you very much for testifying before us
2447 today. You answered some questions for Congressman Joyce
2448 regarding some of California's new regulations and their
2449 requests for waivers with your agency to enforce their
2450 rules. I'd like to talk about a different one which is one
2451 that was passed recently by California requiring that all
2452 outdoor power equipment be electric by model year 2024.

2453 Let me tell you why that's a particular problem for me.
2454 I represent a district that, ironically for California, gets
2455 a lot of snow. In fact my hometown got a little over 11
2456 feet this year. And a lot of people think that that sounds
2457 like fun, but I can assure you from personal experience that
2458 it was not. We actually had it better than some of my
2459 constituents. Some of my constituents were literally
2460 trapped in their homes for several weeks by the amount of
2461 snow that we received in the mountains of Southern

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2462 California.

2463 So really the only savior for those residents is that
2464 if you live in the mountains, most people have gasoline-
2465 powered snowblowers. With those pieces of equipment, even
2466 though the county could not plow the roads to get out to
2467 them, they were able to plow enough to be able to get out to
2468 the grocery store. We resupplied the grocery stores by
2469 helicopters, if you can imagine, to try and get medications
2470 and foods to those residents that needed it.

2471 Here's the problem. I have -- there are electric
2472 snowblowers that are available. I have used those electric
2473 snowblowers, and I assure you that they're adequate for a
2474 couple of inches of snow but not five feet of snow. They
2475 absolutely do not work. And so I'm fearful that this new
2476 regulation is going to be completely unworkable for a lot of
2477 the people that I represent.

2478 So the State of California has applied with your agency
2479 for the waiver that will be required to enforce this rule,
2480 and I'm wondering if you could tell us what the status of
2481 that waiver application is.

2482 *Mr. Regan. I don't know the status of that waiver

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2483 application, but I can tell you I'll prioritize it, and we
2484 will get back to you.

2485 *Mr. Obernolte. All right. Do you share my concerns
2486 with the implementability of some of the provisions of that
2487 rule?

2488 *Mr. Regan. At face value, it sounds very challenging.

2489 *Mr. Obernolte. Okay. Let me put something else on
2490 your radar before we leave this topic. Another problem that
2491 I have with this proposed rule is that the vast majority of
2492 the manufacturers of equipment that's compliant with the
2493 rule are foreign manufacturers, and there are hardly any, if
2494 any, domestic manufacturers that have equipment that is
2495 compliant with the rule.

2496 So implementation of the rule will have the effect of
2497 shifting the provision of this equipment completely to
2498 foreign manufacturers at the expense of our domestic
2499 industries, which I think would be a very dangerous thing to
2500 do. So I appreciate if you could get me an update on that
2501 when you know.

2502 I'd like to ask a little bit about the EPA's budget
2503 request since that's the topic of this hearing. You have

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2504 proposed a 19 percent expansion in the EPA's budget, and I
2505 find that a little puzzling given the fact that under the
2506 IRA and the IIJA the EPA has received over a thousand
2507 percent increase in total funding. So I'm wondering with
2508 all of this extra money coming into the EPA, why is it
2509 necessary to increase the base budget of the EPA by 19
2510 percent?

2511 *Mr. Regan. Well, there -- obviously, there are some
2512 restrictions on the bill dollars and IRA dollars as it
2513 relates to being able to hire staff in our enforcement -- on
2514 our enforcement side, which the Inspector General has
2515 indicated that that is a must do for us. As we think about
2516 approving these new herbicides and pesticides for our
2517 agriculture community, we have a deficit of staff there to
2518 get those new products on the market. We've got a lot of
2519 these products that are tied up in court, like chlorpyrifos
2520 and others, and so the courts have gotten a little bit of a
2521 jump on us, and we need to fight those fights, but we need
2522 to get new products on the market.

2523 And then we have to comply with TSCA, we have to look
2524 at some of these deadly chemicals, asbestos and others that

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2525 we need to begin to regulate and rein in. So many times,
2526 the IRA and the bill dollars do not correspond with some of
2527 the core programs that EPA is required to manage by statute.

2528 *Mr. Obernolte. Okay. You mentioned in that response
2529 the Office of the Inspector General within the EPA. The
2530 Inspector General recently testified at a hearing with the
2531 Science, Space, and Technology Committee, and when -- and in
2532 his testimony he said that the EPA is -- has a high risk of
2533 waste, fraud, and abuse in the EPA's allocation of IIJA and
2534 IRA funds.

2535 So I found that very concerning. How will you ensure
2536 that that waste, fraud, and abuse that the IG is concerned
2537 about does not occur?

2538 *Mr. Regan. Yeah, I just met with the IG a couple of
2539 weeks ago, and he did not convey that to me, but I'll put
2540 that on the list of things to chat with him. He's meeting
2541 with either myself or my deputy administrator on the
2542 execution, implementation, and design of the Inflation
2543 Reduction Act bill, our EJ dollars, and the like. I've
2544 tried to develop a very strong relationship with our IG
2545 because it's important to me that we maintain our integrity

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2546 and the responsibility of, you know, shepherding these
2547 dollars, and so I'm interested in the partnership with the
2548 IG.

2549 *Mr. Obernolte. Right. Well, I think we're on the
2550 same team with respect to that. I thank you very much for
2551 your testimony.

2552 I yield back, Mr. Chairman.

2553 *Mr. Regan. Thank you.

2554 *Mr. Johnson. The gentleman yields back. The chair
2555 now recognizes the gentleman from Texas, Mr. Crenshaw, for
2556 five minutes.

2557 *Mr. Crenshaw. Thank you, Mr. Chairman. Thank you for
2558 being here.

2559 One of my first questions since this is a budget
2560 hearing is requesting a 20 percent increase, two billion
2561 dollars extra. What is that primarily for, is that for
2562 hiring extra people to administer the countless new rules
2563 that we're implementing? What is it for?

2564 *Mr. Regan. 85 percent of that requested amount goes
2565 to our states and our regional programs for the delegated
2566 execution and implementation of the Clean Air Act, Clean

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2567 Water Act. A significant amount of that we hope will be
2568 used also for, as I was explaining earlier, to focus on
2569 getting our herbicides, and our pesticides, and new market
2570 interest out there. Then we have resources that we're
2571 asking for on the enforcement side, which the Inspector
2572 General said we needed to beef up. And then we have TSCA
2573 and some other programs as well.

2574 So it is sort of a base budget, but it's also 85
2575 percent of that, I want to stress that, 85 percent of that
2576 goes to our state partners.

2577 *Mr. Crenshaw. Okay. But to do what? Like what do
2578 you need more money for, is it to hire more people to
2579 implement these projects? Is it a hiring thing or is it --
2580 it's still not clear what the money --

2581 *Mr. Regan. It's a mixture. We do want to hire
2582 people; we do need additional capacity. But we also need
2583 resources for grants and other programs that, again, pass
2584 through to our tribal programs, to our state programs. So
2585 it's a mixture.

