



Institute for
Policy Integrity
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PRESIDENTIAL DIRECTIVE WILL INTEGRATE CLIMATE METRICS INTO MORE FEDERAL POLICY CONSIDERATIONS

The Biden administration has instructed federal agencies to use the social cost of greenhouse gas metrics in environmental reviews, procurement decisions, and other processes

Today, President Biden [approved](#) recommendations on how federal agencies should use the social cost of greenhouse gas metrics, which monetize the climate damages from greenhouse gas emissions. His directive instructs agencies to use these metrics in a wider range of decisionmaking processes, including environmental reviews conducted under the National Environmental Policy Act (NEPA), agency budgeting, and procurement decisions. The Institute for Policy Integrity has long [encouraged](#) broader use of these metrics. Incorporating the metrics will help agencies better understand the economic impacts of decisions that reduce or increase climate pollution, supporting better policy choices.

Max Sarinsky, Senior Attorney at the Institute for Policy Integrity at NYU School of Law, issued the following statement:

Today’s announcement will lead to better government decisionmaking, helping ensure that more policymakers consider climate change impacts when their choices affect climate pollution. The social cost of greenhouse gases has been used by the federal government for over a dozen years, and it is a hugely helpful tool. Today’s announcement calls for federal agencies to incorporate the metric into a wider range of processes, including environmental reviews, procurement decisions, and budgeting. This directive furthers the Biden administration’s all-of-government approach to climate change and helps ensure that climate science is rationally weighed against other economic impacts in agency decisionmaking.

Despite this instruction, agencies must be aware that the current federal metrics have grown outdated and grossly underestimate the true cost of climate pollution. The valuation is currently being updated to incorporate the latest science and economics. The Environmental Protection Agency should move quickly to complete its update to these estimates, and agencies should apply those new estimates once they’re available. Until then, agencies should use the social cost of greenhouse gases to help establish a floor—not a ceiling—for climate policy.

Sarinsky and others who work on this issue are available for interviews on this topic.

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