## Congress of the United States

House of Representatives Washington, DC 20515-0506

March 19, 2025

The Honorable Lee M. Zeldin Administrator Environmental Protection Agency 1200 Pennsylvania Avenue NW Washington, DC 20460

Dear Administrator Zeldin:

We write to you in response to the Trump Administration's persistent and shocking attempts to undermine the Greenhouse Gas Reduction Fund (GGRF). For weeks, Citibank has withheld congressionally authorized GGRF funding at your direction without any justification, and now, despite failing to produce any evidence of wrongdoing, the Trump Administration has requested that GGRF awardees turn over records to the FBI and appear in federal court. And last week, you further escalated EPA's inappropriate attack on the program by announcing the termination of existing GGRF contracts without any evidence that the grantees were in breach of the terms of their agreements. Last night, a federal judge responded and blocked the EPA's attempt to claw back billions in legally obligated dollars, slamming EPA for providing "no legal justification for the termination," and for failing to follow due process. We are stunned by this unprecedented campaign of intimidation, and we call on the Environmental Protection Agency (EPA) to direct Citibank to immediately release these legally obligated funds.

The GGRF is a catalytic financing program designed to unlock a historic wave of public and private investments for projects across America. These projects boost local economic development, help communities deploy cost-saving technologies, and improve the quality of life for everyday Americans – particularly those in low-income and underserved communities. This program injects billions of dollars into economic growth for communities that stand to benefit the most, all while enhancing U.S. energy independence and bolstering American-made manufacturing.

Blocking the payment of GGRF funds is an attempt to rob the American people of those billions of dollars in essential investments. Those investments are contractually obligated to go towards projects that include:

- Building the largest commercial solar project in Arkansas, which will cut energy costs by \$120 million and create over 1,500 jobs over the next 25 years;
- Constructing affordable multifamily housing projects in Oregon and New York that ensure Americans have attainable, healthy, and resilient homes to live in; and
- Supporting American small trucking businesses that want to reduce their operational costs while improving air quality in port communities.

These are just some of the many examples of how GGRF-funded projects will create jobs, lower costs, and improve health outcomes.

The Administration's directions to Citibank and announcement of the termination of contracts undermine a highly-effective and efficient program that was carefully designed to ensure that funds are delivered specifically to the communities that need them most. EPA designed GGRF to utilize highly experienced lenders who understand their local communities and have a proven track record of making high-impact investments that lower the cost of living for hard-working Americans. EPA selected awardees under the National Clean Investment Fund (NCIF) and Clean Communities Investment Accelerator (CCIA) to deploy low-cost, high-impact capital in communities throughout the country. Citibank was then chosen as the financial agent to hold and disburse these funds because of its reputation as a responsible steward of public and private funds. EPA and the Department of the Treasury opted for this financial structure because it would allow NCIF and CCIA awardees to leverage private capital for their investments – a statutory requirement for GGRF awardees and the projects they fund. Thanks to that requirement and the agreement with Citibank, every public dollar invested through GGRF is expected to catalyze seven dollars of private investment.

Since you were sworn in as Administrator, GGRF awardees have experienced what could only be described as a witch hunt by the White House and your agency to claw back the congressionally mandated \$20 billion dedicated to low-income and underserved communities. After you launched baseless claims to justify attempts to rescind this program's funding, NCIF and CCIA funding has now been frozen since mid-February, with recipients unable to access their contractually obligated allocations from Citibank. Despite the magnitude of this freeze, the EPA and Citibank offered no explanation to awardees for weeks for why their funds remained frozen.

This situation escalated further on March 2nd when EPA Acting Deputy Administrator W.C. McIntosh sent a letter to EPA's Office of Inspector General that contained several false and misleading statements about information contained on EPA's own website – including purported evidence not associated with GGRF at all. Five days later, the Trump Administration requested the awardees turn over records to the FBI and appear in federal court later this month. A top federal prosecutor in Washington already resigned because they refused to launch a criminal investigation without sufficient evidence. And then on March 11th, you announced the termination of the GGRF grants, claiming "well documented incidents of misconduct, conflicts of interest, and potential fraud" without actually producing any documentation, evidence, or proof that wrongdoing has occurred. The courts responded last night by blocking the EPA's unlawful attempt to reclaim the GGRF money, reiterating that the EPA "gave no legal justification for the termination" of the GGRF contracts.

We find it extremely troubling that GGRF funds continue to be the target of a political witch hunt without any justification or evidence of wrongdoing. The EPA's actions have unnecessarily spurred great economic uncertainty, and now, the eight nonprofit recipients of NCIF and CCIA funding are at risk of going bankrupt and some have already begun to furlough their workers. In the absence of a clear explanation to awardees for why these funds continue to be frozen, we urge EPA to direct Citibank to release these funds without further delay so that these federal dollars, as intended by law, can help

American families and businesses begin to lower their energy bills, spur local economic development, and work towards healthier, safer communities across the country.

Sincerely,

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