

From: [Carbon Capture Coalition](#)
To: [Madelyn Morrison](#)
Cc: [MJ Kenny](#); [Jessie Stolark](#); [Patrice Lahlum](#); [Sangeet Nepal](#); [Christian Flinn](#); [Leo Duke](#)
Subject: Legislative Update - 2.23.24
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Attachments: [image001.png](#)
[Policy-Riders-Letter-2.21.2024.pdf](#)

Dear Legislative Work Group participants,

We hope you all enjoyed a nice holiday weekend. Given the recess this week and the uncertainty around a path forward on fiscal year 2024 appropriations, we opted to cancel this week's legislative work group and share a short update below.

FY2024 Appropriations Cycle

Deadlines for the two 'laddered' continuing resolutions carrying the 12 annual appropriations bills are fast approaching. The Energy & Water bill, along with the Ag, MilCon/VA, and Transportation-HUD, all expire at midnight on Friday, March 1, while the Interior & Environment bill, along with the other 7 remaining appropriations bills, expires on March 8. Another short-term stopgap measure will almost certainly be necessary to avoid a partial government shutdown on March 1 and March 8. Uncertainty remains around next steps as Speaker Johnson has publicly expressed opposition to additional stopgaps, while some hardline conservatives have suggested that House GOP should provoke a shutdown or enact a full-year CR to ensure the 1% cut in gov't spending invoked by the Fiscal Responsibility Act passed last Spring. These cuts would take effect on April 30 if all 12 annual funding bills are not signed into law by that date.

Coalition staff have heard that negotiations between the Senate Appropriations Committee and House Appropriations Committee staff on the details of the FY24 Energy & Water bill carrying the annual programmatic funding for carbon management programs at DOE have effectively been ironed out. We have heard it is possible that as soon as this weekend, the final negotiated products on some or all the first tranche of bills, including Energy and Water, could be released. We have heard some speculation that those bills could be paired with a short-term CR for the remaining unfinished measures to later next month (possibly March 22nd). However, it is unclear whether the two chambers are close to ironing out issues surrounding policy riders that some in Speaker Johnson's conference have been advocating for (see attached). Stay tuned for more updates.

Coalition's FY2025 Appropriations Requests

Following our last legislative work group meeting, Coalition staff have finalized the appropriations requests shared with the broader work group. There are **no** substantive changes to the requests we shared during our 2/7 meeting, but rather small clarifications in the text. As a reminder, our priorities for the FY2025 appropriations cycle are to:

- **Build support for core programmatic activities at FECM:** Continue providing funding

for core carbon management programs at the Office of Fossil Energy and Carbon Management to ensure that DOE has the resources to carry out programs that operate on funding provided by annual appropriations. You can read the full request [here](#).

- **Create predictable timelines for Class VI review:** Class VI well permits are the lynchpin to scaling geologic storage to climate scale. Project developers require certainty and predictability to move forward to secure project financing without sacrificing a rigorous review process. You can find this report language [here](#).
- **Issue 45Q guidance and address regulatory barriers to deploying carbon reuse projects:** In addition to urgently needing guidance on the most recent enhancements to the 45Q tax credit from the Treasury, it has become apparent that carbon reuse projects are largely sitting on the sidelines -- unable to monetize the utilization pathway due to regulatory barriers. Treasury has an opportunity to address some of these issues in forthcoming 45Q guidance. You can find this report language [here](#).

With Coalition feedback, we have finalized our requests and will begin submitting to member offices starting next week. You can find the topline of our requests [here](#).
If you have any questions please reach out to Madelyn.

Best,
CCC Staff



The Carbon Capture Coalition is convened by the [Great Plains Institute](#).