

June 28, 2024

MEMORANDUM FOR HEADS OF FEDERAL DEPARTMENTS AND AGENCIES

FROM: Brenda Mallory, Chair

SUBJECT: Implementation of Updated National Environmental Policy Act Regulations

I. Purpose and Overview of Final Rule

On May 1, 2024, the Council on Environmental Quality (CEQ) published a final rule updating its regulations, 40 C.F.R. pts. 1500–1508, implementing the National Environmental Policy Act, 42 U.S.C. 4321 *et seq.* (NEPA).¹ The final rule implements the amendments made to NEPA by the Fiscal Responsibility Act of 2023, Pub. L. No. 118–5, 137 Stat. 10 (2023), (2023 NEPA amendments). The revised regulations provide for an environmental review process that is effective, efficient, and transparent; guided by science and high-quality information; and informed by early and meaningful public engagement.

II. Implementation

The revised CEQ regulations are effective on July 1, 2024. All Federal agencies must comply with these regulations for NEPA reviews begun after the effective date. Agencies may apply these regulations to ongoing activities and environmental documents begun before July 1, 2024, such as when doing so will make the process more efficient, or where the regulations implement provisions of the 2023 NEPA amendments, which were effective upon enactment.

An agency's existing NEPA procedures remain in effect until the agency revises its procedures consistent with 40 C.F.R. § 1507.3. Agencies should read their existing procedures in concert with the final rule to ensure they are meeting the requirements of both wherever possible. To the extent that there is conflict between an agency's NEPA procedures and the CEQ regulations, the CEQ regulations generally will apply. CEQ is available to assist in addressing any such conflicts. CEQ has determined that the revisions to the regulations do not affect the validity of categorical exclusions contained in agency NEPA procedures as of July 1, 2024. 40 C.F.R. § 1507.3(a).

¹ National Environmental Policy Act Implementing Regulations Revisions Phase 2, 89 Fed. Reg. 35442 (May 1, 2024).

III. Actions for Agencies

a. Designation of Senior Agency Official for NEPA Compliance and Chief Public Engagement Officer for Environmental Review

Agencies must designate a senior official responsible for overall agency NEPA compliance, including resolving implementation issues. 40 C.F.R. § 1507.2(a). The senior agency official must be of assistant secretary rank or higher, or equivalent. Departments may also designate senior agency officials for major subunits, such as component agencies or bureaus. In such cases, the department-level senior agency official must oversee the subunit senior agency officials.

Agencies must also designate a Chief Public Engagement Officer to be responsible for facilitating community engagement in environmental reviews across the agency and, where appropriate, the provision of technical assistance to communities. Similar to senior agency officials, departments may also designate Chief Public Engagement Officers for major subunits so long as the department-level Chief Public Engagement Officer oversees them.

CEQ requests that each agency notify CEQ of the positions designated as its senior agency official and its Chief Public Engagement Officer by August 1, 2024. While many agencies designated a senior agency official following the 2020 regulations, CEQ requests that those agencies re-identify their designated senior agency official. Agencies should include the names and contact information for the individuals holding the designated positions and transmit the notifications to CEQ via <u>nepa@ceq.eop.gov</u>.

b. Updates to Agency NEPA Procedures and Related Materials

Agencies must update all existing agency NEPA procedures for consistency with the final rule. While the final rule requires each agency to submit its proposed procedures, as necessary, to CEQ for consultation by July 1, 2025, 40 C.F.R. § 1507.3(b), CEQ has already begun working with agencies to prepare their proposed procedures on a faster timeline. Expediting this process will minimize potential confusion for agency staff, applicants, and the public with procedures that are not fully aligned with the updated CEQ regulations. Within departments, it may be efficient for major subunits to adopt their own procedures, as departments deem appropriate.

Agencies must consult with CEQ while developing or revising their proposed NEPA procedures and before publishing them in the *Federal Register* for public comment. Agencies with similar programs should consult with each other and CEQ to coordinate their procedures, especially for programs requesting similar information from applicants. CEQ has existing resources, such as the Categorical Exclusion List, which may aid agencies with similar programs in reviewing and aligning their procedures to help maximize efficient implementation of NEPA. Agencies also must provide their final NEPA procedures to CEQ for review for conformity with the Act and the CEQ regulations before issuing their final procedures.

Agencies should review and update relevant agency documents and processes to conform to the CEQ regulations. Agencies should review and draft updates to their existing agency NEPA

procedures; handbooks, manuals, guidance and policies; and all other information and materials on their websites. CEQ requests that agencies develop a proposed schedule for updating their procedures and coordinate with CEQ to allow for planning and efficient review of those updates.

IV. Next Steps

To facilitate expeditious revision of agency procedures, CEQ will host meetings of Federal Agency NEPA Contacts to share information and provide assistance to agencies. CEQ will also host weekly office hours for Federal agency NEPA practitioners to ask questions and discuss implementation of the revised CEQ regulations with CEQ staff. Agencies are also encouraged to engage with CEQ whenever needed to address questions regarding implementation.

In implementing the revised CEQ regulations, agencies should make use of existing guidance materials that are available at <u>NEPA.gov</u>, including the guidance on Consideration of Greenhouse Gas Emissions and Climate Change.² To assist agencies in effectively implementing the final rule, CEQ will provide additional resources and training, facilitate the sharing of NEPA best practices on topics such as public engagement and meeting timelines, and provide additional or updated guidance as needed.

Additionally, in the coming weeks, CEQ will issue instructions for agencies on implementing the unique identification number (ID) requirement for environmental assessments and environmental impact statements. If an agency has an immediate need to create a unique ID, please reach out to CEQ for assistance.

If your staff has any questions regarding this memorandum, they may contact Jomar Maldonado, Director for NEPA, at <u>jomar.maldonadovazquez@ceq.eop.gov</u> and Amy Coyle, Principal Deputy General Counsel, at <u>amy.b.coyle@ceq.eop.gov</u>.

² National Environmental Policy Act Guidance on Consideration of Greenhouse Gas Emissions and Climate Change, 88 Fed. Reg. 1196 (Jan. 9, 2023), <u>https://ceq.doe.gov/guidance/ceq_guidance_nepa-ghg.html</u>.