



April 24, 2025

Mr. Cody Campbell  
Director of Multifamily Finance  
Texas Department of Housing and Community Affairs  
211 E 11<sup>th</sup> Street  
Austin, Texas 78701

Via Email: [cody.campbell@tdhca.state.tx.us](mailto:cody.campbell@tdhca.state.tx.us)

Re: TDHCA HTC Application #24248 New Hope Housing Wheatley in Houston, Texas

Dear Cody,

New Hope Housing, on behalf of NHH Wheatley, LLC (the “Owner”) respectfully requests a Force Majeure extension of the 10% test and placement in service deadline for New Hope Housing Wheatley. The Owner received a 2024 allocation of Housing Tax Credits from the Texas Department of Housing and Community Affairs (“TDHCA”) for the construction of New Hope Housing Wheatley (the “Development”), which requires the Development to meet the 10% test by July 1, 2025, and place the Development in service by December 31, 2026. Because of the high likelihood that the Owner will be unable to meet these deadlines for reasons outside its control, we are requesting a Force Majeure extension. The primary reasons for the delay are changes in rules, laws or regulations, and third-party litigation involving the United States Environmental Protection Agency (“EPA”) Greenhouse Gas Reduction Funding. These reasons fall squarely within the Force Majeure definition in §11.6(5) of the 2024 Qualified Allocation Plan (“QAP”).

Please note that the Development acquired the land and has submitted permits with the City of Houston as part of the Readiness to Proceed deadline.

#### Background Information

The sponsor is New Hope Housing, which has a sterling record of delivering 9% low-income housing tax credit developments on time. New Hope Housing Wheatley, located in Houston, Texas, has a capital stack that includes Greenhouse Gas Reduction Funds (“GGRF”) from the U.S. Environmental Protection Agency (EPA) in the amount of \$8,000,000. In February of 2025, while the Development team was in the process of the closing on the financing, the Owner received notice that the GGRF funding was being frozen for what appear to be political reasons in Washington, D.C. Lee Zeldin, the EPA Administrator, was demanding that the GGRF funding be returned to the EPA, even though it has already been appropriated by Congress and disbursed by the EPA. This federal action has recently been ruled to be arbitrary and unlawful by a federal judge in the District of Columbia.



# New Hope Housing

Congress created the Greenhouse Gas Reduction Fund in the Inflation Reduction Act of 2022. Under the GGRF, the EPA chose eight non-profit recipients to manage applications and grants. In administering the program, the EPA had already disbursed the GGRF funds to Citibank, which held the accounts for the eight non-profit recipients. On February 20, 2025, media accounts began reporting that the EPA had ordered Citibank to freeze the GGRF accounts. Multiple lawsuits were filed against the EPA and Citibank requesting the disbursement of the funds.

There are currently two consolidated lawsuits against Citibank and the EPA, one of which includes the plaintiff Power Forward Communities. Power Forward Communities subcontracted with The Local Initiatives Support Corporation ("LISC") to provide funding for environmentally-conscious construction of low-income developments. LISC arranged to provide \$8,000,000 to the Owner for the Development. While a federal judge has already ruled against the EPA in the litigation involving Power Forward Communities, finding the EPA's actions were "fundamentally arbitrary," that ruling has been appealed.

The Developer is exploring alternate routes to completing construction of the Development. The City of Houston is expected to open a NOFA for DR-24 funding in the third quarter of 2025. This would provide the Development team with another avenue it can pursue to cover the shortfall of the GGRF monies, close the financing, and begin construction. Another possibility is that the litigation will settle or be resolved against EPA, allowing the \$8,000,000 GGRF loan to be funded in time for construction to be completed, but most likely because of these delays that completion would be unlikely prior to early 2027.

