

April 6, 2017

The Honorable Gary D. Cohn
Director
National Economic Council
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Jamie Dimon
JPMorgan Chase & Co.
Chairman

Mark Costa
Eastman Chemical Company

Joshua Bolten
President & CEO

Dear Director Cohn:

The Business Roundtable commends the Administration for its commitment to creating an investment climate conducive to economic growth and the accelerated creation of high-quality jobs. The steps the President has already taken to lessen regulatory burdens and help speed the permitting process for major infrastructure projects are positive steps towards that goal.

On January 24, the President issued Executive Order (EO) 13766, Expediting Environmental Reviews and Approvals for High Priority Infrastructure Projects, which establishes the policy of the executive branch to “streamline and expedite . . . environmental reviews and approvals for all infrastructure projects, especially projects that are a high priority for the Nation, such as improving the U.S. electric grid and telecommunications systems and repairing and upgrading critical port facilities, airports, pipelines, bridges and highways.”

Fortunately, existing law already provides a mechanism for comprehensive reform of the process of permitting major infrastructure projects. Requirements for interagency coordination and the establishment of deadlines for the completion of environmental reviews and approvals of federal permits for certain infrastructure projects were enacted into law in December 2015 through Title 41 of the Fixing America’s Surface Transportation Act, or “FAST-41”. To a significant extent, FAST-41 already establishes a process to coordinate and make more predictable federal permitting for a broad range of infrastructure projects. These permitting reform provisions enjoyed bipartisan support in Congress. FAST-41 does not apply to surface transportation projects or projects authorized by the Water Resources Development Act (WRDA). These projects have their own parallel permitting provisions, on which FAST-41 was modeled.

Unfortunately, when the prior Administration left office, FAST-41 had yet to be fully implemented. While FAST-41 and the parallel surface transportation and

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WRDA permitting reform provisions are not perfect, if implemented aggressively, they may be able to deliver the timeliness and certainty in the permitting process that project sponsors seek and which the President has committed. By establishing firm deadlines, requiring concurrent rather than sequential reviews and better coordinating federal and state reviews, permitting times should be shortened. Providing greater transparency into the status of major permits also will be helpful in establishing greater accountability. Importantly, new legislation is not needed to accomplish these reforms. The legal framework already is in place to accomplish them with strong leadership.

I have attached for your consideration actions that can be taken to aggressively exercise the permitting reform provisions now codified in law. The Business Roundtable is focused on growing the economy and accelerating the creation of high quality jobs for the American people. Streamlining the process for permitting infrastructure projects using FAST-41 is a way the Administration can quickly make progress towards those shared goals. Thank you for your continued interest in this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark J. Costa", with a long horizontal flourish extending to the right.

Mark J. Costa
Chairman and Chief Executive Officer
Eastman Chemical Company
Chair, Smart Regulation Committee
Business Roundtable

Attachment (1)

C: DJ Gribbin, Special Assistant to the President for Infrastructure Policy, National Economic Council

Accelerating Federal Permitting

Opportunities for Aggressive Implementation

Despite the initially slow pace of FAST-41 implementation, a Federal Permitting Improvement Steering Council (FPISC, required by the law) now exists and existing FAST-41 authorities are available to advance infrastructure projects. The existing guidance states that FAST-41 does not create a presumption that covered projects are to be expedited. However, there is nothing in the law that prohibits agencies from agreeing to prioritize and expedite FAST-41 projects, and thus the statute could be implemented in a way that supports expedited decision-making. Following are recommended steps to accomplish that goal:

Proposed Actions to Accelerate Federal Permit Streamlining

- The Office of Management and Budget Director and The Council on Environmental Quality jointly could issue new guidance to explicitly link EO 13766 to FAST-41, the permit expediting provisions applicable to surface transportation projects found in the FAST Act (§139 of Title 23 U.S.C.) and the project acceleration provisions applicable to water projects found in the Water Resources Development Act (§2348 of Title 33 U.S.C.). The guidance should stress that EO 13766 and these other provisions are intended to work together to expedite review and permitting decisions for high priority infrastructure projects to drive economic growth and job creation.
- The President should expeditiously appoint a new Executive Director of the FPISC (not Senate confirmed) and direct agency heads who have not already done so to designate agency Chief Environmental Review and Permitting Officers (CERPOs) as required by FAST-41.
- The Presidentially-appointed Executive Director of the Federal Permitting Improvement Steering Council should have direct responsibility to the White House.
- The Executive Director should be tasked with the responsibility to regularly update the President and Cabinet on the status of major projects.
- The Executive Director should be directed by the President to develop a strategy to work with the states to better coordinate federal and state permitting efforts and timelines.
- The White House should ensure that the FPISC is adequately funded in order to accomplish the objectives of EO 13766 and FAST-41. Funding is necessary for the Executive Director and staff, maintenance of the permitting dashboard (now housed at the Department of Transportation) and additional funding for steering council activities. Required funding levels are expected to be minimal.

- The Executive Director, once in place should examine whether the FAST-41 reforms should be extended to smaller projects. This most likely will require a legislative change.