2586 *Mr. Crenshaw. But how is that possible that the EPA
2587 got 60 billion dollars in funding for projects and grants

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2588 from the Infrastructure and Jobs Act, another 41 billion
2589 because of the IRA, how could you possibly need more money
2590 on that front? I assume that this two billion was to hire
2591 more people but, of course, that doesn't makes sense because
2592 your budget in 2010 was more than it was in 2023 and you had
2593 2,000 more employees. So it seems like you can hire within
2594 your current budget.

2595 *Mr. Regan. I think that we all know that with
2596 congressional spending comes strings. We can't use bill
2597 dollars and IRA dollars to focus on pesticides, herbicides.
2598 We can't use those dollars to focus on TSCA. So those
2599 programs have specific spending requirements, and in order
2600 to stay within the letter of law --

2601 *Mr. Crenshaw. Yeah.

2602 *Mr. Regan. -- we wouldn't dream of using those
2603 resources for things that are outside of those categories.

2604 *Mr. Crenshaw. All right. Well, then let's talk about
2605 things like pesticides and herbicides and the -- you know,
2606 the 151 regulatory proposals being considered right now. I
2607 don't have faith that the EPA is considering the cost to the
2608 American consumer, to the American worker, your middleclass

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2609 Americans that would be -- that we are claiming to protect
2610 with these regulations. I don't have faith that the EPA
2611 takes that into account.

2612 You know, there's things like this new rule proposing -
2613 - it's a proposal for tailpipe emissions for light, medium
2614 passenger vehicles. It makes it harder for our most
2615 economically disadvantaged people to afford a car. I mean,
2616 is that taken into account? What kind of economic
2617 considerations are taken into account? What kind of cost
2618 benefit analysis is taken into account with regulations like
2619 that? Whether it's that, or the plastics regulations, or
2620 additional regulations on herbicides and pesticides that
2621 hurt our farmers and make our food more expensive, more
2622 expensive than it already has been made by the massive
2623 amounts of inflation. Is that being considered by the EPA?

2624 *Mr. Regan. It is. And I think that --

2625 *Mr. Crenshaw. How?

2626 *Mr. Regan. -- you know, for those who are following,
2627 I think there's been 40 to 50 years of the Environmental
2628 Protection Agency not following the Endangered Species Act.
2629 Now we have the courts determining whether it's dicamba,

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2630 chlorpyrifos, or all these pesticides or herbicides that
2631 have to come off the shelves.

2632 Again, I said earlier, we're going to fight and we're
2633 going to litigate against that. But at the same time, the
2634 agriculture community has already said that there are a
2635 number of new market entrants that needs scientific approval
2636 so that farmers have more tools. We need the people and the
2637 ability to get those tools out to our farmers. I spent a
2638 lot of time with our ag community, so I know that that's a
2639 real priority for them.

2640 *Mr. Crenshaw. I have a question because there's a lot
2641 of additional regulations and rules being put forth on the
2642 oil and gas industry. But you do acknowledge that natural
2643 gas is the primary driver down of emissions in the United
2644 States over the past 20 years.

2645 *Mr. Regan. Yeah, natural gas plays a significant role
2646 in driving down emissions and energy security.

2647 *Mr. Crenshaw. Sure. And so, you know, when 50
2648 percent of our global emissions for power production come
2649 from foreign coal, you got to agree with the math here, that
2650 we benefit -- if the goal is lowering global emissions, we'd

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2651 benefit greatly from exporting more of our natural gas,
2652 which we do cleaner than anyone else, to other countries in
2653 displacing their coal production.

2654 *Mr. Regan. I don't get into the export or import of
2655 natural gas, but what I can tell you is our technology
2656 standards and the Inflation Reduction Act specifically
2657 focuses on carbon capture and sequestration for a reason.

2658 *Mr. Crenshaw. I like that part of it. But the
2659 methane -- things like the methane tax, you know, they hurt
2660 all natural gas producers. It's not a well-written rule
2661 that actually just targets methane, it's all natural gas
2662 producers. So, you know, you at least acknowledge that if
2663 we're not doing it, if we're not producing that kind of
2664 product, somebody else will, especially when by 2050 the
2665 demand for global energy will increase by 50 percent.

2666 *Mr. Regan. What you're referring to as the methane
2667 tax was written by Congress not by us. I think our proposed
2668 regulation of methane is something that the industry asked
2669 us for on Day 1 in this Administration, and we're working
2670 with the industry. I think there's a lot of gas -- or lost
2671 product that's going to be captured. I think there is some

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2672 technologies that we're looking forward to, and so we're
2673 having that conversation.

2674 *Mr. Crenshaw. All right. Well, I'm out of town.
2675 Thank you.

2676 *Mr. Johnson. The gentleman yields back. The chair
2677 now recognizes the gentleman from Indiana, Mr. Pence, for
2678 five minutes.

2679 *Mr. Pence. Thank you, Chairman Johnson, and Ranking
2680 Member Tonko, and thank you, sir, for being here today.

2681 *Mr. Regan. Thank you.

2682 *Mr. Pence. Since joining the Energy and Commerce
2683 Committee, I have been raising alarms on the impacts of this
2684 Administration's rush to the electrification of our
2685 transportation industry before we're ready or before we've
2686 considered a lot of the elements in the distribution chain.
2687 Having spent my career distributing energy, this
2688 Administration is completely disregarding the logistical
2689 challenges of ensuring the right amount of energy is where
2690 it needs to be, when it needs to be, and in the quantity
2691 that is needed.

2692 Two-and-a-half years later, we're seeing potentially

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2693 catastrophic impacts play out in real time. Grid operators,
2694 sir, are raising red flags to me all over the State of
2695 Indiana. Power plants are prematurely retiring and taking
2696 baseload power off the grid. Local utilities are waiting 12
2697 to 18 months to get electrical transformers for
2698 neighborhoods to handle increased demand.

2699 I met with a large two million square foot building
2700 developer that says I don't have the power coming into the
2701 area, there's not enough out there in the marketplace. Even
2702 EV companies are tempering expectations for investors
2703 because simply put people aren't buying EVs as projected.

2704 And now the EPA is charging forward with brand new
2705 rules to prop up the EV industry and force consumers to
2706 ditch their -- the ICE vehicles. Ultimately, this
2707 Administration's one size fits all approach will leave
2708 consumers in my district holding the bag.

2709 The EPA's proposed rule to create eRINS, and that will
2710 be my concentration, sir, for electrical vehicles is a
2711 troubling proposal that extends far beyond the intent of the
2712 renewable fuel standard. I'm concerned that this proposal
2713 is just another funding screen for EV manufacturers to

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2714 recover investments and stay afloat despite over --
2715 underwhelming sale. Instead of generating RINS at the point
2716 of blending, as I have done in my career for many, many
2717 years, this proposal creates a convoluted process which is
2718 unspecified at this point to award credits to the car
2719 manufacturers.

2720 The proposed rule even suggests an opportunity for a
2721 host of different stakeholders to generate eRINS, including
2722 public charging stations and renewable energy developers.
2723 By inviting an entirely new group of stakeholders into the
2724 RIN generation through eRINS, you could be setting up a
2725 program that is rife with fraud and abuse like the original
2726 RIN was. Even major oil companies had trouble and fraud was
2727 committed against them.

