



## Carbon Capture Impact Legislative Work Group May 27, 2026 Meeting Notes

### Meeting Summary

Carbon Capture Impact convened the Legislative Work Group to discuss recent developments on the fiscal year (FY) 2027 appropriations process, shifting political dynamics as a result of various primary elections, ongoing advocacy related to the US Environmental Protection Agency's proposed repeal of the Greenhouse Gas Reporting Program (GHGRP), and emerging opportunities related to Class VI injection well permitting. Staff also provided updates on various Carbon Capture Coalition workstreams, including the development of the 2027 Federal Policy Blueprint, the Coalition's response to the US Treasury's request for priorities for 2026 and 2027, and the review of the recently published ISO standard for secure geologic storage.

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

### Important Resources

- [Meeting Slide Deck](#)
- [FY2027 Carbon Capture Impact Appropriations Letters](#) (submitted May 5)
- [House FY2027 Energy & Water Development Bill Summary](#)
- [Carbon Capture Coalition Treasury Request for Information Response](#)
- [SEEC Institute Thriving Economy Project Submission](#)

### Key-Takeaways

- Carbon Capture Impact FY2027 appropriations letters submitted to leaders of the House and Senate Appropriations Committees on May 5.
- House Appropriations Committee approved the FY2027 House Energy and Water Development bill last week on a party-line vote, with significant reductions to DOE carbon management funding and repurposing portions of the remaining Infrastructure Investment and Jobs Act.
- Impact continues to prioritize preservation of both core DOE carbon management R&D funding and remaining IIJA-authorized resources.
- Full Committee markup of FY2027 House Interior-Environment bill occurring next week.
- Staff have heard the timeline for a final rule repealing the GHGRP is expected in the fall.
- Congressional discussions regarding preservation of GHGRP remain active, though bipartisan pathways remain uncertain.
- Treasury may be developing additional 45Q-related guidance, elevating the importance of Coalition efforts to evaluate the new ISO geologic storage standard.
- Congressional interest in potential Safe Drinking Water Act reauthorization could create an opportunity to advance Class VI permitting reforms.

### Next Steps & Action Items

- **Action Needed:**
  - Continue outreach to House and Senate appropriators on the importance of preserving core R&D carbon management funding and remaining IIJA programmatic funding.

## Notes

### Housekeeping Items

- CCC 2027 Federal Policy Blueprint
  - Development of the 2027 Federal Policy Blueprint continues, with work focused on refining long-term federal policy priorities and ensuring member perspectives are reflected in future recommendations.
  - The first topical meeting will take place on June 17.
  - If you are not yet involved in the CCC's Federal Policy Blueprint work group, please contact Christian Flinn (cflinn@carboncapturecoalition.org).
- CCC Treasury RFI response
  - Responses to Treasury's request for information regarding 2026/2027 priorities are due Friday, May 29.
  - The Carbon Capture Coalition submitted a response that reflects priorities included in a 2023 letter to Treasury on Section 45Q, as well as a new consensus position on the recently released safe harbor guidance for claimants should the GHGRP be fully repealed.
- Sustainable Energy and Environment Coalition Institute – Thriving Economy Submission
  - Carbon Capture Impact submitted a response to the SEEC Institute's request for information earlier this month using consensus positions contained in the Coalition's 2025 Federal Policy Blueprint.

### Political/Congressional Updates

Carbon Capture Impact consultants, MJ Kenny and Lindsay Garcia, KDCR Partners, provided a brief update on the political and congressional landscape. And while a more detailed election briefing will be provided during a June meeting, staff also highlighted several notable primary election outcomes.

### **Key Topics Covered:**

- Appropriations
  - The House Appropriations Committee continues to work through their 12 appropriations bills, as the full Committee moves to mark up the FY27 Interior, Environment, and Related Agencies bill next Wednesday (June 3).
  - Senate Appropriations Committee Chair Susan Collins (R-ME) has indicated that she expects to begin subcommittee markups as early as next week, with the intention to wrap up subcommittee consideration by the end of June.
- Permitting Discussions
  - Senate Energy and Natural Resources Committee and Senate Environmental and Public Works Committee leaders remain focused on finding points of alignment to move permitting discussions forward with both Committees indicating that they are actively trading paper.
  - Progress remains to be seen as August recess and the midterm elections quickly approach.
- Budget Reconciliation 2.0
  - Conversations are happening parallel to discussions around a Department of Homeland Security funding mechanism.
- Implications of recent 2026 primary election results
  - Carbon management champion Sen. Bill Cassidy (R-LA) was defeated in his primary bid for reelection.
    - ✦ Congresswoman Julie Letlow (R-LA) and state Treasurer John Flemming will face-off in a runoff election on June 26.

- o Sen. John Cornyn (R-TX), an ally of the carbon management industry was defeated in a runoff primary election against Texas Attorney General Ken Paxton.

## **FY2027 Appropriations**

### **Carbon Capture Impact FY27 Appropriations Letter**

- Staff reported that Carbon Capture Impact's FY2027 appropriations letter was formally transmitted to Congress on May 5.
- Since submission, staff have continued engagement with House and Senate appropriators and committee staff as appropriations legislation advances through committee consideration.

