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Independent Women's Statement on "Mandates, Meddling, and Mismanagement: The IRA's Threat to Energy and Medicine" Hearing

Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs
Chairman Burlison
Ranking Member Frost

Subcommittee on Health Care and Financial Services
Chairman Grothman
Ranking Member Krishnamoorthi

May 20, 2025

Dear Chairmen Burlison and Grothman, and Ranking Members Frost and Krishnamoorthi,

Please accept this statement for the record on behalf of Independent Women. There is important information that will enhance the Joint House Oversight Subcommittee EER and HCFS Hearing on "**Mandates, Meddling, and Mismanagement: The IRA's Threat to Energy and Medicine**."

Continued funding of the Inflation Reduction Act (IRA) green subsidies will have serious economic and environmental implications.

Maintaining IRA green subsidies is an expensive endeavor, as many of the tax credits are uncapped and will be funded by the government in perpetuity. If left intact, adjusted costs of IRA green subsidies would approach **$1.97 trillion** between 2025 and 2034. Should Congress fail to repeal the IRA's green provisions, their costs could **balloon** to between $2.04 trillion and $4.67 trillion by 2050.

Historically, subsidizing mature industries like electric vehicles, solar, and wind doesn't lead to widespread adoption of clean energy technologies. Despite being subsidized for decades, both wind and solar only account for **10.2%** and **3.9%** of U.S. electricity generation in the U.S. today. Despite tax credits and government mandates, Electric vehicles (EVs) only account for **1.4%** of vehicles driven on the road as of 2024.

Green subsidies have a poor return on investment in delivering job creation. The IRA was originally **projected** to create 9 million clean energy jobs by 2032. The Political Economy Research Institute at the University of Massachusetts - Amherst **claimed** 6 million jobs would result from IRA grants, loans, and tax credits, while 3 million would be guaranteed by Department of Energy (DOE) loans.

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As of May 2025, only **400,000** new green jobs have been created, well below the one million jobs-per-year projection. There's also a discrepancy in how green jobs are measured, with the IRA measuring employment in **job-years**—or "one job for one year"—and not total jobs created, making this number even less impressive.

The IRA is also unlikely to reduce carbon emissions. Supporters argued that the IRA would result in a 40% decrease in greenhouse gas (GHG) emissions by 2030 compared to **2005** levels, when our nation hit peak emissions. A **January 2023 Congressional Research Service report** determined the IRA's green provisions would reduce emissions between 30% and 43% by 2030 compared to 2005 levels. However, without subsidies, the same report found the U.S. was already on track to reduce emissions by between **24% and 35%** by 2030 compared to 2005. The Cato Institute similarly **found** that spending over $1 trillion in green subsidies would have a negligible effect on emissions reductions, with emissions decreasing 0.7% annually with IRA subsidies through 2050, compared to a 0.4% annual reduction in emissions without them.

For all these reasons, we urge Congress to work towards cutting IRA green subsidies in the budget reconciliation process to help unleash energy dominance and end this waste of taxpayer resources. Independent Women appreciates the leadership shown by Chairmen Burlison and Grothman.

Respectfully,

Gabriella Hoffman

Gabriella Hoffman
Director, Center for Energy and Conservation
Independent Women's Voice

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