



## Carbon Capture Impact Legislative Work Group February 25, 2026 Meeting Notes

### Meeting Summary

Carbon Capture Impact convened the Legislative Work Group to discuss updates on the political and congressional landscape, including developments related to the fiscal year 2027 appropriations process, ongoing engagement regarding EPA's Greenhouse Gas Reporting Program (GHGRP), and next steps on Treasury's 45Q safe harbor guidance. The group also discussed the anticipated scope and format for Impact's upcoming Hill Day, recent developments related to permitting reform and CO<sub>2</sub> pipeline policy, and efforts related to a Pipeline and Hazardous Materials Safety Administration (PHMSA) reauthorization. The bulk of the discussion was focused on three proposed FY2027 appropriations requests for consideration by Impact members, reflecting priorities identified through member feedback and recent discussions with congressional offices.

**To access the below links, you will need to use the member password: ccc12345q**

### Important Resources

- [Meeting slides 2.25.2026](#)
- [Letter to US Senate Offices on Permitting](#)
- [Carbon Capture Coalition Letter to PHMSA on CO<sub>2</sub> Pipeline Safety Regulations](#)
- Congressional Letter to EPA on GHGRP and 45Q (Authors: Rep. Carol Miller (R-WV)/ Rep. Marc Veasey (D-TX)) (Attached)
- [Carbon Capture Impact Proposed FY2027 Appropriations Requests – Topline Document](#)
- Legislative Proposal: Optional Federal Siting Authority for CO<sub>2</sub> Pipelines Text (Attached)

### Key-Takeaways

- The FY2027 appropriations process is moving quickly, with House Appropriations subcommittee deadlines prompting accelerated timelines for individual member requests,
- Carbon Capture Impact will endorse an updated legislative proposal to provide an **optional** federal pathway for siting and constructing CO<sub>2</sub> pipelines.
- Class VI permitting capacity—from both federal and state regulators—continues to be a central deployment challenge; Impact is prioritizing funding solutions during the FY27 appropriations cycle.
- Uncertainty remains around EPA's GHGRP rulemaking timeline, while legislative conversations continue regarding potential statutory codification of portions of the program.
- Impact's annual Hill Day on March 19 will focus on educating congressional offices about carbon management technologies and current deployment challenges.

### Next Steps & Action Items

- **Action Needed:** Please conduct outreach to **House Republican offices** to encourage members to sign GHGRP/45Q letter to EPA led by Reps. Carol Miller (R-WV) and Marc Veasey (D-TX).
  - **New deadline for signatures is Friday, March 6**
- **Register for Carbon Capture Impact Hill Day:** Please register **no later than Friday, March 13** to join Impact members for a Capitol Hill Day on Thursday, March 19.



## Notes

### Housekeeping Items

#### **Carbon Capture Impact Capitol Hill Day – Thursday, March 19**

Impact staff provided an overview of planning for the 2026 Carbon Capture Impact Hill Day, scheduled for March 19 in Washington, DC.

The event will follow a structure similar to previous years:

- Breakfast briefing (8:00 AM) for participants to meet their meeting groups, review materials, and coordinate advocacy strategies.
- Congressional meetings beginning around 9:00 AM.
- An afternoon reception with invited Members of Congress.

Both the breakfast and reception will be held at Top of the Hill (Reserve Officers Association Building) near the Dirksen Senate Office Building, which will also serve as a central location for participants throughout the day.

Hill meetings this year will emphasize:

- Education on carbon management technologies.
- Discussion of key federal policy challenges impacting deployment, including:
  - Potential repeal of the Greenhouse Gas Reporting Program (GHGRP)
  - 45Q tax credit levels
  - Class VI permitting timelines

Impact staff also highlighted sponsorship opportunities for members interested in supporting the event.

### Political / Congressional Updates

Carbon Capture Impact consultant, MJ Kenny, Partner, KDCR Partners, provided a brief update on the political and congressional landscape.

#### **Key Topics Covered:**

- DOE Leadership Updates
- State of the Union (SOTU)
- FY27 Appropriations
- Permitting Reform
- Budget Reconciliation efforts

#### **DOE Leadership Updates**

Kyle Haustveit, currently Assistant Secretary for the Hydrocarbon and Geothermal Energy Office, has been nominated to serve as DOE Undersecretary of Energy. The Senate Energy and Natural Resources Committee held his nomination hearing on February 25.

- Haustveit's advisor, Toby Deen, is widely expected to be nominated to serve as Assistant Secretary should Haustveit be confirmed.

#### **SOTU**

- On Tuesday, President Trump delivered his State of the Union Address. While energy was not a primary focus of his remarks, the president used the address to tout his administration's energy dominance agenda.



- This included the announcement of a new initiative in which tech companies will help shoulder the increases in energy prices associated with the nationwide surge in data center construction.

### Appropriations

- Regarding FY2026, Congress has not yet finalized funding for the Department of Homeland Security and the agency remains in shutdown mode.
- On FY2027, given the fast-approaching midterm elections, Congress is attempting to move faster than it has in past years on appropriations.
  - House Appropriations Committee posted truncated timeline of deadlines for member submissions in mid-March, prompting stakeholder groups to turnaround requests in a tight timeframe.
  - We expect the Senate to also push up deadlines significantly, but not in as tight of a turnaround as the House.
- We are still awaiting the President's Budget Request for FY27; indications point to a late March or early April release.

