The Daily Dish

Permitting Reform

DOUGLAS HOLTZ-EAKIN | NOVEMBER 23, 2026

This past Thursday the Senate passed the Bipartisan American Affordability and Jobs Act of 2026 (BAAJA) by a vote of 62–33. Shuting Pomerleau has a complete analysis in her latest insight. The BAAJA is that legislative unicorn. First, it addresses a real problem – federal permitting processes are slow, inefficient, and tedious, with environmental assessments taking on average 54 months across all project types, with litigation sometimes stretching for years after. Transmission lines average 10 years.

Second, it is genuinely bipartisan, having been penned by Senators Shelley Moore Capito (R-WV), Mike Lee (R-UT), Sheldon Whitehouse (D-RI), and Martin Heinrich (D-NM). Third, it requires reopening a huge array of important and sensitive statutes: National Environmental Policy Act of 1969, Clean Water Act, Endangered Species Act of 1973, National Historic Preservation Act, Federal Power Act, Indian Right-of-Way Act of 1948 (and related tribal land statutes), and more.

Finally, it is easy to legislate by putting "good stuff" in and taking "bad stuff" out. The BAAJA is at its core a rebalancing of the tradeoffs between, for example, environmental goals and speed of construction for large infrastructure projects or the tradeoff between tribal sovereignty and speed of permitting. This is difficult work – getting it right and getting the votes.

AAF loves being able to summarize the impact of legislation, especially the quantitative impacts on the economy and environment. The BAAJA is not amenable to a simple summary. Yet as Pomerleau notes, the research literature indicates that "if federal agencies comply with BAAJA's legal review deadlines, permitting timelines would be shortened to 2.5 months for transmission, 5.5 months for solar, less than a month for geothermal, 7 months for offshore wind, 4 months for gas pipelines, and 4.5 months for onshore wind."

Similarly, "Rhodium Group, an independent research and data analytics provider, projected

that the bill would create annual savings of $50 to $78 in the average household electricity bill in 2040," and "Resources for the Future estimated total U.S. transmission capacity would be 30 percent higher by 2041 if BAAJA becomes law and is implemented, with inter-regional electricity transferring capacity more than doubling."

Senate passage also indicated that Senate Democrats resisted the temptation to defer the BAAJA to next Congress and start again under their control. That would almost certainly mean years before reform got done. Will the House do the same? House Majority Leader Scalise has indicated his support, but the outcome is still unknown.