

**19<sup>TH</sup> ANNUAL MEETING OF THE OECD  
NETWORK ON FISCAL RELATIONS  
ACROSS LEVELS OF GOVERNMENT**

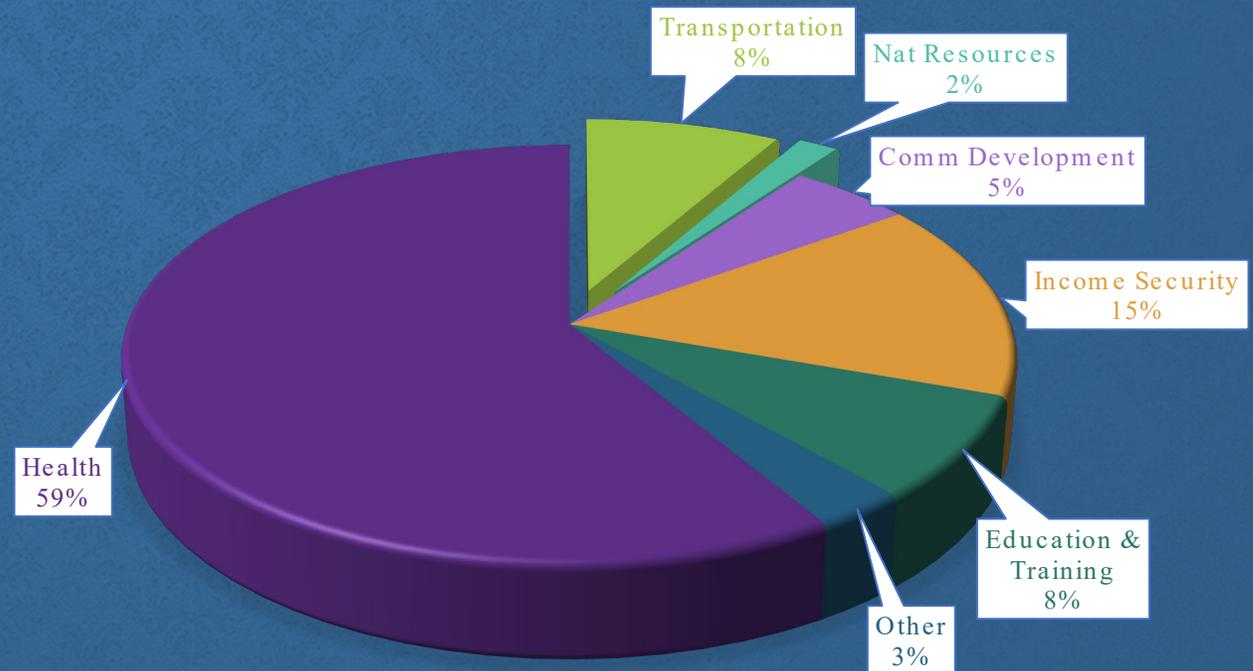
David Rowe, United States

U.S. Office of Management and Budget

# FEDERAL SUPPORT FOR CLIMATE ACTIVITIES

- Large Federal role, but grants to States and local governments relatively small
- \$1.1 trillion in State/Local Grants in 2023.
  - 2% (\$19 billion) for National Resources.
  - 9% (\$92 billion) for Transportation

FEDERAL GRANTS TO STATE AND LOCAL GOVERNMENTS (2023 EST.)



# RECENT MAJOR CLIMATE LEGISLATION

- Infrastructure Investment and Jobs Act (IIJA or BIL)
  - Enacted November 2021
  - \$550 billion in additional resources/\$1.2 trillion total
- Inflation Reduction Act (IRA)
  - Enacted August 2022
  - Legislation has several purposes
  - Nearly \$370 billion in climate/clean energy investments
  - Federal tax incentives, and grants to States/localities/other entities
- Legislation provides funding and tax benefits over several years

# INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA)

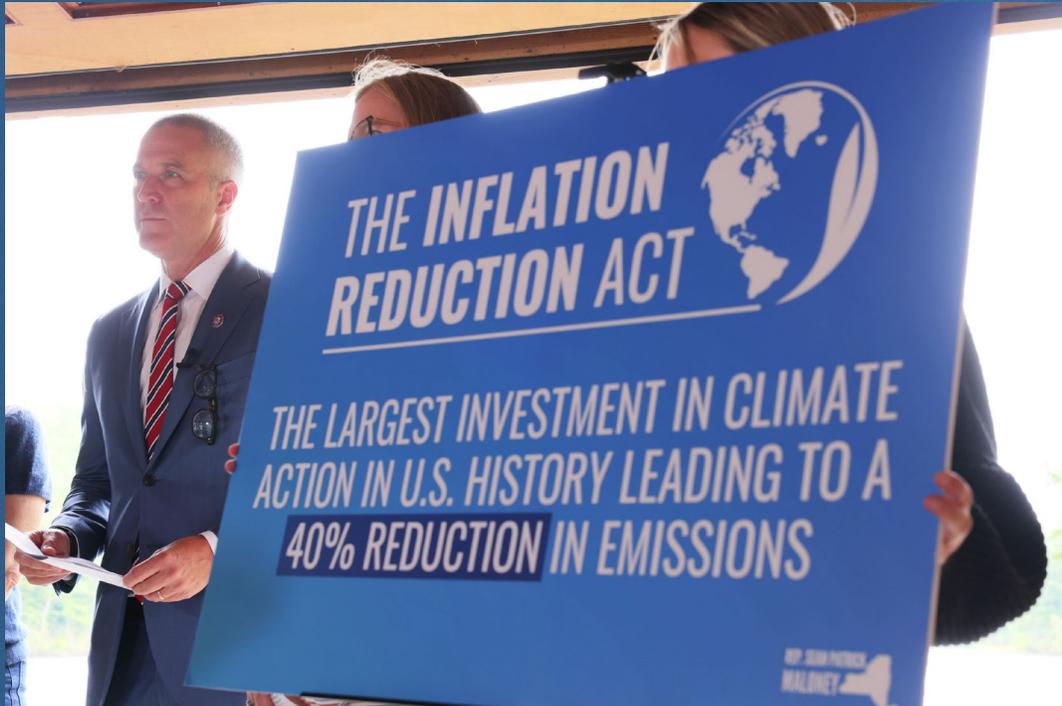


*The Bipartisan Infrastructure Law is*  
**THE LARGEST INVESTMENT IN:**



- Direct investments that address causes of climate change
  - \$7.5 billion to build out a national network of Electric Vehicle (EV) chargers
  - \$5 billion for public transit agencies to adopt low- and no-emission school buses
  - \$5 billion to support weatherization of low-income households
  - \$15 billion to replace lead pipes
- Infrastructure improvements that should (or could) address climate change.
  - Rail infrastructure
  - Port and airport infrastructure
  - Expansion and improvements to the national electrical grid
  - Surface transportation funding, which could support climate-friendly projects

# INFLATION REDUCTION ACT



- Demand-driven incentives that target the causes of climate change
  - Federal tax credits
  - State grants to support rebate programs
- Structural and planning grants, to leverage how other funds are used
  - \$5 billion Climate Pollution Reduction Grants
  - \$3 billion for Environmental and Climate Justice Block Grants
  - Green Bank, to leverage private capital for greenhouse gas reduction projects

# Complementary Climate Investments in Recent Legislation

## INFLATION REDUCTION ACT

(AUGUST 2022)

**\$2 billion**  
for domestic  
manufacturing grants

**\$3 billion**  
for zero-emissions  
equipment and climate  
action plans at ports

**\$3 billion**  
for Neighborhood Access  
and Equity Grants to  
improve transportation  
access



## INFRASTRUCTURE INVESTMENT AND JOBS ACT

(NOVEMBER 2021)

**\$7.5 billion**  
for charging  
infrastructure

**\$5 billion**  
for clean or zero-  
emission school buses

**\$66 billion**  
for passenger  
and freight rail

**\$9.7 billion**  
for better reliability and  
resilience in rural areas

**\$8.6 billion**  
in rebates for energy  
efficiency upgrades

**\$27 billion**  
for a national climate  
bank to finance green  
projects in underserved  
communities

**\$19.5 billion**  
for climate-smart  
agricultural practices



**\$65 billion**  
to modernize and  
expand the national grid

**\$3.5 billion**  
to the Weatherization  
Assistance Program

**\$21 billion**  
in environmental  
remediation funds

**\$3.3 billion**  
for wildfire risk reduction



**EESI**

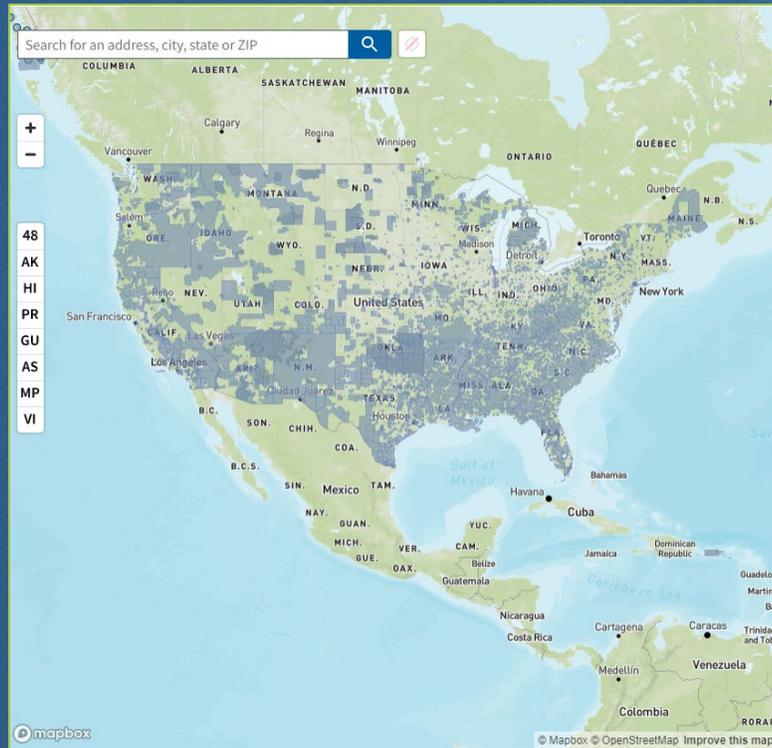
Sources: Sen. Cantwell, the White House,  
BlueGreen Alliance, National Wildlife Federation,  
Evergreen Action, Bipartisan Policy Center

