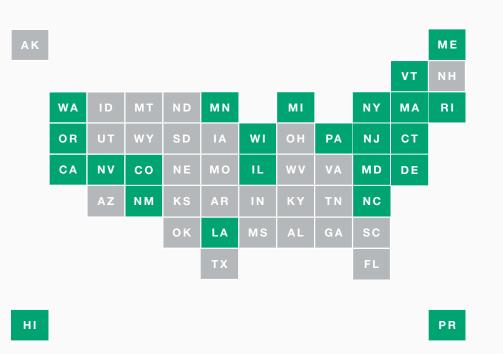
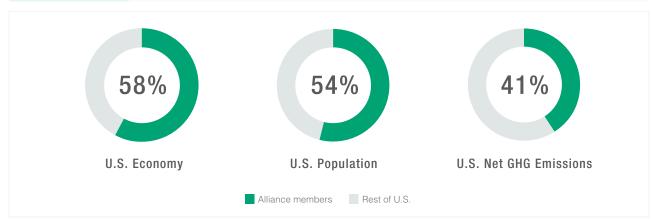
FULL SPEED AHEAD

States Delivering the Next Generation of Climate Action

MAP ES-1 U.S. Climate Alliance Members

CALIFORNIA COLORADO CONNECTICUT DELAWARE HAWAII **ILLINOIS** LOUISIANA MAINE **MARYLAND MASSACHUSETTS** MICHIGAN **MINNESOTA NEVADA NEW JERSEY NEW MEXICO NEW YORK NORTH CAROLINA** OREGON **PENNSYLVANIA PUERTO RICO RHODE ISLAND VERMONT** WASHINGTON WISCONSIN





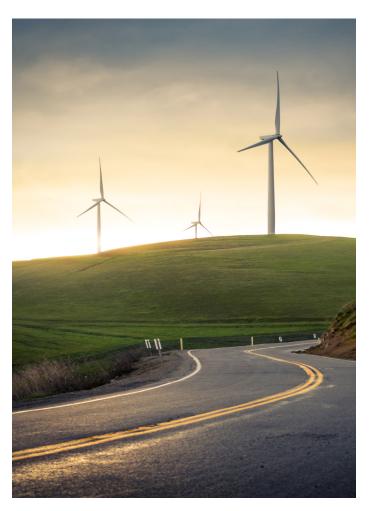
The U.S. Climate Alliance (Alliance) is a bipartisan coalition of 24 governors advancing bold and innovative policies to achieve collective net-zero greenhouse gas (GHG) emissions and confront the climate crisis. Over the past five years, the Alliance has grown to represent every region of the country (Map ES-1) and 58 percent of the U.S. economy, 54 percent of the U.S. population, and 41 percent of U.S. net GHG emissions.

I hile passage of the Inflation Reduction Act (IRA) represents enormous progress in advancing the nation toward our climate goals, successfully limiting average global temperature increases to 1.5 degrees Celsius will continue to require state-level action. States and territories will not only play a key role in implementation of the new law, but will also need to continue advancing the next generation of climate solutions. This report measures the progress that the Alliance has made towards its collective GHG emissions reduction targets and highlights the ambitious climate actions Alliance members have taken individually over the previous year. These successes help lay a foundation for robust federal action as well as action in non-Alliance states and territories, cities, businesses, and from other actors.

Reflecting on 2022

Families and businesses across the United States and around the world have faced significant challenges this year—from humanitarian crises and international conflict to increased living costs and a continuing pandemic. Climate impacts are being felt through more frequent and intense extreme weather events, underscoring the need for transformational action to accelerate the transition to a cleaner, healthier, more equitable, and more resilient future. At the same time, signs of progress have emerged across the energy sector. For example, electric vehicle (EV) sales continued to break records in 2022 despite supply chain issues and solar and wind are expected to make up nearly two-thirds of new electricity generating capacity coming online in 2022.

Federal action on climate over the past year has produced both major advancements and significant setbacks. Congress has delivered the largest climate investment in U.S. history with passage of the *Inflation Reduction Act* and *Infrastructure Investment and Jobs Act*, accelerating decarbonization efforts and putting



the country's commitment to cut emissions in half by 2030 within reach. At the same time, the U.S. Supreme Court this past June narrowed the U.S. Environmental Protection Agency's authority to curb GHG emissions from power plants. This moment has hardened the resolve of Alliance governors to continue moving forward with bold state climate action in 2023 and beyond. States will continue playing a critical role in achieving the nation's climate goals by maximizing the climate benefits from new and expanded federal programs, thanks to recent congressional action, while continuing to advance bold climate action beyond the federal floor.