## Impact and Request

One of the force majeure events is third-party litigation involving the GGRF funding, the senior permanent financing for the Development. Until this litigation is resolved, the Owner is not able to move forward with the transaction and complete construction of the Development by December 31, 2026. There are two alternate paths the Owner is pursuing to complete construction soon after that deadline: one involving DR-24 funding from the City of Houston and another involving the likely favorable settlement or disposition of the GGRF litigation. The Development team is working diligently to take all steps within its control, such as design and permitting in a timely manner to complete construction of the Development on time.

The QAP's Force Majeure definition includes two provisions triggered by the EPA's arbitrary action and the pending litigation: unrelated party litigation and changes in law, rules, or regulations. The unrelated party litigation is described above and involves Power Forward Communities, and a federal judge has already ruled in Power Forward Communities' favor and against the EPA, finding EPA's administrative action "fundamentally arbitrary." The changes in law, rules, and regulations are the arbitrary actions taken by the EPA, which are quite possibly unprecedented administrative actions by a federal agency.

We request that the Owner be permitted to return the Tax Credits and that TDHCA reallocate the Tax Credits to the Owner in the current year in accordance with §11.6(5) of the 2024 QAP relating to Force Majeure. The Owner and the Development satisfy all the requirements in Section 11.6(5), including:



# New Hope Housing

1. The events that caused the delay occurred before issuance of 8609s and were sudden, unforeseen circumstances outside the control of the Development Owner.
2. The delays were not caused by willful negligence or acts of Owner, any Affiliate, or any other Related Party.
3. The Owner has provided evidence and a timeline of the events that was the direct result of the delays, see attachments and background information.
4. Though there is little that could be done to mitigate the effects of the arbitrary actions by the EPA in freezing the GGRF program, the Owner immediately contacted LISC and legal counsel to begin working on viable options to ensure the feasibility of the transaction. One path is settlement or final disposition of the unrelated party litigation requiring EPA to unfreeze the GGRF funds, and a second path is upcoming funding from the City of Houston to fill in the shortfall of the frozen funds. The DR-24 funds are expected to be available in the third or fourth quarter of this year. As soon as the funds are available, the Developer will submit an application requesting the funds. The Development team is confident that its application for the Development will be competitive and have a high likelihood of success.
5. The Force Majeure events threatens to prevent the Owner from meeting the 10% Test and Place in Service requirements of the original allocation.
6. The requested current year Carryover Agreement would allocate the same amount of Tax Credits as those that would be returned.
7. Should the litigation be resolved and the GGRF funds released soon or funds from the City of Houston DR-24 round become available for the Development, the Developer will have the funds necessary to ensure the financial feasibility of the Development. Additionally, there have not been any insurance proceeds received related to the Force Majeure event.

If you have any questions or would like to discuss these items further, please do not hesitate to contact me directly at 713-222-0290 or [joy@newhopehousing.com](mailto:joy@newhopehousing.com).

Sincerely,

Joy Horak-Brown  
President & CEO  
New Hope Housing, Inc.

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## POLITICS

## EPA froze 'green bank' funds worth billions, climate group suit says

BY [MICHAEL PHILLIS](#) AND [MATTHEW DALY](#)

Updated 11:50 AM CDT, March 12, 2025

WASHINGTON (AP) — A nonprofit that was awarded nearly \$7 billion by the Biden administration to finance clean energy and climate-friendly projects has sued President [Donald Trump's](#) Environmental Protection Agency, accusing it of improperly freezing a legally awarded grant.

Climate United Fund, a coalition of three nonprofit groups, demanded access to a Citibank account it received through the Greenhouse Gas Reduction Fund, a program created in 2022 by the [Inflation Reduction Act](#) and more commonly known as the green bank. The freeze threatens its ability to issue loans and even pay employees, the group said.

"The combined actions of Citibank and EPA effectively nullify a congressionally mandated and funded program," Maryland-based Climate United wrote in a Monday court filing.

In a related action, the Coalition for Green Capital, a separate group that received \$5 billion from the Biden-era program, sued Citibank Monday, alleging breach of contract over the refusal to disburse the grant funds awarded by the EPA.

