CHAMBER OF COMMERCE of the UNITED STATES OF AMERICA

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TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The U.S. Chamber of Commerce commends the House for its efforts to advance climate and energy innovation legislation, and specifically for bringing H.R. 4447, the Clean Economy Jobs and Innovation Act, to the floor for consideration. The Chamber believes the foundation of this bill presents a potentially historic opportunity to pass and have signed into law bipartisan legislation that will restore U.S. leadership in clean energy.

However, achievement of this goal requires the avoidance of contentious and extraneous issues that would undermine support and make enactment impossible. Unfortunately, as detailed below, we have growing concerns that certain provisions in the base bill and among the amendments made in order appear to do just that. Accordingly, we call on leadership of both parties to commit to addressing these provisions and building on areas of consensus that would allow important climate and energy innovation legislation to become law. Otherwise, H.R. 4447 will amount to another missed opportunity where much bipartisan agreement otherwise exists.

Climate change is one of the biggest challenges facing society. To effectively address this global challenge, there is a growing consensus that the research, development and commercialization of new technologies is an important factor that will determine how quickly and at what cost greenhouse gas emissions can be reduced. America's business community is already investing billions in the cutting-edge technologies that could power our future and protect the climate, but these efforts must be paired with enhanced public sector support.

In order to accelerate the commercialization and deployment of the new technologies that will be needed to affordably power our economy while reducing greenhouse gas emissions, updated policies that increase federal investment in R&D and expand public-private collaboration are necessary. This legislation would not only accelerate the adoption of next-generation low-carbon technologies in the United States, but around the world.

Through its inclusion of broadly bipartisan measures to boost technologies such as those related to energy storage, next-generation nuclear, advanced renewables, and carbon capture utilization and storage, the Clean Economy Jobs and Innovation Act provides the foundation to make this goal a reality. As such, the Chamber strongly supports the bipartisan bills that form the backbone of this package's overarching focus on innovation and technology-driven climate solutions.

As noted above we do have significant concerns, however, with a number of provisions that diverge from this core focus area and threaten to undermine an otherwise favorable bill. We urge members to work across the aisle to address these issues that could impede the bill's

advancement through the legislative process. For example, amendment #131, offered by Representative Finkenauer, would impose onerous and counterproductive labor and regulatory mandates that, if adopted, would make it difficult for the Chamber to support this bill.

Additionally, within the base text of the bill, Section 3301 limits the use of longstanding eminent domain authority necessary to enable the phased construction of pipelines, including pipelines required to transition to lower-emitting fuel sources. Similarly, while the bill's attention to environmental justice goals is laudable, the specific legislative text and its incorporation of multiple private rights of action and remedies makes these particular provisions ripe for abuse by the trial bar, thereby undermining the forward-looking energy innovation goals of H.R. 4447.

We also urge the modification of the base text of H.R. 4447 to reflect the recent bipartisan Senate compromise on the American Innovation and Manufacturing Act (AIM Act). Adoption of this bipartisan compromise to implement a nationwide phasedown of hydrofluorocarbons is an important Chamber priority that will deliver significant emissions reductions and is necessary to clear a path for ultimate passage of the bill.

Finally, we urge members to use this opportunity to codify important updates that would modernize the National Environmental Policy Act (NEPA) permitting process. If we are serious about deploying the low carbon technologies and clean energy infrastructure necessary to address climate change, we must make the federal permitting process more predictable and transparent. Emissions-reducing projects of all kinds – from utility-scale solar, offshore wind, and hydroelectric dams and the electric transmission infrastructure needed to support those sources, to public transit, natural gas pipelines and advanced nuclear reactors – will benefit if Congress requires timely and focused NEPA reviews.

Again, we commend the House for its focus on clean energy innovation, and we stand ready to work with you to address areas of concern as the Clean Economy Jobs and Innovation Act moves through the legislative process. Ultimately, the Chamber's goal is to facilitate passage into law of enduring climate and energy innovation legislation so that the federal government can better support and collaborate with the entrepreneurs and the business community that are leading the transition to a low carbon future.

Thank you for your attention to this important issue. The business community stands ready to work cooperatively with members of both parties to ensure a cleaner and stronger American future.

Sincerely,

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Neil L. Bradley