



May 2025

# INFLATION REDUCTION ACT

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

# GAO Highlights

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](mailto:GomezJ@gao.gov).

May 2025

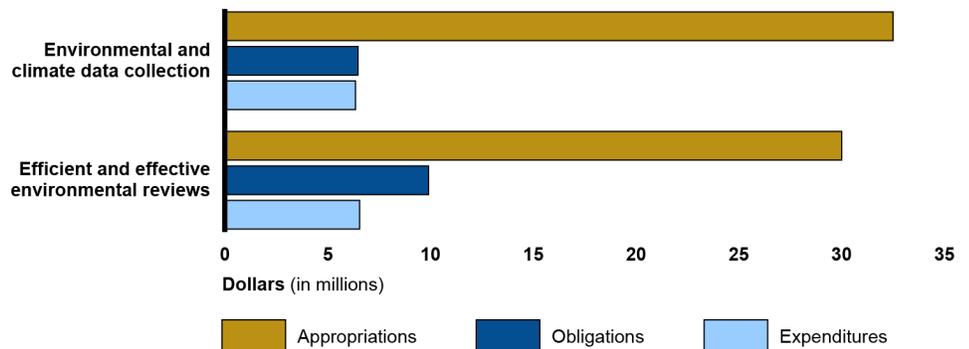
## INFLATION REDUCTION ACT

### 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 policies. In February 2025, CEQ indicated it was reviewing the order's effect on its uses of IRA appropriations.

**Status of Council on Environmental Quality Uses of Inflation Reduction Act Appropriations, as of December 31, 2024**



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.

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### **Abbreviations**

CEQ	Council on Environmental Quality
FTE	full-time equivalent
IRA	Inflation Reduction Act of 2022
NEPA	National Environmental Policy Act of 1969, as amended

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May 21, 2025

### Congressional Requesters

The Council on Environmental Quality (CEQ), within the Executive Office of the President, coordinates the federal government’s efforts to improve environmental quality.<sup>1</sup> In recent years, Congress has appropriated about \$3.5 million to \$4.7 million per year to CEQ.<sup>2</sup> Title VI of the Inflation Reduction Act of 2022 (IRA) provided \$62.5 million in supplemental appropriations to CEQ to support (1) environmental and climate data collection and (2) CEQ’s role in federal environmental reviews.<sup>3</sup> The appropriations, which represent a significant increase in CEQ’s funding, are available to the Council through the end of fiscal year 2026. In March 2023, we testified that agencies tasked with spending large supplemental appropriations like the IRA would benefit from, among other things, innovations in oversight to foster accountability to help ensure appropriations are used as intended and to be reasonably assured that their missions, goals, and objectives can be met.<sup>4</sup>

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<sup>1</sup>CEQ was established by the National Environmental Policy Act of 1969, as amended (NEPA), which requires federal agencies to identify and assess the environmental effects of major federal actions prior to making decisions. See Pub. L. No. 91-190, 83 Stat. 852 (1970) (codified as amended at 42 U.S.C. §§ 4321—4347). NEPA directs CEQ to oversee its implementation, among other duties. See 42 U.S.C. § 4344.

<sup>2</sup>CEQ’s appropriations were about \$4.6 million in fiscal year 2024, \$4.7 million in fiscal year 2023, \$4.2 million in fiscal year 2022, and \$3.5 million in fiscal year 2021. The Office of Environmental Quality, which provides professional and administrative support for CEQ, was also funded through these CEQ appropriations. See Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, div. G, tit. III, 134 Stat. 1182, 1528 (2020); Consolidated Appropriations Act, 2022, Pub. L. No. 117-103, div. G, tit. III, 136 Stat. 49, 402; Consolidated Appropriations Act, 2023, Pub. L. No. 117-328, div. G, tit. III, 136 Stat. 4459, 4813 (2022); and Consolidated Appropriations Act, 2024, Pub. L. No. 118-42, div. E, tit. III, 138 Stat. 25, 278.

<sup>3</sup>Pub. L. 117-169, §§ 60401, 60402, 136 Stat. 1818, 2079-80.

<sup>4</sup>GAO, *Oversight of Agency Spending: Implementing GAO Recommendations Could Help Address Previously Identified Challenges at Commerce, DOE, and EPA*, [GAO-23-106726](#) (Washington, D.C.: Mar. 29, 2023).

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You asked us to review CEQ's use of the appropriations provided by Title VI of the IRA.<sup>5</sup> Additionally, the IRA includes a provision for GAO to support oversight of the distribution and use of IRA appropriations.<sup>6</sup> This report examines (1) how CEQ has obligated and expended IRA appropriations and (2) CEQ's oversight of its uses of IRA appropriations.<sup>7</sup>

To examine how CEQ has obligated and expended IRA appropriations, we obtained and analyzed CEQ data on its IRA obligations and expenditures. We assessed the reliability of the data by interviewing CEQ staff and reviewing documents on CEQ's financial accounting. We found the data sufficiently reliable for our purposes of describing how CEQ has obligated and expended its IRA appropriations as of December 31, 2024. We also interviewed CEQ staff and asked questions about how they made decisions regarding how to use IRA appropriations.

