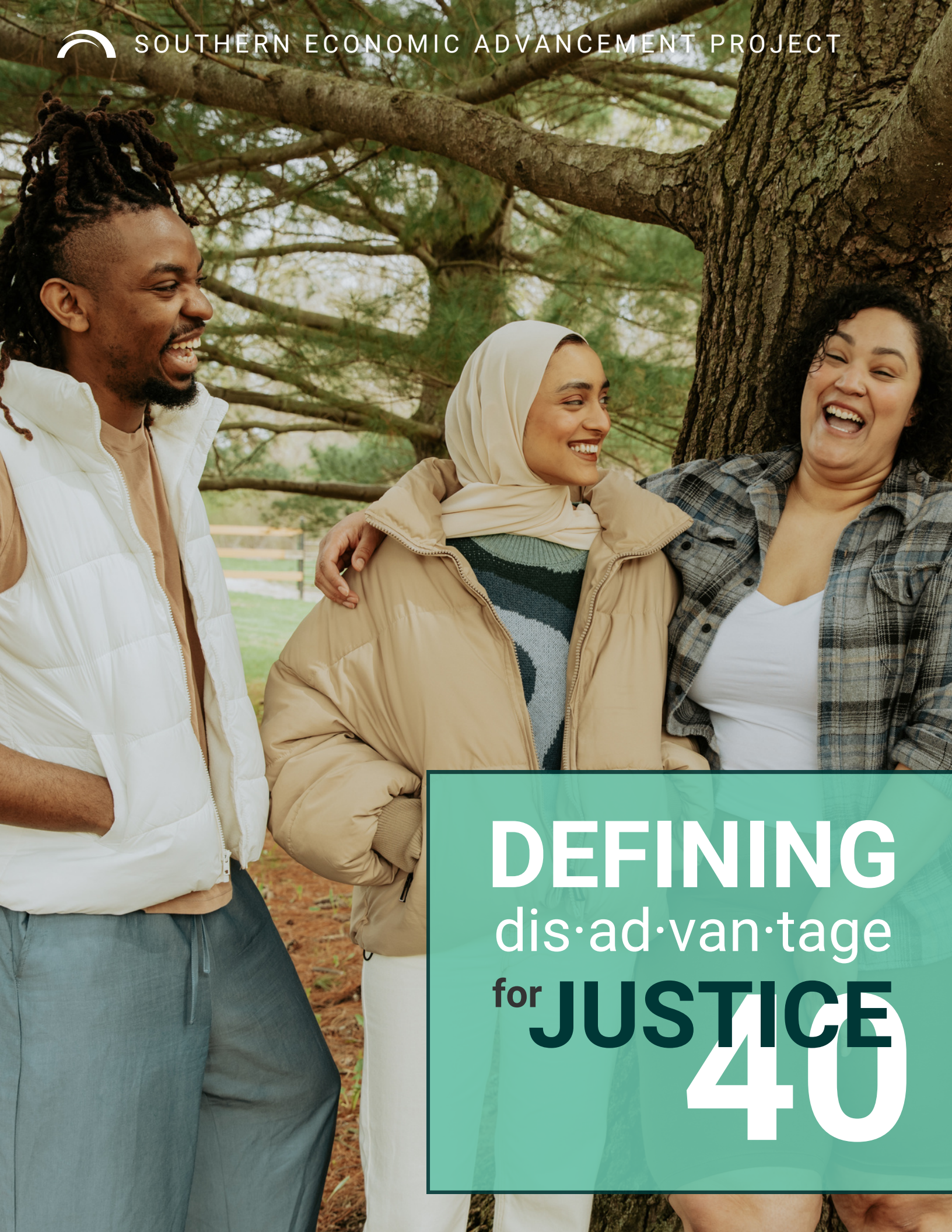




SOUTHERN ECONOMIC ADVANCEMENT PROJECT



**DEFINING**  
dis·ad·van·tage  
for **JUSTICE**  
**40**



# ABOUT SEAP

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SEAP is your partner and resource. We amplify the efforts of existing organizations and networks that work towards broadening economic power and building a more equitable future. Broadening economic power brings attention to how race, class and gender intersect social and economic policy in the South. We explore policy ideas designed to address these connections directly. SEAP focuses on 12 Southern states and marginalized/vulnerable populations within the region.

