

October 20, 2026

The Honorable John Thune
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Subject: Economic policy and national security leaders support permitting reform

Dear Leader Thune, Leader Schumer, Speaker Johnson, and Leader Jeffries,

America's technological and industrial leadership rests on our ability to build. As leaders who have served six presidents in economic policy and national security, we believe Congress has a generational opportunity to strengthen our nation's industrial capacity in the face of unprecedented competition from China. We call on Congress to pass the Bipartisan American Affordability and Jobs Act of 2026 and send it to President Trump's desk.

Critical industries across our economy — from semiconductors to critical minerals to artificial intelligence — are built in the physical world and powered by energy infrastructure that must be built as well. Unfortunately, we are not building this infrastructure fast enough to remain globally competitive. For example, the median time for a new power plant to move from an interconnection request to commercial operation has more than doubled, from less than two years for projects built between 2000 and 2007 to more than four years for projects built between 2018 and 2024.¹

¹ Rand, J., Manderlink, N., Zhang, S., Talley, C., Gorman, W., Wiser, R. H., Seel, J., Mulvaney Kemp, J., Jeong, S., & Kahrl, F. (2025). *Queued up: 2025 edition, characteristics of power plants seeking transmission interconnection as of the end of 2024*. Lawrence Berkeley National Laboratory.
<https://emp.lbl.gov/publications/queued-2025-edition-characteristics>

While American infrastructure development — and the economic growth it enables — flounders, our competitors invest and build. China, our principal strategic competitor, has made energy infrastructure central to its industrial strategy. China has built more high-voltage transmission in the last fifteen years than the U.S. has built in all of its history.² China's abundant, affordable energy has enabled its strategic industries from critical minerals processing to automobile manufacturing. In 2024, China accounted for 31.5% of global knowledge- and technology-intensive manufacturing value added, compared with 20.7% for the United States.³ While the United States retains enormous advantages in technology, capital markets, attracting the world's talent, entrepreneurship, and natural resources, those advantages matter less if a company cannot build a factory quickly enough to reach market or if the infrastructure required to power it takes five, ten, or fifteen years to plan and complete.

Our inability to build threatens our national security and economic growth, and procedural barriers stymie efforts to correct course. Take semiconductor manufacturing: Congress appropriated \$39 billion in manufacturing incentives through the CHIPS and Science Act in 2022. As the program made awards and semiconductor facilities broke ground, the potential for obstructive litigation loomed. As Michael Schmidt, the inaugural director of the CHIPS Program Office, has since written on the National Environmental Policy Act (NEPA), "the cost of NEPA — that dual risk of delay and litigation — was vastly disproportionate to what [NEPA] achieved," with the threat of disruption remaining even after devoting substantial agency staff and leadership time to environmental review.⁴ Schmidt noted a remarkable disparity: federally funded or permitted projects require NEPA review, but private projects often do not, creating "a threat of failure precisely where the government is trying to be proactive, strategic, and engaged."

Congress responded. With bipartisan support, it passed the Building Chips in America Act of 2023, which excluded some CHIPS-funded semiconductor projects from NEPA compliance obligations. That intervention was important, but

² Golden, D. (2026, June 21). Transmission dominance with Chinese characteristics. ChinaTalk.

<https://www.chinatalk.media/p/transmission-dominance-with-chinese>

³ National Science Board, National Science Foundation. (2026). *Translation to impact: U.S. and global science, technology, and innovation output* (Science and Engineering Indicators 2026, NSB-2026-2). National Science Foundation. <https://ncses.nsf.gov/pubs/nsb20262>

⁴ Schmidt, M. (2025, December 16). An inside view of NEPA in practice. Factory Settings. <https://www.factorysettings.org/p/an-inside-view-of-nepa-in-practice>

limited — numerous other energy, industrial, and infrastructure projects still face excessive regulatory hurdles and litigation risk.

