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Vice President, Domestic Policy

January 27, 2026

The Honorable Shelley Moore Capito  
Chairman  
Committee on Environment and Public Works  
U.S. Senate  
Washington, DC 20510

The Honorable Sheldon Whitehouse  
Ranking Member  
Committee on Environment and Public Works  
U.S. Senate  
Washington, DC 20510

**Re: Hearing to Examine the Federal Environmental Review and Permitting Processes, Part II, January 28, 2026**

Dear Chair Capito and Ranking Member Whitehouse,

On behalf of the National Association of Manufacturers, the largest manufacturing trade association in the United States, representing manufacturers in every industrial sector and in all 50 states, I write in strong support of this Committee's continued focus on enacting comprehensive, bipartisan permitting reform. Manufacturers strongly support getting permitting reform done this year to provide clarity across all types of investments that will grow jobs here at home and ensure America continues to compete and lead on the world stage.

The NAM commends your work to schedule this important hearing, and to lead negotiations on this complex but critical topic. We hope that this hearing provides momentum for good faith negotiations to continue across Congress to deliver permitting reform for all manufacturers. The NAM stands ready to support your work.

From traditional and renewable energy development, to winning the AI race, to reshoring critical minerals supply chains, to ensuring automotive and aerospace competitiveness, to producing the steel, cement, and concrete that make our roads and bridges function, to much more, comprehensive permitting reform is integral to manufacturing success in America. That is why manufacturers have such a vested interest in the success of this hearing and congressional efforts in both chambers. The NAM strongly supports commonsense priorities to improve the permitting process so that manufacturers in America can invest, grow jobs, and compete on the global stage.

- 1. Reform the National Environmental Policy Act** – Manufacturers need certainty when making investment decisions and planning projects. But the NEPA process is too often used in ways it was not intended – leading to delays for projects of all types and years of uncertainty. To address these long-standing issues, the NAM supports expediting judicial review with workable statute of limitations and guardrails on judicial vacatur, expanding categorical exclusions, codifying Supreme Court precedent to ensure NEPA's scope is appropriately focused on proximate and project-specific impact, and ensuring there are enforceable statutory deadlines for agencies to adhere to.
- 2. Clarify what triggers a federal action** – Federal incentives should serve to responsibly expedite manufacturing projects, not act as an opening to stall them. As such, manufacturers believe that a project receiving federal financial support should not automatically trigger NEPA, rather that initiating a NEPA process should be based on analyzing and addressing potential proximate project impacts as the law was intended.

3. **Modernize the Clean Air Act** – The original processes set up by Clean Air Act were designed for the realities of a different time and are now hindering manufacturing of all types while failing to deliver the public health benefits seen over past decades. Manufacturers support a modernized, workable, and realistic NAAQS process and review cycle, allowing for expanded emissions credit trading, discounting emissions from international and exceptional event sources, like wildfires and wildfire mitigation efforts, when setting compliance burdens, and right-sizing the new source review program to allow projects to get shovels in the ground quicker before installing emitting equipment.
4. **Streamline the Clean Water Act** – For manufacturers, Clean Water Act reviews have led to extended and unnecessary delays given unclear rules, vague divisions of state and federal authority and extended review periods. Policymakers should clarify timelines for when agencies must act on permitting requests, establish clear, commonsense definitions regarding the scope of permitting and consultation requirements, and increase the use of general permits.
5. **Provide greater certainty to lawfully permitted projects** – Provide statutorily equal protection for permits of all types, so that manufacturers can plan and invest across administrations, and use oversight authority to ensure federal agencies are coordinating fully during permitting and a lead agency is always designated.
6. **Accelerate construction of needed energy infrastructure** – Manufacturers need enhanced infrastructure to transport energy and electricity across the country. The NAM supports Modernizing the permitting and safety processes for pipelines and ensuring federal coordination with states and localities interconnecting new electric transmission and distribution lines.
7. **Unlock access to domestic critical materials** – Critical materials and minerals are essential inputs for robotics, industrial automation, electronics and electric grid components. Lawmakers should Ensure that any comprehensive permitting deal includes the manufacturing priority to expedite the approval of critical minerals and materials projects, including aligning the Department of Energy's Critical Materials and the Department of the Interior's Critical Minerals Lists.

Manufacturers in America create family-supporting jobs in communities across the country, drive innovation, power economic growth, and develop and deploy technologies to make our environment cleaner. This Congress has made it clear that new policies are needed to ensure the United States becomes the destination of choice for new manufacturing investment so that our nation can maintain our leadership in creating new technologies and products that make lives better for people around the world.

Manufacturers strongly support the Committee's efforts to address policy challenges within the federal permitting processes and to explore solutions that will pave the way for greater investments in manufacturing that will allow America to compete in the 21st century.

Sincerely,



Christopher Phalen  
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