To examine CEQ's oversight of its uses of IRA appropriations, we interviewed CEQ staff about CEQ's approach to program and project management, performance measurement, and oversight and monitoring of the final recipients of appropriations, such as entities that were awarded contracts. We also reviewed related documents, such as

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<sup>5</sup>You also asked us to review IRA activities at the U.S. Environmental Protection Agency, Federal Highway Administration, U.S. General Services Administration, and U.S. Fish and Wildlife Service. We are reviewing these agencies' IRA activities separately. See also GAO, *Inflation Reduction Act: Opportunities Exist to Help Ensure GSA Programs Achieve Intended Results*, [GAO-25-107349](#) (Washington, D.C.: Apr. 29, 2025) and GAO, *Oversight of EPA and DOE Spending: Implementing Remaining GAO Recommendations Could Help Address Identified Challenges*, [GAO-25-108135](#) (Washington, D.C.: Feb. 26, 2025).

<sup>6</sup>Pub. L. No. 117-169, § 70004, 136 Stat. 169, 2087 (2022).

<sup>7</sup>Obligation refers to a definite commitment that creates a legal liability of the federal government for the payment of goods and services ordered or received, or a legal duty on the part of the United States that could mature into a legal liability by virtue of actions on the part of the other party beyond the control of the United States. Expenditure refers to the federal government's actual spending of money, which liquidates an obligation. We use the term "spending" to refer broadly to decisions that lead to both the obligation and expenditure of appropriations. When referring to "uses" of appropriations, we mean the specific activities to which CEQ is obligating and expending appropriations.

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contracts with administrative service providers and cooperative agreements for partnering with other executive branch agencies.<sup>8</sup>

We conducted this performance audit from October 2023 to May 2025 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

The National Environmental Policy Act of 1969, as amended (NEPA), directs CEQ to, among other things, analyze changes or trends in the national environment; review and appraise federal programs to determine whether they contribute to the act's national environmental policy; and develop and recommend to the President national policies that further environmental quality.<sup>9</sup> As such, CEQ is responsible for conducting research on environmental issues regarding policies and legislation that can involve data collection and analysis. In its role coordinating environmental policies and programs across the federal government, CEQ helps oversee the federal government's implementation of executive orders and other presidential priorities related to environmental quality.

NEPA also directs CEQ to review and appraise how federal agencies implement its provisions, which require that federal agencies consider the environmental effects of certain proposed actions prior to making a broad range of decisions—such as permitting approvals, land management

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<sup>8</sup>CEQ staff indicated that CEQ is subject to the Federal Acquisition Regulation, which sets forth uniform policies and procedures by which executive agencies acquire supplies or services. See 48 C.F.R. pts. 1-99. CEQ staff also indicated that CEQ enters into interagency cooperative agreements under the authority of the Economy Act, 31 U.S.C. § 1535.

<sup>9</sup>Pub. L. No. 91-190, § 203, 83 Stat. 852, 855 (1970) (codified at 42 U.S.C. § 4344).

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actions, and constructing highways and other public facilities.<sup>10</sup> NEPA also directs agencies to consult with CEQ to identify and develop methods and procedures to implement the act.<sup>11</sup> Since NEPA's enactment, CEQ has issued guidance and promulgated regulations on how federal agencies are to implement NEPA. However, in February 2025, CEQ issued an interim final rule to remove all its NEPA regulations from the Code of Federal Regulations.<sup>12</sup>

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## IRA Requirements

The IRA appropriated \$62.5 million to CEQ under two specific provisions with the following requirements:

- **Environmental and Climate Data Collection (Section 60401):** \$32.5 million to support the identification, tracking, and analysis of disproportionate negative environmental and climate harms, and the cumulative impacts of pollution and temperature rise; and to ensure the accessibility of any related maps and tools; and
- **Efficient and Effective Environmental Reviews (Section 60402):** \$30 million to carry out CEQ functions and for the purposes of training personnel, developing programmatic environmental documents, and

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<sup>10</sup>42 U.S.C. § 4344(3). NEPA requires federal agencies to identify and evaluate the impacts of "major Federal actions significantly affecting the quality of the human environment." 42 U.S.C. § 4332(2)(c). After determining whether NEPA applies to the federal action, the level of and type of review of the proposed action varies based on an agency's assessment regarding whether the action is likely to have significant effects on the environment, among other considerations. 40 C.F.R. § 1501.3. Our recent work on NEPA includes GAO, *Federal Real Property: Efforts to Incorporate Climate Vulnerabilities and Environmental Justice in Asset Management*, [GAO-24-106420](#) (Washington, D.C.: June 26, 2024); *Council on Environmental Quality: National Environmental Policy Act Implementing Regulations Revisions Phase 2*, B-336320 (Washington, D.C.: May 16, 2024); *Commercial Space Transportation: How FAA Considers Environmental and Airspace Effects*, [GAO-24-106193](#) (Washington, D.C.: Apr. 24, 2024); *Highway and Transit Projects: Evaluation Guidance Needed for States with National Environmental Policy Act Authority*, [GAO-18-222](#) (Washington, D.C.: Jan. 30, 2018); and *National Environmental Policy Act: Little Information Exists on NEPA Analyses*, [GAO-14-369](#) (Washington, D.C.: Apr. 15, 2014).

