



# NACo LEGISLATIVE UPDATE: THE INFLATION REDUCTION ACT

NACo National Membership Call | September 1,  
2022

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# HEALTH PROVISIONS

# DRUG PRICING PROVISIONS

## PROVISION:



HHS Secretary to negotiate prices for certain Medicare drugs



## WHO IT IMPACTS:



Pharmacies, Providers



Drug manufacturers to pay rebates if Medicare drug prices faster than inflation.



Drug manufacturers



**Caps out-of-pocket drug spending for beneficiaries in Medicare Part D at \$2,000 annually**



Medicare Beneficiaries

# ADDITIONAL MEDICARE PROVISIONS

## PROVISION:



Eliminates cost sharing for  
adult vaccines under  
Medicare

## WHO IT IMPACTS:



Medicare  
beneficiaries



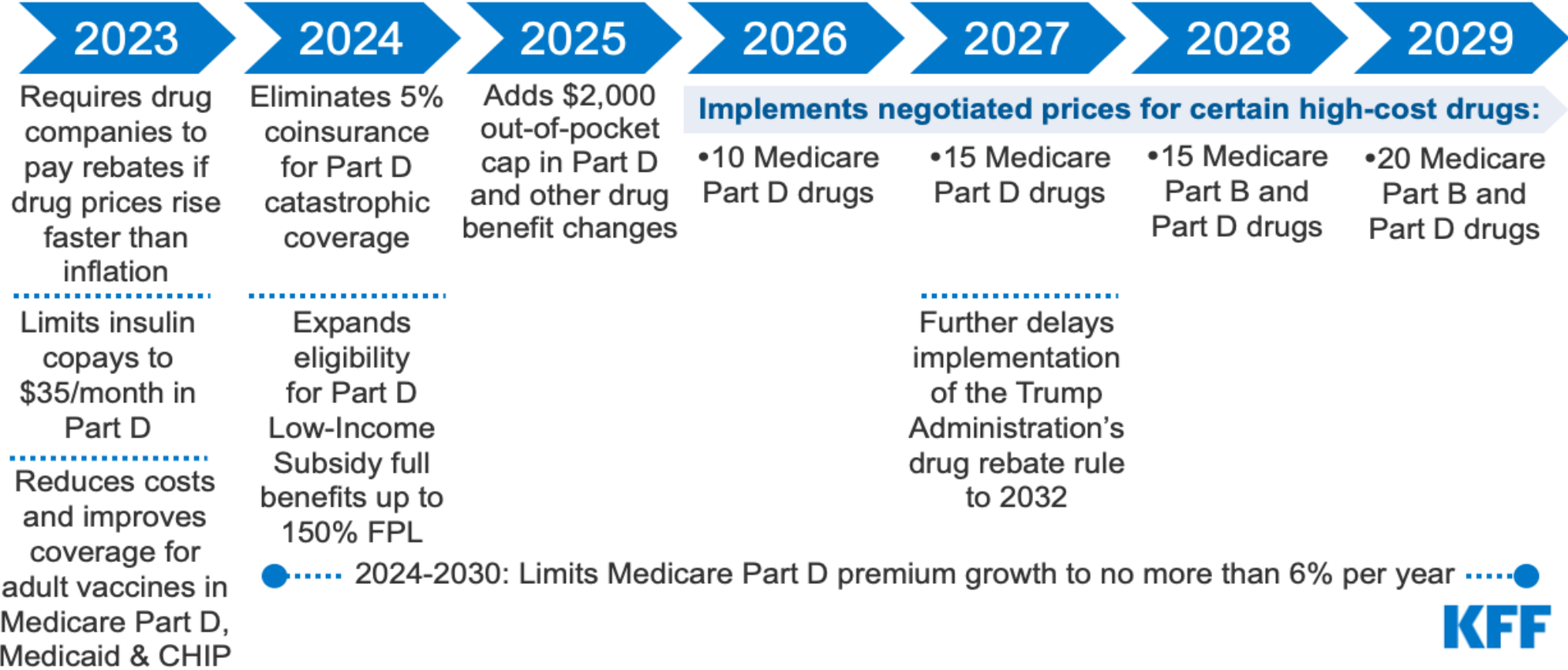
Medicare/Medicaid  
dual eligibles



# DRUG PRICING PROVISIONS

Figure 1

## Implementation Timeline of the Prescription Drug Provisions in the Inflation Reduction Act



# ACA PROVISION

## PROVISION:



Extends Affordable Care Act (ACA) Subsidies for 3 years



## WHO IT IMPACTS:



Low- income individuals  
buying health insurance on  
the healthcare marketplace



County health facilities that  
see large numbers of indigent  
and uninsured residents



# ACA PROVISION

## OVERVIEW OF IMPACT

- Prevents steep increases in Marketplace premium payments
- Minimizes the impact of potential premium increases
- Minimizes the impact of healthcare coverage loss at the end of the PHE

*Important for counties, these subsidies allow low-income individuals to obtain affordable health insurance based on their income, reducing the number of uninsured and medically indigent individuals seeking care in county health facilities.*

