



News Release

Inflation Reduction Act Is Transformational and Sets Stage for Future Climate Action

August 7, 2022—“The *Inflation Reduction Act* passed today by the Senate includes transformational investments in climate solutions that will bring us closer to achieving U.S. climate goals,” said Daniel Bresette, executive director of the [Environmental and Energy Study Institute](https://www.eesi.org) (EESI). “Our pathway to limit global warming to 1.5°C by 2100 remains narrow, and we have a lot more to do. But the IRA represents historic climate legislation that, along with the *Infrastructure Investment and Jobs Act*, should give us **optimism about our ability to rise to the challenge of climate change.**”

The *Inflation Reduction Act (IRA)* would provide \$369 billion—the largest such investment ever—to combat the climate crisis over the next 10 years and is expected to reduce carbon emissions by [40 percent by 2030](#). The legislation would expand tax credits for clean energy and [electric vehicles](#), establish a [national climate bank](#), support [climate-smart agriculture](#), bolster production of [sustainable aviation fuel](#), and reduce [air pollution at ports](#). The House of Representatives is now expected to take up the IRA and send it to President Biden for his signature.

“The climate provisions in the IRA would lower household energy bills through energy efficiency and [electrification](#), reduce U.S. dependence on foreign oil, decarbonize the electric grid and buildings, clean the air, and help get [direct air capture](#), [green hydrogen](#), and other emerging clean technologies to scale,” continued Bresette. “It would take new steps to see that these **benefits are distributed equitably**. And it would put a lot of people to work in **quality jobs across the clean energy sector**. These benefits represent improvements over business-as-usual, and will set the stage for future climate action.”

The Environmental and Energy Study Institute (www.eesi.org) is an independent, non-profit organization advancing innovative policy solutions to set us on a cleaner, more secure and sustainable energy path. EESI educates policymakers, builds coalitions and develops policy in support of energy efficiency, renewable energy, sustainable biomass, sustainable buildings, and sustainable transportation. EESI was founded by a bipartisan Congressional caucus in 1984, and its strong relationship with Congress helps EESI serve as a trusted source of credible, non-partisan information on energy and environmental issues. EESI receives no congressional funding and is supported through contributions and grants.