

The Inflation Reduction Act Delivers for Puerto Rico

The Inflation Reduction Act will lower costs for families, combat the climate crisis, reduce the deficit, and finally ask the largest corporations to pay their fair share. President Biden and Congressional Democrats have worked together to deliver a historic legislative achievement that defeats special interests, delivers for American families, and grows the economy from the bottom up and middle out.

The Inflation Reduction Act is the most significant legislation in U.S. history to tackle the climate crisis and strengthen American energy security. It will lower energy costs for households and businesses, create jobs for American workers, and deliver a clean, secure, and healthy future for our children and grandchildren. The savings, jobs, and other benefits provided by this legislation will reach communities across Puerto Rico.

- **LOWER PRESCRIPTION DRUG COSTS:** Americans pay 2-3 times more for their prescription drugs than people in other wealthy countries. The Inflation Reduction Act increases access to medication by improving prescription drug coverage and lowering drug prices in Medicare, including for families in Puerto Rico. The Act:
 - Caps the amount that seniors will have to pay for prescription drugs they buy at the pharmacy at \$2,000 a year, giving peace of mind to seniors who no longer have to worry about spending thousands and thousands more on prescription drugs. People eligible for Medicare and Medicaid may already have lower out of pocket costs for prescription drugs.
 - Caps the amount that seniors will have to pay for insulin at \$35 for a month's supply.
 - Means that seniors on Medicare will now have access to a number of additional free vaccines, including the shingles vaccine.
 - Will further lower prescription drug costs for seniors by allowing Medicare to negotiate the price of high-cost drugs and requiring drug manufacturers to pay Medicare a rebate when they raise prices faster than inflation.
- **LOWER ENERGY COSTS:** The Inflation Reduction Act will make it more affordable for families in Puerto Rico to purchase energy efficient appliances when they need to, make repairs around their homes, and save money on their utility bills each month, including through:
 - Rebates covering 50-100% of the cost for low- and moderate-income households to install new electric appliances, including heat pumps that provide super-efficient cooling and heating, water heaters, clothes dryers, stoves, and ovens. In addition to rebates for the new appliances themselves, the savings on energy bills will be at least \$350 per year.
 - Rebates for households to make repairs and improvements in single-family and multi-family homes to increase energy efficiency.
- **GOOD-PAYING JOBS:** The Inflation Reduction Act provides a historic set of incentives that will create jobs across solar, wind, storage, and other clean energy

industries. And for the first time, the Act opens up possibilities for offshore wind development along the coasts of Puerto Rico, allowing the Department of the Interior to conduct wind lease sales in feasible areas following consultations with the Governor.

- **DOMESTIC MANUFACTURING:** Manufacturers employ 77,500 workers in Puerto Rico, and the Inflation Reduction Act will help us make the technologies of the future at home—supporting local economies and strengthening supply chains. The Inflation Reduction Act will boost U.S. manufacturing of clean energy and transportation technologies, and invests in a new Advanced Industrial Facilities Deployment Program for cleaner manufacturing of key materials.
- **RESILIENT COMMUNITIES:** The Inflation Reduction Act will help protect communities in Puerto Rico that are on the front lines of climate change impacts, including by:
 - Providing dedicated technical assistance funding for the territories, including Puerto Rico, to support climate action and increase resilience to extreme weather, sea level rise, and other impacts.
 - Boosting funding available to support coastal communities with climate resilience and coastal conservation, restoration, and protection.
 - Creating a new Neighborhood Access and Equity Grant Program that includes support for transportation projects and planning to protect against flooding, extreme heat, and more.
 - Strengthening our nation’s forests, including programs focused on preventing wildfires and for tree planting projects that help protect communities from extreme heat.
 - Upgrading affordable housing, including projects that boost resilience—in Puerto Rico, tens of thousands of people live in affordable housing units that are eligible for upgrades like flood-proofing and storm resistance, as well as clean energy and electrification.
- **CLEANER AIR:** The Inflation Reduction Act will significantly reduce pollution, resulting in 100,000 fewer asthma attacks in 2030, and position the U.S. to achieve President Biden’s climate goals. Lowering greenhouse gas emissions will not only avoid costly climate impacts from more extreme weather, but also improve local air quality—preventing premature deaths and reducing air pollution. In addition to reducing pollution across the economy, the Act will benefit communities most in need of cleaner air, with environmental justice block grants, investments for cleaner buses and trucks, and a Clean Energy and Sustainability Accelerator that will prioritize emissions-reducing projects in disadvantaged communities.
- **RURAL OPPORTUNITIES:** The Inflation Reduction Act supports climate-smart agriculture practices, which will help farms in Puerto Rico lead on climate solutions and reward their stewardship. The Act also expands the Rural Energy for America Program, which can support agricultural producers and rural small businesses in Puerto Rico with clean energy and energy efficiency upgrades.

- **MAKE THE TAX CODE FAIRER:** President Trump and Congressional Republicans' 2017 tax law only made an unfair tax system worse. The Inflation Reduction Act of 2022 is a critical step forward in making our tax code fairer. It will raise revenue by:
 - Ensuring that high-income people and large corporations pay the taxes they already owe.
 - Cracking down on large, profitable corporations that currently get away with paying no federal income tax.
 - Imposing a 1% surcharge on corporate stock buybacks that will encourage businesses to invest.
- **REWARD WORK NOT WEALTH:** The Act's tax reforms won't just raise revenue to finance critically needed investments to lower costs and combat climate change, they are also an important component of building an economy that rewards work rather than wealth and doesn't let the rich and powerful get away with playing by a separate set of rules. Millions of working families will have better access to the benefits they are entitled to under the tax code and be able to get their questions answered quickly and efficiently, thanks to the Act's transformational investments in the Internal Revenue Service. And, no family making less than \$400,000 per year will see their federal taxes go up by a single cent.