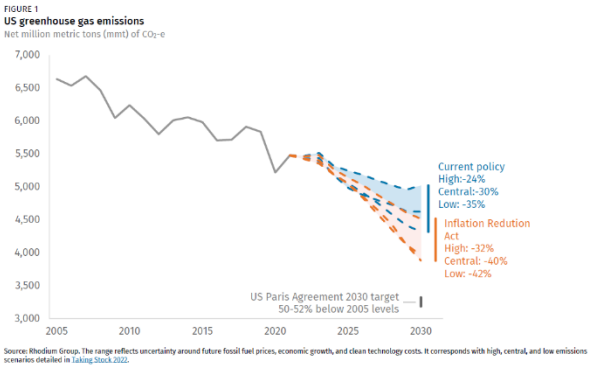
MAKING WAVES

GREAT LAKES AND ST. LAWRENCE CITIES INITIATIVE
L'ALLIANCE DES VILLES DES GRANDS LACS ET DU SAINT-LAURENT

Landmark Climate Law Expands Federal Funding Opportunities for U.S. Cities.

In August, President Biden signed into law the Inflation Reduction Act (IRA). This landmark law invests $369 billion in climate and clean-energy programs, enabling significant progress toward U.S. emission-reduction commitments under the Paris Agreement and ending decades of congressional inaction on the climate crisis.

According to the White House, the IRA is expected to curtail greenhouse gas emissions by a billion metric tons by 2030. The Rhodium Group estimates that it could reduce emissions by 32-42 percent below 2005 levels by 2030. An analysis by Energy Innovation finds that the IRA could cut emissions by similar levels while generating up to 1.5 million jobs by 2030.



There are several provisions of the IRA that could benefit cities across the Great Lakes and St. Lawrence River Basin in reducing air pollution and adapting to climate change, including:

Program	Program Description	Funding Amount	Funding Availability	Agency
Greenhouse Gas Reduction Fund (GGRF)	Grants to states, municipalities, and other eligible entities via GGRF-established "green banks" that leverage capital to facilitate the deployment of low- and zero-emission technologies nationwide. These funds include: • $8 billion for low-income and disadvantaged communities.	$27 billion	Until September 30, 2024	EPA

	• $7 billion for states and municipalities.			
Climate Pollution Reduction Grants	Grants to states, municipalities, and other eligible entities to develop and implement plans to reduce climate pollution, including: • $250 million for the development of plans to reduce greenhouse gas pollution. • $4.75 billion for grants to implement greenhouse gas reductions.	$5 billion	Until September 30, 2026	EPA
Environmental and Climate Justice Block Grants	Grants to community-based non-profit organizations and related municipal partnerships to address air pollution, deploy zero-emission technologies, and strengthen climate resiliency and adaptation, including: • $2.8 billion for grants. • $200 million for technical assistance.	$3 billion	Until September 30, 2026	EPA
Coastal Communities and Climate Resilience	Grants to and cooperative agreements with coastal states, municipalities, and other eligible entities to prepare for extreme storms and other changing climate conditions.	$2.6 billion	Until September 30, 2026	NOAA
Air Pollution Reduction at Ports	Grants or rebates to port authorities (or states and municipalities with jurisdiction over port authorities) to install zero-emission technologies and develop climate action plans.	$2.3 billion	Until September 30, 2027	EPA

Senate Democrats have released a summary of the IRA's climate and energy provisions while the White House has put out fact sheets pertaining to Environmental Justice and Rural Communities. The White House has also issued fact sheets on the IRA's impact in specific states, including: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin. The Cities Initiative will share additional information as it becomes available.

It is worth noting that the IRA supplements the historic funding provided by the $1.2 trillion Infrastructure Investment and Jobs Act (IIJA). For example, the IRA's $2.6 billion in NOAA-administered funds for coastal resilience is in addition to the IIJA's $492 million for the National Coastal Resilience Fund, which is administered by the National Fish and Wildlife Foundation. If implemented equitably, these two landmark laws have the potential to make clean air, clean water, and resilient infrastructure widely available across the basin as we continue to build world-class cities that are attractive locales for all to live, work, and play.

The IRA will foster dramatic emission reductions across the United States, but more action will be needed to meet U.S. commitments under the Paris Agreement. While there are uncertain prospects for additional climate investments in the next Congress, it is clear that federal agencies, states, and municipalities will be the key players when it comes to implementing the IRA and driving further emission reductions. The Cities Initiative looks forward to being a partner for change to cities across the basin in this next phase of climate action.