Consider the Cardinal-Hickory Creek transmission line: the 102-mile project was approved by the regional grid operator as part of a larger transmission buildout in 2011 but did not become fully operational until September 2024.⁵ Along the way, it faced years of federal review and litigation, including two federal court injunctions, even as 160 generation projects representing over 24 gigawatts were waiting for its completion. Mining projects also face tremendous uncertainty: a 2026 study by researchers at the Colorado School of Mines found that permitting for modern mining projects takes an average of 5.5 years, rising to 8.9 years for contested projects.⁶ The U.S. currently has the second-longest mine development timeline in the world.⁷

These timelines dramatically increase project costs. A project that spends years awaiting approval must continue carrying development and financing costs while remaining exposed to rising input costs. The IEA reports that prices for utility-scale transformers increased 26% in 2024, while lead times for some transformers have stretched as long as six years.⁸ Every unnecessary year spent waiting to build makes the project harder and more expensive to deliver.

These delays are especially concerning given the growth of artificial intelligence. Artificial intelligence is a transformational technology, but it must be developed in a manner beneficial for all Americans. Our current permitting structure makes that impossible. To avoid long lead times in connecting to the grid, U.S. hyperscalers have turned to on-site power generation solutions. By generating power “behind the meter,” they can bypass strained grid infrastructure and the years-long interconnection queue. But this comes with high costs to both the hyperscalers

⁵ Reuters. (2024, September 27). Contested Midwest transmission line starts up 13 years after approval. <https://www.reuters.com/business/energy/contested-midwest-transmission-line-starts-up-13-years-after-approval-2024-09-27/>; Datta, A., & Coleman, J. (2024, April 28). We must end the litigation doom loop. Slow Boring. <https://www.slowboring.com/p/we-must-end-the-litigation-doom-loop>

⁶ Calderon, J., & Smith, N. M. (2026). *Contested projects, not routine permitting, drive U.S. mine-development delays*. SSRN. <https://doi.org/10.2139/ssrn.7269649>

⁷ Scheyder, E. (2024, July 18). US mine development timeline second-longest in world, S&P Global says. Reuters. <https://www.reuters.com/markets/commodities/us-mine-development-timeline-second-longest-world-sp-global-says-2024-07-18/>

⁸ International Energy Agency. (2025). United States. In *World Energy Investment 2025*. <https://www.iea.org/reports/world-energy-investment-2025/united-states>

themselves — operating an islanded electrical grid is not cheap — and to the public at large.⁹ With a more rational permitting process, hyperscalers would invest in new energy infrastructure that could connect speedily to the grid, which, together with sound regulatory policies, would increase electricity supply for all consumers and ultimately reduce residential bills. Alleviating our permitting bottlenecks can help ensure that America retains its competitive edge in a critical technology while delivering benefits to the American people.

The Bipartisan American Affordability and Jobs Act is the most significant bipartisan legislative effort that Congress has undertaken in decades to tackle these challenges. It addresses key constraints stifling American industry by requiring interregional transmission planning, strengthening the federal backstop for nationally significant transmission lines, and creating a faster, more predictable process for connecting new generation to the grid. It also makes permits more durable by imposing tighter timelines for litigation and limiting frivolous lawsuits that can halt projects indefinitely, while preserving community input and judicial review of substantive agency decisions. Among many other important reforms, the Act also requires data centers to pay for the new transmission built to serve them, as well as their fair share of existing system costs, which would reduce costs for other customers.

The ability to build the infrastructure necessary for American economic and technological leadership should transcend partisanship. Republicans and Democrats have each recognized the imperative to rebuild domestic manufacturing, develop critical mineral supply chains, expand American energy production, and maintain U.S. leadership in artificial intelligence. But we cannot realize these ambitions unless we can build critical infrastructure.

