

# USET Tribal Infrastructure Development Program



USET/USET SPF Semi-Annual Meeting

June 13, 2023

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# USET SPF Position on Infrastructure Development

*“The United States must commit to assist in the rebuilding of the sovereign Tribal Nations that exist within its domestic borders..... At the same time, any infrastructure build-out, in Indian Country and beyond, must not occur at the expense of Tribal consultation, sovereignty, sacred sites, or public health.”*

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# Recent Infrastructure Legislation

- **Infrastructure Investment and Jobs Act (Bi-partisan Infrastructure Law, BIL)**, Enacted November 15, 2021
  - \$13 Billion in direct funding to Tribal Nations, billions in eligibility
- **Inflation Reduction Act**, Enacted August 16, 2022
  - \$720 million in direct funding to Tribal Nations, billions in eligibility
- **Fiscal Responsibility Act**, Enacted June 3, 2023
  - Permitting Reform

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# New Funding, New Competency

- Winter 2023: Native Americans in Philanthropy approached USET/USET SPF to conduct **national** outreach and education on Inflation Reduction Act (IRA)
- March 2023: USET SPF submits 3 proposal tiers
  - IRA and beyond → long-term organizational sustainability
- May 2023: NAP Funds USET at 1<sup>st</sup> Tier Level
  - 500k/yr for two years

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# Near-Term: National Outreach, Education, and Advocacy Project

- New hires: Two fully remote policy analysts
- National outreach and education
  - In-person trainings at various org partner meetings and conferences
  - Webinars
  - Partnerships with orgs and federal agencies
  - Educational materials: webpage, social media, 1-pagers, short videos
- Advocacy for Tribal interests – both on and off Tribal homelands

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# Biden Administration Wind Energy Priorities

- March 2021: Biden Admin announces action to:
  - Advance ambitious wind energy projects to create good-paying, union jobs
  - Investing in American infrastructure to strengthen the domestic supply chain and deploy offshore wind energy
    - **GOAL: deploy 30gw of offshore wind energy by 2030**
    - BOEM to advance new lease sales and complete review of at least 16 Construction and Operations Plans (COPs) by 2025
- Current offshore wind projects:
  - Vineyard Wind – MA (approved)
  - Southfork Wind – NY (approved)
  - Atlantic Shores North
  - Coastal VA Offshore Wind Project
  - Revolution Wind Farm – RI/CT/NY
  - New England Wind
  - Sunrise Wind
  - Empire Wind

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# Concerns about Offshore Wind Buildout

- Many issues remain with federal permitting processes and agencies
  - BOEM not properly consulting with Tribal Nations
  - Project proponents not properly avoiding/mitigating, paying for Tribal expertise, providing impact aid
- Tribal Nations not appropriately resourced for high volume of cultural reviews
  - USET SPF advocacy for additional THPO funding, payment for ITEK

Bottom line: cultural and sacred sites could be impacted by offshore wind deployment

USET SPF Resolution SPF:013: Urging a Moratorium on the Bureau of Ocean Energy Management's Offshore Wind Scoping and Permitting

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# Marshall Plan for Tribal Nations

## USET SPF White Paper

- The U.S. should make a substantial, one-time investment in Tribal Nation governmental infrastructure
- 2023 Activities:
  - Endorsements
    - Presentations to partner organizations
    - Non-tribal partners
  - Website
  - Press/Publicity
  - Meetings with federal officials

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# Inflation Reduction Act

August 16, 2022: President Biden signs into law **H.R. 5376, the Inflation Reduction Act**

- \$437 billion in spending on energy and climate, reducing health care costs, increasing corporate minimum tax

**Direct Funding to Tribal Nations/Native Hawaiians = \$720M—0.16% of total funding**

- \$235 million for Tribal climate resilience, including fish hatchery operations and maintenance;
- \$225 million for development of Tribal high-efficiency electric home rebate programs;
- \$150 million for Tribal home electrification;
- \$75 million for the Tribal Energy Loan Guarantee Program and \$20 billion in allowable loan guarantees;
- \$25 million for Native Hawaiian climate resilience; and
- \$12.5 million for Tribal emergency drought relief.

