

Green Leadership Trust Response to the Inflation Reduction Act

In response to the passage of the Inflation Reduction Act (IRA) in Congress, members of the Green Leadership Trust (GLT) drafted a sign-on letter to express concerns that key provisions of the newly-passed Inflation Reduction Act will delay progress towards just climate policies and compound harm on communities already disproportionately burdened by the effects of climate change.

The sign on letter featured 34 members of GLT who formally endorsed the points made in the letter. The letter was sent to Congress and the Biden Administration.

Below are talking points that we hope help you in your advocacy within your boards. For additional language, please find the letter directed at Congress [here](#) and the letter for the Biden Administration [here](#).

Board Member Talking Points On the IRA

What is the IRA and why is it important?

The Inflation Reduction Act is the first Climate Bill in U.S. history. After 50 years of opportunity and 30 years of warnings on the risk of global climate change, the US is now empowered to broker at the global table for lower risk scenarios.

Passage of the IRA legislation ushers in a new era for the climate and environment movement. Mainstream environmental organizations rushed to celebrate and embrace the Act while others, primarily Black, Brown and Indigenous leaders, sounded alarms that the fossil fuel provisions would sacrifice frontline communities. As climate and environment leaders, members of GLT see our mandate as lifting up the concerns of our communities in boardrooms and beyond.

GLT Member Areas of Concerns

- The process for developing the IRA follows a well worn path of primetime/game time and exclusion of impacted communities in determining the legislation and parameters.
- Inputs into the IRA were limited to white led organizations, and non profit gatekeepers acting as proxies for a vast and nuanced set of communities, relationships, Tribal Nations and geographies.
- The resulting legislation will require significant litigation, policy development, regulatory and administrative advocacy and these areas are woefully underfunded as the status quo; “Green Group” organizations will need to provide legal support/defense, grassroots campaigning and policy protection alignments to walk back the more devastating portions of the IRA and companion legislation.

Specifically, we are alarmed about the following provisions:

- Provides generous tax credits but, as a result, neglects the pocket-book support that working people will need to move away from fossil fuels, like increased mass transit, income-independent subsidies for shifting to electric appliances, and other forms of progressive economic incentives. In addition, a reliance on tax credits to polluters has the net economic effect of subsidizing them and undermining critical sources of revenue (polluter pays) we all need to move towards efficiency and renewables
- Includes support for carbon capture and sequestration (CCS). The Administration must plot a course back towards power plant policy that is both environmentally sound and politically sustainable. It must ensure that CCS neither extends the life of plants that should be mothballed asap nor extends the toxic pollution risks that fenceline communities already face.
- Mandates that the federal government offer up parts of the Gulf of Mexico and Alaska's Cook Inlet for oil and gas development. It also requires additional oil and gas leasing, in order for new wind and solar projects to be approved.
- Grants extra legal approval of the Mountain Valley Pipeline, a project which has been opposed for years by environmentalists, civil rights activists, and many Democratic state lawmakers in Virginia, which would carry natural gas from the Marcellus shale fields in West Virginia across nearly 1,000 streams and wetlands before ending in Virginia.
- Provides for an odious side deal to approve a separate bill that would make it harder for opponents to challenge energy projects under the National Environmental Policy Act – a bedrock environmental law – by setting a two-year time limit for challenges.
- Requires the president to establish twenty five “priority” projects on federal lands that must include fossil fuels and nuclear energy.
- Revises a section of the Clean Water Act in a way that would make it more difficult to block or delay pipeline projects.
- Overlooks and excludes community based financial institutions, such as MDIs, CDFIs and credit unions, from directly benefiting and thus enabling climate finance.

Outcomes: IRA Provisions

- The \$369 Billion in funding for climate is:
 - 16% at best in a mixed bag of environmental justice priorities
 - Enlarges sacrifice zones to include the Gulf of Mexico, Alaska and the Gulf South and Indigenous lands subject to mining to increase battery and storage
 - Provides \$700 million to public land management
 - Provides \$200 million to watershed support for threatened ecology
 - Enables carbon offsets markets with \$150 million in starter dollars while offering nothing for indigenous forest management or traditional

ecological knowledge from the longest standing stewards in indigenous communities

- Provides at least \$100 million dollars for wood innovation with neutrality about uses for biomass and other community rejected technology or restoration
- Provides \$500 million in defense production act funding for renewable manufacture without an emphasis protecting for ecosystem harm from mining, which puts our communities at risk and will have to be defended on a case by case basis by large stakeholder coalitions

Key Questions to Raise in YOUR Boardroom

- What is our organizational commitment to exposing and addressing the harmful elements of the IRA on frontline communities?
- How is your organization planning to develop internal controls and mechanisms to take the lead from racialized (BIPOC) leaders on the sequence and priorities to mitigate the harms in response to the passage of the IRA?
- What resources can our organization bring to bear to support Black, Brown, and Indigenous community driven solutions to reduce the risks of the IRA?
- What is our organizational commitment to providing legal support/defense, grassroots campaigning and policy protection alignments to walk back the more devastating portions of the IRA and companion legislation.
- What mechanisms can we implement as a board that reflect lessons learned from the experience of passage of the IRA, and growing divides between mainstream organizations and frontline leaders?
- How can your organization leverage relationships on the Hill to oppose legislation to reopen the Mountain Valley Pipeline and to “streamline NEPA”?