



May 26, 2023

To: Senator Elizabeth Steiner, Ways & Means Committee Co-Chair
 Representative Tawna Sanchez, Ways & Means Committee Co-Chair
 Senator Michael Dembrow, Ways & Means, Natural Resources Subcommittee Co-Chair
 Representative Khan Pham, Ways & Means, Natural Resources Subcommittee Co-Chair

Cc: Senate President Rob Wagner
 House Speaker Dan Rayfield

Re: **Will Oregon leave \$8 billion in federal funding on the table?**

Oregon has an incredible opportunity to bring home billions of **Inflation Reduction Act** dollars to improve the vitality of our local economies and communities. We can create thousands of family-wage jobs in clean energy. We can improve air quality in low-income and disadvantaged communities. We can upgrade our schools. We can provide businesses with opportunities for rapid growth. **But we can only do all of this if Oregon leaders make a plan to secure that money — and fast.**

The federal government has put \$369 billion on the table to support equitable investments in addressing climate change. Already D.C. politics are instigating unusually urgent action by federal agencies that are moving quickly to finalize agency guidance and award grants, apparently concerned that IRA funds need to be allocated before the next election.

"Minnesota lawmakers... dedicate[d] hundreds of millions of dollars to cutting greenhouse gas emissions, including through tax rebates that incentivize the adoption of solar power systems, electric home appliances and electric vehicles."
 (PV Magazine 5/1/23)

Other states are jumping to the front of the line, building their capacity to chase federal Inflation Reduction Act funds to maximize early awards and edge out other states that are moving slowly.

Oregon's 'fair share,' just on a per capita basis, is approximately \$4.7 billion. That's if we only do an average job at landing this opportunity. A thorough analysis by Rocky Mountain Institute, considering our geography, industries, policy context, and other factors, estimates **Oregon's Inflation Reduction Act opportunity could be \$8 billion.**

Federal grantmaking will unfold over the course of Oregon's upcoming biennium, meaning the legislature must anticipate agencies' capacity needs to coordinate applications and awards. As part of the climate budget we already shared with you, **we are requesting a special purpose appropriation of \$10 million to provide resources for agencies to seize opportunities to secure federal funding as they arise over the course of the upcoming biennium.**

Colorado "Gov. Jared Polis signed a series of bills... that allocate as much as \$120 million in state tax credits for heat pumps, electric vehicles and even electric lawn equipment."
 (Inside Climate News 5/19/23)

This funding can address specific agencies' capacity needs and provide a source for state match, as necessary, for competitive grants and formula funding opportunities that are made available over the next several months. This will be essential to ensure Oregon, businesses, Tribes, local governments and consumers get our fair share of available federal climate funding.