<sup>11</sup>42 U.S.C. § 4332(2)(B).

<sup>12</sup>On January 20, 2025, Executive Order 14154, *Unleashing American Energy*, directed CEQ to propose rescinding CEQ's NEPA regulations and to provide guidance on implementing NEPA. To comply with this directive, CEQ published an Interim Final Rule on February 25, 2025, to remove all CEQ's regulations implementing NEPA from the Code of Federal Regulations, effective on April 11, 2025. CEQ, *Removal of National Environmental Policy Act Implementing Regulations*, 90 Fed. Reg. 10610 (Feb. 25, 2025). CEQ also has issued initial guidance on implementing NEPA in response to the order.

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developing tools, guidance, and techniques to improve stakeholder and community engagement.<sup>13</sup>

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## CEQ Obligated 26 Percent of Its IRA Appropriations, Primarily to Support Existing Efforts, Revise Federal Regulations, and Improve Permitting Processes

### CEQ Has Obligated 26 Percent of Its IRA Appropriations as of December 2024 and Has Expended the Majority of Those Obligations

According to our analysis of CEQ data, the Council had obligated about \$16 million, or 26 percent, of its total IRA appropriations and expended most of those obligations, as of December 31, 2024. For the specific provisions, CEQ obligated 20 percent (\$6.5 million) of its appropriation for environmental and climate data collection and obligated 33 percent (\$9.9 million) of its appropriation for supporting efficient and effective environmental reviews. CEQ expended most of these obligations. Table 1 shows how CEQ obligated and expended its IRA appropriations by IRA section and spending type through December 2024.

On January 20, 2025, Executive Order 14154, *Unleashing American Energy*, directed agencies to immediately pause the disbursement of funds appropriated through the IRA.<sup>14</sup> Executive Order 14154 also requires that all agencies review uses of IRA funds for alignment with the policies set forth in the order, including that (1) an abundant supply of reliable energy is readily accessible in every U.S. state and territory to protect U.S. economic and national security and military preparedness, and (2) “all regulatory requirements related to energy are grounded in

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<sup>13</sup>Pub. L. No. 117-169, §§ 60401, 60402, 136 Stat. 1818, 2079-80 (2022).

<sup>14</sup>Exec. Order No. 14154 of Jan. 20, 2025, 90 Fed. Reg. 8353, 8357 (Jan. 29, 2025). Here we report data on obligations and expenditures made by CEQ through December 31, 2024, which are not affected by any pause in disbursements CEQ may make in response to the order.

clearly applicable law.”<sup>15</sup> In February 2025, we asked CEQ staff about the order, and they said they were reviewing the order’s effects on their uses of IRA appropriations.

**Table 1: Council on Environmental Quality (CEQ) Inflation Reduction Act of 2022 (IRA) Obligations and Expenditures through December 31, 2024**

IRA section	Spending type	Appropriations (in millions)	Obligations (in millions)	Expenditures (in millions)	Obligations as percentage of appropriations	Expenditures as percentage of appropriations
60401: Environmental and Climate Data Collection	Personnel	-	\$3.7	\$3.6	11%	11%
	Contractual services	-	\$2.8	\$2.8	9%	9%
	<b>Total</b>	<b>\$32.5</b>	<b>\$6.5</b>	<b>\$6.3</b>	<b>20%</b>	<b>20%</b>
60402: Efficient and Effective Environmental Reviews	Personnel	-	\$7.2	\$5.6	24%	19%
	Contractual services	-	\$2.7	\$1.0	9%	3%
	<b>Total</b>	<b>\$30.0</b>	<b>\$9.9</b>	<b>\$6.6</b>	<b>33%</b>	<b>22%</b>
<b>Grand total</b>		<b>\$62.5</b>	<b>\$16.4</b>	<b>\$12.9</b>	<b>26%</b>	<b>21%</b>

Source: GAO analysis of CEQ data. | GAO-25-107108

Note: The contractual services category includes the IRA appropriations CEQ used to support detailees, interagency cooperative agreements, and awarded contracts for support services. The table does not include CEQ’s allocation of \$250,000 from the IRA section 60402 appropriation through the CEQ’s Office of Environmental Quality Management Fund to support the Columbia River Task Force. CEQ can contribute to the Management Fund to support studies jointly sponsored by CEQ and other federal agencies or federal interagency environmental projects. See 42 U.S.C. § 4375; 40 C.F.R. § 1518.4(b)(4) (2024). CEQ is a participating agency of the task force. Due to rounding, values may not total to 100 percent. For example, expenditures from IRA section 60401 included \$3,562,448.65 for personnel and \$2,786,869.45 for contractual services, and total expenditures were \$6,349,318.10, illustrating why the component expenditures do not add to the total expenditures using the values in the table.

