

INFLATION REDUCTION ACT

An Opportunity to Advance **Environmental Justice** in NC

The **Inflation Reduction Act** of 2022 marked a historic investment to advance a variety of climate and energy goals, including:

- Accelerating the transition to renewable energy to reduce carbon emissions
- Lowering household energy bills and transportation costs
- Making our communities more resilient to the impacts of climate change
- Creating well-paying jobs and economic opportunities
- Advancing environmental justice through a variety of grant programs that are particularly aimed at benefiting low-income communities subject to environmental racism.

Yet in 2025, Congress and the Trump Administration effectively killed the legislation through a series of executive orders, administrative actions, and the unpopular and harmful federal megabill (HR1, also known as the “One Big Beautiful Bill Act”).

The Impact

- **Energy Affordability:** By phasing out IRA tax credits such as those for residential solar panels and other energy-saving property improvements, energy bills for North Carolinians are expected to increase by \$220 in 2030.
- **Transportation Costs:** By terminating early IRA tax credits for electric vehicles (EVs), EV-chargers, and requirements to build out EV-charging infrastructure in low-income and marginalized communities, the number of EVs on the road is expected to decline by 34 million-70 million in 2035, rural and disadvantaged communities will remain charging deserts, and only the most affluent city-dwellers will be positioned to reduce spending on transportation costs through purchasing EVs.
- **Jobs and Economic Opportunities:** By phasing out IRA consumer and production tax credits, private investment into renewables and advanced manufacturing has slowed significantly, and tens of thousands of well-paying manufacturing jobs projected in low-income and marginalized communities in NC will be lost.
- **Environmental Justice:** By freezing and eliminating grant programs that aimed to monitor and address environmental and public health harms related to pollution and climate change, marginalized communities will continue to suffer health problems, environmental racism, and have less ability to address these injustices.
- **Climate Emissions:** In 2015, the US pledged to reduce carbon emissions by roughly 66 percent below 2005 levels by 2035. As a result of recent actions, US emissions reductions are expected to slow dramatically. By 2035, it is estimated that emissions levels will be merely 25p percent of 2005 levels – far short of what’s needed to avert the worst effects of climate change: heat waves, droughts, wildfires, flooding, storms, and the devastation and death that these climate catastrophes will cause.



A Deeper Dive on Environmental Justice Grants



GRANT PROGRAM	NC CASE STUDY	STATUS
Climate Pollution Reduction Grant	CleanAIRE NC received a \$500,000 grant to support Black and brown communities in Davidson, Huntersville, and Cornelius with air quality monitoring, community health education, community health worker training, and advocacy.	Frozen
Community Change Grant	MDC Inc and the NC Hispanic Federation received a \$3 million grant to train community leaders in Latine communities in Eastern NC to engage effectively in environmental politics, as well as compile data on the impacts of flooding in Eastern NC.	Canceled
EJ Thriving Communities Grantmaking Program	Research Triangle Institute received a \$100 million grant to distribute to nonprofit community-based organizations and local governments to address public health and environmental issues in their communities.	Canceled
Community Change Grant	The Southwest Renewal Foundation received an \$18.5 million grant to improve water quality in High Point by replacing lead pipes in schools and improving greenways to reduce water contamination and urban heat.	Canceled
Solar for All Grant	EnergizeNC received a \$156 million grant to install single-family and multi-family homes, and community solar in low-income and marginalized communities in NC. The program would reduce energy bills by an average of 20%, cover roof and electrical repairs on older homes, and make solar accessible to renters.	Canceled

The above are just examples of grants that had already been awarded to applicants. But there were several grant programs that had only just begun accepting applications and/or would be accepting applications on a rolling basis for years to come. Instead, these transformative opportunities have been eliminated to pay for anti-immigrant repression, handouts to fossil fuel companies, and tax cuts for the ultra-wealthy.

It's time to hold greedy CEOs and the politicians they pay for accountable and demand our lawmakers make wealthy corporations pay what they owe and rewrite the rules to benefit our communities and our people. Just as we've come together in our past to pass programs like the Inflation Reduction Act, we must now come together to demand the freedom to breathe easier and thrive, no exceptions.