"Citi's actions have blocked CGC from deploying funds appropriated by Congress for energy projects to lower electricity costs and provide clean air and water for all Americans," the Washington-based group said in a statement.



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The two nonprofits are among eight groups tapped by then-EPA Administrator Michael Regan to receive \$20 billion to finance [tens of thousands of projects](#) to fight climate change and promote environmental justice. The money was formally awarded in August.

While favored by congressional Democrats, the green bank drew immediate criticism from Republicans, who routinely denounced it as an unaccountable "slush fund." Regan [sharply disputed that claim](#).

The bank was quickly targeted by EPA Administrator [Lee Zeldin](#), who was confirmed to the role in late January. In a [video posted on X](#), Zeldin said the EPA would revoke contracts for the still-emerging program. Zeldin cited a conservative journalist's undercover video made late last year that showed a former EPA employee saying the agency was throwing "gold bars off the Titanic" — presumably a reference to spending before the start of Trump's second term.

Zeldin has repeatedly used the term "gold bars" to accuse the Greenhouse Gas Reduction Fund's recipients of misconduct, waste and possible fraud.

According to the lawsuit filed in federal court, Citibank cut off access to Climate United's bank account on February 18 — an action the bank did not explain for weeks.

The cutoff took place as Zeldin made multiple public appearances accusing Climate United and other groups of misconduct, eventually announcing that the funds were frozen, according to the lawsuit. Climate United said the EPA has refused to meet with the group.

Several Democratic lawmakers slammed Zeldin's attacks on the green bank as a "sham investigation and unsubstantiated funding freeze."

The Trump administration's "baseless attacks on these investments will only cost jobs, increase prices and harm our communities," Maryland Sen. Chris Van Hollen, Massachusetts Sen. Ed Markey and Michigan Rep. Debbie Dingell said in a statement Monday. The three Democrats pushed for creation of the green bank.

Citibank said it was reviewing the Climate United lawsuit.

"As we've said previously, Citi has been working with the federal government in its efforts to address government officials' concerns regarding this federal grant program," the bank said in a statement Monday.

“Our role as financial agent does not involve any discretion over which organizations receive grant funds. Citi will of course comply with any judicial decision.”

The EPA declined to comment, citing pending litigation. A hearing on the case is scheduled for Wednesday in U.S. District Court for the District of Columbia.

In its court filing, Climate United pointed to the resignation of Denise Cheung, a high-ranking prosecutor in the U.S. Attorney's Washington office, who said she was forced to [step down](#) after refusing demands from top Trump administration officials to freeze the climate groups' assets.

Zeldin raised questions in a letter to the agency's watchdog about the EPA's use of Citibank to hold the money, a structure that allowed the eight entities to be used as “pass throughs” for eventual grant recipients. The process undermined transparency, Zeldin alleged.

He also questioned the qualifications of some of the entities overseeing the grants and said some were affiliated with the Biden administration or Democratic politics, including [Stacey Abrams](#), a former Democratic nominee for Georgia governor. Trump singled out Abrams over her ties to the green bank in his [address to Congress](#) last week.

In a letter to EPA officials on March 4, Climate United disputed Zeldin's allegations. The group's lengthy application material is publicly available and the EPA used a rigorous selection process, Climate United said, adding that its spending is transparent.

In addition to Climate United, the new fund has [awarded money to other nonprofits](#), including the Coalition for Green Capital, Power Forward Communities, Opportunity Finance Network, Inclusiv and the Justice Climate Fund. Those organizations have partnered with a range of groups, including Rewiring America, Habitat for Humanity and the Community Preservation Corporation.

The green bank represents ideas Congress enacted that the Trump administration doesn't like: fighting climate change and helping communities that are often low-income or majority-Black and Hispanic, said Ilmi Granoff, a climate finance expert at the Sabin Center for Climate Change Law at Columbia University.

“The resources have already been spent, which means they're trying to come up with pretexts to do something the government is not supposed to do, which is claw back resources” that Congress provided, Granoff said, comparing the Trump administration's investigations to a “fishing expedition.”