2728 Mr. Administrator, in my estimation, this proposal
2729 could set the stage for higher compliance obligations for
2730 refiners to buy eRINS and ultimately subsidize the OEMs and
2731 in some cases the OEMs will have to buy eRINS. According
2732 to the rule, EPA estimates 600 million eRINS could be
2733 generated in 2024 and 1.2 billion in 2025. I have seen
2734 firsthand instances of fraud and abuse in the traditional

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2735 RINS market.

2736 My question, sir. How will the EPA prevent fraud and
2737 abuse in an even more complex eRINS market as being
2738 discussed, and I know it's not finalized?

2739 *Mr. Regan. Well, thank you for that. And I would say
2740 that a lot of what you said, I share some of those concerns,
2741 up until the fraud, waste, and abuse because I think we can
2742 put programs in place to avoid that. But you've raised a
2743 lot of valid concerns that we've received during the comment
2744 period, which is why we're taking a very strong look at
2745 those concerns, and that will dictate how we move forward
2746 and whether or not we finalize the eRINS portion of this
2747 program.

2748 *Mr. Pence. So, you know, I'm a little -- one of
2749 the elements of this I'm concerned about kind of double
2750 creation of the same RIN -- of an eRIN. When I hear
2751 that the car manufacturer who actually -- I understand
2752 the proposed creation of it, but then all the way down
2753 to the charging station's going to generate an eRIN,
2754 that seems like double dipping. So I would caution the
2755 EPA on that.

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2756 Second question. Has the EPA carefully studied
2757 how this influx of credits will impact the market for
2758 traditional RINS and liquid transportation fuels, which
2759 is how many folks can comply with your existing
2760 regulations?

2761 *Mr. Regan. Yes, we're studying all of those
2762 things. Excuse me. And it's really important that
2763 you're raising these issues because I want to let you
2764 know we're taking them very seriously and we're
2765 studying these issues during the comment period.

2766 *Mr. Pence. So -- and again, a person that did
2767 this all -- pretty much all my life, I would close with
2768 please be careful of simply creating a financial market
2769 here that creates a great deal of additional costs to
2770 the end consumer.

2771 I thank you, and I yield back.

2772 *Mr. Regan. Thank you.

2773 *Mr. Johnson. The gentleman yields back. The
2774 chair now recognizes the gentlelady from Michigan, Ms.
2775 Dingell, for five minutes.

2776 *Mrs. Dingell. Thank you, Mr. Chair.

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2777 Administrator Regan, thank you for being here to
2778 testify. We all appreciate your continued leadership
2779 at EPA. I think I wish I worked a little less with you
2780 some days.

2781 *Mr. Regan. [Laughter.]

2782 *Mrs. Dingell. And I want to commend, as Jan
2783 Schakowsky did, your Region 5 administrator. I think
2784 our chairman's had more of your attention lately, but
2785 we've had too many chemical spills, and I've got a lot
2786 of other issues I'm worried about.

2787 Let me begin. As you know, I'm a car girl. The
2788 future of the automotive industry and its workforce is
2789 an intense priority for me, which you know. We have to
2790 accelerate domestic electric vehicle development.
2791 We're competing in global marketplace. If we don't do
2792 it, it's happening in China now. And we've got to
2793 deploy them to meet our climate goals and compete with
2794 China. But in doing so, we cannot leave behind the
2795 working men and women who've built their lives and
2796 careers in the auto industry.

2797 Administrator Regan, as we make the transition to

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2798 clean vehicles, there's a real fear that the workforce
2799 needed to help us make the transition is going to be
2800 left behind. As it relates to the EPA's overall work
2801 and the most recent proposed multipollutant emissions
2802 standards rule for model years 2027 through 2034, how
2803 is the EPA working to address these long-term workforce
2804 concerns?

2805 *Mr. Regan. Well, thank you for the question and
2806 thank you for being such a champion on these issues.
2807 As we've been developing these rules, we've stayed in
2808 contact with our labor unions, we've stayed in contact
2809 with anyone that's focused on sort of job creation,
2810 education, and the like, as we designed and proposed
2811 this rule. Thanks to your leadership and the
2812 connectivity, we've also been able to at least
2813 establish early conversations with new leadership at
2814 the UAW.

2815 So I have to say that it's a priority. It's a
2816 priority not just for me, it's the priority for the
2817 President, as you well know. And as we continue to
2818 move forward with this proposal, I can assure you that

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2819 the labor component, supply chain component, the
2820 infrastructure component, all of these components are
2821 at the top of mind for how this rule could be executed.

2822 *Mrs. Dingell. Thank you. It must continue to be
2823 there. Water affordability continues to be a major
2824 issue for me, and for all of us as well, it's a basic
2825 human right. In 2020 and 2021, Congress authorized and
2826 appropriated 1.1 billion to HHS to create the Low
2827 Income Household Water Assistance Program as a
2828 temporary program to provide water and wastewater bill
2829 assistance to low-income households burdened by the
2830 economic consequences of the COVID-19 pandemic.

2831 I'm a strong supporter of this program, but it's
2832 going to expire at the end of this year. Families are
2833 struggling, and it's clear there needs to be a longer
2834 term solution. The Bipartisan Infrastructure Law
2835 authorized the EPA to conduct a study for establishing
2836 a similar pilot program to the LIH web program to help
2837 families who are struggling to pay their water bills.

2838 Can you provide this committee with an update on
2839 that study, and when can Congress expect to receive

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2840 that report?

2841 *Mr. Regan. Well, we'll give you a completion date on
2842 that soon. I can tell you that we've been working hand in
2843 glove with HHS on this affordability assessment, and we're
2844 scoping this study out. I think it's going to be on time
2845 and on budget, but I'll have to get you that date at a later
2846 time.

2847 *Mrs. Dingell. I suspect you're going to need
2848 additional resources, but I've got a PFAS question
2849 before I run out of time. Forever chemicals are
2850 everywhere in our modern society and are harmful to
2851 human health and environment. The EPA has proposed to
2852 designate the two most toxic forever chemicals as
2853 hazardous substances under CERCLA, for which I thank
2854 you because I've asked every EPA administrator when
2855 we're going to do that.

2856 But after EPA proposed to designate the PFOA and
2857 PFOS as hazardous substances, the National Association
2858 of Water Companies and others have written to Congress
2859 to request protection from liability for cleaning up
2860 PFAS contamination. My office has also heard from a

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2861 number of water utilities from the State of Michigan
2862 with these concerns.

2863 Administrator Regan, how does EPA plan to address
2864 the concerns of water and wastewater utilities and
2865 other entities that have these liability concerns and
2866 claims that exemptions are required since they're not
2867 the original source of the PFAS pollution.

2868 *Mr. Regan. Well, and that's very much at the top
2869 of my mind, and I think EPA was only successful because
2870 of the partnership with DOD and USDA. I've worked with
2871 both secretaries hand in hand.

2872 The bottom line is we have enforcement discretion.
2873 We believe that CERCLA gives us that enforcement
2874 discretion. I want to be clear that the water
2875 utilities and our farmers and agriculture are not the
2876 target, but the target is those who are putting this
2877 pollution into our air and our water.

2878 *Mrs. Dingell. So how are we going to make
2879 polluters pay?

