

TESTIMONY OF
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BEFORE THE

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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Thank you, Chairman Comer, Ranking Member Raskin, and Members of the Committee. I appreciate the opportunity to appear before you today to proudly represent the work of the U.S. Environmental Protection Agency (EPA) to advance a cleaner, healthier, and more equitable Nation where all people have equal access to safe and clean water, air, land, and communities, and to follow the science to ensure our chemicals are safe and that American innovation leads us into the future. My testimony will also address EPA’s strong record of responsiveness, transparency, and openness with the 118th Congress.

Implementing the Law to Protect Human Health and the Environment

EPA has been hard at work to pursue its mission of protecting human health and the environment, and we have been doing so in alignment with congressional direction—following the law, following the science, and doing so transparently.

In April, EPA issued the first-ever national, legally enforceable drinking water standard to protect communities from exposure to harmful per-and polyfluoroalkyl substances (PFAS), also known as ‘forever chemicals.’ Exposure to PFAS has been linked to deadly cancers, impacts to the liver and heart, and immune and developmental damage to infants and children. The final rule will reduce PFAS exposure for approximately 100 million people, prevent thousands of deaths, and reduce tens of thousands of serious illnesses and is aligned with the goals of the Biden Cancer Moonshot.

Additionally, EPA has made more than \$11.5 billion in water infrastructure funding available this year through infrastructure investment programs, including the state revolving funds, under President Biden’s Investing in America agenda. Thanks to the Bipartisan Infrastructure Law, communities across the country have access to unprecedented funding through the State Revolving Fund programs for priority water infrastructure projects that upgrade aging water mains and pumps, replace toxic lead pipes, address PFAS drinking water contamination, and improve community resilience to climate change impacts like flooding. Since 2022, the Bipartisan Infrastructure Law has injected almost \$25 billion into water infrastructure projects across the country, protecting public health, preserving water resources, and creating jobs.

The Bipartisan Infrastructure Law that Congress passed invests a historic \$15 billion – of which EPA has made \$9 billion available to date – to help every state and territory identify and replace lead service lines, preventing exposure to lead in drinking water. Lead can cause a range of serious health impacts, including irreversible harm to brain development in children. There is no safe level of lead exposure. The law mandates that 49 percent of funds provided through the Drinking Water State Revolving Fund General Supplemental Funding and Lead Service Line Replacement Funding must be provided as grants and forgivable loans to disadvantaged communities.

Further, in April, EPA announced final rules under separate authorities to reduce climate, air, water, and land pollution from fossil fuel-fired power plants in order to protect all communities from pollution and improve public health without disrupting the delivery of reliable electricity. By announcing these rules at the same time, I have delivered on my commitment to industry stakeholders to provide regulatory certainty as the power sector makes long-term investments in the transition to a clean energy economy. The standards are designed to work with the power sector's planning processes, providing compliance timelines that enable power companies to plan in advance to meet electricity demand while reducing dangerous pollution.

EPA conducted regulatory impact analyses for each rule, showing that this suite of standards will deliver hundreds of billions of dollars in net benefits. EPA also performed a sensitivity analysis exploring the combined effect on the power sector of the carbon pollution, air toxics, and water rules, as well as EPA's recent rules for the transportation sector. The projections regarding changes in electricity supply and demand align with recent reports from the Department of Energy (DOE) and National Renewable Energy Laboratory and peer-reviewed research in showing that the sector can meet growing demand for electricity and provide reliable, affordable electricity at the same time as it reduces pollution in accordance with these rules to protect health and the planet.

EPA's final Clean Air Act standards for existing coal-fired and new natural gas-fired power plants limit the amount of carbon pollution covered sources can emit, based on proven and cost-effective control technologies that can be applied directly to power plants. The regulatory impact analysis projects reductions of 1.38 billion metric tons of carbon pollution overall through 2047, which is equivalent to preventing the annual emissions of 328 million gasoline cars, or to nearly an entire year of emissions from the entire U.S. electric power sector. It also projects up to \$370 billion in climate and public health net benefits over the next two decades. The climate and health benefits of this rule substantially outweigh the compliance costs.

