



FACT SHEET

Implementing America's Clean Energy Future

Leveraging Federal Investments To Support State and Local Climate Leadership

September 14, 2023

This fact sheet provides recommendations for how states and local governments, federal agencies, and other interested parties can work together to advance climate leadership at the state and local levels. The complete Center for American Progress and Hua Nani Partners report, “Implementing America’s Clean Energy Future,” can be found on our [website](#).

Build state and local climate capacity for the long haul

States and local governments need more capacity, as well as opportunities, for cross-agency coordination, in order to implement federal climate funding opportunities most effectively. They should:

- Increase staff and other administrative capacity to maximize climate and economic opportunities from the Inflation Reduction Act and the Infrastructure Investment and Jobs Act.
- Increase cross-agency coordination on climate and implementation efforts, borrowing from the best practices of other states and localities.
- The federal government, for its part, should increase the ability and flexibility of states and local governments to use federal funds to expand their capacity.

Enhance technical assistance infrastructure

Federal agencies, nongovernmental organizations, and philanthropic organizations should provide more and better technical assistance (TA) to state and local agencies to support implementation of federal funding opportunities by:

- Prioritizing flexible and accessible federal agency TA to assist states and local governments in designing and implementing effective and equitable climate solutions.
- Templatizing and streamlining federal grant application processes so that states and local governments, with their limited resources, can focus on implementation.
- Building greater regional capacity in federal agencies to deepen partnerships with subnational governments in each region of the country.
- Leveraging nongovernmental, academic, and private sector TA providers, including by pre-screening and qualifying providers that meet program requirements in order to reduce lengthy procurement processes.

Maximize federal investments with complementary policies and consumer awareness

States and local governments can maximize federal investments through complementary policymaking and by helping raise consumer awareness of available opportunities by:

- Advancing complementary investments and performance standards that leverage greater federal funding and hold companies responsible for using new federal incentives.
- Pursuing new and expanded federal financing programs and clean energy tax credits and, if necessary, creating new programs or financing institutions to take full advantage of these opportunities.
- Creating public campaigns to increase consumer awareness of tax credit and rebate opportunities.

Address equity gaps, workforce needs, and siting and permitting barriers

Effective and equitable implementation of federal climate funding requires states and local governments to prioritize investment in disadvantaged communities, support good jobs, and address challenges in siting and permitting. Specifically:

- State and local leaders should prioritize investments in disadvantaged communities by working with community-based organizations to take advantage of funding from environmental justice-focused programs, as well as through systematic implementation of the Justice40 initiative in their jurisdictions.
- Federal agencies should provide clarity by regularly sharing clear information with state, local, and community leaders on Inflation Reduction Act, Infrastructure Investment and Jobs Act, and Justice40 funding opportunities that benefit disadvantaged communities, as well as program and application requirements.
- States and local governments need to address workforce development challenges, and persistent disparities, and should support good union jobs in new and fast-growing clean industries. They should prioritize cross-sectoral, public-private, labor-management, and interagency coordination.
- States and local governments should replicate best practices with new policy steps to site and permit clean energy projects and related infrastructure more efficiently.

Raise ambition with the next generation of U.S. climate policy leadership

States and local governments must not only maximize the impact of the Inflation Reduction Act and the Infrastructure Investment and Jobs Act but also use the laws to lead the next generation of ambitious climate policy. States and local governments can:

- Use sectoral strategies and performance standards to maximize investments and to hold companies accountable for using new investments to reduce pollution and energy costs in their communities.

- Look to turn economywide investments from the Inflation Reduction Act and the Infrastructure Investment and Jobs Act, and whole-of-government climate planning, into economywide emission reduction strategies.

The Inflation Reduction Act and the Infrastructure Investment and Jobs Act allows states and local governments the opportunity to receive and leverage hundreds of billions of dollars in new federal climate investments and unlock even greater private sector investment. Subnational governments must capitalize on these opportunities to move the nation toward just and effective climate action. As states and local governments look to leverage these dollars and continue their leadership on climate action, they, their federal partners, and supporting parties should take the steps outlined above to drive forward bold climate action.