The Trump administration said Friday that it's [pulling \\$400 million from Columbia University](#), canceling grants and contracts because of what the government describes as the Ivy League school's failure to squelch antisemitism on campus.

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Phillis reported from St. Louis.

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# 2 Judges Order Federal Agencies to Unfreeze Climate Money

The rulings are setbacks to Trump's efforts to halt climate and environmental funding approved under the Biden administration.



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By Claire Brown and Karen Zraick

Published April 16, 2025 Updated April 18, 2025

Two court rulings on Tuesday unfroze hundreds of millions of dollars in federal climate funds, a win for nonprofit groups that have been denied access to money they were promised under the Biden administration.

Judge Tanya S. Chutkan of the federal court for the District of Columbia on Tuesday ordered the immediate release of up to \$625 million in climate grants that have been frozen since mid-February under the \$20 billion Greenhouse Gas Reduction Fund. The fund is also known as the “green bank” program and has been a major target of Lee Zeldin, the administrator of the Environmental Protection Agency.

Separately, Judge Mary S. McElroy of the federal court for the District of Rhode Island ordered five federal agencies to unfreeze environmental and infrastructure funding that had been awarded to nonprofits during the Biden administration.

In her ruling, Judge McElroy said the nonprofits had demonstrated in court that the indefinite freeze, put in place by the Trump administration, “was neither reasonable nor reasonably explained.” She added that the nonprofits were likely to be able to prove that the freezes were “fundamentally arbitrary.”



The lawsuits are among many filed against the Trump administration's moves to freeze billions of dollars in funding that had been awarded through two laws passed in 2021 and 2022, the Infrastructure Investment and Jobs Act and the Inflation Reduction Act.

Various judges have ordered the administration to unfreeze funds, but the administration has cited legal loopholes to avoid doing so. Administration officials have said the pauses are necessary to align with executive orders President Trump has issued since taking office.

The \$20 billion Greenhouse Gas Reduction Fund, which was authorized under the Inflation Reduction Act and finalized before last November's presidential election, represents roughly twice the E.P.A.'s budget for 2025.

Mr. Zeldin seized on the program early in his tenure, citing a hidden-camera video filmed in December in which an E.P.A. staffer likened the outgoing Biden administration's efforts to spend federal money to tossing gold bars off the Titanic. The video was released by Project Veritas, a conservative group known for using covert recordings to embarrass its political opponents.

Mr. Zeldin called for the funds to be returned to the federal government. Citibank, which holds the money on behalf of the grant recipients, froze the accounts. The nonprofit grant recipients then sued the E.P.A. and Citibank last month. The bank declined to comment on Wednesday. The E.P.A. has notified that court that it will appeal.

"The D.C. District Court does not have jurisdiction to reinstate the \$20 billion Biden-Harris 'Gold Bar' scheme," an E.P.A. official said Wednesday. "These grants are terminated, and the funds belong to the U.S. taxpayer."

The E.P.A. is allowed to freeze the grants if it uncovers evidence of waste, fraud or abuse. Judge Chutkan, who was nominated by President Barack Obama, asked the agency to produce evidence of that, but it has not offered anything concrete, despite investigations by the Department of Justice, the F.B.I. and the agency's Office of Inspector General.

Judge Chutkan's order, which was released late Tuesday, calls for the release of funds that were "properly incurred before the mid-February suspension of plaintiffs' funds."

A court filing from the E.P.A. estimated the total withdrawal requests at up to \$625 million. On Wednesday morning, grant recipients were still trying to figure out exactly which transaction requests would be honored.

Beth Bafford, chief executive of Climate United, one of the nonprofits that sued, said that the decision "gives us a chance to breathe after the E.P.A. unlawfully, and without due process, terminated our awards and blocked access to funds that were appropriated by Congress and legally obligated."

The group, a national investment fund based in Maryland, said it intended to use the grants for projects in solar energy in Arkansas and hydropower in Alaska.