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# INTRODUCTION

The Inflation Reduction Act (IRA) and the Bipartisan Infrastructure Law (BIL) fund numerous programs specifically for communities facing disproportionate health, environmental, and economic burden.<sup>1</sup> These programs for disadvantaged communities are available across sectors, including clean energy and transit, climate change, affordable housing, environmental remediation, clean water, and workforce development.

To prepare applications for these programs, eligible non-profit organizations and local governments are encouraged to develop criteria for identifying disadvantaged or overburdened communities. As there is no standardized definition of a disadvantaged community, federal agencies are responsible for developing their own approach to identifying target communities and assessing program success. As many IRA and BIL funding opportunities are [Justice40](#)-covered programs, 40% of the overall benefits must flow to disadvantaged communities. This summary provides an overview of approaches to developing definitions that align with these programs' application requirements.

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*1. The programs referenced in this guide are the numerous grants, loans, and direct spending opportunities funded by the [IRA](#) and [BIL](#). Guidebooks provided by the Whitehouse providing a comprehensive list of programs are available for both the IRA and the BIL. See the Appendix for programs funded by the IRA that have specific opportunities for disadvantaged communities.*





# PREPARING TO APPLY

Programs funded through the IRA and BIL include several types of funding mechanisms, including grants, loans, direct grants to state and local governments, as well as technical assistance. To apply for these programs, applicants are encouraged and often required to identify the following:

- Beneficiary communities;
- The criteria used to determine if the community is disadvantaged;
- The benefits expected to result from program activities; and
- A plan for community engagement (*not required for all programs*).

Communities are generally defined as a group of individuals living in geographic proximity or a geographically dispersed group who may experience common conditions such as migrant workers or Native Americans.<sup>2</sup>

Applicants are encouraged to follow the definitions provided by the federal agency managing the program. As currently open programs are primarily offered through the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE), this summary focuses on the guidelines released by those agencies.

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2. [M-21-28](#) ([whitehouse.gov](https://www.whitehouse.gov))

# MAPPING TOOLS



Applications often require local governments and community-based non-profits to assess needs, collect information, and define the problem prior to the implementation of a program or plan. The primary mapping tools available to help identify and define disadvantaged communities are listed below in Table 1. These tools are available from the White House Council of Environmental Quality, the EPA, and the DOE. Additional state-level examples are in Table 2.

**Table 1. Federal Mapping Tools for Identifying Disadvantaged and Overburdened Communities**

TOOL	DESCRIPTION
<b>Environmental Protection Agency (EPA)</b> <a href="#">EJScreen</a>	<ul style="list-style-type: none"> <li>Provides data on 12 environmental indicators<sup>3</sup> in combination with two different demographic indices, (1) the Demographic Index based on the average of two socioeconomic indicators (low-income and people of color) and (2) the Supplemental Demographic Index based on the average of five socioeconomic indicators (low-income, unemployment, limited English, less than high school education, and low life expectancy).</li> <li>Demographic information is obtained from the U.S. Census Bureau's American Community Survey (ACS).</li> </ul>
<b>Council on Environmental Quality's (CEQ)</b> <a href="#">Climate &amp; Economic Justice Screening Tool (CJEST)</a>	<ul style="list-style-type: none"> <li>Identifies census tracts experiencing disproportionate pollution, poverty, and underinvestment.</li> <li>Indicators cover eight categories: climate change, energy, health, housing, legacy pollution, transportation, water and wastewater, and workforce development.</li> <li>Metrics on race are not included.</li> </ul>
<b>Department of Energy (DOE)</b> <a href="#">Energy Justice Dashboard</a>	<ul style="list-style-type: none"> <li>Metrics for 36 indicators were collected at the census tract level.</li> <li>Based on cumulative burden.</li> <li>A census tract must rank in or above the 80th percentile of the cumulative sum of the 36 burden indicators for its state and have at least 30% of households classified as low-income.<sup>4</sup></li> </ul>

