





Patterns in Energy and Environment Program Spending: Arizona

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Communities across the country benefited from \$230 billion in federal investments in clean energy and environmental protections in 2024, including economically distressed and rural counties, Tribes and small businesses, and red and blue Congressional districts.

Federal funding supports critical infrastructure and environmental protections, including for energy, clean drinking water, rail, food security and farming, and affordable housing in communities across the nation—collectively referred to "energy and environment protection" investment or spending in this analysis. That federal funding is delivered through grants and loans to local governments, states, Tribes, and small business. This research looks at spending patterns from 2010-2024, showing how federal spending is critical to local and state economies, and how the distribution of those funds matters.

White House Executive Orders 14008 (2021)¹ and 14096 (2023)² framed the Justice 40 Initiative, which "made it a goal that 40 percent of the overall benefits of certain Federal climate, clean energy, affordable and sustainable housing, and other investments flow to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution." We analyzed Federal Aid (loans and grants) spending for 468 of 518 Justice 40 programs from 2010 to 2024 using the US Department of Treasury's <u>USA Spending database</u>³. Our analysis looked at funds going to Tribes, rural counties⁴, "disadvantaged" areas identified by the Council on Environmental Quality's Climate and Economic Justice

¹ Executive Order 14008. January 27, 2021. Tackling the Climate Crisis at Home and Abroad. Accessed at https://www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad.

² Executive Order 14096. April 21, 2023. Revitalizing Our Nation's Commitment to Environmental Justice for All. Accessed at

https://www.federalregister.gov/documents/2023/04/26/2023-08955/revitalizing-our-nations-commitment-to-environmental-justice-for-all.

³ USA Spending. 2024. Accessed at https://www.usaspending.gov/.

⁴ Health Resources and Services Administration, Office of Rural Health Policy. 2024. List of Rural Counties And Designated Eligible Census Tracts in Metropolitan Counties. Accessed at https://www.hrsa.gov/sites/default/files/hrsa/rural-health/resources/forhp-eligible-areas.pdf.

Screening Tool (CJEST)⁵, counties with lower incomes and/or high unemployment⁶, and highly vulnerable communities⁷.

From 2010 to 2024, \$35.97 billion was invested in Arizona via federal energy and environment programs. Annual amounts increased from \$3.05 billion in 2010 to \$3.22 billion in 2024.

Of the total \$35.97 billion distributed between 2010 to 2024, \$2.92 billion (or 8.1%) was granted to Tribes (see Table 1). This amount grew from \$81.67 million in 2010 to \$584.94 million in 2024. In the same period, \$5.46 billion (or 15.2%) was granted to rural counties in Arizona.

Table 1. Proportions of Total Energy and Environment Spending (2010-2024) to Tribes, Rural Counties, Distressed Counties, and Highly Vulnerable Counties in Arizona.

Measure of "Disadvantage"	% to Disadvantaged Counties				
Year	2013	2017	2022	2024	Average % (2010-2024)
CJEST Distressed Counties	20.9%	38.9%	35.7%	47.4%	37.1%
Tribes	3.3%	10.9%	9.6%	18.1%%	8.1%
Rural Counties	14.5%	17.2%	15.9%	18.4%	15.2%
Economically Distressed Counties	17.0%	29.2%	27.1%	27.3%	23.0%
SVI Highly Vulnerable Counties	25.0%	49.0%	43.8%	45.5%	38.8%

⁵ Climate and Economic Justice Screening Tool. 2024. Public Environmental Data Partners. Accessed at https://screening-tools.com/.