In the Rhode Island lawsuit, filed in March, the named defendants include the departments of Agriculture, Energy and Interior, as well as the E.P.A., the Department of Housing and Urban Development, the Office of Management and Budget, and the agency heads.

None of the agencies immediately commented on the ruling.

Six nonprofits had filed the suit. They argued that their work had been hamstrung by the uncertainty created by the funding freeze.

Examples of harm cited in the lawsuit included nonprofits having to furlough employees and pause projects, with no ability to plan for the future.

"We are pleased that a federal court has seen the Trump administration's freeze of congressionally approved funds for what it is, another abuse of executive power," said Skye Perryman, chief executive of Democracy Forward, a legal group focused on challenging the Trump administration. It worked with co-counsel DeLuca, Weizenbaum, Barry & Revens, a firm based in Providence, R.I., on the case.

Judge McElroy, who was appointed by President Trump in 2018, imposed a deadline of 5 p.m. on Wednesday in Rhode Island for the agencies to report back on their compliance with the order.

**Claire Brown** covers climate change for The Times and writes for the Climate Forward newsletter.

**Karen Zraick** covers legal affairs for the Climate desk and the courtroom clashes playing out over climate and environmental policy.

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A version of this article appears in print on , Section A, Page 16 of the New York edition with the headline: Judges Order Federal Agencies to Release Climate Funds



# The Trump Administration's Cancellation of Funding for Environmental Protections Endangers Americans' Health While Draining Their Wallets

**CAP** [americanprogress.org/article/the-trump-administrations-cancellation-of-funding-for-environmental-protections-endangers-americans-health-while-draining-their-wallets](https://www.americanprogress.org/article/the-trump-administrations-cancellation-of-funding-for-environmental-protections-endangers-americans-health-while-draining-their-wallets)

April 2, 2025



People walk in Central Park amid hazy conditions in New York City on June 7, 2023. Getty/AFP/Timothy A. Clary)

All people—regardless of income, ZIP code, or race—have a fundamental right to breathe clean air, drink safe water, and live in healthy and safe communities. To further this goal, Congress funded environmental and public health protections through the Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA). These protections include funds to help states and cities monitor, reduce, and clean up dangerous pollution; increase access to clean and affordable energy; and upgrade home energy efficiency to save families money on their electricity bills. IRA and IIJA funds also help state and local governments expand access to clean and safe water and prepare for increasingly common extreme weather events caused by climate change.

Since taking office, the Trump administration has canceled funding for many of these programs—despite multiple court orders to reinstate them. In March, the administration announced that it had canceled 400 grants totaling \$1.7 billion aimed to improve air and water quality and prepare communities for more extreme weather events, along with \$20 billion in grants to reduce climate and local air pollution and support affordable clean energy. Denying states, cities, and communities across the country funds to implement projects that reduce pollution and energy costs and protect them from more extreme weather puts Americans' health and jobs at risk while driving up household energy bills.



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Despite the IRA's cost-saving, job creation, and public health benefits, Republicans in Congress voted 54 times to repeal the IRA, while Project 2025 called for key aspects of this landmark clean energy and climate bill to be canceled. Repealing IRA incentives would increase household electricity costs by more than \$110 in 2026, threaten more than \$500 billion in planned economic investment, and lead to 1 million fewer jobs in 2030, compared to a “business as usual” scenario with the IRA left in place.

President Donald Trump and his administration also plan to slash the U.S. Environmental Protection Agency's (EPA) budget by 65 percent, which would make it impossible for the agency to fulfill its mission of protecting public health and ensuring that Americans can breathe clean air and drink safe water. In addition, the administration announced plans to abandon environmental protections at the expense of public health and safety, as planned in Project 2025 and promised by President Trump to oil executives in exchange for campaign contributions. These protections include air quality standards for smog, soot, and air toxics as well as emission requirements for power plants, vehicles, coal waste, and oil refineries.

This fact sheet contains more information on how the Trump administration's cancellation of funding for IRA and IIJA environmental protections threatens public health and drives up household costs for families.