Since proposing the Clean Air Act standards for existing coal-fired and new natural gas-fired power plants, EPA engaged extensively with balancing authorities, power companies, reliability experts, FERC and DOE as well as regulatory authorities responsible for reliability to understand their concerns and address them in the final rule. I expect this engagement to continue during implementation.

In a separate Clean Air Act rulemaking in March, EPA announced final national pollution standards for passenger cars, light-duty trucks, and medium-duty vehicles for model years 2027 through 2032 and beyond. These standards will avoid more than 7 billion tons of carbon

emissions and provide nearly \$100 billion of annual net benefits to society, including \$13 billion of annual public health benefits due to improved air quality, and \$62 billion in reduced annual fuel costs, and maintenance and repair costs for drivers.

These standards will provide greater certainty for the auto industry, catalyzing private investment, creating good-paying union jobs, and invigorating and strengthening the U.S. auto industry. The final rule reflects the significant investments in clean vehicle technologies that industry is already making domestically and abroad, as well as ongoing U.S. market shifts and increasing consumer interest in clean vehicles. Additionally, the final standards will lower costs for consumers. Once fully phased in, the standards will save the average American driver an estimated \$6,000 in reduced fuel and maintenance over the life of a vehicle.

In a related but separate line of work, EPA has also invested nearly \$2 billion in supporting clean school buses for districts across the country, including \$1 billion for 67 districts announced in January.

EPA appreciates the significant public input received through the rulemaking process. This rule was informed by input from the public, including stakeholders such as community groups, labor groups, environmental justice groups, automobile manufacturers, automotive suppliers, environmental and public health organizations, and state, local, and Tribal governments.

Finally, EPA banned the last remaining kind of asbestos used in our country. Exposure to asbestos is known to cause lung cancer, mesothelioma, ovarian cancer, and laryngeal cancer, and it is linked to thousands of deaths in the U.S. each year. This final rule was the first rule to be finalized under the 2016 amendments to the nation's premier chemical safety law, the Toxic Substances Control Act (TSCA), which received near-unanimous support in both the U.S. House of Representatives and the Senate. The action marks a major milestone for chemical safety after more than three decades of inadequate protections and serious delays.

These are just a few examples of the actions EPA has worked hard to finalize during this Congress.

Responsible Stewardship of Taxpayer Resources

The Bipartisan Infrastructure Law and Inflation Reduction Act represent a once-in-a-generation investment in the future of our country that will change people's lives for the better. The historic funding Congress provided will create millions of jobs, modernize our Nation's infrastructure, combat the climate crisis, and put us on a path to winning the 21st century. EPA is putting these funds to work to fulfill our mission to protect public health and the environment.

Throughout everything EPA does, we have put systems in place to ensure taxpayer dollars are spent for the benefit of people across our Nation. EPA recognizes that, with historic funding from Bipartisan Infrastructure Law and Inflation Reduction Act, the Agency bears critical responsibilities to ensure the monies are spent in accordance with the law. Full engagement and collaboration between the Office of Inspector General (OIG) and EPA helps to improve program performance and efficiency. Agency leadership has reiterated to all staff the importance of

cooperating with the OIG on their reviews of Agency programs and of reporting possible waste, fraud, and abuse.

As EPA continues working to effectively manage the funding the Agency received through the Bipartisan Infrastructure Law and the Inflation Reduction Act, we will continue our robust engagement with the OIG. We have leveraged OIG's expertise to offer fraud awareness training to Agency staff, and EPA trains its workforce on oversight by providing staff with best practices from OIG reports on lessons learned. In addition, EPA is holding Gold Standard Meetings with the OIG to provide an overview of the purpose, design, and controls associated with critical programs.

