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Slashing Clean Energy Credits Could Cripple American Manufacturing and Energy Jobs—Especially in Red States



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New data released today from the <u>Clean Investment Monitor</u> (CIM) shows that planned clean energy investments are projected to support **hundreds of thousands of jobs, ranging from building new facilities to day-to-day operations and beyond.** But those jobs may never come to be if Republicans succeed in cutting clean energy tax incentives through reconciliation, putting clean energy investments across the US at risk of cancellation.

CIM, a collaborative project between Rhodium and MIT's Center for Energy and Environmental Policy Research, tracks investments in clean energy and monitors new projects from their initial public announcement through completion. Their latest release provides a first-of-its-kind look into the types

of jobs at stake if these investments do not proceed as planned, showing a breakdown of manufacturing jobs and jobs related to clean energy deployment on a state-by-state basis and with Congressional District granularity.

The data demonstrates just how much is at stake in the GOP tax bill—for clean energy and for the American economy. By sunsetting key tax credits, eliminating the ability for developers to sell their tax credits to other firms through transferability, and creating unworkable restrictions on the use of tax credits, President Trump's new tax package puts all of this outstanding investment in jeopardy.

As we noted in a previous <u>memo</u>, over \$600 billion has already been invested in clean energy since the Inflation Reduction Act (IRA) passed, but more than \$500 billion in clean energy investments have still yet to break ground. The vast majority of that investment (77 percent) is planned for GOP-held districts, while the remainder is for Democratic-held districts. Similarly, CIM's new data shows that 83 percent of all outstanding jobs related to clean energy manufacturing and 60 percent of all outstanding jobs related to clean energy deployment are in Republican-leaning states.

These aren't just speculative jobs. Battery plants, solar supply chains, and EV component producers are already putting Americans to work building innovative new technologies and helping the United States build a competitive edge in these emerging industries. Tax incentives help existing projects secure continued investment and stay in business. Without them, both established and early-stage projects are vulnerable.

President Trump has said he wants to catapult the United States into a new manufacturing renaissance. But as currently drafted, his signature legislation is slated to become one of the largest job-killing packages for U.S. manufacturing in a generation. CIM's data, included below, shows that eliminating clean energy incentives has consequences: fewer jobs, less investment, and a retreat from global competitiveness in key industries.

Top 10 States with Outstanding Jobs Tied to Clean Energy Manufacturing as of Q1 2025

		Outstanding Jobs at Risk for Facilities That Have Not Broken Ground		
State	State Lean	Operations	Construction	Total
GA	Republican	22,617	10,420	33,037
MI	Republican	14,072	15,060	29,132
SC	Republican	13,680	13,859	27,539
KY	Republican	11,473	9,156	20,629
NV	Republican	6,797	12,530	19,327
TN	Republican	9,439	9,242	18,681
ОН	Republican	9,010	8,736	17,746
NC	Republican	9,077	8,209	17,286
TX	Republican	6,916	9,196	16,112
IN	Republican	6,626	8,054	14,680

Note: According to CIM, Manufacturing jobs result from investments in new manufacturing capacity to produce emission reducing technology.

State lean refers to electoral results based on the 2024 Presidential Election.

Source: Clean Investment Monitor, Q1 2025 Update. Microsoft Excel Worksheet, Rhodium Group and MIT CEEPR, June 23, 2025. https://www.cleaninvestmentmonitor.org/reports/q1-2025-update.



Top 10 States with Outstanding Energy and Industry Jobs as of Q1 2025

		Outstanding Jobs at Risk for Facilities That Have Not Broken Ground		
State	State Lean	Operations	Construction	Total
TX	Republican	8,468	107,302	115,770
CA	Democratic	2,391	26,338	28,729
LA	Republican	3,823	18,929	22,752
AZ	Republican	805	15,235	16,040
OR	Democratic	757	11,594	12,351
NY	Democratic	945	11,134	12,079
IL	Democratic	1,081	9,374	10,455
IN	Republican	911	9,367	10,278
VA	Democratic	710	9,548	10,258
NV	Republican	480	7,505	7,985

Note: According to CIM, Energy and Industry jobs focus on the deployment of technologies that reduce GHG emissions in the bulk production of energy or industrial goods or capture ambient carbon dioxide.

State lean refers to electoral results based on the 2024 Presidential Election.

Source: Clean Investment Monitor, Q1 2025 Update. Microsoft Excel Worksheet, Rhodium Group and MIT CEEPR, June 23, 2025. https://www.cleaninvestmentmonitor.org/reports/q1-2025-update.



Conclusion

The Inflation Reduction Act has spurred unprecedented levels of investment in clean energy, creating hundreds of thousands of jobs across the country. The United States is now on track to be a global leader in clean energy innovation, so if Republicans in Congress succeed in rolling back these tax incentives, it's American workers and thousands of small businesses that stand to lose.