According to our interviews with CEQ staff and our analysis of CEQ data, the Council largely used IRA appropriations to hire term-limited personnel and award contracts. For environmental and climate data collection (Section 60401), of the \$6.5 million in appropriations that CEQ obligated, CEQ obligated 57 percent for hiring term-limited personnel—that is, personnel hired exclusively to meet workload demands resulting from the IRA—and 43 percent for awarding contracts, according to our analysis.<sup>16</sup> For efficient and effective environmental reviews (Section 60402), our analysis found that of the \$9.9 million in appropriations that CEQ

<sup>15</sup>90 Fed. Reg. at 8353, 8357.

<sup>16</sup>IRA obligations and expenditures for “personnel” were for new personnel hired under term-limited positions tied to the IRA, according to CEQ staff. In the data CEQ provided, all IRA appropriations spent to award contracts are captured in the “contractual services” spending category, according to CEQ staff.

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obligated, CEQ obligated 73 percent for personnel and 27 percent for contracts.<sup>17</sup>

CEQ staff we interviewed told us that, as of the end of fiscal year 2024 (September 30, 2024), the Council was using IRA appropriations to employ 29 full-time equivalent (FTE) term-limited personnel (see table 2).<sup>18</sup> In addition, staff told us that CEQ employed 19 permanent personnel paid with annual (i.e., non-supplemental) appropriations and that these personnel also conducted some work that contributed to implementing IRA provisions.

CEQ staff told us CEQ was also using IRA appropriations to employ six detailees who worked on implementing IRA provisions.<sup>19</sup> CEQ staff told us that historically the Council has used detailees from other federal agencies where the home agencies—and not CEQ—pay their salaries and benefits.<sup>20</sup> As context, as of September 30, 2024, CEQ staff said that the Council employed 51 such detailees and that these detailees also conducted some work that contributed to implementing the IRA provisions. CEQ staff said that the term-limited personnel and detailees supported with IRA appropriations were selected for their particular knowledge, skills, and experience to provide specialized assistance in implementing the IRA provisions. These staff also said that, as of September 30, 2024, CEQ was using IRA appropriations to employ three contractors who conducted work supporting efficient and effective environmental reviews.

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<sup>17</sup>CEQ also allocated about 1 percent of its IRA Section 60402 appropriation to an existing management fund to support the Columbia River Task Force, a task force on the Restoration of the Columbia River Basin. See 42 U.S.C. § 4375; 40 C.F.R. § 1518.4(b)(4) (2024) (allowing CEQ to contribute to the Office of Environmental Quality Management Fund to support studies jointly sponsored by CEQ and other federal agencies or federal interagency environmental projects).

<sup>18</sup>According to CEQ staff, these were term-limited positions that will end on or before the expiration of the IRA appropriations on September 30, 2026. CEQ staff stated that these FTEs do not include personnel working under awarded contracts.

<sup>19</sup>For these detailees, known as “reimbursable” detailees, CEQ reimburses the home agencies for their personnel costs.

<sup>20</sup>These detailees are known as “non-reimbursable” detailees.

**Table 2: Council on Environmental Quality (CEQ) Full Time Equivalent (FTE) Personnel, Detailees, and Contractors Supported with Inflation Reduction Act of 2022 (IRA) Appropriations, as of September 30, 2024**

	IRA section 60401: Environmental and Climate Data Collection	IRA section 60402: Efficient and Effective Environmental Reviews	Total number of FTE personnel
FTE personnel supported with IRA appropriations <sup>a</sup>	12	17	<b>29</b>
FTE detailees supported with IRA appropriations	2	4	<b>6</b>
FTE contractors supported with IRA appropriations	0	3	<b>3</b>

Source: GAO presentation of CEQ data. | GAO-25-107108

<sup>a</sup>CEQ staff said these were term-limited positions that will end on or before the expiration of the IRA appropriations on September 30, 2026.

CEQ staff stated that the Council’s approach to spending was driven in part by its lack of authority to award grants to non-federal entities.<sup>21</sup> They said a challenge that CEQ has faced in implementing the IRA is the lack of statutory authority to issue grants or cooperative agreements with non-federal government entities. As a result, they said CEQ had focused on how to best implement the IRA and utilize its appropriations using term-limited Council staff, detailees, cooperative agreements with federal government entities, and contract awards.

### CEQ Used IRA Appropriations to Support Existing Environmental Justice Efforts

CEQ staff we interviewed told us that, during the prior administration, the Council used its IRA appropriations for environmental and climate data collection (Section 60401) to support three preexisting and interrelated environmental justice efforts established by Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*, which was revoked in January 2025.<sup>22</sup> Specifically, these efforts, based on the revoked executive order, included the governmentwide Justice40 Initiative and two tools to help agencies implement the initiative:

<sup>21</sup>According to CEQ staff we interviewed, CEQ interprets a 1986 Comptroller General decision as concluding that CEQ does not have statutory authority to award grants. See [www.gao.gov/products/b-218816](http://www.gao.gov/products/b-218816), JUN 2, 1986, 65 COMP.GEN. 605, GAO-B-218816 (Washington, D.C.: June 2, 1986).