2880 *Mr. Regan. Well, number one, we're asking for
2881 resources to beef up our enforcement. Number two,

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2882 we're already taking action against many of these PFAS
2883 polluters. It's very simple. Many of these discharges
2884 are illegal and have an adverse impact on public
2885 health, and we're going to hold these polluters
2886 accountable. We can do that with our enforcement arm
2887 because we have the authority already to do it.

2888 *Mrs. Dingell. Thank you, Mr. Chairman. I yield
2889 back.

2890 *Mr. Johnson. The gentlelady yields back. The
2891 chair now recognizes the gentleman from California, Mr.
2892 Peters, for five minutes.

2893 *Mr. Peters. Thank you so much, Mr. Chairman.
2894 And it's good to see you again, Administrator.
2895 Thank you so much for being here.

2896 And before I ask my questions, I just want to
2897 thank you for your leadership on the water pollution
2898 challenges at the U.S./Mexico border in San Diego. We
2899 are continuing to make progress to reduce transboundary
2900 water pollution flows into our communities, and in last
2901 year's funding bill, we included language to ensure
2902 funds from the United States-Mexico-Canada Trade

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2903 Agreement can support water pollution reduction
2904 projects in the Tijuana River Valley.

2905 We also secured 36 million dollars for the Border
2906 Water Infrastructure Program. And on that note, last
2907 week, EPA and the U.S. section of the International
2908 Boundary and Water Commission joined with Mexican
2909 officials to announce joint funding for two wastewater
2910 infrastructure projects. Those projects will reduce
2911 the risk of spilling up to 60 million gallons per day
2912 of untreated wastewater in the Tijuana River Watershed.

2913 So thank you again for visiting San Diego to see
2914 these -- this environmental catastrophe for yourself
2915 and for taking action to build these projects and stem
2916 the sewage flows.

2917 Today I want to talk to you about two of my other
2918 top priorities. One is catastrophic wildfires, and
2919 then again we've spoken about reducing super-polluting
2920 methane pollution in the past, and I want to follow-up
2921 on that. But first on wildfires, poor land management
2922 and climate change are funding extreme wildfires in
2923 California. Those fires are now the largest source of

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2924 particulate matter air pollution in the West, and they
2925 endangered our communities, our wildlife, and our
2926 ecosystems.

2927 To address the rise of catastrophic megafire, we
2928 have to bring healthy, low-intensity fire back into
2929 western landscapes by increasing the implementation of
2930 prescribed fire and cultural burning. Now I support
2931 strong standards to reduce particulate matter air
2932 pollution from power plants, factories, and other
2933 traditional pollution -- polluting sources. I'm
2934 concerned that the current draft rule and its
2935 accompanying regulatory impact assessment would likely
2936 result in a significant reduction in burn days at a
2937 time when our agency experts are recognizing the need
2938 to significantly increase our use of beneficial fire.

2939 I also understand that the Forest Service has
2940 raised serious concerns about the proposed rule given
2941 that it may compromise the ability of the Forest
2942 Service to deliver on its wildfire crisis strategy. If
2943 the proposed rule is finalized, what steps will you
2944 take at EPA to ensure that beneficial fire remains a

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2945 powerful tool in the toolbox to reduce the likelihood
2946 and effect of catastrophic wildfire?

2947 *Mr. Regan. Well, as I've committed to the
2948 Secretary of USDA, we have a great relationship, we
2949 talk about a whole host of issues. This is one that's
2950 on that list. Anything that we finalize will not
2951 degradate the beneficial use of control burns,
2952 prescribed burns, and would be able to deal with
2953 wildfires. We have the flexibility to do that. We
2954 have an exceptional events clause and we have other
2955 authorities under the Clean Air Act that gives some
2956 flexibility to these opportunities and operations.

2957 And so I'll continue to talk with USDA. My team
2958 will continue to talk with the Forest Service. And
2959 we'll be sure that we can walk and chew gum at the same
2960 time. We can protect public health and preserve this
2961 tool.

2962 *Mr. Peters. That's great. I think that's really
2963 important to have the big picture because sometimes the
2964 regulations intended for something like a power plant
2965 are just going to -- are going to apply the same way to

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2966 some other setting, particularly here with the burning
2967 that we do need.

2968 *Mr. Regan. Sure.

2969 *Mr. Peters. On methane, last year Congress
2970 created a methane emissions reduction program which
2971 will -- which includes a methane fee and 1.5 billion
2972 dollars to reduce methane emissions from oil and gas
2973 operations in the United States. Mr. Administrator,
2974 how does EPA plan to spend this money to maximize
2975 methane emissions reductions, especially to help
2976 smaller producers and to support new advanced
2977 continuous monitoring technologies?

2978 *Mr. Regan. Well, you know, IRA directs us to
2979 revise our greenhouse gas reporting program
2980 regulations, especially on methane that's used -- that
2981 is based on empirical data, and so we're going to meet
2982 that obligation. We're also -- we have an extensive
2983 outreach going on right now with the industry. It
2984 started with our proposed rule and our supplemental
2985 rule, and it's blending right in with the 1.5 billion
2986 dollars because those two programs go hand in hand.

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2987 So we'll continue to gather the data, develop that
2988 process that IRA dictates, and continue with our
2989 outreach to the industry.

2990 *Mr. Peters. Thank you. And some of my
2991 Republican colleagues have raised concern about the
2992 implementation of the methane fee. Think -- I think
2993 they've raised good questions in good faith. I'd like
2994 to give you an opportunity to address it. Can you
2995 update us how on E -- how EPA plans to implement the
2996 program in a science-based and effective manner?

2997 *Mr. Regan. Well, you know, science drives
2998 everything that we do. And, again, it goes back to the
2999 answer I just gave. We have a greenhouse gas reporting
3000 program, regulations to ensure that the reporting is
3001 based on data so data and science will drive this
3002 opportunity.

3003 And listen, I think the industry advocated for
3004 these resources for a reason, and we understand what
3005 that reason is. That's to help with technology and
3006 mitigation. So we're going to be sure that we do that.
3007 We want to honor the full intent of that 1.5 billion

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3008 dollars in IRA.

3009 *Mr. Peters. I appreciate that. I'm sure my
3010 colleagues who have -- who represent the industry
3011 appreciate it as well.

3012 And, Mr. Chairman, I yield back.

3013 *Mr. Johnson. The gentleman yields back. The
3014 chair now recognizes the gentlelady from Tennessee, Ms.
3015 Harshbarger, for five minutes.

3016 *Mrs. Harshbarger. Thank you, Mr. Chairman.
3017 Thank you.

3018 Thank you, Administrator, for being here today.
3019 And I understand you're from North Carolina?

3020 *Mr. Regan. I am.

3021 *Mrs. Harshbarger. Good. There's one thing that
3022 your folks and my folks in Tennessee have in common and
3023 that's auto racing and their love for that.

3024 It's my understanding that EPA's Clean Air Act
3025 enforcement policy is focused on letting legitimate
3026 auto racers be able to race their vehicles, is that
3027 correct, sir?

3028 *Mr. Regan. Yes.

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3029 *Mrs. Harshbarger. That's good because like I
3030 said, we love our racing. You've got Charlotte Motor
3031 Speedway; I've got Bristol Motor Speedway.