The lead negotiators, Senators Capito, Heinrich, Lee, and Whitehouse, deserve enormous credit for taking bold action to respond to this national problem. The Act they crafted reflects the best spirit of big bipartisan legislating. It is ambitious,

⁹ The International Energy Agency estimates that reliably powering AI data centers with on-site natural gas could require 30% to 70% more generating capacity than the facilities' actual demand. International Energy Agency. (2026). *Key questions on energy and AI*. <https://www.iea.org/reports/key-questions-on-energy-and-ai>

comprehensive, and balanced — with all parties compromising certain priorities to agree on a product that would be a clear win for the American people.

China is the most significant technological and geopolitical competitor our country has faced in decades. We enter that competition with extraordinary advantages: world-leading companies and universities, abundant energy resources, deep capital markets, and an unmatched ability to innovate and attract talent. But these advantages are insufficient if we cannot turn investment into physical infrastructure. If America can build at the speed our aspirations demand, it will be very hard for us to lose. If we cannot, it will be very hard for us to win.

Sincerely,

Janet Yellen

Janet Yellen served as the 78th Secretary of the Treasury under President Joe Biden; Chair and Vice Chair of the Board of Governors of the Federal Reserve System; Chair of the Council of Economic Advisers under President Bill Clinton; and President and CEO of the Federal Reserve Bank of San Francisco.

Michael R. Pompeo

Michael R. Pompeo served as the 70th Secretary of State and as Director of the Central Intelligence Agency under President Donald Trump.

Steven T. Mnuchin

Steven T. Mnuchin served as the 77th Secretary of the Treasury under President Donald Trump.

Leon E. Panetta

Leon E. Panetta served as the 23rd Secretary of Defense and Director of the Central Intelligence Agency under President Barack Obama, as well as White House Chief of Staff and Director of the Office of Management and Budget under President Bill Clinton.

Timothy F. Geithner

Timothy F. Geithner served as the 75th Secretary of the Treasury under President Barack Obama.

Henry M. Paulson, Jr.

Henry M. Paulson, Jr. served as the 74th Secretary of the Treasury under President George W. Bush.

Robert E. Rubin

Robert E. Rubin served as the 70th Secretary of the Treasury under President Bill Clinton, after serving as the first director of the White House National Economic Council.

Stephen Miran

Stephen Miran served as Chairman of the Council of Economic Advisers under President Donald Trump and as a Member of the Board of Governors of the Federal Reserve System.

Jared Bernstein

Jared Bernstein served as Chair of the Council of Economic Advisers under President Joe Biden.

Tyler Goodspeed

Tyler Goodspeed served as Acting Chair and Vice Chair of the Council of Economic Advisers under President Donald Trump and as Chair of the Economic Policy Committee of the OECD.

Jason Furman

Jason Furman served as Chair of the Council of Economic Advisers under President Barack Obama.

Glenn Hubbard

Glenn Hubbard served as Chair of the Council of Economic Advisers under President George W. Bush.

Laura D'Andrea Tyson

Laura D'Andrea Tyson served as the 16th Chair of the Council of Economic Advisers and the second Director of the National Economic Council under President Bill Clinton.

Michael J. Boskin

Michael J. Boskin served as the 15th Chair of the Council of Economic Advisers under President George H.W. Bush.

Jeffrey Zients

Jeffrey Zients served as Chief of Staff to President Joe Biden and as Director of the National Economic Council and Acting Director of the Office of Management and Budget under President Barack Obama.

Jake Sullivan

Jake Sullivan served as the 28th National Security Advisor under President Joe Biden.

Brian Deese

Brian Deese served as Director of the National Economic Council under President Joe Biden, and as Senior Advisor to the President and Acting Director of the Office of Management and Budget under President Barack Obama.

Larry Kudlow

Larry Kudlow served as Director of the National Economic Council between 2018 and 2021 under President Donald Trump.

Allan B. Hubbard

Allan B. Hubbard served as Director of the National Economic Council from 2005 to 2007 under President George W. Bush.

For media or other inquiries, please contact Arnab Datta at arnab@ifp.org.