<sup>22</sup>Exec. Order No. 14008, 86 Fed. Reg. 7619 (Feb. 1, 2021) (revoked by Exec. Order No. 14148 of Jan. 20, 2025, 90 Fed. Reg. 8237, 8238 (Jan. 28, 2025)). CEQ helped oversee the federal government’s implementation of Executive Order 14008, which, among other things, established a goal that 40 percent of the overall benefits of certain federal environmental and other investments flow to disadvantaged communities (referred to as the Justice40 Initiative).

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- **Justice40 Initiative.** An initiative that set the goal that 40 percent of the overall benefits of certain federal investments—such as investments in clean energy and energy efficiency, clean transit, affordable and sustainable housing, training and workforce development, the remediation and reduction of legacy pollution, or the development of critical clean water infrastructure—flow to disadvantaged communities.<sup>23</sup> The initiative involved tens of billions of dollars from more than 500 federal programs at 19 agencies.<sup>24</sup>
  - **Environmental Justice Scorecard.** An annual scorecard with information about actions federal agencies have taken to advance environmental justice, accessible on a public website, enabling users to assess the progress of agencies over time.<sup>25</sup>
  - **Climate and Economic Justice Screening Tool.** A tool designed to enable federal agencies to identify disadvantaged communities to

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<sup>23</sup>Executive Order 14008 did not define the term “disadvantaged communities”. We recognize that the language used to refer to historically marginalized, overburdened, and underserved communities may vary and is often context specific. For example, terms such as underserved, vulnerable, susceptible, marginalized, and overburdened by pollution are also used when referring to the communities referred to as disadvantaged communities by Executive Order 14008, or subsets of such communities. In this report, we use the term “disadvantaged communities” to refer to the communities targeted by the Justice40 Initiative because it was the term used in Executive Order 14008, as well as in the Executive Office of the President’s guidance and tools related to implementing the order. As of May 9, 2025, the Justice40 Initiative website was no longer accessible.

<sup>24</sup>In January 2024, we recommended, among other things, that CEQ and other offices within the Executive Office of the President should incorporate leading practices for collaboration into their Justice40 efforts. In its written comments reproduced in our report, CEQ officials from the prior administration stated that they anticipated taking steps in the near future to implement our recommendations. GAO, *Justice40: Use of Leading Practices Would Strengthen Efforts to Guide Environmental Justice Initiative*, [GAO-24-105869](#) (Washington, D.C.: Jan. 29, 2024).

<sup>25</sup>Executive Order 14008 directed the White House Office of Management and Budget, in coordination with CEQ, the U.S. Digital Service, and other relevant agency heads, to the extent consistent with applicable law, to publish on a public website by February 2022 an annual Environmental Justice Scorecard detailing environmental justice performance measures. Exec. Order No. 14008, 86 Fed. Reg. 7619 (Jan. 27, 2021), revoked by Exec. Order No. 14148, 90 Fed. Reg. 8237, 8238 (Jan. 28, 2025). Scorecard documentation notes that the scorecard will be updated annually to measure the progress of federal agencies over time. As of May 9, 2025, this website was no longer accessible. On January 20, 2025, Executive Order 14158, *Establishing and Implementing the President’s Department of Government Efficiency*, renamed and reorganized the U.S. Digital Service as the U.S. Department of Government Efficiency Service. 90 Fed. Reg. 8441 (Jan. 29, 2025).

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guide prioritization of investments for their programs covered by the Justice40 Initiative.<sup>26</sup>

CEQ staff stated that the Council initially used part of its IRA appropriations under Section 60401 to plan how to best build capacity across the three data-driven efforts. CEQ staff described these early activities as “stage setting” and said they helped determine how to build strong foundations for each of the three efforts and the resources needed to sustain them. According to these staff, CEQ then worked to carry out the plans by identifying and addressing data needs and implementing improvements to tools and websites. For instance, CEQ used IRA appropriations to help develop a new federal strategy to identify and address gaps in science, data, and research related to environmental justice, according to CEQ staff.<sup>27</sup>

In addition, staff said that CEQ, the Office of Management and Budget, and the former U.S. Digital Service published Phase Two of the Environmental Justice Scorecard in July 2024, which reported actions taken by 24 federal agencies to advance environmental justice goals in fiscal year 2023. Each of CEQ’s three preexisting and interrelated

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<sup>26</sup>Executive Order 14008 directed CEQ to create the Climate and Economic Justice Screening Tool within 6 months of the issuance of the executive order, or by July 2021, and annually publish interactive maps to highlight disadvantaged communities. 86 Fed. Reg. 7619, 7631 (Jan. 27, 2021) (revoked by Exec. Order No. 14148 of Jan. 20, 2025, 90 Fed. Reg. 8237, 8238 (Jan. 28, 2025)). The tool used a methodology and datasets that identify communities that are economically disadvantaged and overburdened by pollution and underinvestment in housing, transportation, water and wastewater infrastructure, and health care. A community qualified as disadvantaged in the tool if the census tract is above the threshold for one or more environmental or climate indicators and the tract is above the threshold for the socioeconomic indicators. CEQ published a beta version of the screening tool in February 2022, released version 1.0 in November 2022, and released version 2.0 in December 2024. As of May 9, 2025, this website was no longer accessible.