### **House Energy and Water Development Bill**

Staff reviewed provisions included in the House Appropriations Committee-approved FY2027 Energy & Water Development bill.

Several provisions are of particular concern to the carbon management community:

- Approximately \$600 million in remaining CIFIA funding would be redirected to support nuclear energy priorities.
- Approximately \$1.15 billion previously allocated to DOE carbon management activities would be repurposed for other departmental functions.
- Funding for DOE carbon management research and development programs would be reduced to approximately \$215 million.

This proposed funding level represents:

- A \$94 million reduction below FY2026 enacted funding levels.
- A substantial gap compared to Impact's FY2027 request of \$359 million.

Staff noted that while Senate appropriators have historically provided stronger support for carbon management programs, significant differences between House and Senate funding levels could again complicate final negotiations.

### **House Interior, Environment, and Related Agencies Bill**

Staff also briefly reviewed the recently released House Interior-Environment appropriations bill.

While committee report language has not yet been released, staff noted that the legislation proposes an approximately 20 percent reduction in EPA funding overall.

Impact's key EPA-related priorities include:

- Federal Class VI permitting funding.
- Dedicated support for Class VI primacy states through EPA's State and Tribal Assistance Grant program.

Staff indicated they will provide members with a detailed analysis following release of the committee report and full committee markup next Wednesday, June 3.

### **Greenhouse Gas Reporting Program Appropriations Strategy**

Staff provided an update on discussions regarding potential appropriations language that would preserve implementation of the GHGRP regardless of EPA's pending repeal effort.

Current assessment:

- Senate Republican offices appear reluctant to pursue this strategy at present.

- Senate Democratic offices appear increasingly interested in making GHGRP preservation a conference committee issue later in the fiscal year.

Given the likelihood that FY2027 appropriations negotiations extend into the next Congress, staff emphasized the importance of continuing to explore all available legislative pathways to preserve the utility of the program.

- Update on GHGRP Appropriations effort
  - Impact staff meeting with majority and minority Interior-Environment Senate staff this week to discuss; we've heard from several Republican Senate offices that the appropriations bills are not a place to debate the need for GHG reporting
  - Given the upcoming midterms, and the extreme likelihood that a final FY27 package bleeds into next Congress, we are doing our due diligence to ensure we check every box

## **GHGRP & Treasury Updates**

### **GHGRP Congressional Activity**

- Staff reported that broader congressional discussions regarding legislative solutions to preserve key GHGRP functions have slowed in recent weeks.
- However, staff recently scheduled discussions with Senator Cassidy's office to explore potential paths forward.
- Staff will provide additional updates and potential member engagement opportunities following those conversations.

### **Treasury Guidance Activity**

- While Treasury has not publicly announced any specific actions, staff indicated they have received informal signals that Treasury may be developing additional 45Q-related guidance.
- This possibility reinforces the importance of the Coalition's ongoing review of the newly published ISO geologic storage standard, particularly as Treasury has reportedly referenced the standard as a potential pathway for addressing data reporting concerns in the absence of GHGRP.

### **ISO Standard Review**

The Carbon Capture Coalition is organizing a series of member-only educational webinars led by industry expert Bob Van Voorhees.

Topics will include:

- Overview of the newly published ISO geologic storage standard.
- Comparison of the standard with GHGRP Subpart RR requirements.
- Comparison with the existing ISO standard for enhanced oil recovery.

The webinars are intended to support development of a Coalition consensus position regarding the standard and its potential role within future 45Q implementation frameworks.

### **UT Austin Greenhouse Gas Data Repository Concept**

Staff also discussed an emerging industry-led effort involving the University of Texas at Austin.

- The concept, reportedly being explored by other stakeholder groups, would establish a repository for greenhouse gas reporting data for **certain subparts** that could serve as a temporary solution if GHGRP reporting is repealed.
  - Subpart RR is part of this conversation, but this effort has not been given a green light.
- The effort remains conceptual, but Coalition and Impact staff are monitoring developments and plan to facilitate a member briefing as additional information becomes available.

## **Class VI Updates**

### **Coalition Class VI Work Group**

Staff provided a brief update on ongoing Coalition efforts to develop recommendations related to Class VI permitting and program implementation.

- The work group intends to wrap up a draft of recommendations by the end of Q2.
- Additional updates are expected as those recommendations continue to develop.

### **Safe Drinking Water Act Reauthorization**

Staff reported that House Energy & Commerce Committee staff are exploring a potential reauthorization of the Safe Drinking Water Act and have begun gathering stakeholder recommendations related to Class VI permitting.

- Impact and Coalition staff are seeking additional information regarding committee timelines and priorities before developing specific recommendations.
- Once additional information becomes available, staff will work with members to develop an engagement strategy.

### **EPA Office of Water Engagement**

Staff also provided an update on Impact and the Coalition's ongoing engagement with EPA's Office of Water regarding recently issued, updated regional guidance for the review of Class VI permit applications.

While EPA has begun implementing the revised review process, questions remain regarding:

- Regional implementation approaches.
- Review timelines.
- Expectations for applicants moving forward.

Impact and Coalition staff are scheduled to meet with EPA Office of Water leadership to discuss additional points of clarity regarding implementation and future application processing. A readout will be provided to members during the next Legislative Work Group meeting.