Testimony of James Cason Associate Deputy Secretary of the Department of the Interior Before the Senate Committee on Energy and Natural Resources "Current Agency Efforts and Further Needs to Improve the Efficiency and Accountability of Federal Permitting for Infrastructure Projects"

December 12, 2017

Chairman Murkowski, Ranking Member Cantwell, and Members of the Committee, I am Jim Cason. I serve as the Associate Deputy Secretary of the Department of the Interior (Department or Interior). Thank you for inviting me to testify before you today on the Department's ongoing efforts to improve the efficiency and accountability of federal permitting for infrastructure projects. I ask that my entire written statement be incorporated into the record.

At Interior, we administer the activities that take place on 1/5 of all the land in the United States, most of which are impacted in some capacity by infrastructure demands. We know that the substance, the procedure, and the pace of our decision-making can have a significant impact on our ability to permit our diverse infrastructure needs. We manage more than 500 million acres of Federal lands, over 900 parks and wildlife refuges, and a billion submerged offshore acres. We collect billions of dollars in rents and royalties annually. Millions of people visit Interior-managed lands each year for camping, hiking, hunting, and other outdoor recreation opportunities. Departmental bureaus also provide access to public lands for energy development and manage rural water projects that are a lifeline and economic engine for many communities in the West.

The Department is acutely aware that President Trump, even as a candidate, clearly communicated a vision of empowering the private sector, as well as state and local governments, by unleashing our nation's economic growth through infrastructure enhancements and improvements. In order to meaningfully address infrastructure issues, Interior believes creating greater efficiencies in the overall federal permitting process is crucial.

Executive Order (E.O) 13807 highlighted the costs to American households of the poor condition of America's infrastructure, and the inefficiencies in current infrastructure project decisions. E.O. 13807 ignited an Administration-wide assessment as to how best to address inefficiencies in current infrastructure project decisions that delay investments, decrease job creation, and are costly to the American taxpayer. The Department, under the direction of the President, has been proactive in these efforts, specifically focusing upon environmental reviews and permitting authorizations.

Given the Department's diverse mission as well as the considerable role we play in permitting activity that takes place on federal lands, an effort to bring greater efficiencies to our process has been at the forefront of our priorities. Following the signing of E.O. 13807, the Department followed suit with Secretarial Order (S.O.) 3355, which provides a number of directives to streamline environmental assessments. Such efforts include:

• Setting page and time limitations for most Environmental Impact Statements;

- Setting target page and time limitations for the preparation of Environmental Assessments;
- Reviewing the Department's current National Environmental Policy Act (NEPA) procedures and providing recommendations to streamline the process; and
- Implementing E.O. 13807 to the fullest extent.

With regard to specific Departmental policies, given President's Trump's push to advance energy dominance, a significant focus for the Department has been encouraging responsible energy development. We believe our efforts to accelerate and streamline NEPA compliance efforts will also help us achieve our energy goals.

Executive Order 13783 directed agencies to immediately review and report on all agency actions that potentially burden the safe, efficient development of domestic energy resources. In response, the Department released the "Review of the Department of the Interior Actions that Potentially Burden Domestic Energy" (Energy Burdens Report) on October 25, 2017. The Energy Burdens Report identified specific rules and regulations that hamper domestic energy development. A copy of the report has been submitted for the record and is publicly available on the Department's website

(<u>https://www.doi.gov/sites/doi.gov/files/uploads/interior_energy_actions_report_final.pdf</u>). The report will be a useful tool as the Department continues its efforts to reduce impediments to safe, efficient development of domestic energy resources.

Executive Order 13795 outlined the President's America First Offshore Energy Strategy. In response, the Department is initiating a new National Outer Continental Shelf Oil and Gas Leasing Program development process to replace the 2017-2022 Program. In addition, the Department has announced Proposed Lease Sale 250, the largest oil and gas lease sale ever held in the United States, for March 2018. The proposed region-wide lease sale offers an area about the size of New Mexico, and includes all available unleased areas on the Gulf's Outer Continental Shelf. Providing opportunities for developing offshore resources is part of the Department's strategy to spur local and regional economic dynamism and job creation, and is a pillar of the President's plan to make the United States energy dominant.

The Department is also looking at ways to streamline leasing and permitting for hardrock mining, while at the same time addressing the backlog of mining notices, exploration plans, and mine plans. We intend to do this by ensuring that adequate resources are available to address notice-level and plan-level work for exploration and mining and to efficiently process new applications for hardrock mining. It is also important to enhance coordination with states, tribes, and other agencies, in a way that will result in streamlined review and approval of the NEPA documents related to hardrock mining.

In addition to the significant efforts underway to implement the vision outlined in the President's Executive Orders, the Department has worked to further execute Title 41 of the Fixing America's Surface Transportation (FAST) Act, while fulfilling the Secretary's priority of making environmental review and permitting processes more efficient. As detailed by the U.S. Fish and Wildlife Service (Service) in a July 26, 2017, hearing before the Senate Committee on Homeland Security and Governmental Affairs, Permanent Subcommittee on Investigations, FAST-41

provides a platform for more efficient and effective review and permitting of large and complex infrastructure projects. The Service typically carries out these activities in the field as a participating or coordinating agency under FAST-41, working with the lead agency for a project in reviewing and commenting or consulting on the project plan within set deadlines. Furthermore, they engage at the national level to advise the Federal Permitting Improvement Steering Council in identifying and implementing best practices and policies related to FAST-41. The Service continues to focus on building efficiencies into the review and permitting processes that will improve and expedite consideration of many projects.

I appreciate the opportunity to testify before your Committee this morning on the Department's progress on improving the efficiency and accountability of federal permitting for infrastructure projects, and I look forward to answering any questions that you might have.