

June xxx, 2025

Honorable Mike Crapo Chairman Senate Committee on Finance 219 Dirksen Senate Office Building Washington, DC 20510	Honorable Ron Wyden Ranking Member Senate Committee on Finance 219 Dirksen Senate Office Building Washington, D.C. 20510
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RE: Support for Tribal Energy Self-Determination and Critical Role of Federal Funding and Tax Credits

As the Senate takes up the “Big Beautiful Bill”, HR 1, the undersigned federally recognized Indian tribes, inter-tribal organizations, Native community development financial institutions (CDFIs), and non-profit organizations respectfully submit this letter seeking your continuing support for tribal energy sovereignty and self-sufficiency, energy resilience deployment, workforce development and job creation, and economic development opportunities. We join the multitude of entities – including national energy industry associations, rural electric cooperatives, public power companies – and fellow Senators in supporting the retention of the renewable and clean electricity investment tax credits and elective pay as established in amendments to the tax code under the Inflation Reduction Act (IRA).

Indian tribes possess vast energy resources that, if responsibly developed, can contribute to the United States’ energy security, generate substantial benefits for local economies, improve energy reliance and reduce energy costs for tribal and local communities. Further, reliable and affordable energy infrastructure for Indian Country is critical to assure that people living in Indian Country are able to cost effectively access health care, education, and economic development, which saves money for the federal treasury in the long run.

Infrastructure investments in Indian Country have long lagged behind other infrastructure investments, in part because states were often the recipients of infrastructure funding, and tax credits, prior to the Inflation Reduction Act, were only available to taxable entities. But with the IRA, for the first time Indian tribes, tribal housing authorities, tribal utilities, and tribal enterprises are eligible to receive direct payments for tax credits for various energy projects, including solar, wind, geothermal, hydrogen, biomass, battery storage, and microgrids. These tax credits, which under current law can equal between 30% and 70% of the cost of these projects, are now a substantial part of the capital necessary to finance these projects – and importantly reduce the cost barriers to making these types of projects financeable and affordable. This level of financial support reinforces the President’s energy goals of making energy affordable and reliable, and contributing to overall energy and economic security.

Tribes have come to rely on eligibility for tax credits under the IRA – and to obtain payments from Treasury – in their financial planning and funding for various energy projects in their communities. For example, almost 100 tribes applied for bonus credit allocations for projects located on Indian lands in 2024. This reliance underpins substantial investment by tribes, investors, and lenders in energy generation projects located in Indian Country. Loss of these tax credits could have a massive detrimental financial impact on these projects and the Native communities that stand to directly benefit from them, whether such benefits are jobs, revenues, or other economic opportunities.

As you take up the consideration of the House bill, we ask that you continue the bipartisan practice of supporting Indian tribes and tribal communities and, in particular, support for tribal energy development goals. Specifically, we ask that the Senate amend the House bill to include the following provisions:

- Re-insert a reasonable phase-out period for the clean electricity investment tax credit, starting in 2030 and ending in 2033;
- Remove the requirement to begin construction within 60 days of enactment;
- Re-define “material assistance” from a foreign entity of concern to coincide with the domestic content requirements so that if a clean energy project meets domestic content requirements it has a safe harbor from the material assistance prohibition;
- Insert a reasonable phase-out period for residential energy, storage, efficiency and electrification tax credits;
- Do not rescind unobligated balances from the DOE Office of Indian Energy or Tribal Energy Loan Guarantee program. Congress just appropriated these funds in March and it is patently unfair to rescind them now;
- Clarify that despite the repeal and rescission of funding of IRA programs – such as the Greenhouse Gas Reduction fund, the Climate Pollution Reduction Grant and the Environmental and Climate Justice Block Grant – the rescissions should be stayed pending the outcome of litigation related to those programs.

Thank you for your consideration of these positions.

Sincerely,

Mescalero Apache Tribe (New Mexico)

Moapa Band of Paiute Indians (Nevada)

Washoe Tribe (California, Nevada)

Lower Sioux Indian Community (Minnesota)

Match-E-Be-Nash-She-Wish Band of Pottawatomi (Gun Lake) (Michigan)

Shoshone-Bannock Tribe (Idaho)

Blue Lake Rancheria (California)

Rincon Band of Luiseno Indians (California)

Leech Lake Band of Ojibwe (Minnesota)

Port Gamble S’Klallam Tribe (Washington)

Kalispell Tribe of Indians (Washington)

Squaxin Tribe (Washington)

Midwest Tribal Energy Resources Association

Alliance for Tribal Clean Energy

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Native CDFI Network

cc: Senate Committee on Indian Affairs