3. Particulate Matter 2.5, Ozone, Diesel Particulate Matter, Air Toxics Cancer Risk, Air Toxics Respiratory Hazard Index, Traffic Proximity, Lead Paint, RMP Facility Proximity, Hazardous Waste Proximity, Superfund Proximity, Underground Storage Tanks, and Wastewater Discharge

4. For more information on DOE guidelines, see [General Guidance on Justice40 Implementation](#).

# MAPPING TOOLS CONT.



The EPA EJ Thriving Communities Grantmaking program additionally requires some funding to be made available through a streamlined process specifically for “severely capacity-constrained communities and [Community-Based Organizations] CBOs.” Applicants are responsible for identifying these communities or differentiating between communities below the census tract level and should include this information in the funding application. Entities selected as Grantmakers are responsible for determining criteria to identify these communities and CBOs.

**Table 2. State-Level Mapping Tools for Identifying Disadvantaged & Overburdened Communities**

TOOL	DESCRIPTION
<b>California's</b> <a href="#">CalEnviroScreen</a>	<ul style="list-style-type: none"><li>• Includes measures for exposure,<sup>5</sup> environmental effects,<sup>6</sup> sensitive populations,<sup>7</sup> and socioeconomic factors.<sup>8</sup></li><li>• Metrics on race are not included.</li><li>• Accounts for cumulative burdens.</li></ul>
<b>Maryland's</b> <a href="#">EJScreen</a>	<ul style="list-style-type: none"><li>• Environmental Justice (EJ) score is based on 22 indicators of the pollution burden of a community combined with demographic data.<sup>9</sup></li><li>• Accounts for cumulative burdens.</li></ul>

5. Particulate Matter 2.5, Ozone, Diesel Particulate Matter, Lead Paint, Drinking Water Contaminants, Pesticide Use, Toxics Releases from Facilities, and Traffic Impacts

6. Cleanup Sites, Groundwater Threats, Hazardous Generators and Facilities, Impaired Water Bodies, and Solid Waste Sites and Facilities

7. Asthma, Cardiovascular Disease, and Low Birth Weight Infants

8. Educational Attainment, Housing Burden, Linguistic Isolation, Poverty, and Unemployment

9. Includes indicators across four categories: exposure indicators, environmental effects, sensitive populations, and socioeconomic factors.

## check this out



The Southern Economic Advancement Project has created the [Federal Fund Outlet](#) to assist local and community leaders in obtaining information, resources and tools regarding federal grants and funding programs to promote an equitable recovery from the pandemic.

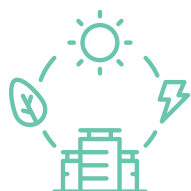
# TECHNICAL ASSISTANCE & PROGRAM GUIDANCE

To assist local governments and non-profit organizations in accessing IRA funding, funding for technical assistance is available from several sources. This assistance can help regions and organizations quickly identify high-need communities and target funding for program implementation.



