

Advancing the Progressive Climate Innovation Agenda in a **Jobs and Infrastructure Package**

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An economic recovery package this year will present an opportunity to build out the progressive climate innovation agenda. Federal innovation policy is a proven tool to strengthen the economy and fits squarely in the bounds of a jobs and infrastructure package.

EXPANSION:

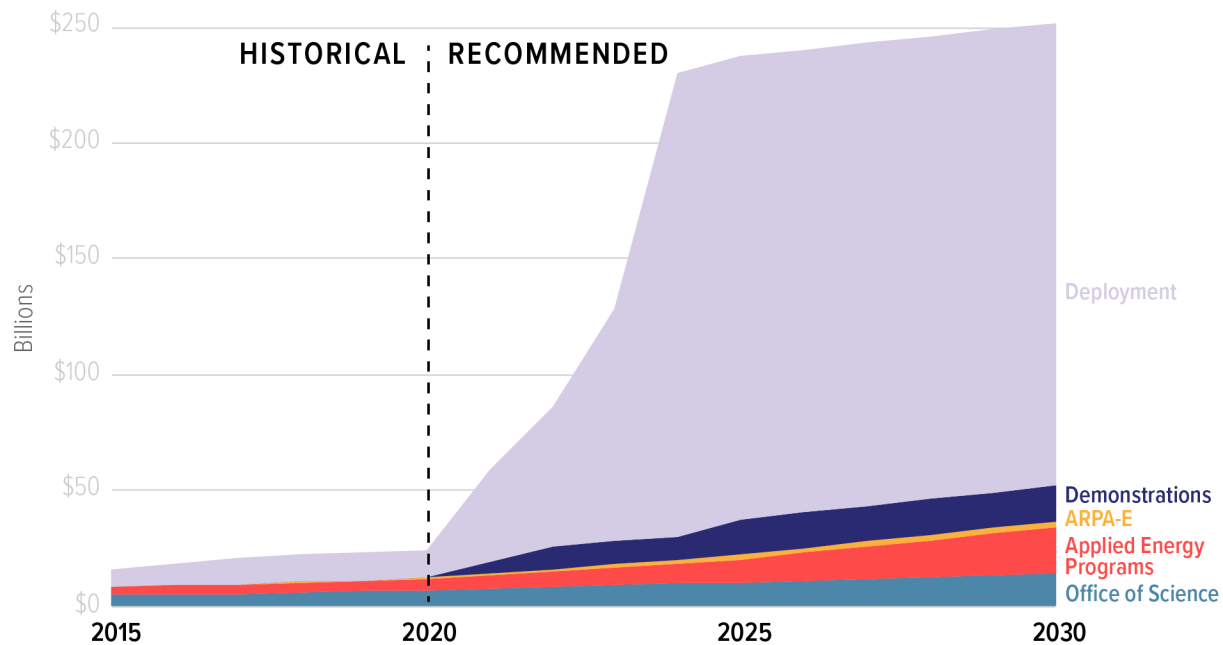
President Biden committed to investing \$2 trillion in federal funding to combat the climate crisis in his first term. Achieving this goal requires massive increases in federal clean energy programs, including early-stage innovation efforts, first-of-a-kind demonstrations, and also deployment programs that, if designed correctly, can drive innovation further. The figure below shows an illustrative pathway to invest \$500 billion through DOE over President Biden's first term, including large new deployment programs to complement R&D and demonstration efforts. **Here are three things a jobs and infrastructure package can do to expand the federal climate innovation ecosystem:**

- Fund pilot and demonstration projects for emerging technologies that may be necessary to reach net-zero emissions across the economy, such as hydrogen electrolyzers and direct air capture

facilities, and deployment programs for pre-commercial and commercial technologies, such as long-duration energy storage. Our latest polling finds that two-thirds of voters (66 percent) support expanding funding for demonstration projects and deployment for emerging technologies.

- Incentivize domestic manufacturing of renewable energy, batteries and electric vehicles, as well as other essential components of the clean economy. The American Jobs Plan includes \$174 billion for domestic electric vehicle component manufacturing and infrastructure, and our latest polling finds that American voters support federal incentives for domestic manufacturing of renewable energy and electric vehicle technologies by a 43-point margin (66 percent support, 23 percent oppose).
- Fund federal agencies to use their purchasing power, as well as deployment and infrastructure grants, to drive innovation. Even after being presented with arguments both for and against federal procurement, a majority of voters (57 percent) prefer for the government to use its purchasing power to drive American manufacturing of clean vehicles rather than purchase vehicles that have the lowest up-front cost.

A progressive climate innovation agenda requires an unprecedented expansion of federal clean energy programs



EMISSIONS:

The Biden-Harris Administration and Secretary Granholm have committed to mobilizing the Department of Energy to combat the climate crisis. Doing so means reorienting federal innovation programs, which make up the vast majority of DOE's energy activities, towards emissions reduction. A jobs and infrastructure package should target investments in the high-emitting areas of the economy that have historically been under-prioritized in federal innovation programs. **Here are three things a jobs and infrastructure package can do to orient the federal climate innovation ecosystem around emissions:**

- Fund large-scale demonstrations of industrial sector decarbonization technologies (e.g., low-carbon concrete and steel), energy storage, enhanced geothermal, clean hydrogen, shipping decarbonization, buildings with low embodied carbon emissions, and more. The American Jobs Plan includes demonstration projects for clean hydrogen and low-carbon cement and steel.
- Incentivize clean energy manufacturing and retooling of industrial facilities.

- Invest in transportation charging infrastructure, electrification and clean fuels for heavy-duty trucking, and grid modernization to support increased electricity demand.

EQUITY:

Climate change, air and water pollution, the coronavirus, and so many other modern crises inflict disproportionate harms on women, people of color, and low-income communities. We must ensure that our investments to combat these challenges deliver benefits to the people who need them the most. While codifying equity in our innovation priorities for the long run will require new authorizing legislation, **here are three things a jobs and infrastructure package can do to advance equity in clean energy innovation:**

- Apply the Justice40 framework to ensure disadvantaged communities and communities traditionally underrepresented in innovation efforts receive 40 percent of the direct benefits of federal spending on clean energy research, demonstration projects, and deployment.

- Expand funding for clean energy workforce development programs, both through the Department of Energy and the Employment and Training Administration at the Department of Labor, to build America's 21st century energy workforce and bring economic opportunity to disadvantaged communities. Our latest polling shows that expanded clean energy workforce training at DOE and other agencies has overwhelming bipartisan support, including an 80-point margin of support among Democrats (86 percent support, 6 percent oppose) and 25-point margin of support among Republicans (56 percent support, 31 percent oppose).
- Provide funding for technologies and projects that benefit disproportionately burdened communities, including funding to electrify school buses, ports, and state and local public transit fleets to drive down the costs of emerging low-carbon transportation technologies while combating harmful air pollution in communities that have suffered the health consequences of toxic diesel and gasoline pollution for too long. Our latest polling shows that over two-thirds of voters (68 percent) support the “federal government prioritizing funding to research and develop energy technologies that will help low-income communities, communities of color, and other disadvantaged communities that are exposed to higher levels of harmful pollution.”