



## **Climate and Equity Investments in the Jurisdiction of the Environment and Public Works Committee (EPW) in the Inflation Reduction Act**

The EPW title of the Inflation Reduction Act invests more than \$35.5 billion to address climate change and equity issues within the jurisdiction of the EPW Committee, including the following investments:

### ***Environmental Protection Agency***

#### ***Methane Emissions Reduction Program***

This new program provides up to \$1.55 billion to EPA to issue loans, rebates, contracts, and grants to help the oil and gas sector reduce methane emissions from petroleum and natural gas systems and directs EPA to place a modest charge on methane emissions. Methane is a primary component of natural gas and a highly potent greenhouse gas – more than 25 times as potent as carbon dioxide. A federal methane emissions reduction program will help clean up methane emissions, provide for better energy security and help the climate. The industry incentives provided in this program start as of the date of enactment. Beginning in 2025, this program would implement a charge on the prior-year tons of methane emissions from oil and natural gas systems reported to the EPA Greenhouse Gas Registry that exceed industry-specific thresholds, determined by the amount of the natural gas or oil sent to sale. The charge is imposed only on emissions above set thresholds, and any emissions due to delays in obtaining gathering line and transmission infrastructure environmental permits to capture methane emissions are exempt from paying the fee. Additional flexibilities for industry are included. This section also requires EPA to update the Greenhouse Gas Registry. Resources for the Future found that this policy could achieve substantial emissions reductions at near zero costs to consumers.



### ***Greenhouse Gas Reduction Fund***

This program will unlock meaningful climate investments and advance environmental justice by providing \$27 billion for a Greenhouse Gas Reduction Fund. Funding will help nonprofits, states and other institutions use federal dollars to leverage private investments in projects that combat climate change. At least sixty percent of this money will help provide clean energy financing in low-income and disadvantaged communities, communities that often struggle to find financing for clean energy and energy efficiency projects. Funding is technology neutral and will help all Americans, especially those in low-income and disadvantaged communities, save money on energy costs.

### ***Climate Pollution Plans and Implementation Grants***

This program will encourage an all-of-government approach to addressing climate change. The program provides \$5 billion in competitive grants to states, territories, DC, tribes, and municipalities to develop and implement greenhouse gas emissions reductions plans that make sense for their communities. Those that design programs, policies, and measures to reduce emissions will be eligible for grant funding to help them carry out their plans. This is similar to the approach Congress took for the transportation sector in the Bipartisan Infrastructure Law and is a technology-neutral approach.

### ***Environmental and Climate Justice Block Grants***

Provides \$3 billion in competitive 3-year grants to states, tribes and municipalities and a community-based nonprofit organization for financial and technical assistance to address clean air and climate pollution in disadvantaged communities. These grants build upon EPA's current environmental justice grants. They can be used flexibly to fund several climate and air quality priorities, such as replacing old wood heaters in homes, and will result in cost savings for rural and tribal communities.



### ***Cleaner Ports***

Provides \$3 billion in investment to help reduce air pollution and carbon emissions at and surrounding our nation's ports. Most of our nation's ports continue to use antiquated diesel technology that pollutes our air, harms our planet, and is not fuel efficient. By making investments in cleaner ports, we make our ports more energy independent and less reliant on foreign fuels, while also cleaning up the air in surrounding communities.

### ***Cleaner Medium and Heavy Duty Vehicles***

The largest single source of greenhouse gas emissions in the U.S. economy is our cars, trucks, and other vehicles. This program invests \$1 billion in investment to help cover the incremental costs of replacing dirty medium and heavy-duty vehicles with zero-emitting vehicles, technology that is readily available and made in America. As we know from experience with diesel retrofit programs, taking heavy duty dirty diesel engines off the road reduces air and climate pollution and reduces fuel consumption, allowing businesses that run those trucks to save significantly on energy costs.

### ***Environmental Product Information Program***

This program provides \$250 million to support the development and enhanced standardization and transparency of environmental product declaration for construction materials and products. As we look to rebuild our nation's infrastructure, we should be using products that can withstand a changing climate and are produced in the cleanest way possible. Lucky for us, American-made construction materials are often made with the cleanest processes in the world. This program will help our nation's companies show the world that indeed, the U.S. makes the cleanest materials anywhere.



***Diesel Emissions Reduction Act (DERA)***

Provides \$60 million in DERA funding, a bipartisan program, specifically to help low-income and disadvantaged communities living near places that are exposed to a large amount of diesel emissions from the movement of goods, such as railyards, airports and distribution centers. Dirty diesel is not only a health hazard, but also a problem for our climate. Cleaning up dirty diesel not only cleans up the air, but also saves on fuel consumption. According to the last EPA report to Congress, over 454 million gallons of fuel was saved through the DERA program from 2008-2016.

***Efficient Environmental Reviews***

Provides an additional \$40 million to EPA to address staff and resource shortages in order to improve efficiency in environmental reviews.

***Clean Air and Climate Grants***

Provides an additional \$476 million in funding for grants to update our aging air pollution monitoring network, such as investments in new monitoring systems to better detect air toxics. The grants will also help schools, states and businesses address clean air and climate pollution and invest in cleaner fuels and technologies, such as support for the reclamation and destruction of the climate super pollutant hydrofluorocarbons (HFCs).

***General Services Administration (GSA)***

***Green Federal Buildings***

Provides \$250 million to the GSA for the greening of federal buildings. This program could be used to improve indoor environmental quality, including reducing indoor pollution; reducing negative impacts on the environment throughout the life-cycle of the building, including air and water pollution and waste generation; and increasing the use of environmentally preferable products, including bio-based, recycled content, and nontoxic products with lower life-cycle impact.



***Use of Low Carbon Materials and Emerging Technology***

Provides \$3.125 billion for GSA to acquire and install low-embodied carbon materials and products when upgrading old buildings or building new facilities, as well as invest in emerging and sustainable technologies. This will allow the federal government to lower its carbon footprint and improve its sustainability.

***Transportation***

***Low-Carbon Transportation Construction Materials***

This program provides \$2 billion to support domestic manufacturing and deployment of low-carbon and carbon-sequestering construction materials for use on Federal highway projects.

***DOT Neighborhood Access and Equity Grants***

This program provides \$3 billion for grants to state and local entities to improve multimodal transportation access and to mitigate pollution from transportation facilities.

***Efficient Environmental Reviews***

Provides \$100 million to facilitate efficient environmental reviews and approvals of federally funded highway projects.

***Council on Environmental Quality (CEQ)***

***EJ Mapping***

Provides \$33 million to collect data and track disproportionate burdens of pollution and climate change on environmental justice communities.

***Efficient Environmental Reviews***

Provides \$30 million to address staff and resource shortages at CEQ in order to improve efficiency in environmental review.



***Fish and Wildlife Service (FWS)***

***Wildlife Recovery and Habitat Restoration***

Provides \$250 million for wildlife recovery and to rebuild and restore units of the National Wildlife Refuge System and state wildlife management areas. Restored habitat will mitigate the impacts of climate-induced weather events and increase resiliency, benefitting wildlife and surrounding communities.