<sup>27</sup>National Science and Technology Council, Environmental Justice Subcommittee, *Environmental Justice Science, Data, and Research Plan* (Washington, D.C.: July 2024). Executive Order 14096, *Revitalizing Our Nation’s Commitment to Environmental Justice for All*, established a new Environmental Justice Subcommittee within the National Science and Technology Council, led by two co-chairs designated by the Executive Office of the President’s Office of Science and Technology Policy, in consultation with CEQ, to address the need for a coordinated federal strategy to identify and address gaps in science, data, and research related to environmental justice. The order requires the subcommittee to biennially produce a plan that, among other things, analyzes any gaps and inadequacies in data collection and scientific research related to environmental justice, with a focus on gaps and inadequacies that may affect agencies’ ability to advance environmental justice. Exec. Order No. 14096 of Apr. 21, 2023, 88 Fed. Reg. 25251, 25256 (Apr. 26, 2023). Executive Order 14096 was revoked by Executive Order 14148 of Jan. 20, 2025, Initial Rescissions of Harmful Executive Orders and Actions. 90 Fed. Reg. 8237, 8340 (Jan. 28, 2025).

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environmental justice efforts were based on a now-revoked executive order, and as of May 2025, the website related to each effort was no longer accessible.

CEQ staff stated that it would be difficult for them to determine how much of the IRA appropriations had been used on each effort separately, since the three efforts were interrelated. For example, the Environmental Justice Scorecard reported agency progress on advancing the Justice40 Initiative, and the Climate and Economic Justice Screening Tool indicated which communities qualify as disadvantaged for purposes of the Justice40 Initiative. Staff said that several CEQ personnel worked on all three projects; therefore the costs attributable to those personnel are not easily allocated among the projects, and many personnel activities advanced the objectives of all three.

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## CEQ Used IRA Appropriations to Revise Environmental Review Regulations and Develop a Plan for Improving Federal Environmental Review and Permitting Processes

CEQ staff we interviewed told us that during the prior administration, the Council used the IRA appropriations provided for efficient and effective environmental reviews (Section 60402) to plan how to expand the scope of CEQ's existing efforts and launch new initiatives for improving the efficiency of environmental reviews of proposed federal actions. For example, these staff said CEQ used IRA appropriations to revise its regulations to help increase the efficiency of NEPA environmental reviews.<sup>28</sup> CEQ also developed a plan to improve federal environmental review and permitting processes and took steps to assist agencies with implementing changes to the processes.

CEQ staff also told us that the Council had convened meetings with federal agency officials and representatives from environmental and information technology sectors to strategically plan for using new technologies to conduct environmental reviews. In July 2024, CEQ published a report to Congress on the potential for digital technologies to

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<sup>28</sup>CEQ issued an interim final rule to remove CEQ's regulations implementing NEPA from the Code of Federal Regulations, effective on April 11, 2025. Council on Environmental Quality, Removal of National Environmental Policy Act Implementing Regulations, 90 Fed. Reg. 10610 (Feb. 25, 2025). In this Interim Final Rule, CEQ stated that it may lack authority to issue binding rules on agencies. In a related memorandum, CEQ directed agencies to revise or establish their own NEPA implementing regulations to expediate permitting approvals and for consistency with the 2023 amendments to NEPA. See Council on Environmental Quality, Chief of Staff, *Implementation of the National Environmental Policy Act*, Memorandum for Heads of Federal Departments and Agencies (Feb. 19, 2025). CEQ also stated in the memorandum that agencies should consider voluntarily relying on the removed NEPA regulations for completing ongoing environmental reviews.

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improve efficiency and transparency in federal environmental reviews.<sup>29</sup> Furthermore, CEQ staff told us they used IRA appropriations specifically to develop and issue revisions to NEPA regulations aimed at increasing the efficiency of environmental reviews.<sup>30</sup> However, in February 2025, CEQ issued an interim final rule to remove all of CEQ’s NEPA regulations from the Code of Federal Regulations.<sup>31</sup>

According to staff, CEQ also used IRA appropriations during the prior administration to help develop a permitting action plan and its implementation guidance, which outlined a strategy to improve the effectiveness, efficiency, and transparency of federal environmental review and permitting processes for infrastructure projects. The strategy included early cross-agency coordination; early coordination with states, local communities, and Tribal Nations; and timeline goals. CEQ staff said they had used IRA appropriations to collaborate across the federal government to execute the plan.<sup>32</sup> As of May 2025, the plan and its implementing guidance are no longer accessible.

CEQ staff we interviewed said that these actions constituted preliminary, foundational steps that were necessary before CEQ could initiate further efforts to improve the efficiency and efficacy of environmental reviews.

