

CAP Factsheet: Breaking Down Senator Schumer's 8/25 Dear Colleague on Emissions Reductions from Congressional Investments

Senator Schumer recently published a Dear Colleague [letter](#) that breaks down how the upcoming reconciliation bill could reduce greenhouse gas emissions to as much **as 45% below 2005 levels by 2030**.

The bottom line: Today's Dear Colleague underscores just how critical the \$3.5 trillion reconciliation package will be in tackling climate change, creating jobs and delivering justice.

Together with administrative action and state leadership, the emissions reductions from this package put us firmly on the path to cutting emissions to 50-52 percent below 2005 levels by 2030--the goal, based on scientific evidence, that was set by President Biden earlier this year. Below, CAP takes a look at [the key programs by share of emissions reduction](#) and provides some helpful sources of independent analysis that support the Senate Majority Leader's summary. Here's how we get there:

- *Clean electricity:* **The vast plurality of emissions reductions come from increasing clean electricity through a Clean Energy Payment Program (CEPP) and [clean energy tax credits](#) that are both part of the budget resolution.** These programs to roughly double clean electricity capacity across the country (from 40% to 80% in 2030) account for more than **two-fifths** (42%) of the share of all emissions reductions from this combined legislation.
- *Clean vehicle incentives:* **Second, tax incentives to increase clean vehicle production, uptake, and infrastructure account for another 16% share of emissions reductions.** These incentives to spur manufacturing investment, charging infrastructure, and more consumer purchases of electric vehicles -- which are included in the budget resolution -- could increase sales of EVs from today's 2% to between 40-58% of all light-duty vehicle sales in 2031, [according to](#) the Rhodium Group. That's even before the added benefits and incentives expected from future clean cars standards.
- *Methane fee:* **Third, a methane fee - requiring oil and gas producers who vent, flare, or leak methane to clamp down on pollution or pay a price - could deliver 9 percent of the emissions reductions.** This fee, which is currently part of the budget resolution, would help reduce the [280 million](#) metric tons of carbon dioxide equivalents of mostly methane currently emitted as a result of oil and gas production.
- *Electric appliances (clean building incentives):* **[Rebates](#) for everyone - especially low- and middle-income households - to weatherize and electrify homes are responsible for 4% of the emissions reductions.** These rebates, which are included in the budget resolution, would make it easier for consumers to switch to heat pumps - air conditioners that can run in reverse to deliver or remove heat, thereby making them an extremely efficient alternative. Electrifying these appliances would also cut down on monthly utility bills for consumers.

- *Agricultural conservation and forest management:* **Increased funding for programs like incentivizing cover crops, preserving grasslands, and conserving and stewarding forests as carbon sinks are responsible for another 8% share of the emissions reductions.** Around 600 million metric tons of carbon dioxide equivalents were emitted by agricultural practices in 2019--meaning significant emissions reductions are [clearly possible](#) if funding for conservation programs are doubled. Additionally, U.S. trees draw out roughly 800 million metric tons of carbon dioxide equivalents annually. Investing more in stewardship and conservation for forests and other natural lands to maintain and grow this natural carbon sink could sequester over [150 million](#) metric tons above the baseline by 2030.
- *And lots more!* **The remaining programs in Sen. Schumer's pie chart not detailed above would be responsible for an additional collective fifth, or 21%, of emissions reductions.** Each program not mentioned by name above plays a critical role in emissions reductions, but a few standouts include:
 - **Funding for [coastal resilience](#):** Coastal restoration will reduce emissions by 1.2% while creating local, good-paying jobs to stimulate local economies through projects like wetlands restoration and marine debris removal. By safely locking away carbon in natural ecosystems, this investment will benefit fisheries and wildlife, and improve communities' resilience to increasing climate disasters, especially in historically marginalized communities disproportionately impacted by climate change.
 - **Cleaning up abandoned mines and wells:** This funding, which is included in the IIJA, would reduce emissions by a 0.5% share while also creating jobs in communities likely to be impacted the most by a transition away from fossil fuels.

A [recent column](#) published by the Center for American Progress, which analyzes the climate investments possible through reconciliation, also summarizes many of the most important programs presented by Senator Schumer's team. Notably, **nearly all of the emissions reductions presented in today's Dear Colleague are part of the \$3.5 trillion budget resolution**--though there are a few provisions that were part of the Investment, Infrastructure and Jobs Act (IIJA), such as abandoned oil and gas mine cleanup and transit expansion.

To halt the worsening impacts of climate change while accelerating our transition to a 100% clean economy, it is critical for Congress to act now on budget reconciliation.

A quick note on percentages: *It's important to understand that the helpful [pie chart](#) from Sen. Schumer's Dear Colleague adds up to 100%. That describes the emissions cuts attributable to each programmatic category as a share of the total emission reductions needed to get to 45 percent below 2005 levels.*