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United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

WEBSITE: <https://commerce.senate.gov>

March 6, 2023

The Honorable Bill Nelson
Administrator
National Aeronautics and Space Administration
300 E Street NW
Washington, D.C. 20024

Dear Administrator Nelson:

We are writing to express concern with the National Aeronautics and Space Administration (NASA) proposed joint rule requiring federal contractors to calculate and disclose greenhouse gas (GHG) emissions and “climate-related financial risks,” and to reduce emissions as a condition for receiving a contract.¹ Congress never granted NASA or the other partnering agencies the statutory authority to set the GHG emission standards for themselves or their contractors.

It is the mission of NASA to “explore the unknown in air and space, innovate for the benefit of humanity, and inspire the world through discovery.”² Attention to that critical mission will be diverted instead to a highly politicized regulation. As for the environmental benefits, the proposed rule admits they would be hard to even quantify and that “increased public transparency and accountability may prompt suppliers to take action following a ‘what gets measured gets managed’ mantra.”³

Such wishful thinking comes with a very real price. The regulation is estimated to increase total costs among federal agencies and contractors by almost \$4 billion. If NASA does not need any of these funds to fulfill its mission, then those resources should be returned to the Treasury. The costs to individual contractors, many of which are small businesses, would equal hundreds of thousands to millions of dollars upfront and annually thereafter. Smaller firms with limited streams of resources compared to larger companies may have to either exit the government contracting market or consolidate with other entities. In either scenario, there would be less competition, a major problem already facing federal contracting.

Furthermore, the proposed rule would outsource important decisions about policy tradeoffs to foreign, non-governmental organizations that have not been recognized by Congress. The rule

¹ Federal Acquisition Regulation: Disclosure of Greenhouse Gas Emissions and Climate-Related Financial Risk, 87 Fed. Reg. 68312 (proposed Nov. 14, 2022).

² NASA, *Our Missions and Values*, <https://www.nasa.gov/careers/our-mission-and-values/> (last visited Mar. 2, 2023).

³ Federal Acquisition Regulation: Disclosure of Greenhouse Gas Emissions and Climate-Related Financial Risk, 87 Fed. Reg. 68318 (proposed Nov. 14, 2022).

would require American contractors to adopt arbitrary, vague standards for the measurement, disclosure, and estimation of emissions, “risks,” and reduction targets that have been created and managed by the Science-Based Targets Initiative (SBTi). In addition, these standards are ever-changing. For example, the SBTi published draft requirements for fossil fuel and mining companies in October 2020, paused them in April 2021, then removed all existing commitments and validations for fossil fuel and mining companies in March 2022. The group continues delaying publication of new guidance, making it impossible to be in compliance for an entire industry.⁴

Finally, the proposed rule arbitrarily exempts tribes, non-profit organizations, universities, state and local governments, and “entities deriving at least 80 percent of annual revenue from federal management and operating contracts,” with no scientific explanation, making it appear the regulation has less to do with “science” and more to do with political favoritism toward special interest groups.

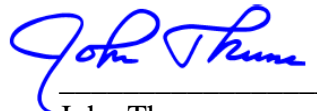
In addition to enriching the politically left-aligned consultants that will supposedly track a company’s impact on GHG emissions, there is no practical way to verify or audit the validity of these disclosures. This “data” may, however, lead to numerous lawsuits and enforcement actions that will add to the cost and delays associated with federal procurement. The only true beneficiaries of this proposed rule will be nonprofits, consultants, and trial lawyers claiming to be self-appointed guardians against weather-related catastrophe.

In closing, this rule should be abandoned. After repeated failed attempts to enact radical environmental policies through legislation, this proposed rule is another example of the administration’s strategy to implement its agenda through unelected bureaucrats. Such undemocratic policymaking will only increase costs, reduce progress, and have a chilling effect on needed energy investment in the United States.

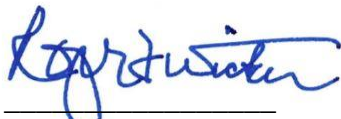
Sincerely,



Ted Cruz
United States Senator



John Thune
United States Senator

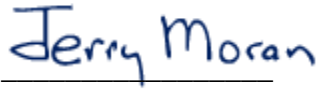


Roger F. Wicker
United States Senator



Deb Fischer
United States Senator

⁴ Science Based Targets, *Guidance for the oil and gas sector*, <https://sciencebasedtargets.org/sectors/oil-and-gas/> (last visited Mar. 2, 2023).



Jerry Moran
United States Senator



Dan Sullivan
United States Senator



Marsha Blackburn
United States Senator



Todd Young
United States Senator



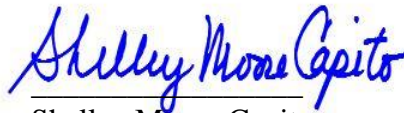
Ted Budd
United States Senator



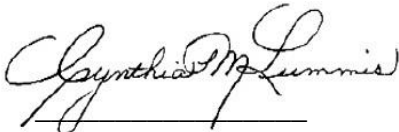
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