# CLIMATE & ENERGY PROVISIONS



# CLEAN ENERGY TAX CREDITS

CREDIT TYPE	CREDIT	ELIGIBLE FOR DIRECT PAY
<b>CLEAN ELECTRICITY AND REDUCING CARBON EMISSIONS</b>	Extension and Modification of Credit for Electricity Produced from Certain Renewable Resources	X
	Extension and Modification of Energy Credit	X
	Extension and Modification of Credit for Carbon Oxide Sequestration	X
	Zero-Emission Nuclear Power Production Credit	X
<b>CLEAN FUELS</b>	Clean Hydrogen	X
<b>CLEAN VEHICLES</b>	Qualified Commercial Clean Vehicles	X
	Alternative Fuel Refueling Property Credit	X
<b>INVESTMENT IN CLEAN ENERGY MANUFACTURING AND ENERGY SECURITY</b>	Extension of the Advanced Energy Project Credit	X
	Advanced Manufacturing Production Credit	X
<b>INCENTIVES FOR CLEAN ELECTRICITY AND CLEAN TRANSPORTATION</b>	Clean Electricity Production & Clean Electricity Investment Credits	X
	Clean Fuel Production Credit	X

# GREENHOUSE GAS EMISSIONS

## GREENHOUSE GAS REDUCTION FUND

**\$27 BILLION**

## CLIMATE POLLUTION REDUCTION PROGRAM

**\$5 BILLION**

- **\$27 billion Greenhouse Gas Reduction Fund** to provide grants to state and local governments to leverage public dollars with private financing to reduce greenhouse gas emissions
- **\$5 billion Climate Pollution Reduction Program** to provide grants to state and local governments for greenhouse gas air pollution reduction planning and implementation activities

# EMISSIONS IN THE TRANSPORTATION SECTOR

AGENCY	PROGRAM	FUNDING AVAILABLE	DIRECT FUNDING OPPORTUNITY FOR COUNTIES
DOT	Aviation Fuel & Low Emission Aviation Technology Program	\$297 million	Yes
DOT	Neighborhood Access and Equity Grant Program	\$3.2 billion	Yes
EPA	Clean Heavy-Duty Vehicle Program	\$1 billion	Yes
EPA	Port Pollution Program	\$3 billion	Yes

# ELECTRIFICATION OF COMMERCIAL & RESIDENTIAL BUILDINGS

## BUILDING ENERGY CODE ADOPTION | \$1 BILLION

- Provides \$1 billion to DOE to **award grants to states and local governments** to adopt building energy or zero-energy codes for residential and commercial buildings

## HIGH-EFFICIENCY ELECTRIC HOME REBATE PROGRAM | \$4.3 BILLION

- Provides \$4.3 billion to DOE to award grants to state energy offices to administer high-efficiency electric home rebate programs for low- or moderate-income households
- **Counties can receive rebates to carry out electrification on a household's behalf**

# ENVIRONMENTAL JUSTICE

## ENVIRONMENTAL JUSTICE BLOCK GRANT PROGRAM | \$3 BILLION

*Eligible activities include:*

- Community-led air and other pollution air monitoring, prevention and remediation and investments in low- and zero-emission and resilient technologies and related infrastructure and workforce development that help reduce greenhouse gas emissions and other air pollutants
- Mitigating climate and health risks from urban heat islands, extreme heat, wood heater emission and wildfire events
- Climate resiliency and adaptation
- Reducing indoor toxins and air pollution
- Facilitating engagement of disadvantaged communities in state and federal advisory groups, workshops, rulemakings and other public processes

**Counties that partner with a local nonprofit are eligible to receive funding under the program**

# Wind & Solar and Oil & Gas

OFFSHORE WIND LEASING AUTHORITY	ONSHORE WIND AND SOLAR RIGHTS OF WAY	2017-2022 OUTER CONTINENTAL SHELF LEASING PROGRAM
To issue an offshore wind energy lease, DOI <b>must hold an offshore oil and gas lease sale</b> of at least 60 million acres the year prior	To issue a right-of-way for wind and solar development, DOI <b>must hold an onshore oil and gas lease sale</b> in the four months prior	IRA <b>reinstates an oil and gas lease sale</b> in the Gulf of Mexico and <b>requires DOI to conduct three additional lease sales</b>



# AGRICULTURE PROVISIONS



# PUBLIC LANDS PROVISIONS



# Questions?

# CONTACT:

**Blaire Bryant**

Legislative Director

Health | Large Urban County Caucus

202-942-4246 | [bbryant@naco.org](mailto:bbryant@naco.org)

**Jonathan Shuffield**

Legislative Director

Public Lands | Western Interstate Region

202-942-4254 | [jshuffield@naco.org](mailto:jshuffield@naco.org)

**Sarah Gimont**

Associate Legislative Director |

Energy, Environment & Land Use

202-942-4254 | [sgimont@naco.org](mailto:sgimont@naco.org)

**Aaliyah Nedd**

Associate Legislative Director |

Agriculture & Rural Affairs

202-942-4254 | [anedd@naco.org](mailto:anedd@naco.org)

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