

NATIONAL TRIBAL AIR ASSOCIATION FACT SHEET

The “Inflation Reduction Act’ and Its Potential for Tribal Participation

Background

On August 16, 2022, President Biden signed into law H.R. 5376 better known as the *Inflation Reduction Act* or the *IRA*. As opined by Fred Krupp, President of EDF, “The recently enacted Inflation Reduction Act, with its \$369 billion in climate and clean energy investments, is the largest, most comprehensive climate legislation Congress has ever passed.”¹ Other provisions in this historic act elevate the total appropriation to \$450 billion².

While many aspects of the IRA are noteworthy, two themes of this law warrant special notice:

First, is the federal policy direction to invest in technologies, programs, and their implementation. That is, the significant role of traditional regulatory agencies including USEPA advances to resource management rather than regulation promulgation and enforcement.

Second, the IRA is clearly supportive of, and reliant on, state, local and Tribal Governments to achieve its multiple goals. This includes incentives and funding for projects in disadvantaged communities.

More than forty programs are launched or enhanced by the IRA. Responsibilities for program development and execution are dispersed among nine agencies in the executive branch with significant reliance on EPA and the Department of Energy. In a letter of October 28, 2022, EPA’s Deputy Administrator Janet McCabe invited Tribal Leaders to comment on the “...financial assistance programs identified in the Inflation Reduction Act.” This fact sheet is intended to assist Tribes in their response to this invitation from EPA.

Overview

On November 15, 2022, EPA hosted a webinar to share its organizational approach to implementing the IRA. In that discussion EPA professionals presented a PowerPoint overview of the two-dozen new and existing programs advanced by the IRA³. Special attention was directed to six initiatives that embrace most of the \$41.5 billion within EPA’s purview.

These include:

- Climate Pollution Reduction Grants for state, local, and Tribal Governments (\$5 billion)
- Environmental and Climate Justice Block Grants to fund “community-based nonprofit organizations (\$3 billion)
- Grants to Reduce Air Pollution at Ports (\$3 billion)

- Methane Emissions Reduction Program grants and technical assistance to accelerate emissions reduction from “petroleum and natural gas systems” (\$1.55 billion)
- Grants, rebates, and contract support to replace heavy duty vehicles with zero emission alternatives (\$1 billion)
- Capitalize “Green Banks” and fund financing institutions’ investments in low/zero emissions technologies (\$7 for billion states & Tribes; \$12 billion for lending institutions; \$8 billion for “non-profits”).

In addition to the programs to be administered by EPA, many provisions of the IRA administered by other agencies are important for Tribes. The principal purpose of these programs is to reduce greenhouse gas emissions. Although this overview focuses on EPA’s program development processes, DOE, USDA, NOAA and others will administer initiatives that have the potential to support Tribes. Just a few examples are clean energy development; direct rebates to Tribes by the IRS in lieu of tax credits; farmland and forest management incentives; and multiple home energy and indoor environment opportunities.

Consultation with Tribes on the IRA is just beginning. Yet all provisions of the IRA include specific timelines and deadlines for implementation. Formal and effective public comment on agency initiatives will present major challenges to the NTAA, individual Tribes, and others. Regardless, the opportunities for Tribes launched by the IRA must be fulfilled, in order to meet the IRA’s goal “to reduce U.S. greenhouse gas emissions by 40% by 2030 while supporting disadvantaged communities and clean energy”.

HOW TO COMMENT:

EPA accepts comments for 45 days after the proposed decision is published in the Federal Register. Comments should be identified by **Docket ID No. EPA-HQ-OAR-2018-0279** and submitted by one of the following methods:

- **Online:** Go to <https://www.regulations.gov/> and follow the instructions using the Docket ID No. EPA-HQ- OAR-2018-0279
- **Email:** Send comment to a-and-r-Docket@epa.gov and use the Docket ID No. in the subject line.
- For additional information on EPA’s public comment policy, visit: https://www.federalregister.gov/uploads/2011/01/the_rulemaking_process.pdf

WHERE CAN I FIND MORE INFORMATION?

- To download a copy of the proposed rule, [click here](#).
- The proposed decision and other background information are also available electronically and at EPA’s electronic public docket and comment system.
- For further technical information about the rule, please contact Deirdre Murphy, with EPA’s Office of Air Quality Planning and Standards, (919) 541-0729 or murphy.deirdre@epa.gov
- EPA Questions <https://www.epa.gov/air-and-radiation/questions-regarding-oars-implementation-inflation-reduction-act>

¹ “A climate victory to celebrate”, *Solutions*, Vol 53, No.4, Fall 2022

² “Inflation Reduction Act of 2022”, (H.R. 5376), August 16, 2022

³ “Inflation Reduction Act (IRA) Overview, Climate and Clean-sir related Provisions”, USEPA, undated