Senate Permitting Reform

What local leaders need to know | October 27, 2026

THE PROPOSAL & ITS STATUS

S. 5653, the Bipartisan American Affordability and Jobs Act of 2026, would change federal environmental review and permitting rules. Introduced September 30 with bipartisan sponsors, it is not law. A Senate procedural vote is expected November 9; amendments and further action by both chambers would be needed.

WHAT COULD CHANGE FOR COMMUNITIES

Federal review: Local governments are included as cooperating agencies in NEPA reviews. Certain projects, including qualifying replacement of lifeline infrastructure, would be excluded from review. Participation does not give a city a veto. [1, 2]

WATER, DEVELOPMENT & HISTORIC PLACES

Water permits: Maximum terms for wastewater discharge permits would increase from 5 to 10 years. The bill also narrows state water-quality certification and changes wetland permitting. Longer terms may reduce administrative work but warrant attention to water-quality oversight. [1, 3]

ENERGY & LOCAL CONTROL

Transmission: Federal authority to permit certain interstate transmission lines could expand when states do not approve or act within specified periods. The bill also seeks to assign data centers their transmission service costs. Actual local effects depend on the project and implementation. [2, 4]

PUBLIC INPUT & PROJECT CERTAINTY

Legal challenges: Covered NEPA claims generally must be filed within 150 days, and a party generally must have raised the issue in a substantive public comment when a comment opportunity was provided. Shorter deadlines can provide certainty but make early engagement more important. [1]

HISTORIC PRESERVATION

The bill narrows federal historic review, including excluding certain visual and other indirect effects. The National Trust for Historic Preservation warns that reduced consultation could put historic resources at risk. [2, 5]

QUESTIONS FOR LOCAL LEADERS

Which planned projects require federal approvals? Who will track notices and submit timely comments? How could water resources, historic places, utility rates and local or state authority be affected? Coordinate with legal counsel and state agencies on specific projects.

SOURCES | Click a source to read it

1 S. 5653, introduced text (GovInfo)
2 National League of Cities, October 20
3 Congressional Research Service: Clean Water Act analysis
4 Bipartisan Policy Center: bill explainer
5 National Trust: historic preservation objections