## **EPA, EJ Thriving Communities Technical Assistance Centers (TCTAC)**

*Although not yet launched, the TCTAC centers will provide technical assistance, training, and related support to communities with environmental justice concerns.*



## **NREL, [Energy Improvements in Rural or Remote Areas Technical Assistance](#)**

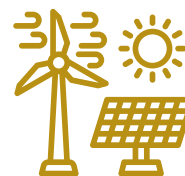
*As directed by the DOE Office of Clean Energy Demonstrations, NREL provides no-cost technical assistance to communities and organizations in rural or remote areas interested in energy improvements. Reach out directly to program managers to find out dates for future opportunities.*



## **EPA, [Technical Assistance Services for Communities \(TASC\) Program](#)**



## **DOT, [Reconnecting Communities Institute](#)**



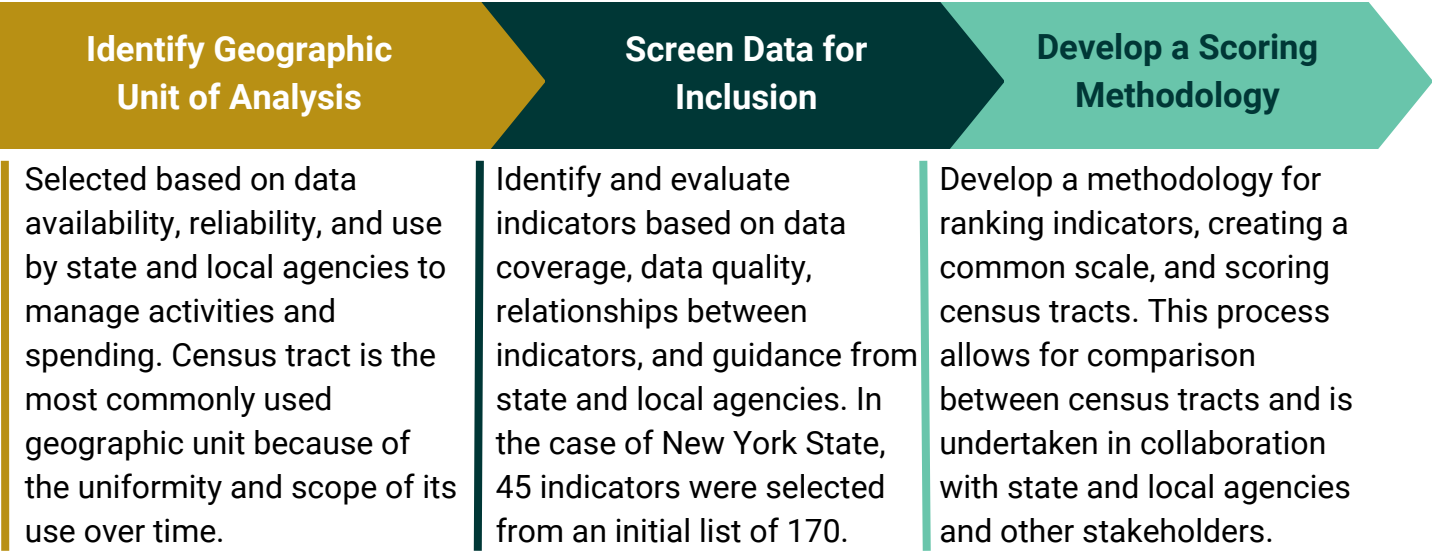
## **DOE, [Guidance for Creating a Community Benefits Plan for Energy Improvements in Rural or Remote Areas](#)**

# STAKEHOLDER ENGAGEMENT & DEFINING BENEFITS

Stakeholder consultation is required for Justice40-covered programs to ensure that community stakeholders are meaningfully involved in determining program benefits.<sup>10</sup> Covered programs must also report data on the benefits directed to disadvantaged communities. Grant recipients will need to identify metrics that demonstrate program activities are meeting the required 40% goal.

Advisory bodies, including community-based nonprofit organizations, can be established to provide oversight and guidance on defining disadvantaged communities, the engagement process, and program benefits. For example, the New York State Climate Law, one of the models for the Justice40 initiative, established the Climate Justice Working Group (CJWG) with representatives from State Agencies and Environmental Justice groups. Through an engagement process that included numerous public hearings and public comment periods, the CJWG selected 45 indicators to define disadvantaged communities, including frontline and underserved communities.<sup>11</sup> The disadvantaged communities identified using the criteria established in this engagement process should be the ones to accrue a minimum of 35%, with a goal of 40%, of the benefits of climate spending as required by the New York Climate Law.

