

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.

GRANT	RECIPIENT	AMOUNT	STATUS	USES
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.
State-Based Home Energy	State Energy Offices	\$200 million	Applications are due January 2024	Training and education for contractors installing energy efficiency appliances and electrification improvement



Efficiency Contractor Training Grants				 Reduce the cost of training contractor employees; Provide access to workforce development tools for contractors including, but not limited to, testing and certification. Partner with community organizations to develop and implement an equitable state program.
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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.
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Latest and Zero Building Energy Code Adoption	States and local governments with the authority to adopt building codes and standards	\$1 billion	Recipients have been announced. Funding will be available until September 30, 2029.	Eligible activities include adoption, compliance, workforce, training, enforcement, tools and implementation support.