3032 *Mr. Regan. That's right.

3033 *Mrs. Harshbarger. And I'll tell you what
3034 concerns me, though, is you cannot convert your car
3035 over for competition if you cannot get the right parts.

3036 *Mr. Regan. Mm-hmm.

3037 *Mrs. Harshbarger. And auto parts makers won't
3038 stay in business long if they are being hit with fines
3039 for product misuse after expressly warning their
3040 consumers against illegal misuse of their products.
3041 And it would seem to me that if a company that
3042 manufactures racing parts clearly communicates to the
3043 purchaser that street use is illegal, then the
3044 manufacturer and the seller should not be held
3045 responsible for that misuse.

3046 Yet this hasn't stopped the EPA from hitting them
3047 with tremendously expensive violations. Do you
3048 understand the problem that this creates, sir?

3049 *Mr. Regan. I do, I do.

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3050 *Mrs. Harshbarger. Okay. And the reason I'm
3051 asking is I have a hard time understanding why the EPA
3052 insists on penalizing businesses, and I'll give you an
3053 example. A business like Borla Exhaust, it's in my
3054 district, they're good actors. They've made an honest
3055 effort to get their products into the right hands and
3056 had no history of ever breaking the law until the EPA
3057 suddenly changed the interpretation of the Clean Air
3058 Act.

3059 And some people think that the auto parts company
3060 should have to track every piece of equipment they
3061 sell, including manufacturers who don't sell their
3062 products directly to the end user. But I don't think
3063 it's reasonable to make the part manufacturer either an
3064 adjunct of the Government's enforcement efforts or
3065 liable for its customer's failure to heed the printed
3066 warnings.

3067 This no win situation that part makers are being
3068 placed in forces companies to either dramatically
3069 increase their prices of the racing parts to afford the
3070 newfound cost of doing business or just exit the market

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3071 -- the racing market entirely, which is partly what
3072 Borla had to do because they got a million dollar fine.
3073 This situation also hurts everyday car enthusiasts
3074 who've always desired to work on their own car, but
3075 they don't have unlimited capital to purchase a
3076 purpose-built racecar.

3077 Now here's what I'd like to do. I'd like for you
3078 to answer these. Would you commit to working with this
3079 committee to fix the statute or the rule so that racing
3080 parts manufacturers can afford to remain in the market
3081 without the significant price increases affiliated with
3082 forcing manufacturers to track usage of their products
3083 by the end consumer? Yes or no.

3084 *Mr. Regan. Yes.

3085 *Mrs. Harshbarger. Great.

3086 *Mr. Regan. And I have been working with --

3087 *Mrs. Harshbarger. Awesome.

3088 *Mr. Regan. -- the congressional delegation and
3089 then two senators from North Carolina on this as well -
3090 -

3091 *Mrs. Harshbarger. Fantastic.

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3092 *Mr. Regan. -- so we've been provided technical
3093 advice on this.

3094 *Mrs. Harshbarger. Fantastic. Would you commit
3095 to providing clear guidance, and I do mean clear
3096 guidance, to motorsports businesses regarding the
3097 production and sale of racing parts?

3098 *Mr. Regan. Yes, I would argue that the -- we
3099 have enforcement discretion, and so we've sent that
3100 guidance out. It should be fairly straightforward, but
3101 if it's not, we'd love to engage in conversation.

3102 *Mrs. Harshbarger. Clarity and guidance is --
3103 they're very important. As a pharmacist, I have to
3104 abide by what the FDA says, and when that regulatory
3105 agency comes into my door, it's up to the
3106 interpretation, and a lot of times, there's no clear
3107 guidance. So that would be fantastic if you clarify
3108 that guidance.

3109 And the last thing is would you also commit to
3110 ensuring that the EPA provides clear guidance to
3111 businesses producing and selling performance auto parts
3112 that outlines the parts that can be sold for street

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3113 versus those that can only be sold for use on the
3114 racetrack?

3115 *Mr. Regan. If we have not done that, I'll work
3116 with my staff to make that better.

3117 *Mrs. Harshbarger. It sounds like yes, yes, yes.
3118 That's fantastic. Now I'll come to Charlotte next time
3119 if you'll come on up to Bristol, okay?

3120 *Mr. Regan. That's a deal.

3121 *Mrs. Harshbarger. All right. Thank you, sir.
3122 And I yield back.

3123 *Mr. Johnson. The gentlelady yields back. The
3124 chair now recognizes the gentlelady from Florida, Ms.
3125 Castor, for five minutes.

3126 *Ms. Castor. Well, thank you, Mr. Chairman.

3127 And welcome, Administrator Regan. Thank you for
3128 all that you do to make sure that American families are
3129 benefitting from clean air, clean water, taking on --
3130 cleaning up toxic waste sites, and making sure we have
3131 a livable planet.

3132 We have invested a lot through the Bipartisan
3133 Infrastructure Law, the Inflation Reduction Act in

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3134 tackling so many of these issues, and so you have great
3135 responsibility now to follow through on all these, so I
3136 have a few questions for you.

3137 First, you know, back home in Florida, local
3138 communities are thrilled that they're going to be able
3139 to tackle modernization of their water and wastewater
3140 systems. The clean water revolving loan fund now will
3141 get investments that we just haven't had before. It
3142 will help us. In Florida, you know, clean water is
3143 really essential to our economy and our way of life.

3144 But when we had the Inspector General -- the EPA
3145 Inspector General in front of the Investigations and
3146 Oversight Committee, he said he was concerned that
3147 states -- do states have the capacity to this because
3148 that's one of the initiatives where those monies stop
3149 at the state level. State capitols go through an
3150 analysis. They often have their rankings. And folks
3151 at the local level are concerned how -- you know, are
3152 they going to be able to tap these monies, are there --
3153 those priority lists going to be fair?

3154 What do you say to that? How are you working with

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3155 states and local communities to make sure that these
3156 very important dollars for clean water and water
3157 systems get to where they need to be?

3158 *Mr. Regan. Well, thank you for that question,
3159 and thank you for your leadership in ensuring that we
3160 are focused on this issue.

3161 As a former state regulator, many of these state
3162 environmental secretaries across the country I've met
3163 or know. My team is staying in close contact with all
3164 50 of these state regulators. We've worked to redo the
3165 definition of disadvantaged communities. We provided
3166 criteria for who these projects should benefit or prior
3167 - be prioritized for.

3168 And so far, with the spending that we've seen over
3169 the past year, the states are getting it right for the
3170 most part. They present us with these intended use
3171 plans, and we approve them or disapprove them.
3172 Sometimes we have to say that list isn't quite right,
3173 we need for you to redo some of your homework. But for
3174 the most part, we're seeing states comply and we're
3175 feeling pretty good.

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3176 I will say we've only gotten one year -- one-and-
3177 a-half years of multiple billions of dollars out, and
3178 so obviously we're going to improve this process as we
3179 go along.

3180 *Ms. Castor. Are you hearing any troubles with
3181 just plain having the engineering firms that are ready,
3182 willing, and able? I mean, unemployment is at the
3183 lowest rate in 50 years, since the 1960s. Do we have
3184 the workforce necessary across the country to repair
3185 these water systems and modernize them?