Measuring our progress

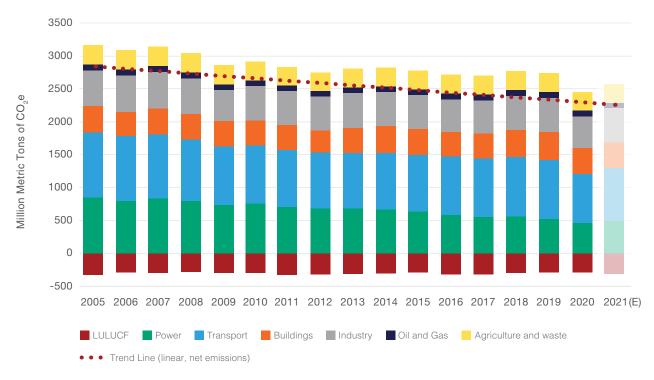
Alliance members implemented policies and actions that reduced collective net GHG emissions by 24 percent between 2005 and 2020 (Figure ES-1). While GHG emissions levels are estimated to have risen slightly in 2021 as the nation recovers from the economic downturn caused by the COVID-19 pandemic, the Alliance's 2025 GHG emissions reduction target remains within reach (26–28 percent below 2005 levels). Meanwhile, Alliance members delivered more co-benefits for their communities compared to the rest of the country, including lower levels of air pollution, more clean energy jobs, and larger energy savings for households and businesses.

From commitments to action

Recognizing that more needs to be done, Alliance members are moving beyond foundational climate policies to advance the next generation of innovative, high-impact, state-led climate actions that will result in

even more significant reductions of GHG emissions while building just, equitable, and climate-resilient infrastructure, ecosystems, and communities. Members are making meaningful progress on the more than 40 high-impact actions that they committed to last year, along with additional new actions. In the past year alone, Alliance members passed dozens of new laws to adopt more aggressive emissions reduction requirements and targets, reduce the climate impact of vehicles and buildings, and create governing bodies to guide state resilience and environmental justice actions and establish priorities. Members also have developed regulations to codify and operationalize their participation in carbon markets, EV sales mandates, and methane reductions from the oil and gas sector. By enshrining many of these policies in statute, members are increasing the durability of the progress made thus far-protecting the health and well-being of Americans regardless of future political and legal shifts.

FIGURE ES-1 The Alliance's collective net GHG emissions decreased an estimated 24 percent between 2005 and 2020.



Source: Rhodium Group Climate Deck. Note: LULUCF = land use, land-use change, and forestry

Deepening and expanding the statefederal partnership on climate

Achieving the nation's climate goals at the scale and speed necessary will require urgent action at all levels of government. Together, the Biden-Harris Administration and Alliance members are developing a strong, interconnected national climate framework to tackle climate pollution and advance the clean energy economy. Over the past year, the Alliance has deepened and expanded its federal engagement by working directly with the White House and federal agencies on program and policy implementation; consulting and informing federal rulemakings and tool development; working to secure additional authority and flexibility for climateleading states; and pressing for the federal climate and clean energy investments needed to confront the climate crisis. With the passage of the *Infrastructure* Investment and Jobs Act and Inflation Reduction Act, states now have a major role to play in implementing and delivering the new and expanded programs and funding in a way that maximizes their climate benefits.



Source: New Jersey Governor's Office



Looking ahead to the next five years and beyond

As the Alliance celebrates its five-year anniversary in 2022, states know maintaining momentum over the next five years will be crucial to deliver on the nation's climate goals and avoid the worst effects of climate change. While November's elections may bring changes to state leadership, the Alliance is committed to working across party lines with all governors willing to advance tangible bipartisan climate solutions, and it stands ready to support those new to office. The Alliance will also continue to work collaboratively with the federal government to advance climate solutions at all levels of government while accelerating the development and implementation of innovative state actions.

There is no time to waste—state climate leadership is more important than ever. Now is the time to roll up our sleeves and ensure the nation takes the necessary action this decade to secure a more livable, sustainable, and equitable future.

UNITED STATES CLIMATE ALLIANCE

For the full report, go to www.usclimatealliance.org
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