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<sup>29</sup>Council on Environmental Quality, *Report to Congress on the Potential for Online and Digital Technologies to Address Delays in Reviews and Improve Public Accessibility and Transparency under 42 U.S.C. 4332(2)(C)* (July 17, 2024).

<sup>30</sup>National Environmental Policy Act Implementing Regulations Revisions, Final Rule, 87 Fed. Reg. 23453 (Apr. 20, 2022) (restoring three elements of the 1978 regulations that were changed in 2020, including identification of the “purpose and need” of the proposed federal action and the definition of “effects” of the federal action); National Environmental Policy Act Implementing Regulations Revisions Phase 2, Final Rule, 89 Fed. Reg. 35442 (May 1, 2024) (implementing amendments to NEPA made by the Fiscal Responsibility Act of 2023, including page and time limits for environmental impact statements and revising regulations to improve the efficiency and effectiveness of the environmental review process, among other changes) (vacated by Order Regarding all Motions for Summary Judgment and Partial Summary Judgment, *Iowa v. CEQ*, No. 1:24-cv-00089 (D.N.D. Feb. 3, 2025)).

<sup>31</sup>CEQ issued an interim final rule to remove all CEQ’s regulations implementing NEPA from the Code of Federal Regulations, effective on April 11, 2025. Council on Environmental Quality, *Removal of National Environmental Policy Act Implementing Regulations*, 90 Fed. Reg. 10610 (Feb. 25, 2025).

<sup>32</sup>*Biden-Harris Permitting Action Plan to Rebuild America’s Infrastructure, Accelerate the Clean Energy Transition, Revitalize Communities, and Create Jobs* (Washington, D.C.: May 11, 2022). See also White House Office of Management and Budget, Council on Environmental Quality, Federal Permitting Improvement Steering Council, *Implementation Guidance for the Biden-Harris Permitting Action Plan*, M-23-14 (Mar. 6, 2023).

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With these preliminary steps completed, CEQ staff told us they then took steps to improve environmental reviews, for instance, by developing guidance, technical assistance, and trainings, as well as making website improvements to help agencies implement changes to permitting processes. For example, CEQ staff stated that the Council had created training materials and templates to help agencies identify and categorize certain federal actions as exempted from NEPA environmental reviews. These staff also stated that the Council had assisted agencies with developing or revising agency-specific NEPA implementing procedures. While the current administration's January 2025 executive order directed CEQ to propose rescinding its prior NEPA regulations, it also directed CEQ to provide guidance to agencies on implementing NEPA and to convene a working group to coordinate the revision of agency-level NEPA implementing procedures.<sup>33</sup>

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## CEQ Plans to Incorporate Key Practices on Evidence-Based Policymaking When Planning Uses of IRA Appropriations

CEQ staff we interviewed indicated that CEQ had so far taken a largely informal approach to overseeing its uses of IRA appropriations and assessing whether its uses met the requirements in IRA Sections 60401 and 60402. In December 2024, CEQ staff said that CEQ did not have a formal plan for how it would use its IRA appropriations and how those uses would, in measurable ways, meet the IRA's requirements and achieve their intended results. Specifically, these staff said that CEQ had not developed a formal plan for how CEQ would obligate its IRA appropriations by September 2026, when the appropriations expire. As of December 2024, CEQ had yet to obligate about \$46 million of the \$62.5 million in appropriations provided by the IRA.

CEQ staff told us that because CEQ is a small and "collegial" entity, the Council's standard approach was to make strategic decisions through informal collaborative approaches, such as consensus-building, rather than formal policies and procedures. These staff also stated that CEQ is unlike a cabinet department that sets a relatively fixed long-term agenda. Staff indicated that CEQ used its standard approach to assess its uses of IRA appropriations, including how they met the IRA's requirements.

Staff said that CEQ's standard approach is to collaboratively assess progress toward CEQ's objectives and the Executive Office of the President's broader efforts to implement the President's agenda. These staff said that executive orders and laws, such as NEPA, define many of CEQ's strategic, mission, programmatic, and administrative goals and

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<sup>33</sup>Exec. Order No. 14154 of Jan. 20, 2025, 90 Fed. Reg. 8353, 8355 (Jan. 29, 2025).

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responsibilities. 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. Further, CEQ staff said that because the Council was created to assist and advise the President on environmental policy matters, it responds to the goals of the current administration and therefore did not need extensive, formalized structures to effectively assess its uses of IRA appropriations.

CEQ staff told us that their standard approach for oversight included managing employees and contracts and setting project-level milestones for some efforts, such as by establishing timelines for completing specific interim deliverables. For example, staff said that subject-matter teams had tracked the timeliness of their project to revise NEPA regulations. In addition, CEQ staff said the Council had applied standard policies and procedures for managing the performance of personnel and contracts paid with IRA appropriations. However, the staff said that CEQ had not formally determined how it would assess the extent to which CEQ's uses of the appropriations are meeting the IRA's requirements.