3186 *Mr. Regan. I believe workforce is a challenge.
3187 In many regards, we do have the workforce in terms of
3188 the repair. Where we see a lot of challenges are
3189 operators and those who have the certifications --

3190 *Ms. Castor. Mm-hmm, right.

3191 *Mr. Regan. -- to operate these water utilities
3192 that we want to be more sophisticated than those of the
3193 past. But I believe our assistant administrator,
3194 Radhika Fox, has her finger on the pulse and is really
3195 working with nonprofits, private sector, and our state
3196 secretaries to close that gap.

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3197 *Ms. Castor. This is important because we also
3198 now have invested in EPA to help invest in our
3199 communities back home, and I -- in the Tampa Bay area,
3200 folks who are in what we term environmental justice
3201 communities, they neighborhoods that are -- have
3202 carried the burden of pollution for decades, I can
3203 think in Tampa in the Progress Village/Palm River area,
3204 we're talking at the local level now, about -- these
3205 are neighbors who are not on septic.

3206 *Mr. Regan. Yes.

3207 *Ms. Castor. I mean, they're not on wastewater,
3208 they're on septic. They still have drinking water
3209 wells. They're in the shadow of a huge phosphogypsum
3210 stack. And it looks like the EJ grant opportunities
3211 are going to unlock the ability to improve people's
3212 lives. Maybe reduce their energy burden by doing
3213 solar.

3214 So now we have -- how are you going to view like
3215 an EJ grant and greenhouse gas reduction fund and some
3216 other EPA grants? Can we stack these and combine them
3217 in an initiative or once you get one, are you -- you

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3218 don't quite qualify for the next one?

3219 *Mr. Regan. We have multiple streams of grant
3220 opportunities that can be leveraged. You know, there
3221 are many ways you can categorize these needs. And so
3222 if you have an EJ community -- by the way, we've
3223 created these Technical Assistance Centers.

3224 *Ms. Castor. Yes, mm-hmm.

3225 *Mr. Regan. We took 177 million dollars and we
3226 gave them to 17 organizations that are helping
3227 grassroots organizations build capacity to apply for
3228 these resources. And so there's opportunity to apply
3229 for wastewater dollars, there are opportunities to
3230 apply for EJ grants that tackle air quality issues.
3231 There are multiple opportunities for an EJ community to
3232 deal with the disproportionate impact that they've seen
3233 for generation, and we're building that capacity for
3234 that.

3235 *Ms. Castor. Good. Can you follow up on that
3236 point, too?

3237 *Mr. Regan. Absolutely.

3238 *Ms. Castor. Thank you very much.

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3239 I yield back.

3240 *Mr. Johnson. The gentlelady's time has expired.

3241 The chair now recognizes the gentleman from Utah, Mr.

3242 Curtis, for five minutes.

3243 *Mr. Curtis. Thank you, Mr. Chair.

3244 Mr. Administrator, we've heard a lot, not just

3245 today in this room but often in this room about

3246 reducing emissions and the importance of our global

3247 carbon footprint. And I'd like to discuss to you today

3248 -- with you today my concerns with your new chemicals

3249 office slow rate of approval in approving our next

3250 generation of innovative American technologies.

3251 You recently told the Senate that as an

3252 administrator that you respect the letter of the law.

3253 That implies to me everything the way it's supposed to

3254 be. Yet the GAO reported that EPA new chemicals

3255 reviews are getting increasingly worse at meeting

3256 statutory deadlines.

3257 I understand you don't meet any deadlines. Last

3258 year you literally had a success rate of zero on

3259 meeting deadlines. I find that statistically almost

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3260 impossible. It would seem like you could stumble into
3261 a couple on time. And I'd like to know your response
3262 to that, and I'm certainly hoping you won't say
3263 funding. Under President Trump and President Obama,
3264 they had some of the same concerns yet they made good
3265 progress on these issues. I understand user fees are
3266 up 600 percent, which is 25 percent of the overall
3267 budget.

3268 So can you tell me what the problem is, and how
3269 we're going to solve it, and why it's not a priority?
3270 It's not even in your budget objectives to address
3271 this. So why is it not a priority?

3272 *Mr. Regan. It is in our budget. We have asked
3273 for resources on the --

3274 *Mr. Curtis. I'm talking budget objectives.

3275 *Mr. Regan. Well, and so let me just say, you
3276 referenced that --

3277 *Mr. Curtis. And don't tell me money.

3278 *Mr. Regan. -- under the Obama Administration and
3279 Trump Administration they did a better job. The courts
3280 would disagree with you, and now we've having to deal

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3281 with all of those --

3282 *Mr. Curtis. Okay. Can you explain how zero is
3283 better than what's been done previously? I'm talking
3284 zero.

3285 *Mr. Regan. Number one, I'd have to look at that
3286 zero number. But number two, when you're having to do
3287 the homework --

3288 *Mr. Curtis. Well, let me give you the benefit of
3289 the doubt and say it's five percent, right.

3290 *Mr. Regan. When you have --

3291 *Mr. Curtis. Let me give you the benefit that
3292 it's 10 percent. How is that acceptable? These --
3293 remember these chemicals are critical for many things
3294 in the healthcare industry, reducing emissions,
3295 something we all care deeply about, and it doesn't seem
3296 like it's even on your radar. It almost feels like
3297 there's a purposeful let's not approve these.

3298 *Mr. Regan. Oh --

3299 *Mr. Curtis. Do you not like them? And then let
3300 me ask this.

3301 *Mr. Regan. Absolutely not.

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3302 *Mr. Curtis. So you've also stated that you want
3303 to go back and review previous chemicals because they
3304 maybe should haven't been approved. How do you propose
3305 to do that when you're not even dealing with the
3306 current chemicals?

3307 *Mr. Regan. That's a good question for the
3308 courts. It's not that I choose to go back and look at
3309 these chemicals. The courts have mandated that during
3310 prior administrations that they didn't follow the
3311 letter of the law or they didn't use the latest science
3312 to evaluate these.

3313 *Mr. Curtis. So you're telling me they did not
3314 follow the letter of the law. Can you give me some
3315 specifics?

3316 *Mr. Regan. The courts have remanded a number of
3317 decisions back to the agency and said redo this
3318 homework.

3319 *Mr. Curtis. Okay. So how do you propose to redo
3320 that homework when you're not doing your current
3321 homework?

3322 *Mr. Curtis. [Laughter.] The way you do that is,

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3323 number one, you follow the law. Number two, you learn
3324 from what --

3325 *Mr. Curtis. The law says -- let's follow -- the
3326 law says get it done.

3327 *Mr. Regan. It does.

3328 *Mr. Curtis. Right? It gives you very clear
3329 deadlines. So we're not following the law.

3330 *Mr. Regan. So you're suggesting, though, that I
3331 can dig out from past transgressions and do my current
3332 job without adequate resources. The math just doesn't
3333 add up.

3334 *Mr. Curtis. Whoa, whoa, whoa. What are the --
3335 okay, tell me what adequate resources you're lacking?
3336 Fees are up 600 percent. What resources -- why is it
3337 always about money to get things -- to do a better job?