**Figure 1. Process for Developing Criteria for Identifying Disadvantaged Communities, New York State**<sup>12</sup>



10. The White House, *Justice40*  
11. New York State, *New York State’s Disadvantaged Communities Criteria*  
12. New York State, *Technical Documentation on the Draft Disadvantaged Communities Criteria*

# STAKEHOLDER ENGAGEMENT & DEFINING BENEFITS CONT.

Another model for Justice40, the California Air Resources Board (CARB) Cap-and-Trade system, required a percentage of funds raised from the program to be invested in disadvantaged communities. To develop the mapping tool CalEnviroScreen (*Table 2*), an Environmental Justice Advisory Committee was brought together to represent impacted communities and external stakeholders.<sup>13</sup> In addition, the Cumulative Impacts and Precautionary Approaches Work Group was also convened to define and characterize the full spectrum of pollutants and other socio-economic factors that contribute to overall risk. The Office of Environmental Health Hazard Assessment worked with these advisory groups to engage communities using an adapted model of the [World Café](#) methodology.<sup>14</sup>

Certain DOE programs require applicants to outline the methods and metrics that will be used to evaluate program outcomes. The DOE recommends developing Specific, Measurable, Achievable, Relevant, and Time-Bound (SMART) goals (*Figure 2*).



Guidance for Justice40 released by the White House directs agencies to each establish a methodology for calculating benefits.<sup>15</sup> Agencies are required to consult with stakeholders during this process, and specific metrics will be released throughout the coming year. The DOE has released example metrics for calculating benefits that include goals such as decreasing energy burden and environmental exposure, increasing access to clean jobs and training, and providing access to low-cost capital.<sup>16</sup> Grant applicants can check agency progress in developing methodologies for assessing benefits and request guidance as specific opportunities are opened (see *Appendix for deadlines*).

13. California Air Resources Board, *Environmental Justice Advisory Committee*

14. *Final Designation of Disadvantaged Communities Pursuant to Senate Bill 535*, May 2022

15. The White House, *Interim Implementation Guidance*

16. Department of Energy, *General Guidance for Justice40 Implementation*

# APPENDIX

GRANT PROGRAMS	AGENCY	ELIGIBILITY	DEADLINES
PROGRAMS OPEN TO NON-PROFITS			
<a href="#">Greenhouse Gas Reduction Fund, General Assistance &amp; Low-Income &amp; Disadvantaged Communities Grant Program</a>	EPA	Nonprofits <a href="#">Greenhouse Gas Reduction Fund Community Fact Sheet (pdf)</a>	EPA anticipates opening competitions for funding in early summer 2023.
<a href="#">Greenhouse Gas Reduction Fund, Zero Emission Technologies Grant Program</a>	EPA	States, tribes, municipalities, and eligible nonprofits	EPA anticipates opening competitions for funding in early summer 2023.
<a href="#">Environmental Justice Thriving Communities Grantmaking (EJ TCGM) Program</a>	EPA	Open to community-based nonprofit organizations. Partnerships allowed with Tribal governments and institutions of higher education.	May 31, 2023
<a href="#">The Environmental Justice Government-to-Government (EJG2G) Program</a>	EPA	State, Tribal, and local governments in partnership with a community-based nonprofit organization	Check the website for updates
<a href="#">The Environmental Justice Collaborative Problem-Solving (EJCPS) Cooperative Agreement Program</a>	EPA	Community-based nonprofit organization	Check the website for updates
<a href="#">Diesel Emissions Reduction Act</a>	EPA	Regional, state, local or tribal agencies/consortia or port authorities with jurisdiction over transportation or air quality; Nonprofit organizations or institutions	EPA anticipates this will open early 2023
<a href="#">EPA Cleaner Air Programs</a>	EPA	Varies	TBD
<b>Neighborhood Access and Equity Grants</b>	FHWA	Non-profit organizations, academic institutions, states, and municipalities	TBD
<a href="#">Energizing Rural Communities Prize</a>	DOE	Energy project developers; nonfederal governments; utilities; community-based organizations with expertise in clean energy deployment, infrastructure, or resilience; or other organizations or individuals	May 24, 2023
<b>Energy Improvements in Rural or Remote Areas (ERA)</b>	DOE	Industry Partners and other For-profit Entities; Utilities; Institutions of Higher Education; State and Local Governments; Community-Based Organizations and other Non-profit Entities; Tribal; Environmental Groups; and Cities, Towns, or Unincorporated Areas with populations of fewer than 10,000 inhabitants	Full applications are due by June 28, 2023.

