



TOPLINE: The One Big Beautiful Bill (OB3) rescinded about \$20 billion in taxpayer dollars that would otherwise have been used to fund wasteful climate programs.

BACKGROUND: The 2022 Inflation Reduction Act authorized about [\\$120 billion](#) in grants and loans for energy and climate programs for certain businesses, state and local governments, and other entities, at the expense of American taxpayers. These subsidies significantly expanded the federal government's involvement in directing capital toward green energy, greenhouse gas emissions-reduction efforts, and other climate-related projects.

What OB3 Did:

- Rescinded about [\\$14.5 billion](#) in taxpayer-funded environmental and climate spending, including green energy loans and loan guarantees, so-called environmental and climate justice block grants, and methane reduction incentives.
- Rescinded over [\\$1 billion](#) in funding for “green” upgrades to government buildings and certain housing, and for measuring and labeling the greenhouse gas emissions of construction materials and products.
- Rescinded nearly [\\$5 billion](#) in funding for transportation programs that direct taxpayer dollars toward zero-emission medium- and heavy-duty vehicles, low-carbon transportation materials, sustainable aviation fuel, and other politically favored initiatives.

Why It Matters?

- Government favoritism weakens market competition and innovation and spreads costs across American taxpayers while concentrating gains for a few.
- These rescissions scaled back government transfers of taxpayer dollars to politically favored interest groups through climate and environmental programs.
- Rescinding wasteful spending sets an important precedent. All too often, lawmakers treat government spending programs as irrevocable.

Where Can I Find the Changes? OB3 Section [10201](#), [30002](#), [40008](#), [40010](#), [50304](#), [50402](#), [60001-60024](#).

BOTTOMLINE: The national debt is over [\\$39 trillion](#). While the scale of OB3's rescissions is modest in comparison, getting the nation's fiscal house in order must start with the low-hanging fruit—like eliminating frivolous spending that wastes taxpayer dollars and undermines free-market competition.