3338 *Mr. Regan. I think we should take a look at the
3339 personnel that exists in this office today, and you can
3340 go back to 1990, 1980, 2000. We have significantly
3341 lost -- over 200 employees are -- we're down from like
3342 past offices. And so you're --

3343 *Mr. Curtis. Okay. So, Mr. Administrator, that's

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3344 your job. That is your job. If you're down 200
3345 employees, that is your job. Why are you losing
3346 employees?

3347 *Mr. Regan. Because Congress cut the budget.
3348 Because you guys cut the budget.

3349 *Mr. Curtis. Your fees are up 600 percent. Don't
3350 blame it on us, right? Why is this always --

3351 *Mr. Regan. I think --

3352 *Mr. Curtis. -- a money issue? You're telling me
3353 --

3354 *Mr. Regan. I think this is a --

3355 *Mr. Curtis. -- there's not a single thing in
3356 your organization that can be -- can't be fixed without
3357 more money? Productivity is --

3358 *Mr. Regan. Well, let me tell you.

3359 *Mr. Curtis. Is it not -- it's tied into -- isn't
3360 it tied into productivity?

3361 *Mr. Regan. We are working night and day to play
3362 catchup from what others didn't do correctly while
3363 trying to do our job.

3364 *Mr. Curtis. Wow, do you know what that sounds

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3365 like? Do you understand what that sounds like? It's
3366 like not my fault, it's those other guys' fault.
3367 That's not acceptable.

3368 *Mr. Regan. I'm the administrator. I'm
3369 accountable.

3370 *Mr. Curtis. Yeah, and so --

3371 *Mr. Regan. Which is why I'm asking you for the
3372 resources --

3373 *Mr. Curtis. Mr. Administrator --

3374 *Mr. Regan. -- because I'm 200 people less than
3375 other administrations.

3376 *Mr. Curtis. How about a 600 percent increase in
3377 fees?

3378 *Mr. Regan. I'd have to revisit that number.
3379 That sounds like a slight of hand to me. I don't -- the
3380 6 -- I'd have to revisit that number.

3381 *Mr. Curtis. Okay. Here we are --

3382 *Mr. Regan. But I can tell you, we don't have the
3383 people to do the job.

3384 *Mr. Curtis. -- you want to revisit the zero
3385 number, you want to revisit the 600 number. Let's just

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3386 get these things done.

3387 *Mr. Regan. I'd love to talk to you so we can
3388 revisit all of it --

3389 *Mr. Curtis. Okay.

3390 *Mr. Regan. -- because I want the personnel to
3391 get it done.

3392 *Mr. Curtis. All right.

3393 *Mr. Regan. It's the ag industry, it's the
3394 semiconductor industry.

3395 *Mr. Curtis. Mr. Administrator, I'm out of time.

3396 *Mr. Regan. All of these industries want me to do
3397 this, and I'm trying my best to do it.

3398 *Mr. Curtis. All right.

3399 *Mr. Johnson. Would the gentleman yield?

3400 *Mr. Curtis. Yes.

3401 *Mr. Johnson. I think it's interesting, here we
3402 are talking about the lack of personnel and yet we're
3403 looking at over a hundred billion dollars of out of
3404 cycle funding that has gone to the EPA on top of
3405 regular appropriation funding, and we're talking about
3406 not enough money to pay for people. I think this is a

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3407 -- it's --

3408 *Mr. Curtis. I would just like my last point to
3409 be it's not always about the money.

3410 *Mr. Johnson. That's right.

3411 *Mr. Curtis. There's so many other aspects of
3412 efficiency. And so I'm unfortunately out of time, Mr.
3413 Chairman. I yield.

3414 *Mr. Johnson. Thank the gentleman for yielding.
3415 The chair now recognizes the gentlelady from
3416 California, Ms. Barragan, for five minutes.

3417 *Ms. Barragan. Thank you, Mr. Chair. I just want
3418 to note for the record it was under the prior
3419 administration, the Trump Administration, that the EPA
3420 budget was effectively slashed, it was gutted. Certain
3421 departments were shut down. So can you imagine when
3422 you inherit an EPA that has that how you have to undo
3423 all that harm and then get back up and ready and then
3424 rehire people? I think that's what was missing from
3425 that last conversation.

3426 Anyhow, Mr. Administrator Regan, thank you so much
3427 for being here. Thank you for all the work that you do

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3428 day in and day out, for your leadership to advance the
3429 Biden Administration's climate and environmental
3430 justice priorities. EPA has been on a roll lately with
3431 proposals to reduce pollution from cars and trucks,
3432 reduce methane pollution, oil and gas wells, and
3433 mercury pollution from power plants. Thank you for all
3434 of that work.

3435 Last month the Congressional Hispanic Caucus
3436 hosted an environmental justice town hall with Latino
3437 environmental justice advocates, climate groups, and
3438 EPA staff. We heard about the incredible potential for
3439 the three billion dollars in environmental justice
3440 block grants in the Inflation Reduction Act to improve
3441 the quality of life in communities. We also heard
3442 about the challenges that we need to overcome to ensure
3443 that these grants reach the frontline organizations
3444 doing the work in our communities on the ground.

3445 What steps is EPA taking to ensure that these
3446 grants support locally-led projects in communities that
3447 need them the most?

3448 *Mr. Regan. Well, thank you for that question,

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3449 and thank you for your leadership on this issue.

3450 There are two things I'd like to highlight. The
3451 first is we'll establish an EJ thriving communities
3452 grant makers network with over 500 million dollars from
3453 IRA. That specifically will give the resources to
3454 funders in every region of EPA, specifically in the
3455 communities. That will ensure that the money is going
3456 to grass roots organizations that have the capacity,
3457 and we are working with grassroots organizations to
3458 identify those.

3459 For those grassroots organizations that don't have
3460 the capacity, we've created the Technical Assistance
3461 Centers. There are 17 of them across the United
3462 States. What we've done is we've chosen 17
3463 organizations that have the ability to handle 10
3464 million dollars and begin to build capacity with
3465 grassroots organizations and community organizations.
3466 They will prepare them for the grant writing processes
3467 and the capacity to apply for that three billion in
3468 Environmental Justice dollars.

3469 So we're not being paternalistic. We recognize

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3470 that we don't exactly know who should have these
3471 opportunities, and we're working with our partners to
3472 identify them, fill capacity so that they can be
3473 competitive.

3474 *Ms. Barragan. Great, thank you. There are
3475 dozens of startup, shutdown, and malfunction loopholes
3476 in the Clean Air Act that allow refineries, power
3477 plants, and industrial facilities to release huge
3478 amounts of pollution into the air of neighboring
3479 communities without consequence. Now I commend EPA's
3480 work to close these loopholes in state plans all at
3481 once called a consolidated rulemaking.

3482 But the agency's also removing loopholes one at a
3483 time from EPA regulations. At this pace, it will take
3484 decades to eliminate them. Will the EPA take action to
3485 remove all polluter loopholes from EPA rules through
3486 one rule?

