EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 24, 2014
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3301 – North American Energy Infrastructure Act

(Rep. Upton, R-Michigan, and 20 cosponsors)

The Administration strongly opposes H.R. 3301, which would require the specified Secretary to issue a "certificate of crossing" for any cross-border segment of an oil pipeline (Secretary of State) or electric transmission facility (Secretary of Energy) within 120 days after the completion of the environmental review, unless the Secretary finds that the cross-border pipeline or electric transmission facility "is not in the public interest of the United States."

The bill's 120-day approval requirement would circumvent the current authority for issuing Presidential Permits for cross-border pipelines and transmission facilities provided by Executive Orders 13337 and 10485, as amended, which allow for the full consideration of the complex issues raised by the building of such infrastructure. That process dates back through many Administrations and has effectively addressed cross-border permitting decisions in a manner that serves the national interest.

H.R. 3301 would impose an unreasonable deadline that would curtail the thorough consideration of the issues involved, which could result in serious security, safety, foreign policy, environmental, economic, and other ramifications. By preventing the opportunity for the necessary assessment of all factors relevant to the national interest, the bill would create significant policy risks and create legal uncertainty for permitting applicants. Additionally, the bill would prevent assessment of whether modifications to border-crossing pipelines or electric transmission facilities are in the national interest, which is provided for through the current process.

H.R. 3301 would also raise serious trade implications by eliminating the current statutory requirement that the Department of Energy authorize orders for exports and imports of natural gas to and from Canada and Mexico.

Because H.R. 3301 would circumvent longstanding and proven processes for determining whether cross-border pipelines and electric transmission facilities are in the national interest by removing the Presidential permitting requirement, if presented to the President, his senior advisors would recommend that he veto this bill.

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