Fiscal Year 2026 Appropriations
Internal Talking Points

CARBON CAPTURE COALITION

Key Takeaways:

- **Annual, sustained DOE funding is foundational** to advancing carbon capture, removal, transport, reuse, and storage technologies through R&D and demonstration and deployment.
- **US leadership in carbon management deployment is at risk without robust, sustained federal investment**—other countries are rapidly scaling their own programs.
- **Underfunding would undermine progress**, slowing deployment, weakening the impact of bipartisan policy mechanisms like the 45Q tax credit, and deterring billions in private investment.
- **Public-private partnership with DOE is essential for deployment**.
- **It is pivotal to enact full-year appropriations bills,** rather than a continuing resolution for carbon management funding at DOE, to ensure Congress has proper oversight.

American Leadership & Global Competitiveness

- **US global leadership in carbon management technologies is a direct outcome of consistent, bipartisan congressional investment**. Over the past decade, federal policy has enabled the US to become the international leader in advancing and commercializing carbon capture, removal, transport, reuse, and storage technologies.
- **Sustained DOE funding ensures America remains competitive** in the rapidly growing global market for carbon management technologies. Other nations are now investing aggressively in the full suite of carbon management technologies policy—if US support falters, leadership and market share will shift abroad.
- Federal support sends a critical **signal of long-term commitment to private investors**. The pace and scale of investment needed to build a domestic carbon management sector are significant, and private capital requires confidence in the continuity of public policy and funding.

Core Role of DOE Programmatic Funding

- The DOE's Office of Fossil Energy and Carbon Management is the **central federal partner responsible for catalyzing carbon management innovation**. Its programs are the bedrock of the national carbon management strategy.
- Robust, sustained funding for DOE's RDD&D programs is essential to **drive innovation, reduce costs, and improve the performance** of carbon capture, removal, utilization, transport and storage technologies.
- DOE's unique role in **partnership with industry and research institutions** bridges the gap between early-stage innovation and commercial deployment, which is especially important for first-of-a-kind and capital-intensive projects.
- Without DOE's programmatic support, many promising technologies would remain stuck in development, **unable to reach the scale necessary for meaningful impact on domestic energy supplies and industrial production**.

Impacts of Underfunding

- **Delays in development and deployment due to insufficient federal funding will slow progress** toward meeting energy security ambitions and stifle American companies' ability to compete in global markets.
- **Underfunding jeopardizes the US's ability to compete with countries** like Canada, the UK, and the EU, which are investing heavily in scaling up their carbon management industries.
- **Private sector interest in carbon management is at an all-time high**—but it depends on reliable federal partners and resources to translate interest into real-world projects. Cuts or stagnation in DOE funding would discourage investment and innovation.

Critical Deployment Activities Require DOE Partnership

- As more carbon management projects move toward deployment, DOE's technical and financial partnership is essential for **site characterization, permitting, and infrastructure planning**—particularly for geologic storage.
- DOE expertise helps ensure that **carbon storage sites are safe, scientifically validated, and publicly trusted**, which is crucial for gaining community support and regulatory approval.
- These critical activities require **multi-year, consistent funding** to maintain progress on permitting and development timelines. Interruptions slow project pipelines and disrupt private-sector planning.
- By partnering with DOE, companies can **mitigate risk, share data, and accelerate timelines**—but only if DOE has the resources to play its role effectively.

Full-Year Appropriations Bills Allow for Congressional Oversight and Direction

- Annual appropriations bills **carry pivotal report language and funding tables** that allow for updated Congressional priorities and targeted investment in specific technologies, sectors, and regional needs.
- Under a continuing resolution, **report language is not included, providing ambiguity** regarding specific funding levels for different accounts managed under the Department of Energy.
- **While report language included in annual appropriations bills is not legally binding, it serves as a powerful expression of congressional intent.**
- Historically, government agencies generally comply with report language to maintain good relations with appropriators and avoid scrutiny in future hearings or funding cycles. However, as was demonstrated with the fiscal year 2025 spend plan for DOE, the administration argues that a continuing resolution gives them latitude to reorganize funding to better align with administration priorities.
- **Annual Appropriations bills, rather than continuing resolutions, provide Congress with a level of oversight necessary to ensure that taxpayer dollars are being spent in accordance with congressional directives.**