In December 2024, we discussed with staff that CEQ could enhance the oversight of its uses of IRA appropriations by planning for results and using other key practices described in our prior work on evidence-based policymaking.<sup>34</sup> In response, CEQ staff told us they intended to adopt such practices and develop a plan that outlines how CEQ would use its IRA appropriations and how it would assess their results. In March 2025, CEQ provided us with draft internal guidance for how it would incorporate the practices found in our work on evidence-based policymaking in the Council's planning and use of its IRA appropriations. Specifically, CEQ's draft guidance stated it would plan for results by, among other things, defining goals, identifying strategies and resources, and assessing the environment. CEQ's draft guidance stated that it would employ these practices while it aligns its use of its IRA appropriations with the specific policy objectives of the new administration.

Our prior work on evidence-based policymaking has found that planning for results is a key practice that can help federal entities develop and use evidence to better understand the outcomes of their actions. Planning for results includes planning for how to allocate resources to different efforts

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<sup>34</sup>GAO, *Evidence-Based Policymaking: Practices to Help Manage and Assess the Results of Federal Efforts*, [GAO-23-105460](#) (Washington, D.C.: July 12, 2023).

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and establishing performance goals for assessing the extent to which those efforts are achieving their intended results.

Furthermore, our work has also shown that such oversight measures can help agencies more effectively use evidence to assess whether they are achieving intended results and help change course if they are not. The \$62.5 million in supplemental appropriations provided to CEQ in the IRA represented a significant increase in CEQ's funding, and CEQ is now working to advance the current administration's strategic and policy goals when planning how to use the \$46 million that remains available to be obligated by the end of fiscal year 2026 and assess its results. We welcome CEQ's intention to guide its planning with the key practices found in our work on evidence-based policymaking, should it obligate its remaining IRA appropriations.

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## Agency Comments

We provided a draft of this report to CEQ for review and comment. In written comments reproduced in appendix I, CEQ stated it appreciated and acknowledged GAO's findings and did not have any substantive comments. CEQ generally agreed with our findings and stated that the Council had updated the internal guidance it created in response to our findings to detail how CEQ will employ evidence-based policymaking practices in planning for, and in making any additional use of, its IRA appropriations. CEQ also provided written technical comments that we incorporated as appropriate.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to the appropriate congressional committees, the Chair of CEQ, and other interested parties. In addition, the report is available at no charge on the GAO website at [www.gao.gov](http://www.gao.gov).

If you or your staff have any questions about this report, please contact me at [gomezj@gao.gov](mailto:gomezj@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix II.

**//SIGNED//**

J. Alfredo Gómez  
Director, Natural Resources and Environment

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*List of Requesters*

The Honorable Shelley Moore Capito  
Chairman  
Committee on Environment and Public Works  
United States Senate

The Honorable Brett Guthrie  
Chairman  
Committee on Energy and Commerce  
House of Representatives

The Honorable Bruce Westerman  
Chairman  
Committee on Natural Resources  
House of Representatives

The Honorable Sam Graves  
Chairman  
Committee on Transportation and Infrastructure  
House of Representatives

# Appendix I: Comments from the Council on Environmental Quality



EXECUTIVE OFFICE OF THE PRESIDENT  
COUNCIL ON ENVIRONMENTAL QUALITY  
WASHINGTON, D.C. 20503

April 25, 2025

Chad Gorman  
Assistant Director  
Natural Resources and Environment  
[GormanC@gao.gov](mailto:GormanC@gao.gov)

*Via Email*

Re: Proposed Report, *Inflation Reduction Act: Council on Environmental Quality's Uses and Oversight of Appropriations as of December 2024* (GAO-25-107108)

Dear Mr. Gorman:

The Council on Environmental Quality (CEQ) appreciates the opportunity to review the United States Government Accountability Office's proposed report referenced above, *Inflation Reduction Act: Council on Environmental Quality's Uses and Oversight of Appropriations as of December 2024* (GAO-25-107108).

CEQ appreciates and acknowledges GAO's findings and does not have any substantive comments.

As requested, CEQ is providing technical and minor editorial comments as an appendix to this letter.

CEQ also has updated its internal Guidance for Evidence-Based Policymaking with Respect to CEQ's Appropriations under the Inflation Reduction Act consistent with the proposed report and is providing a revised copy for your awareness.

Thank you for your consideration.

Sincerely,

Katherine Scarlett  
Chief of Staff

cc: Justin Schwab, General Counsel

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# Appendix II: GAO Contact and Staff Acknowledgments

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## GAO Contact

J. Alfredo Gómez at [gomezj@gao.gov](mailto:gomezj@gao.gov).

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## Staff Acknowledgments

In addition to the contact named above, Chad M. Gorman (Assistant Director), Mick Ray (Analyst in Charge), Mark Braza, Virginia Chanley, Gretel Clarke, John Delicath, Allison Henn, Ivan Hernandez, John Karikari, Barbara Lancaster, Krista Mantsch, Kathleen Padulchick, Dan C. Royer, Nathan Tranquilli, and Linda Tsang made key contributions to this report.

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