Policy Factsheet: Inflation Reduction Act (IRA)

The Inflation Reduction Act (IRA) sets the United States on course to reduce greenhouse gas emissions by 40 percent by 2030. In total, the act includes $369 billion for climate action and energy security and includes many provisions to accelerate the adoption of energy efficiency and clean energy technologies. Below is an overview of some of the provisions and incentives tied to them.

<table>
<thead>
<tr>
<th>GRANT</th>
<th>RECIPIENT</th>
<th>AMOUNT</th>
<th>STATUS</th>
<th>USES</th>
</tr>
</thead>
</table>
| **HOMES Rebate Program**             | State energy offices                   | $4.3 billion | Applications are open and will be accepted until January 31, 2025. | - Whole-home retrofit packages based on the reduction in home energy use.  
- Building envelope measures, appliances and HVAC replacement, and work performance.  
- Fuel neutral can be measured or modeled.  
- Capped at $20,000 per upgrade with option to expand funding for low-income households. |
| **High-Efficiency Electric Home Rebate Act (HEEHRA)** | State energy offices, Tribes | $4.5 billion | Applications are open and will be accepted until January 31, 2025. | - Efficient electrification of low- and moderate-income households only.  
- Appliances, installation costs, and enabling measures such as upgrading circuit panels, insulation, air sealing, ventilation, and wiring.  
- Can only apply if replacing a non-electric appliance  
- $14,000 per upgrade, this includes up to $8,000 for a heat pump. |
<p>| <strong>State-Based Home Energy</strong>          | State Energy Offices                   | $200 million | Applications are due January 2024                | - Training and education for contractors installing energy efficiency appliances and electrification improvement |</p>
<table>
<thead>
<tr>
<th>Grant</th>
<th>Recipient</th>
<th>Amount</th>
<th>Status</th>
<th>Uses</th>
</tr>
</thead>
</table>
| **Improving Energy Efficiency and Water Efficiency or Climate Resilience in Affordable Housing (Green and Resilient Retrofit Program, GRRP)** | owners and sponsors of privately-owned, Housing and urban development subsidized properties that agree to an extended period of affordability | $4.8 billion $4 billion in loans $800 million in grants | Applications are open with rolling deadlines until March 2, 2024. | • Substantially improve energy and water efficiency and reduce emissions.  
• Address climate resilience and support building electrification  
• Enhance indoor air quality and resident health;  
• Implement the use of zero-emission electricity generation and energy storage  
• Minimize embodied carbon and incorporate low-emission building materials or processes. |
| **Tribal Electrification Program**                                    | Tribal communities                                                        | $145 million                                | Full application due December 22, 2023.                                 | • Implement programs to grow clean energy household electrification in tribal communities  
• Increase the number of homes with zero-emission electricity                                                                                     |
| **Greenhouse Gas Reduction Fund**                                     | States and tribes                                                         | $27 billion                                 | Must be spent in 2 years                                               | • Reduce greenhouse gas emissions and other air pollutants.  
• Deliver the benefits of greenhouse gas- and air pollution-reducing projects to American communities, particularly low-income and disadvantaged communities. |
Mobilize financing and private capital to stimulate additional deployment of greenhouse gas and air pollution reducing projects.

<table>
<thead>
<tr>
<th>GRANT</th>
<th>RECIPIENT</th>
<th>AMOUNT</th>
<th>STATUS</th>
<th>USES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latest and Zero Building Energy Code Adoption</td>
<td>States and local governments with the authority to adopt building codes and standards</td>
<td>$1 billion</td>
<td>Recipients have been announced. Funding will be available until September 30, 2029.</td>
<td>Eligible activities include adoption, compliance, workforce, training, enforcement, tools and implementation support.</td>
</tr>
</tbody>
</table>