See also

How the Trump Administration's Agenda To Eliminate Environmental Protections and Promote the Fossil Fuel Industry Harms Public Health



Fact Sheet

## How the Trump Administration's Agenda To Eliminate Environmental Protections and Promote the Fossil Fuel Industry Harms Public Health

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Cathleen Kelly, Jasia Smith

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### Weakening air pollution monitoring would worsen air quality and the health of Americans while driving up health care costs in communities across the country

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- The IRA provided roughly \$230 million for grants to states, local governments, Tribes, and nonprofit organizations to support air monitoring—including \$170.5 million for air quality sensors and multipollutant monitoring, and \$37.5 million for monitoring air quality at schools.
- Studies consistently show that soot and ozone pollution from power plants, cars, and trucks that burn fossil fuels and other sources threatens public health, causing lung and heart disease, asthma and asthma attacks, lung cancer, heart attacks and strokes, and other life-threatening conditions.
- Air quality monitoring ensures that communities have essential information on air quality and the health dangers they face from air pollution. Air monitoring helps set and support compliance with pollution limits, avoiding up to 370,000 premature deaths annually.
- Air monitors provide real-time data on air quality, which allows communities to take action when air quality becomes dangerous for people, including children. Poor air quality is estimated to be responsible for more than 100,000 premature deaths in the United States each year.

- Air pollution from burning fossil fuels costs each American an average of \$2,500 per year in health care expenses, totaling \$820 billion per year nationwide.
- By canceling funds for air pollution monitors, the Trump administration would make it easier for polluters to dump deadly amounts of pollution in communities without getting caught, all at the expense of the American people's health. Withholding these funds also makes it harder for communities to hold polluters accountable for illegal and unsafe amounts of pollution.

### **Canceling Environmental and Climate Justice grants would rob communities of resources they are counting on to reduce pollution, prepare for more extreme weather, and save money on electricity bills**

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- Congress appropriated \$3 billion through the IRA for Environmental and Climate Justice Program grants to help working-class communities on the front lines of dangerous pollution and climate change improve air quality and prepare for more dangerous heat, flooding, and other extreme weather risks. This program supports Community Change Grants to reduce pollution and protect communities from more extreme weather, the Environmental Justice Thriving Communities Grantmaking Program to help communities navigate the federal grants application process to access needed funds, and other programs.
- These funds support efforts to remove lead—a neurotoxin considered unsafe at any level—from drinking water in homes and schools, increase tree canopy in cities to cool neighborhoods, develop solar-powered microgrids to improve energy reliability, and improve monitoring of local water and air quality.
- These funds also support projects that help families upgrade their home energy efficiency to save money on their energy bills, among other projects that improve lives and livelihoods in low-income and working-class communities
- On March 10, the administration announced that it had canceled 400 grants totaling \$1.7 billion designed to reduce air and water pollution and protect communities from more extreme weather events. On March 25, Senate Democrats sent a letter to EPA Administrator Lee Zeldin demanding that he reverse these cancellations. The letter stated: “These terminations—which violate a number of court orders—escalate your attempts to impound Congressionally-appropriated, legally-obligated funds protecting clean air and clean water and powering domestic investment in low-cost clean energy.”
- Canceling Environmental and Climate Justice grants for cities and local groups threatens public health and safety by denying families the opportunity to reduce exposure to lead and other dangerous pollutants that contaminate drinking water and make air unhealthy to breathe. Cutting off these funds would also halt efforts to prepare for more intense and dangerous extreme weather, all while denying families support to make cost-saving home energy efficiency improvements.