# APPENDIX

GRANT PROGRAMS	AGENCY	ELIGIBILITY	DEADLINES
PROGRAMS OPEN ONLY TO STATE AND LOCAL GOVERNMENTS			
<a href="#">Energy Efficiency and Conservation Block Grant Program</a>	DOE	States, tribes, municipalities	Pre-Application Information Checklist Due April 28th, 2023.
<a href="#">Clean Ports Program</a>	EPA	Port authority; State, regional, local, or Tribal agency that has jurisdiction over a port authority or port; Air pollution control agency	TBD
<a href="#">Clean Heavy-Duty Vehicles</a>	EPA	State; Municipality; Indian Tribes; Nonprofit school transportation associations	TBD
<a href="#">Clean Air Act Grants</a> <a href="#">IRA Clean Air Act Grant Program Guidance (pdf)</a>	EPA	State, local, Tribal, and territorial air pollution control agencies.	Check the website for updates
<a href="#">Climate Pollution Reduction Grants</a>	EPA	States, local governments, tribes, and territories	MSA NOI due April 28, 2023; Tribes and Territories application due June 15, 2023
PROGRAMS OPEN ONLY TO FOR-PROFIT ENTITIES			
Natural Resources Conservation Services (NRCS) Programs	USDA	Agricultural producers	Varies
Expansion of EV Charging in Underserved Communities	Joint Office of Energy & Transportation	For-profit entities	TBD
Green and Resilient Retrofit Program	HUD	Owners of multifamily-assisted properties	Program guidelines expected in late 2023.

# APPENDIX

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GRANT PROGRAMS	AGENCY	ELIGIBILITY	DEADLINES
TAX INCENTIVES			
<a href="#">Low-Income Communities Bonus Credit</a>	IRS	Owners of solar and wind facilities that could offer connection to low-income communities	
<a href="#">Qualifying Advanced Energy Project Credit</a>	IRS	Qualifying advanced energy project sponsors	
<a href="#">Home Energy Rebate Programs</a>	IRS, DOE	Individuals	DOE anticipates funds will be available in late 2023.
<a href="#">Used Clean Vehicle Tax Credit</a>	IRD, DOE	Individuals	
<a href="#">45L Tax Credits for Zero Energy Ready Homes</a>	IRS, DOE	Individuals	
<b>Low-Income Communities Bonus Credit Program</b>	IRS	Investment tax credit for solar and wind energy projects in low-income communities	Will open in 2023 in two phases.
<b>Extension of the Advanced Energy Project Credit</b>	IRS	Investment tax credit for clean energy property manufacturing and recycling, industrial decarbonization, and critical materials processing, refining, and recycling. At least \$4 billion is reserved for projects in communities with closed coal mines or retired coal-fired power plants.	Application process will begin on May 31, 2023.

## ADDITIONAL RESOURCES

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The White House

[Advancing Equity and Racial Justice Through the Federal Government](#)  
[Environmental Justice](#)

Harvard Law School, Environmental & Energy Law Program

[Federal Environmental Justice Tracker](#)  
[EJ Provisions of the IRA](#)



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