



# NWF Infrastructure Priorities for Healthier, More Resilient Communities, Wildlife, and Climate

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As Congress and the Administration look to put Americans back to work through rebuilding the nation's infrastructure, continuing to respond to the coronavirus pandemic, and confronting the mounting climate crisis, the National Wildlife Federation urges the inclusion of policies, programs, and initiatives that harness nature and enhance its long-term health for people and wildlife alike.

## Transportation

Congress should build on the bipartisan work done in the 116th Congress and pass surface transportation reauthorization that incorporates natural infrastructure and climate mitigation, adaptation, and resilience throughout. Specific priorities include:

- *Enhance opportunities for natural infrastructure options and alternatives to build resilience and climate mitigation.* The Infrastructure Investment and Jobs Act (H.R. 3684) would add helpful definitions of natural infrastructure (Sec. 10002) and make these types of projects eligible for funding.
- *Include programs to increase the resilience of America's infrastructure to heightened weather and climate extremes, elevating natural infrastructure as an eligible use of funds, and require the development and integration of vulnerability assessments into transportation plans.* H.R. 3684 (Sec. 11405) would establish a resiliency program in the form of PROTECT grants, with natural infrastructure as an eligible use.
- *Use federal funding to drive down emissions.* The federal government has a responsibility to leverage its massive investment in surface transportation to reduce on-road emissions. H.R. 3684 would establish a carbon mitigation program (Sec. 11403) requiring states to develop carbon reduction strategies. Additional sections addressed congestion mitigation and truck idling.
- *Increase investment in zero-emission vehicle fueling infrastructure.* H.R. 3684 would invest \$7.5 billion in grants and formula funding for charging and alternative fueling infrastructure, a needed start to ensure that drivers in all parts of the country have access to the power or fuel that will run a modern, clean vehicle fleet.
- *Electrify mass transit systems and public-school buses and purchase public electric vehicle fleets.* The Clean School Bus Program established in H.R. 3684 would include funding for buses that run on fossil fuels such as liquefied natural gas and propane, as well as biofuels. If this definition cannot be changed prior to final passage, then the reconciliation bill should send additional funding to the

purchase of truly clean, zero emission buses that will improve the health of our children and educators.

- *Invest in smart growth planning* by increasing funding for Environmental Protection Agency Smart Growth Grants. Improved and highly utilized mass transit, higher-density and mixed-use development, and walkable and bikeable neighborhoods can reduce the usage of passenger vehicles and concentrate development to avoid greater sprawl. An analysis by the Department of Energy finds that these changes to the built environment alone could reduce GHG emissions from urban light duty vehicles by as much as 12 to 18 percent by 2050, or 7-10 percent of overall U.S. transportation emissions.
- *Expand mass transit infrastructure* for urban and rural areas. By increasing people's ability to get around in efficient, non-polluting ways, we can reduce harmful emissions and improve quality of life. H.R. 3684 would provide the largest ever investment in transit programs, including electrifying transit fleets.

## **A Tax Code that Rewards Climate-Smart Investment**

Federal tax policy is a powerful lever to drive private investment and growth of industry – in positive or negative directions. The tax code should be harnessed to accelerate the shift to a clean economy, rewarding companies who are creating good jobs through deployment of clean power, vehicles, and manufacturing.