## **Eliminating the Greenhouse Gas Reduction Fund would deprive working-class and low-income households of affordable, pollution-free energy**

- Through the Inflation Reduction Act, Congress directed the EPA to create the Greenhouse Gas Reduction Fund, investing \$27 billion in clean renewable energy and climate resilience projects that reduce planet-warming pollution, improve local air quality, and lower energy costs for families.
- The fund mobilizes private capital to support thousands of clean energy projects and energy efficiency upgrades, create jobs, and deliver affordable energy to communities in every corner of the country. These investments also reduce pollution and improve public health and economic opportunities in working-class communities on the front lines of dangerous pollution and climate change threats.
- A U.S. federal judge has temporarily blocked the administration's effort to cancel Greenhouse Gas Reduction Fund grants, noting that the EPA failed to offer a "legal justification" for ending them. In addition, four states—Minnesota, California, Illinois, and Maine—are suing the administration "for illegally blocking congressionally approved funds from flowing to state projects to reduce greenhouse gases." The states' lawsuit also sues Citibank, which is holding \$20 billion of the Greenhouse Gas Reduction Fund's resources on behalf of the federal government "to ensure funds are released as required by law."
- Canceling these funds would deny more than 900,000 working-class and low-income households access to affordable solar energy, which can help families save money on their electricity bills and keep their power on during dangerous heat waves.
- Eliminating these funds would also prevent low-income rural communities, such as those supported by Green Bank for Appalachia, from improving access to clean energy, lowering energy costs, and reducing climate and local pollution.

## **Blocking funding for the Clean Ports Program would prevent U.S. trade hubs from reducing dangerous pollution, cancer risk, and early deaths**

- The IRA included \$3 billion to fund projects that reduce dangerous air pollution at ports to protect public health in nearby communities.
- Diesel engines that operate at ports emit particulate matter (PM2.5), commonly known as soot; nitrogen oxides (NOx); ozone; and air toxics, which can create significant health problems—including premature deaths, increased cancer risk and hospital admissions for heart and lung disease, and more frequent respiratory problems. Ports also create climate pollution, which contributes to climate change and higher public health and safety risks from more frequent and intense extreme weather.

- For example, the ports of Los Angeles and Long Beach—the largest and busiest port complex in the country—together control 40 percent of all containers that come into the United States, producing 100 tons of smog each day. Roughly 3,700 premature deaths per year in California are attributable to ports and goods movement operations across the state, with roughly 120 deaths per year tied to particulate matter pollution from the ports of Los Angeles and Long Beach.
- By blocking funding for the Clean Ports Program, the Trump administration would stall or halt efforts by port authorities to cut air pollution from diesel-powered engines, denying nearby communities the chance to reduce premature deaths, cancer risks, and other health conditions related to diesel pollution.

### **Canceling grants for clean heavy-duty vehicles would allow harmful pollution to accumulate in communities near transportation corridors**

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- Through the IRA, Congress directed the EPA to provide \$1 billion in grants to states, cities, Tribes, and schools to replace dirty heavy-duty vehicles with zero-emissions vehicles and infrastructure to reduce harmful pollution and protect public health.
- In the United States, diesel-burning heavy-duty vehicles account for 20 percent of NOx and 25 percent of PM2.5 from vehicles, significantly contributing to asthma and heart attacks while containing more than 40 known cancer causing substances.
- Withholding funds for the Clean Heavy-Duty Vehicles Program would prevent the replacement of dirty diesel-burning vehicles and cancel opportunities to improve air quality and public health in communities located near highways, truck hubs, and other goods movement facilities or where air quality does not meet national standards.

### **Undoing programs and protections for clean and safe water could expose hundreds of millions of Americans to dangerous chemicals and toxic pollution**

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- To make long-overdue progress on reducing water pollution and ensuring safe and clean drinking water and water resources for all Americans, the IIJA invested \$55 billion in upgrading the nation's water infrastructure. This included \$23.4 billion to modernize community water infrastructure through the Clean Water State Revolving Fund (CWSRF), \$15 billion to replace lead service lines, and \$10 billion to treat water polluted by dangerous forever chemicals and other contaminants disproportionately found in communities of color.
- The IIJA also invested \$3.5 billion in critical water infrastructure in Tribal communities and additional funds to upgrade water infrastructure in rural areas. These investments have improved public health, created good-paying union jobs, and protected the right of all people to drink safe water and have access to clean water resources.
- Lead in drinking water can cause long-term harm to Americans' brains and nervous systems, slow growth and development among children, and behavioral problems.