Graphic by: Alison Davis

# FOCUS ON ENVIRONMENTAL JUSTICE

- Justice40: Governmentwide effort to deliver 40 percent of benefits of climate investments to disadvantaged communities.
- Presidential Executive Order to coordinate agency actions.
- Public tools and reporting
  - Climate and Economic Justice Screening Tool
  - Environmental Justice Scorecard

# CLIMATE AND ECONOMIC JUSTICE SCREENING TOOL



## How to use the map:

Zoom in +, search 🔍, or locate yourself 📍 and select to see information about any census tract.

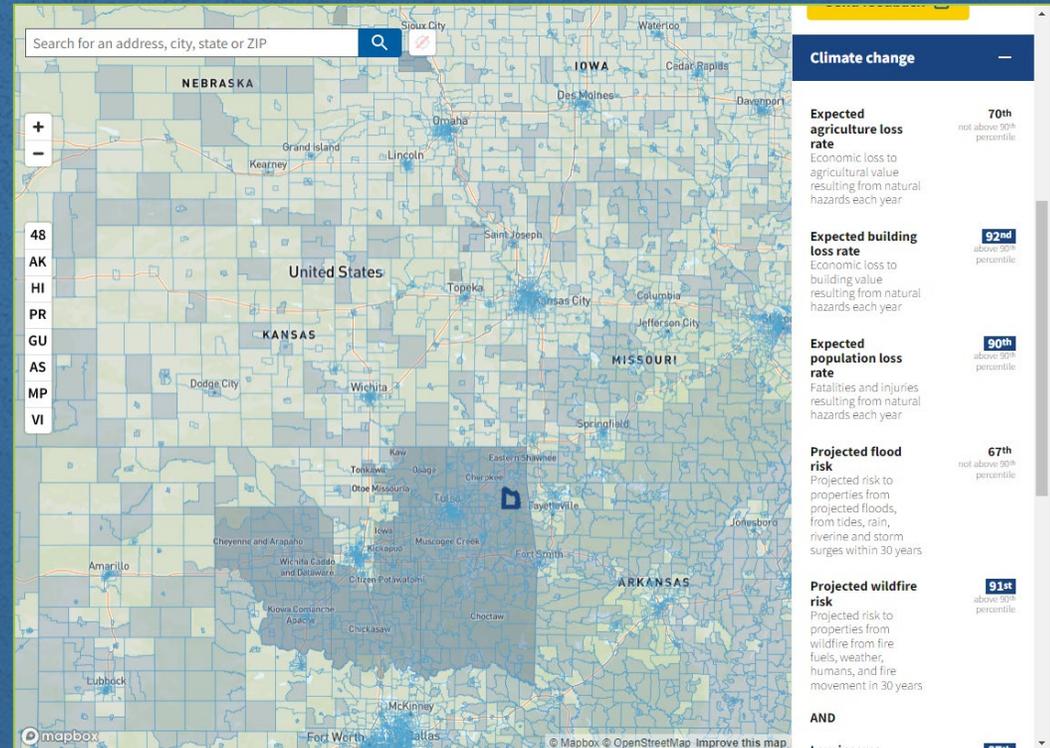
## Things to know:

The tool uses census tracts 🗺️. Census tracts are a small unit of geography. They generally have populations 🧑 of between 1,200 - 8,000 people.

Communities that are disadvantaged live in tracts that experience burdens. These tracts are highlighted 🟦 on the map.

The tool ranks most of the burdens using percentiles 📊. Percentiles show how much burden each tract experiences when compared to other tracts.

Thresholds 📏, or cutoffs, are used to determine if communities in a tract are disadvantaged. Certain burdens use percentages 📊 or a simple yes/no 🗳️.



Additional Guidance : [https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09\\_Signed\\_CEQ\\_CPO.pdf](https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09_Signed_CEQ_CPO.pdf)  
Screening Tool Link : <https://screeningtool.geoplatform.gov/en/>

# IMPLEMENTATION CHALLENGES

- Questions over funding allocations
- Intersection with Federal/State/local permitting requirements
  - Administrative solutions
  - Legislative changes
- Competing policy goals and requirements
  - Buy America, Build America Act was part of the infrastructure legislation
- Whole of government approaches are challenging
  - Lots of Federal agencies
  - Coordination across levels of government

THANK YOU

## RULES FOR HIGHWAY RIGHT OF WAY SIGNAGE

### Highway Right of Way Signage 8 Feet

