# **GAO** <u>Highlights</u>

Highlights of GAO-25-107108, a report to congressional requesters

#### Why GAO Did This Study

CEQ is an office within the Executive Office of the President that advises the President on environmental policies. It also oversees the implementation of NEPA, which requires federal agencies to assess the environmental effects of certain proposed federal actions. Title VI of the IRA provided more than 10 times CEQ's typical annual appropriations to support environmental and climate programs.

GAO was asked to review CEQ's use of IRA appropriations. This report examines (1) how CEQ obligated and expended IRA appropriations through December 2024, and (2) CEQ's oversight of its uses of IRA appropriations.

GAO reviewed CEQ obligations and expenditures data through December 2024; reviewed documentation about CEQ's use and oversight of IRA appropriations; and interviewed CEQ staff about spending decisions and oversight practices.

View GAO-25-107108. For more information, contact J. Alfredo Gómez at GomezJ@gao.gov.

## INFLATION REDUCTION ACT

## Council on Environmental Quality's Uses and Oversight of Appropriations as of December 2024

### What GAO Found

The Inflation Reduction Act of 2022 (IRA) appropriated \$62.5 million to the Council on Environmental Quality (CEQ) to support environmental and climate data collection and CEQ's role in federal environmental reviews. CEQ had obligated about \$16 million (26 percent) as of December 31, 2024, to hire personnel and award contracts, and most of these obligations were expended. CEQ used its IRA appropriation for environmental and climate data collection to, among other things, develop a scorecard to track federal progress toward environmental justice goals. This effort was based on a now-revoked executive order, and the scorecard is no longer accessible online. CEQ used its IRA appropriation for supporting environmental reviews to, among other things. create a plan to improve federal environmental review and permitting processes related to the amended National Environmental Policy Act of 1969 (NEPA), which requires federal agencies to review the environmental effects of certain proposed federal actions. As of December 2024, about \$46 million in CEQ's IRA appropriations remained available to be obligated through September 30, 2026. In January 2025, a new executive order required agencies to pause disbursement of IRA appropriations and review their uses for alignment with current polices. In February 2025, CEQ indicated it was reviewing the order's effect on its uses of IRA appropriations.





Source: GAO analysis of Council on Environmental Quality data. | GAO-25-107108

CEQ staff said that the Council had used its standard, largely informal approach to oversee its uses of IRA appropriations. They said that leadership and staff met regularly and that CEQ coordinated within the Executive Office of the President to assess how IRA appropriations were being used to achieve environmental goals. In December 2024, GAO discussed with CEQ the key practice of planning for results outlined in GAO's prior work. CEQ then provided GAO, in April 2025, updated internal guidance that stated CEQ would plan for results when using the remaining IRA appropriations to advance current policy objectives and meet IRA requirements. GAO's prior work found that planning for results is a key practice that can help federal entities enhance their efforts. GAO welcomes CEQ's intention to guide its planning with the key practices found in GAO's prior work should it obligate its remaining IRA appropriations.