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## INFLATION REDUCTION ACT FUNDING PROGRAMS DEDICATED TO TRIBES AND NATIVE HAWAIIANS

Agency	Program Name	Funding Amount	Program Description	Timing for Funding Announcements
Energy	High-Efficiency Electric Home Rebate Program – Tribal Allocation	\$225 million	To award grants to Tribal entities to develop and implement a high-efficiency electric home rebate program.	Full application and guidance available to Tribes late Summer 2023.
Energy	Tribal Energy Loan Guarantee Program	\$75 million	To support \$20 billion in loan authority for Tribal investment in energy-related projects.	Open for applications on a rolling basis.
Interior	Tribal Electrification Program	\$150 million	To provide financial and technical assistance to Tribes to increase the number of Tribal homes with zero-emission electricity.	Spring 2023
Interior	Tribal Climate Resilience	\$225 million	To support climate resilience planning to help sustain Tribal ecosystems and natural and cultural resources, economies, infrastructure, human health, and safety.	Before the end of 2023
Interior	Tribal Climate Resilience: Fish Hatchery Operations and Maintenance	\$10 million	To extend the life of 88 Tribal hatcheries and support hatchery rearing and stocking programs.	Before the end of 2023
Interior	Native Hawaiian Climate Resilience	\$25 million	To develop and implement a Native Hawaiian Climate Resilience Program.	Spring 2023
Interior	Emergency Drought Relief for Tribes	\$12.5 million	To fund near-term drought relief actions to mitigate drought impacts for Indian Tribes.	Funding opportunity in 2023

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# IRA Funding ~ Department of Interior

- Climate Resilience - \$235 million
  - \$220 million for Climate Resilience and Adaptation activities
  - \$10 million for Fish Hatcheries
  - \$5 million for Administration
- Tribal Electrification - \$150 million (includes \$4.5 million for administration)
- Emergency Drought Relief

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# Climate Resilience Funding

**\$225 million total - \$220 million for programs and \$5 million for administration**

**Planning & Implementation:** \$128 million: \$64 million per year in FY 23, FY24  
Adaptation funds can support a broad range of funding proposals from Tribes, examples may include:

- Adaptation planning and implementation of projects
- Travel support
- Engagement of youth
- Integration of Indigenous Knowledge
- Habitat and ecosystem restoration planning and implementation of projects

**Community Driven Relocation:** \$92 million total: \$46 million per year in FY23, FY24

- Combined with BIL funding, three communities to be funded at \$25 million per site, and eight communities to be funded at \$5 million per site.
- Remaining funds may be used to increase award level through the Annual Awards Program.

**NOFO expected before the end of 2023.**

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# Fish Hatchery Funding

## Fish Hatcheries - \$10 million

- Support expansion of the existing hatchery maintenance program to include new construction and retrofits that are not funded through annual appropriations.
- Address outdated, undersized, inefficient hatchery systems that require new construction.
- Execute required upgrades due to changing environmental restrictions related to water quality or quantity or concerns regarding fish disease or genetics.

**NOFO expected before the end of 2023.**

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# Tribal Electrification

**\$150 million total - \$145.5 million for programs and \$4.5 million for administration**

- The program will coordinate financial and technical assistance to Tribes to increase the number of Tribal homes with zero emission electricity.
- Recognize diversity of Indian Country and specific circumstances of individual Tribal communities.
- Funding will be awarded through a competitive process.
- Criteria to make awards will vary based on the categories of capability to implement and parameters will be determined based on need and project readiness.

**Comments on structure due: June 15, 2023**

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# IRA Funding ~ Department of Energy

High-Efficiency Electric Tribal Home Energy Rebates Program: \$225 million

- Fund energy efficiency and electrification home upgrades for Tribal households
- Provided to Tribal Nations via formula grant
- Application and guidance expected late Summer 2023

Tribal Energy Loan Guarantee Program: \$75 million to support \$20 billion in loans

- supports Tribal investment in energy-related projects by providing direct loans or partial loan guarantees
- Applications accepted on rolling basis, funding has no expiration

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# Tribal Eligibility ~ Clean Energy Deployment & Manufacturing

## Greenhouse Gas Reduction Fund - Zero Emission Technologies Grant Program, Environmental Protection Agency, \$7 billion

- competitive grants to mobilize financing and leverage private capital for clean energy and climate projects that reduce greenhouse gas emissions, emphasis on projects that benefit low-income and disadvantaged communities
- **NOFO expected as soon as this month.**

## Rural Energy for America Program , Department of Agriculture, Rural Business-Cooperative Service, \$2,025,450,000

- guaranteed loan financing and grant funding to agricultural producers and rural small businesses for renewable energy systems or energy efficiency improvements.
  - **Application Windows: June 30, 2023, September 30, 2023, December 31, 2023, March 31, 2024, June 30, 2024, September 30, 2024**

## Funding for Loan Programs Office , Department of Energy, Loan Programs Office, \$3.6 billion

- \$40 billion in loan authority supported by \$3.6 billion in credit subsidy for projects eligible for loan guarantees under section 1703 of the Energy Policy Act of 2005
- open currently eligible Title 17 Innovative Clean Energy technology categories, including fossil energy and nuclear energy, and new categories of activities, including critical minerals processing, manufacturing, and recycling.