For this new funding from the Bipartisan Infrastructure Law and the Inflation Reduction Act, EPA has been proactive in furthering its program integrity framework for necessary controls to be in place to prevent and detect waste, fraud, and abuse. The Agency routinely assesses and mitigates risks throughout EPA programs. Every year, EPA issues an assurance statement as part of the Agency's Annual Financial Report that affirms our financial records are accurate, and controls are effectively mitigating waste, fraud, and abuse. Payment integrity at the Agency is conducted annually through Improper Payment Risk Assessments to prevent, reduce, and recapture improper payments. The Agency will be conducting these risk assessments of programs specific to the Bipartisan Infrastructure Law and Inflation Reduction Act, and we will be increasing reviews on grants, contracts, and State Revolving Funds to ensure validity of payments.

EPA offices that received a large portion of funding have issued national program guidance to ensure proper implementation of Bipartisan Infrastructure Law and Inflation Reduction Act-funded programs. This guidance communicates operational priorities and strategies for EPA programs, regions, and state and Tribal partners, and it includes regulatory and compliance requirements.

The Agency has further enhanced program integrity by maturing its fraud risk management framework. To address the risks of fraudulent activities, the Agency established a fraud work group that developed formal fraud risk management guidance to ensure EPA resources are utilized as intended. EPA will continue to focus on assessing these risks and identifying controls to mitigate identified risks.

EPA has brought together experts in climate policy, clean energy finance, financial oversight, and more in order to successfully and responsibly implement these new funding programs. To ensure that competitive funding opportunities are fair, impartial and in line with the EPA Competition Policy, EPA has adhered to important standards during program design and application phases. For instance, interested stakeholders have had opportunities to share their perspectives and to attend public webinars at which EPA provided information about new competitions. At the same time, the Agency has in place grant requirements and oversight mechanisms so that grantees act responsibly with taxpayer dollars. All entities receiving financial assistance from EPA may only expend EPA funds in compliance with applicable statutory requirements, regulatory requirements, and the terms and conditions of EPA's assistance agreement. EPA is also requiring detailed reporting to enable prudent oversight and public transparency.

Responsive Engagement with Congress

As an Agency, we are dedicated to open communication, fairness, and transparent engagement with Congress and the American public. EPA recognizes and respects the importance of Congress's interests in obtaining information necessary to perform its legitimate oversight functions. We have worked in good faith with you and your staff throughout the 118th Congress to accommodate the Committee's various requests, and we are committed to continuing to cooperate with you to provide the information you need.

The Agency always aims to be responsive to the Committee's inquiries, and EPA staff have continually engaged in the constitutionally prescribed accommodation process with this and other committees regarding the many topics in which this Committee and others have expressed interest. Since the start of the 118th Congress, EPA has sent hundreds of letters in response to inquiries from committees and individual Members in both the House and Senate. In response to congressional oversight requests, the Agency has provided more than 75,500 pages of documents across the House and Senate, which is a testament to the Agency's extraordinary responsiveness. We have responded to thousands of informal congressional requests for information and have provided hundreds of briefings to committees and personal offices. We have also provided numerous Agency witnesses for committee hearings across our various authorizing and appropriations committees as well as for the Oversight Committee.

Regarding this Committee's requests, to date, the Agency has faithfully responded by providing more than 23,000 pages of documents, 25 letter responses, 8 briefings, testimony at a Subcommittee hearing, and numerous staff-level calls. The documents we have produced have included internal communications, as the Committee has requested. The Agency has responded to every letter and briefing request received from the Committee, and we have provided responsive document productions at a regular cadence across the Committee's numerous and extensive document requests.

Conclusion

EPA has a strong, demonstrated record of responsiveness and engagement with Congress and with the Oversight Committee during the 118th Congress. I am glad to voluntarily appear before the Committee today for this general oversight hearing as a show of our continued good faith and meaningful accommodation of the Committee's interests. I am confident in and proud of the hard work EPA has undertaken to protect human health and the environment while responsibly stewarding taxpayer resources; to fight waste, fraud, and abuse; and to follow the science and implement the laws Congress enacted. I welcome your questions. Thank you.