- Every single U.S. state has at least 2,800 active lead lines that deliver water to a total of 22 million people—disproportionately people of color and low-income Americans.
- PFAS, or “forever chemicals,” are harmful substances that can also be found in drinking water or in soil, food and food packaging, and household products, among other sources. More than 200 million Americans could have PFAS in their drinking water, and certain levels of exposure can cause reproductive effects, developmental delays, increased risk of certain cancers, and reduced immunity response.
- On January 21, 2025, the White House Office of Management and Budget issued a memo calling on agencies to freeze IIJA and IRA funding, including funds for drinking water and clean water state revolving loan funds. Although this memo was rescinded on January 29, funds for many programs funded by the IRA and IIJA remain frozen. While the freeze on most water funding for states has been lifted, these programs would likely be affected by President Trump’s plan to cut EPA funding by 65 percent. Canceling these funds would threaten public health and deny Americans their fundamental freedom to drink safe water and access clean water resources.
- The Trump administration also reversed the new federal standard for PFAS, which could lead to an estimated 9,600 preventable deaths and nearly 30,000 avoidable illnesses, totaling nearly \$1.5 billion in additional health costs per year.

### **Canceling funds for clean school buses would expose American children to emissions that damage their health**

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- Through the IIJA, Congress directed the EPA to provide \$5 billion in grants and rebates to replace diesel school buses with electric and clean school buses to cut pollution, create healthy schools, improve public health, and create good-paying jobs.
- Blocking these funds would deny communities and schools the resources they are counting on to reduce harmful pollution from buses, protect kids’ health, and improve air quality.
- Preventing students from using cleaner school buses increases their vulnerability to pollutants from diesel exhaust as well as their risk for cancer, asthma, and heart disease.
- Gutting funds for electric school buses increases greenhouse gas emissions and harmful tailpipe pollution such as particulate matter, or soot, which can cause heart and respiratory illnesses.

## Blocking funding for home energy rebates would increase energy costs for low-income households and threaten Americans' safety during extreme heat

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- The Inflation Reduction Act invested nearly \$9 billion in home energy rebates for consumers to upgrade to electric home appliances and make other home energy efficiency improvements. These grants to states help working-class and low-income households save money on electricity bills. The U.S. Department of Energy estimates that they save households up to \$1 billion annually.
- Extreme heat causes more death and injury in the United States than any other weather event, costing \$1 billion in health care costs every summer. Nearly two-thirds of the U.S. population live in counties vulnerable to health threats from unexpectedly high summer temperatures. Slashing funding for energy efficiency increases these dangers and costs.
- The rebate program can help reduce heavy energy burdens for American households, 33 million of which experience energy insecurity—meaning they struggle to pay their energy bills to meet their basic needs. Meanwhile, an additional 4.9 million households lack heating, and 6.3 million lack air conditioning.
- Freezing these funds would deny families needed support to cut their energy costs and improve the energy efficiency, indoor air quality, and health and safety of their homes, including during dangerous heat waves and cold snaps.
- Cutting energy rebate funding would reinforce inequities in extreme heat exposure and energy security, as working-class and low-income communities have less access to air conditioning and environmental amenities. Historically redlined neighborhoods can be as much as 12 degrees Fahrenheit hotter during a heatwave than nearby wealthier neighborhoods.

## Conclusion

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By canceling funding that states, cities, and communities across the country are counting on to implement projects that reduce pollution and energy costs and that protect families from more extreme weather, the Trump administration is putting Americans' health at risk while driving up household health care and electricity bills. The administration must allow this critical funding to reach communities—as Congress directed the federal government to do through the IRA and IIJA—to help protect the fundamental freedom of all Americans to breathe clean air, drink clean water, and live in healthy and safe communities.

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