### Permitting Reform

- Senate Democrats have not changed their positions much which has stalled progress on a bipartisan framework. There is continued frustration with how President Trump's administration has treated renewables.
- In recent days, the President has reinforced his desire to see a permitting reform deal come together in Congress. To help ease tensions, we understand that the Trump Administration is putting together a list of solar projects they may ease up on, but there is a stalemate with wind.
- The permitting-focused hearing held in the Senate Energy and Public Works Committee showed that Chairman Shelley Moore Capito (R-WV) and Ranking Member Sheldon Whitehouse (D-RI) are working well together, but absent significant changes made by the administration, this is unlikely to go anywhere.

### Midterms

- The midterms are tightening the timeframe for legislative action this Congress, with Congress intending to recess for campaign activity from August through much of the leadup to the November 3, 2026 elections.

### FY2027 Appropriations Planning

The House Appropriations Committee recently released subcommittee deadlines for **FY2027 member requests**, with Energy & Water and Interior-Environment requests due **March 20**. Many congressional offices have accelerated internal submission timelines, with some closing request portals within the next **one to two weeks**.

**Staff presented three proposed FY2027 appropriations requests based on member feedback by February 27:**

#### 1. DOE Carbon Management Programs

Impact is proposing a **\$359 million programmatic funding request** for DOE carbon management research, development, and demonstration programs supporting carbon capture, utilization, carbon dioxide removal, and CO<sub>2</sub> transport and storage. This represents a **\$50 million increase above FY26 enacted levels** and begins rebuilding funding toward the **FY24–FY25 enacted level of \$428 million**.



## 2. Federal Class VI Program Funding

Impact is proposing funding to support the **EPA Class VI injection well program**, including:

- **\$5 million** for the Class VI program
- **\$1.8 million** for regulator education and training

## 3. Program Support for States with Class VI Primacy

Staff also proposed a total of \$17.294 million to support categorical grants for state Underground Injection Control activities, **and specifically, \$5 million in funding through EPA's State and Tribal Assistance Grant (STAG) program** to support states with **Class VI primacy** as they develop and administer permitting programs and address increasing application volumes.

### Appropriations Process Timeline:

- 3-4 weeks of one-on-one conversations with Impact members.
- Distribution of a membership survey to gather a "wish list" of priorities.
- Staff development of draft appropriations requests.
- Review and refinement during the second February Legislative Work Group meeting.
- Formal submission of requests beginning in March. ← We are here

### Objective:

Develop targeted, consensus-driven funding requests aligned with Coalition deployment priorities.

### EPA GHGRP & Treasury 45Q Safe Harbor Updates

#### Treasury Safe Harbor (45Q)

The Carbon Capture Coalition's Regulatory and Guidance work group submitted a supplemental letter to Treasury from CCC/CURC identifying 4 key categories that can be improved with the interim guidance. A redline of the guidance was also submitted that addresses critical gaps in guidance that aligns with the Coalition's December letter to Treasury providing draft model guidance.

#### Congressional Letter led by Reps. Carol Miller / Marc Veasey to EPA on GHGRP and 45Q

- Offices circulating a bipartisan letter to EPA addressing the anticipated impacts of a GHGRP repeal on the 45Q tax credit and carbon management writ large.
- Additional outreach needed through the end of next week to House Republicans; **new deadline for signatures is Friday, March 6**
- Having issues finding Republican supporters due to heavy Dem presence (mostly moderates) – (4 democrats, 1 republican)

#### Impact staff continue to have conversations with interested congressional offices on a potential legislative opportunity to codify portions of the GHGRP

- Upcoming midterm election dynamics adding complications to the timeline for a potential bill, but Impact wants to continue to be a good partner here

#### Updates on GHGRP and Advocacy (Writ-Large)

- Congressional offices have not received guidance from EPA regarding the timeline for a final rule. With the endangerment finding finalized, we anticipate EPA is working on GHGRP final rule now.
- Offices are generally supportive of the need to retain GHGRP for carbon management, but are less likely to share so, publicly.



## **Permitting and Pipeline Safety**

### **ClearPath CO<sub>2</sub> Pipeline Proposal – Carbon Capture Impact will endorse**

- **Overview of the proposal:**
  - Provides developers of interstate pipelines that transport captured carbon dioxide the option to obtain a certificate from the Federal Energy Regulatory Commission (FERC) to site, construct, and operate such facilities.
  - Proposal is in line with previous Coalition positions and priorities on interstate CO<sub>2</sub> pipelines.
- Endorsement will not include a press release or public declaration, but this is just to allow us to share support on the proposal while on the Hill and engage with ClearPath on advocacy efforts

### **US Chamber letter urging Senate to pursue bipartisan permitting reform efforts – Impact signed; shared with all US Senate offices on Monday**

- Signed by more than 600 state, regional, and national organizations
- Featured in *POLITICO Morning Energy*

### **Carbon Capture Coalition to meet with PHMSA Deputy Administrator Ben Kochman; Send letter to PHMSA on the need to modernize CO<sub>2</sub> safety regulations**

- The Carbon Capture Coalition is sending letter to PHMSA, which has been reviewed by the Coalition's Regulatory & Guidance work group, reinforcing the need for modernizing CO<sub>2</sub> pipeline safety regulations
- Separately, the Coalition will meet with PHMSA Deputy Administrator Ben Kochman and staff on February 26:
  - Objective of the meeting: Introduce the Coalition and our members; reinforce the need for modernizing CO<sub>2</sub> pipeline safety regulations

### **House Energy & Commerce Energy Subcommittee Hearing on PHMSA Reauthorization**

- Hearing slated for Wednesday, March 4, 2026
- PHMSA Administrator Roberti will testify
- Carbon Capture Impact will submit a statement for the record, including a copy of the Coalition's recent letter to PHMSA asking the agency to prioritize modernizing CO<sub>2</sub> pipeline safety regulations.