3487 *Mr. Regan. We've taken action. I'll say we
3488 reinstated the 2015 SSM policy from the SIP call. And
3489 so moving forward, we are trying to work with the
3490 strategy as directed by the D.C. Circuit Court. I

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3491 think what will be good is for me to have my staff work
3492 with yours to talk through how we're closing these
3493 loopholes under the letter of the law in a way that we
3494 can reduce pollution and protect communities.

3495 *Ms. Barragan. Well, thank you. This is an
3496 urgent issue that myself and 24 colleagues recently
3497 wrote you on. These facilities are overwhelmingly in
3498 Latino and Black communities. A strong action would
3499 help fulfill the EPA's commitments to environmental
3500 justice.

3501 I want to thank you again for all your work,
3502 Administrator Regan, and I wish you luck in moving
3503 forward on IRA and making sure we're doing all we can.

3504 With that, I yield back.

3505 *Mr. Regan. Thank you.

3506 *Mr. Johnson. The gentlelady yields back.

3507 I want to point out, Mr. Administrator, budget
3508 proposals are just that, they're budget proposals.
3509 It's Congress that appropriates the money. And under
3510 the previous Administration, the EPA's actual funding
3511 went up each and every year under the previous

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3512 Administration. So I just want to make sure that
3513 record is clear.

3514 With that, the chair recognizes the gentleman from
3515 California, Mr. Cardenas.

3516 *Mr. Cardenas. Thank you, Mr. Chairman, I
3517 appreciate having the opportunity to waive onto this
3518 committee to speak publicly with Administrator Regan
3519 over EPA matters.

3520 One of the things that I think you may want to do,
3521 Administrator Regan, is remind, whether it's in this
3522 committee or reporting back to this committee, that
3523 there's a convolution sometimes when people say, for
3524 example, a department such as the EPA, has received
3525 more funding. There's a difference between funding
3526 sent to a department so that they can get their work
3527 done versus funding in order for programs to give
3528 grants out to communities outside of the workforce
3529 within that department.

3530 So I think there might be a little bit of
3531 confusion or convolution as to what true funding is
3532 actually delegated to the department so that you can

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3533 actually hire people and get your work done versus
3534 money that passes through to go out to communities so
3535 that they can get the good work done in the
3536 communities. So I just wanted to clarify that. So if
3537 you have the opportunity to do that, please do so,
3538 whether it's in this committee hearing or getting back
3539 to us with that, please.

3540 Also, I'd like to focus today on EPA's Clean
3541 School Bus program. As you know, last Congress we
3542 enacted a transformational infrastructure package known
3543 as the Bipartisan Infrastructure Law which makes five
3544 billion dollars available to schools to replace their
3545 diesel busses. The genesis of this effort is the Clean
3546 Community for Kids Act which I proudly championed
3547 alongside Congresswoman Hayes and Senators Padilla and
3548 Warnock. We know all too well the health risks posed
3549 to children when riding dirty, outdated diesel school
3550 busses, and it should surprise no one that interest and
3551 demand for electric school busses abounds in
3552 communities in every state of our great nation.

3553 Administer (sic) Regan, when you launched the

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3554 clean school bus program last year, 500 million dollars
3555 was made available from the five billion Congress
3556 authorized and appropriated. The volume of
3557 applications you received for the initial 500 million
3558 dollars funding opportunity was overwhelming with more
3559 than 2,000 applications received from every corner of
3560 the country.

3561 These applications represented more than four
3562 billion dollars in requests, the vast majority of which
3563 were for electric school busses. In fact, demand was
3564 so high that EPA increased the availability of funding
3565 to one billion for the first round. In short, the
3566 demand has far exceeded supply. More than 20 million
3567 students across the United States ride school busses
3568 every day, which exposes them to significant air
3569 pollution.

3570 Administrator Regan, is the funding provided to
3571 EPA by the Infrastructure Investment and Jobs Act
3572 enough to clean up every school bus in America?

3573 *Mr. Regan. It's not. It's a significant shot in
3574 the arm, but you've pointed out, the demand for our

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3575 program is just unbelievable. The majority of it is
3576 electric school busses, but we're also getting
3577 applications in for propane and compressed natural gas.
3578 And so there are a lot of low carbon solutions out
3579 there for low-income, rural communities all across this
3580 country, and they're excited about this program.

3581 *Mr. Cardenas. So actually some cleaner fossil
3582 fuel methods are allowed under this program?

3583 *Mr. Regan. Yes, about 90 percent of the -- this
3584 is a voluntary program.

3585 *Mr. Cardenas. Correct.

3586 *Mr. Regan. 90 percent of the applicants wanted
3587 an electric bus, and then about 10 percent wanted to
3588 look at propane and other fossil opportunities.

3589 *Mr. Cardenas. Which they have the option to do.

3590 *Mr. Regan. And we granted them.

3591 *Mr. Cardenas. Can you point that out? And
3592 you've granted not only electric school bus
3593 applications but also other applications as well?

3594 *Mr. Regan. We have, and I can get those
3595 specifics to you, but if I'm not mistaken, there are

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3596 about 10 percent, if not a little bit more, of those
3597 applications that we granted that were non-electric.
3598 And those that were requested and had a competitive bid
3599 in, we granted those.

3600 *Mr. Cardenas. Well, the reason why I appreciate
3601 the fact that you just pointed that out is because far too
3602 often in this committee, the Energy and Commerce Committee,
3603 some of my colleagues try to make it seem as though the
3604 Biden Administration and the Democrats in Congress are only
3605 interested in electric vehicles and not looking at a broader
3606 solution to make sure that we transition away from our
3607 carbon footprint today and actually improve -- clean up our
3608 act, literally, and get to the point where we can still have
3609 reliability, we can still have affordability, and we can
3610 still actually get it done while cleaning up our act. Is
3611 that the objective of EPA is to make sure that we can
3612 transition effectively into a cleaner future?

3613 *Mr. Regan. Absolutely, in our numbers, in our
3614 efforts, and everything point to that and prove that. It's
3615 irrefutable data that exists.

3616 *Mr. Cardenas. Mm-hmm. And also if you can get over

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3617 to the committee -- with the few -- time that I have, if you
3618 can get over to the committee the number of vacancies that
3619 you have and some of the titles of those vacancies as well,
3620 because many of them are experts who, unfortunately, are
3621 finding themselves in the private sector getting a lot more
3622 for their efforts than, unfortunately, we've been able to
3623 pay them in the public sector.

3624 Thank you so much for your generosity.

3625 Mr. Chairman, my time is expired, and I yield back.

3626 *Mr. Johnson. The gentleman's time has expired. I ask
3627 unanimous consent to insert in the record the documents
3628 included on the staff hearing documents lists.

3629 Without objection, that will be the order.

3630 [The information follows:]

3631

3632 *****COMMITTEE INSERT*****

3633

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3634 *Mr. Johnson. I remind members that they have 10
3635 business days to submit questions for the record, and I ask
3636 the witnesses to respond to the questions promptly. Members
3637 should submit their questions by the close of business on
3638 May 24th.

3639 Mr. Administrator, thanks again for joining us today.

3640 *Mr. Regan. Thank you for having me.

3641 *Mr. Johnson. Without objection, the subcommittee is
3642 adjourned.

3643 [Whereupon, at 1:00 p.m., the subcommittee was
3644 adjourned.]