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# Tribal Eligibility ~ Clean Energy Deployment & Manufacturing *Cont.*

## **Transmission Facility Financing, Department of Energy, Grid Deployment Office, \$2 billion**

- direct loan program for transmission facility financing for the construction or modification of electric transmission facilities designated by the Secretary to be in the national interest under section 216(a) of the Federal Power Act.

## **Transmission Siting and Economic Development Grants Program, Department of Energy, Grid Deployment Office, \$760 million:**

- grants to siting authorities to expedite the siting and permitting process and providing grants for economic development activities in communities that may be affected by a transmission project.

## **Energy Infrastructure Reinvestment Financing, Department of Energy, Loan Programs Office, \$5 billion**

- guarantee loans to projects that retool, repower, repurpose, or replace energy infrastructure that has ceased operations or that enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants or anthropogenic emissions of greenhouse gases

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# Tribal Eligibility ~ Pollution Reduction

## Climate Pollution Reduction Grants, Environmental Protection Agency, Office of Air and Radiation, \$5 billion

- grants to Tribal Nations, states, air pollution control agencies, and local governments to develop and implement plans for reducing greenhouse gas emissions. The statute allocates \$250 million for planning grants and \$4.75 billion for implementation grants.
- March 2023: EPA announces \$250 million in planning grants
  - Tribal Nations eligible for a planning grant set-aside of \$25 million, for grants up to \$500,000 for individual TN or \$1 million for groups of two or more
  - Applicants are not required to provide a cost-share or matching funds for this funding.
  - TNs should work with their EPA regional offices to submit an application and workplan by **June 15, 2023**.

## Environmental and Climate Justice Block Grants, Environmental Protection Agency, Office of Environmental Justice and External Civil Rights, \$3 billion

- grants and technical assistance to community-based non-profit organizations, alone or in certain partnerships, including those with Tribal Nations, to reduce indoor and outdoor air pollution, including greenhouse gases; monitor for pollution; improve community resilience to the impacts of climate change, including extreme heat and wildfire; and build the capacity of disadvantaged communities to engage with state and federal decision-making processes

## Neighborhood Access and Equity Grant Program, Department of Transportation, Federal Highway Administration, \$3.205 billion

- competitive grants for context-sensitive projects that improve walkability and safety, provide affordable transportation access, or mitigate or remediate negative impacts on the human or natural environment in disadvantaged communities from a surface transportation facility
- Of the \$3.205 billion appropriated, \$1.262 billion is reserved for economically disadvantaged communities, and \$50 million is reserved for technical assistance.

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# Tribal Eligibility ~ Pollution Reduction

## Low-Carbon Transportation Materials Program, Department of Transportation, Federal Highway Administration, \$2 billion

- Reimburse or provide incentives to eligible recipients for the use of low-embodied carbon construction materials and products in federally-funded highway projects. Timing TBD.

## Clean Heavy-Duty Vehicles, Environmental Protection Agency, Office of Air and Radiation, \$1 billion

- Provide funding to offset the costs of replacing heavy-duty Class 6 and 7 commercial vehicles with zero-emission vehicles; deploying infrastructure needed to charge, fuel, or maintain these zero-emission vehicles; and developing and training the necessary workforce. **Next Key Date:** Notice of funding opportunity, late 2023

## Funding to Address Air Pollution, Environmental Protection Agency, Office of Air and Radiation, \$235.5 million

- Several pots of funding to monitor for and reduce air pollution in communities. Tribal Nations are eligible recipients under the following programs:
  - Fenceline Air Monitoring (\$117.5 million)
  - Multipollutant Monitoring (\$50 million)
  - Air Quality Sensors in Low-Income and Disadvantaged Communities (\$3 million)
  - Methane Monitoring (\$20 million)

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# Tribal Eligibility ~ Conservation & Nature-Based Resilience

## **Hazardous Fuels Reduction Projects in Wildland Urban Interface, Department of Agriculture, U.S. Forest Service, \$1.8 billion**

- provides direct federal spending (not competitive funding) for hazardous fuels reduction projects on National Forest System land within the Wildland Urban Interface
- National Forests and Grasslands are the primary recipients of this funding, but Tribal Nations are eligible via the Tribal Forest Protection Act and other co-stewardship authorities.

