



Insight

# The American Rescue Plan's Energy and Climate Provisions

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## Executive Summary

- The House Energy and Commerce Committee intends to appropriate over \$5 billion to energy and climate efforts as part of the \$1.9 trillion American Rescue Plan package.
- The package, like previous pandemic aid, will provide funding for energy and water programs that aid low-income households, but it will also include funding for federal agency environmental justice programs.

## Introduction

The House of Representatives has undertaken reconciliation in an effort to pass another round of COVID-19 aid and stimulus, as there is a lack of bipartisan support for President Biden's \$1.9 trillion American Rescue Plan. As a budgetary measure, reconciliation will establish appropriations for fiscal year 2021 without being subject to the Senate's filibuster. The package will include language from the Energy and Commerce Committee that extends energy and water programming in previous stimulus packages and provides funding for President Biden's recently announced environmental justice priorities.

## Energy and Commerce Committee Recommendations

Like earlier stimulus packages, the Energy and Commerce Committee's proposal includes funding for the Low-Income Home Energy Assistance Program (LIHEAP). The proposal would appropriate \$4.5 billion for LIHEAP that will remain available through September 30, 2022. Similarly, the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program would receive an additional \$500 million that would remain available through September 30, 2023.

In keeping with President Biden's priorities, the committee's language calls for appropriating \$100 million "to address health outcome disparities from pollution and the COVID-19 pandemic." Of this sum, half will support grants, contracts, and agency activities described in executive orders (EO), including President Clinton's EO, [Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations](#), and section 219 of Biden's EO, [Tackling the Climate Crisis at Home and Abroad](#), as well as the Obama Administration's [Environmental Protection Agency's Environmental Justice 2020 Action Agenda](#). Section 219 calls for agencies to create programs and implement policies that incorporate "environmental justice" into their missions, as did Clinton's EO. The Environmental Justice 2020 Agenda, on the other hand, summarizes the Environmental Protection Agency's ongoing efforts in identifying communities impacted by pollution, providing consideration for the disparities in exposure in agency reviews and rulemakings and improving the agency's engagement with affected communities.

The other half of the appropriations is directed to support research of air pollution under [section 103 of the Clean Air Act](#)

. These research programs consider the effects of air pollution on human health as well as ecosystems.

## **Conclusion**

The American Rescue Plan, like its predecessors, continues to support programming that provides access to energy and water for low-income households. It also, however, appropriates funds to longstanding efforts by Democratic administrations to expand environmental justice programming within federal agencies.

The Energy and Commerce Committee will mark up the text on February 11 before the House Budget Committee combines the various committee recommendations and sends the package to the full House for consideration.