- *Long-term clean energy incentives.* The investment and production tax credits (ITC and PTC) for onshore wind and solar energy production have been effective at helping deploy these assets at scale and driving down their costs so they are now competitive with their fossil counterparts. However, in order to meet the President's goal of net-zero emissions for energy production by 2035, Congress needs to double down on this commitment. It should build on the GREEN Act (H.R. 848) to offer a full 10-year extension of the credits for not only onshore wind and solar, but also offshore wind, geothermal, energy efficiency, storage, transmission, and carbon capture, use, and storage (including direct air capture). A tech-neutral approach with a duration tied to emission reduction benchmarks, such as the Clean Energy for America Act (S. 1298), could be an even more effective approach that encourages innovation.
- *Targeting incentives to energy and environmental justice communities.* The existing clean energy ITC and PTC have not benefited project deployment equitably across states. Local barriers or preferences against clean energy deployment have led to a few states' having taken a large lead in clean production, with others lagging behind. In order to meet rapid decarbonization targets without shocking local economies or raising costs to ratepayers, Congress should create an additional incentive for clean energy projects in areas still highly reliant on fossil sources, such as in S.1298. Congress should also set aside tax incentives for environmental justice communities, who suffer disproportionately from environmental and climate hazards. Thoughtfully targeting investment to these communities can help alleviate some of these burdens and assist the most climate-vulnerable.
- *Stable, accessible incentives for clean vehicles.* The cap on the Sec. 30D credit for electric vehicles should be lifted so that car companies are not penalized for effectively marketing and selling clean cars and trucks. Credits should also be accessed at the point-of-sale to bring down sticker price for

consumers. Finally, there should be a new incentive for purchasing used electric vehicles to further improve affordability and accessibility for all.

- *Clean vehicle infrastructure.* The current 30C tax credit is inadequate to building out the charging infrastructure necessary for widespread, rapid deployment of EV's. The Securing America's Clean Fuel Infrastructure Act (S. 975) would expand the credit and modify it to make it able to cover more charging stations.
- *Enhanced credits for carbon utilization, long-term storage, and direct air capture.* Recognizing that we need to develop CCUS technology beyond enhanced oil recovery to newer or more expensive options such as industrial capture, saline storage and DAC, the 45Q credit must expand to recognize the higher costs and reward best end uses. Plus, the credit should be available as a direct payment, and the threshold should be eliminated so that sources of lower density carbon, like industrial process emissions, or smaller projects can qualify in addition to larger sources with higher purity like power plants and ethanol distilleries.
- *Clean Manufacturing.* American companies and workers are capable of supplying the building blocks of the clean economy, and incentives like the 48C credit can help ensure we are sourcing these components domestically rather than importing them. The American Jobs in Energy Manufacturing Act (S. 622) would revive and expand the credit while making it available for additional innovative technologies. We would like to see added credits for clean manufacturing operations in economically distressed areas, especially in coal country.
- *Ensuring clean jobs are good, life-sustaining jobs.* Wages in the clean energy sector are higher than in the broader economy as a whole, but federal incentives could do more to assure the clean economy is improving livelihoods as well as addressing climate. These incentives should be tied to fair labor and wage standards and achievable, workable domestic content requirements.

## **Build a Clean, Resilient Grid**

In addition to tax incentives, direct federal investment in areas such as grid modernization, energy efficient buildings, and the movement of captured carbon to its use or storage sites will help facilitate equitable decarbonization. Many of these provisions, and more, are included in H.R. 3684 and the CLEAN Future Act (H.R. 1512).

- *Decarbonize the power sector* through a Clean Energy Payment Program, which aims to have our nation running on 80% clean energy by 2030. A CEPP would provide incentive payments to electric utilities to increase clean electricity and reduce emitting generation. It also imposes a fee on utilities that are not making adequate clean energy progress. Utilities must use the payment to benefit consumers by paying for clean electricity growth and lowering customer bills.
- *Modernize the grid* through investments in DOE's Smart Grid Investment Program; DOE's State Energy Program for grid-integrated Energy Management Systems for state and local government buildings and upgrades to municipal infrastructure for energy efficiency, flexibility, and resilience; and DOE grants to improve cybersecurity.