## **Vegetation and Watershed Management Projects Department of Agriculture, U.S. Forest Service, \$200 million**

- provides direct federal spending (not competitive funding) for projects to enhance ecological integrity and restoration as prescribed in a Water Source Protection Plan or Watershed Restoration Action Plan.

## **Assistance to Forest Landowners and Forest Product Businesses, Department of Agriculture, U.S. Forest Service, \$550 million**

- Assistance to Underserved Forest Landowners - Climate Mitigation and Forest Resilience Practices (\$150 million)
- Assistance to Underserved Forest Landowners - Emerging Private Markets for Climate Mitigation and Forest Resilience (\$150 million)
- Payments to Private Forestland Landowners for Implementation of Forestry Practices (\$50 million)
- Wood Innovations Grant Program (\$100 million)

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# Tribal Eligibility ~ Conservation & Nature-Based Resilience

**Investing in Coastal Communities and Climate Resilience (Sec. 40001), Department of Commerce, National Oceanic and Atmospheric Administration (NOAA), \$2.6 billion**

- support coastal resilience, coastal communities, and conservation, restoration, and protection of coastal and marine habitat and resources, including fisheries.

**Domestic Water Supply Projects, Department of the Interior, Bureau of Reclamation, \$550 million**

- provide domestic water supplies to disadvantaged communities or households that do not have reliable access to domestic water supplies. **Next Key Date:** Funding announcement before the end of 2023

**Canal Improvement Projects, Department of the Interior, Bureau of Reclamation, \$25 million**

- fund the design, study, and implementation of projects (including pilot and demonstration projects) to cover water conveyance facilities with solar panels or other Reclamation projects that improve water efficiency.  
**Next Key Date:** TBD, 2024

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# Tribal Eligibility ~ Climate-Smart Agriculture

## **Environmental Quality Incentives Program, Department of Agriculture, Natural Resources Conservation Service (NRCS), \$8.45 billion**

- provides technical and financial assistance to producers and Tribal Nations to address natural resource concerns and deliver environmental benefits such as improved water and air quality, conserved ground and surface water, increased soil health and reduced soil erosion and sedimentation, improved or new wildlife habitat, and mitigation against drought and increasing weather volatility

## **Conservation Stewardship Program, Department of Agriculture, Natural Resources Conservation Service (NRCS), \$3.25 billion**

- technical and financial assistance to compensate agricultural and forest producers and Tribal Nations who agree to increase their level of conservation by adopting additional conservation activities and maintaining their baseline level of conservation

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# Tribal Eligibility ~ Climate-Smart Agriculture

## **Agricultural Conservation Easement Program, Department of Agriculture, Natural Resources Conservation Service (NRCS), \$1.4 billion**

- Help landowners, land trusts, and other entities protect, restore, and enhance wetlands or protect working farms and ranches through conservation easements and long-term contracts.

## **Regional Conservation Partnership Program, Department of Agriculture, Natural Resources Conservation Service (NRCS), \$4.95 billion**

- partner-driven approach to conservation that funds solutions to natural resource challenges on agricultural land by leveraging collective resources and collaborating to implement natural resource conservation activities. Native American organizations and Tribal Nations are among the many eligible recipients. Deadline: August 17, 2023

## **Conservation Technical Assistance, Department of Agriculture, Natural Resources Conservation Service, \$1.3 billion**

- conservation technical assistance, which offers the nation's farmers, ranchers, forestland owners, and Tribal Nations the knowledge and tools they need to conserve, maintain, and restore the natural resources on their lands and improve the health of their operations for the future.

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# Tribal Eligibility ~ Tax Credits/Incentives

## Direct Pay

- allows certain “applicable entities,” including Tribal Nations and Alaska Native Corporations, to benefit from income tax credits even though they may not owe federal income taxes
- after first building clean energy projects or purchasing qualifying clean energy vehicles for non-personal use, an applicable entity may qualify for an elective payment, often referred to as a direct payment, in lieu of claiming the credit to offset any income taxes.

Tax credits for which Tribal Nations and Alaska Native Corporations may qualify for direct pay include:

- **Production Tax Credit for Electricity from Renewables**
- **Investment Tax Credit for Energy Property**
- **Low-Income Communities Bonus Credit**
- **Clean Electricity Production Tax Credit**
- **Clean Electricity Investment Tax Credit**
- **Zero-Emission Nuclear Power Production Credit**
- **Clean Hydrogen Production Credit**
- **Alternative Fuel Vehicle Refueling Property Credit**
- **Clean Fuel Production Credit**
- **Clean Commercial Vehicles Credit**
- **Advanced Manufacturing Production Credit**
- **Advanced Energy Project Credit**

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# Thank you

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