

Pennsylvania: How Federal Clean Energy Policy Rollbacks Can Hurt the Economy and Health

Over the next decade, U.S. federal clean energy policies, including the Inflation Reduction Act (IRA), Bipartisan Infrastructure Law (BIL), and EPA regulations on power plants, were expected to deliver major economic, health, and climate benefits. However, since January 2025, the U.S. federal government has taken a wide range of steps to roll back these policies. In support of these actions, Congress is in the midst of developing and passing a budget reconciliation bill that includes a near-total repeal of the Inflation Reduction Act. Concurrently, on Wednesday, June 11, 2025, the EPA announced plans to weaken a Biden-era regulation that required power plants to slash pollutants, including toxic substances.

The Center for Global Sustainability (CGS) at the University of Maryland released a new analysis demonstrating how repealing key federal environmental and clean energy policies would negatively impact the economy and public health.

States such as Pennsylvania are particularly vulnerable to rollbacks. Long after coal mines have been closed and abandoned, many coal communities in Appalachia continue to face health impacts from polluted waters. Drainage from abandoned mines is 10,000 times more acidic than clean water and is the second highest cause of water pollution in Pennsylvania, which can cause serious health risks in surrounding communities that use the water. Recent efforts from state and federal partners have focused on restoring these areas. The health and economic benefits of this progress, however, are threatened by the rollback of U.S. federal clean energy policies that further incentivize and enable restoration in the state.

The Cost of Rollbacks in Pennsylvania

Federal clean energy policy rollbacks **cost Pennsylvania \$3.28 billion in GDP and \$453 million in household income in 2035** compared to under current policies. Cumulatively over the next decade, this adds up to **\$15.7 billion in GDP losses and \$2.34 billion in income losses**.

Pennsylvania also sees a **10% increase in premature deaths** attributed to PM2.5 under federal rollbacks in 2035, compared to under current policies. This translates into nearly **300 additional deaths per year in the state by 2035**.

Clean Energy Projects Deliver Key Benefits in Pennsylvania

Indiana County, Pennsylvania, received \$6.3 million in federal funds from the IRA and BIL to accelerate efforts to remediate abandoned mine drainage and clean up its waterways.¹ Recognizing that these abandoned mines are not just a public health risk, but also a loss in economic opportunity, the IRA also includes an energy community bonus tax credit that incentivizes clean energy project developers to invest in communities reliant on the coal extraction industry. With far-ranging policies to address the unique needs of regions across the country, the IRA is helping local workers, families, and communities with cleaner, safer water, clean energy job opportunities, and investments supporting local economies, as demonstrated by these projects in Appalachia.

In addition to state impacts, the report found that federal climate policy rollbacks would result in:

- **A cumulative \$1.1 trillion loss in U.S. GDP by 2035**
- **A cumulative \$160 billion drop in disposable income by 2035**
- **An additional cumulative 22,800 deaths of Americans by 2035**
- **A nearly 10% higher annual PM2.5 concentration in 2035**
- **A \$206 average annual increase in household energy costs in 2035**

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Download the report to learn more at go.umd.edu/ImpactsofFedClimateRollbacks