- *Support buildout of necessary transmission infrastructure* by providing enhanced borrowing authority to the Federal Energy Regulatory Commission for large-scale regional transmission and funding for state, tribal, and local governments for interstate transmission siting.
- *Improve energy efficiency in residential and commercial buildings.* Improving energy use in buildings not only reduces carbon emissions as we transition to clean generation, but it also creates space on the grid for electrification of buildings and transportation while saving consumers money on their energy bills. Congress can help by fully funding the Weatherization Assistance Program at its newly authorized level; increasing funding for the Federal Energy Management Program to invest in energy efficiency measures for all federal buildings and permanent military installations; increasing funding for the Better Buildings Initiative; and funding Housing and Urban Development to support Public Housing Authorities in making resilience upgrades and improving critical infrastructure.
- *Facilitate energy storage and environmental justice.* Peaker plants tend to be located in environmental justice communities that bear the brunt of multiple forms of pollution. DOE should offer grants to companies or local governments that replace peaker plants with deployment of battery storage. DOE should also fund grants for battery storage demonstration, prioritizing projects that reduce pollution in EJ communities. (See S. 1553/H.R. 3139)
- *Reduce industrial and agricultural methane emissions.* Fossil companies should be required to address methane escape and leakage during production and transmission. A revolving loan fund could help states and localities address pressing methane problems more quickly. USDA should also ramp up support of biodigesters and other technologies to capture livestock waste methane emissions.

## Deploy a System of Carbon Capture and Management

Carbon capture, use, and storage – including direct air capture – is going to be a critical component of meeting mid-century climate goals. We need to do more than just get to net-zero, we need to get to net-negative emissions. Fostering this industry and building the infrastructure and components necessary to support it offer tremendous near- and long-term opportunities for quality job growth. In addition to improving and extending the 45Q tax credit for carbon storage, the Carbon Capture Coalition’s current [Federal Policy Blueprint](#) lays out a range of priorities for driving deployment, including the following:

- *Build out carbon dioxide infrastructure.* In most cases, a responsibly cited infrastructure network will be essential to moving carbon from where it is captured to where it will be utilized or stored underground. The SCALE Act (included in H.R. 3684) would put in place programs to facilitate this buildout and add funding for EPA to process well permits. It would also create financing structures and grant programs for both infrastructure and utilization projects.
- *Fund additional RDD&D.* The FY2021 Omnibus included large increases in authorizations for CCUS research, development, demonstration, and deployment, reflecting bipartisan support. These would be fully funded by H.R. 3684, helping spur innovation and bring technology costs down.

## **Target Investments to Vulnerable Communities and Regions in Transition**

The President has established a benchmark that 40 percent of the overall benefits of federal climate investments should go to disadvantaged communities. Utilizing and improving geospatial mapping tools to better understand where those communities are will help optimize this impact.

- *Improve and update EPA's EJSCREEN mapping tool to better incorporate climate and public health indicators, as well as robust environmental and demographic data, and incorporate it or other tools into funding decisions.* The Environmental Justice Mapping and Data Collection Act of 2021 (S.101/H.R. 516) would create a new interactive mapping tool to locate communities disproportionately affected by environmental impacts, assisting the Biden-Harris administration with the 40% goal. This will help frontline communities that have historically borne the brunt of pollution and climate impacts.
- *Monitor funding outflows to verify that most vulnerable communities are receiving investments/benefits, and adjust funding if needed.*

## **Conservation Workforce**

Revitalizing the Civilian Conservation Corps (or creating a Civilian Climate Corps) would bring an immediate opportunity to provide jobs to under- or unemployed young people in service of pressing national conservation and climate needs. From building natural infrastructure projects, to restoring forest health and accessibility, to improving farm sustainability, to protecting wildlife habitat, an effective CCC can train and inspire the next generation of conservation leaders while easing today's economic woes (e.g., S. 2414, REVIVE the CCC Act; S. 1370, RENEW Conservation Corps Act; S. 1072 /H.R. 2534 Climate Stewardship Act).

## **Restoration and Resilience Economy**

A new CCC initiative is only one part of the opportunity to invest in our nation's lands, waters, and wildlife in ways that can spur tremendous employment and economic gains but also yield essential benefits to the climate and ecological and human health and well-being. The National Wildlife Federation has outlined a restoration and resilience spending plan totaling \$208 billion, which can be found [here](#).

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Contact: David DeGennaro, Senior Policy Specialist, Climate & Biofuels, (202) 797-6654, [degennarod@nwf.org](mailto:degennarod@nwf.org)