⁶ Congressional Research Service. 2023. Areas of Economic Distress for EDA Activities and Programs. Accessed at https://sgp.fas.org/crs/misc/IF12074.pdf

⁷ Centers for Disease Control. 2024. SVI Frequently Asked Questions (FAQs). Place and Health - Geospatial Research, Analysis, and Services Program (GRASP). Accessed at https://www.atsdr.cdc.gov/place-health/php/svi/svi-frequently-asked-questions-faqs.html

The greatest share of energy and environment investments (\$18.13 billion, or 50.4%) came through the federal Department of Transportation, especially the Highway Planning and Construction and Transit-Oriented Development Planning (TOD) programs that fund planning, public works, transportation, construction/renewal/rehabilitation projects and fixed guideway investments such as new and expanded rail and bus rapid transit. The Highway Planning and Construction Program is a broad umbrella that includes the National Electric Vehicle Infrastructure Formula Program (NEVI), improvements to bicycle and pedestrian infrastructure, railroad safety, and highway widening projects. Some of these are climate-friendly projects, others are not, but the program is important to rural areas for transportation and transit access.

The Department of Housing and Urban Development (8.45 billion, or 23.5%) and the National Science Foundation (\$1.69 billion, or 4.7%) also invested significant amounts. Different programs were more important for particular recipient types based on amounts invested (see Table 2).

Table 2. Programs with the Most Energy and Environment Spending (2024) to Tribes and Business.

Recipient Type	Programs with the most spending to the recipient type
Tribes	Indian Housing Block Grants (Department of Housing and Urban Development) - \$232.60 million Highway Planning and Construction (Department of Transportation) - \$188.20 million Greenhouse Gas Reduction Fund: Zero Emission Technologies Grant Program (Environmental Protection Agency) - \$25.12 million Forestry on Indian Lands (Department of the Interior) - \$18.65 million Tribal Electrification Program (Department of the Interior) - \$14.56 million
Business	Project-Based Rental Assistance (Department of Housing and Urban Development) - \$77.04 million Clean School Bus Program (Environmental Protection Agency) - \$48.45 million Rural Rental Assistance Payments (Department of Agriculture) - \$17.35 million Supportive Housing for the Elderly (Department of Housing and Urban Development) - \$11.50 million Environmental Quality Incentives Program (Department of Agriculture) - \$10.66 million

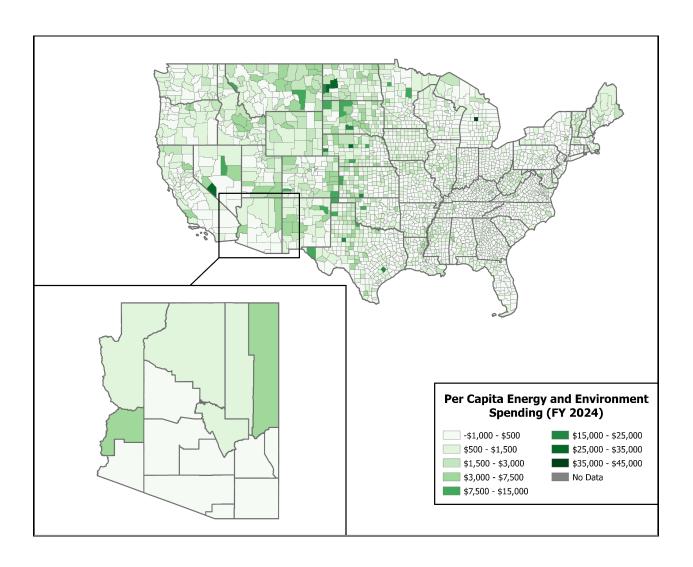
Funding to Counties

Statewide, Arizona's per capita investment over the 2010-2024 period declined from \$426.86 per capita in 2010, down to \$334.13 per capita in 2020, and back up to \$450.91 per capita in 2024. The per capita spending rank in 2024 was 46 out 50 states.

Table 3. Counties with the most and least per capita federal investment in energy and environmental protections in 2024

Most Per Capita Spending	Spending (FY 24)	Least Per Capita Spending*	Spending (FY 24)
Apache County, AZ	\$4,376.75	Graham County, AZ	\$196.09
La Paz County, AZ	\$4,323.48	Pinal County, AZ	\$217.05
Navajo County, AZ	\$1,383.70	Greenlee County, AZ	\$227.83
Gila County, AZ	\$1,114.07	Maricopa County, AZ	\$257.30
Mohave County, AZ	\$723.16	Yuma County, AZ	\$264.30

Figure 1. Per capita federal investment in energy and environmental protections by county in 2024



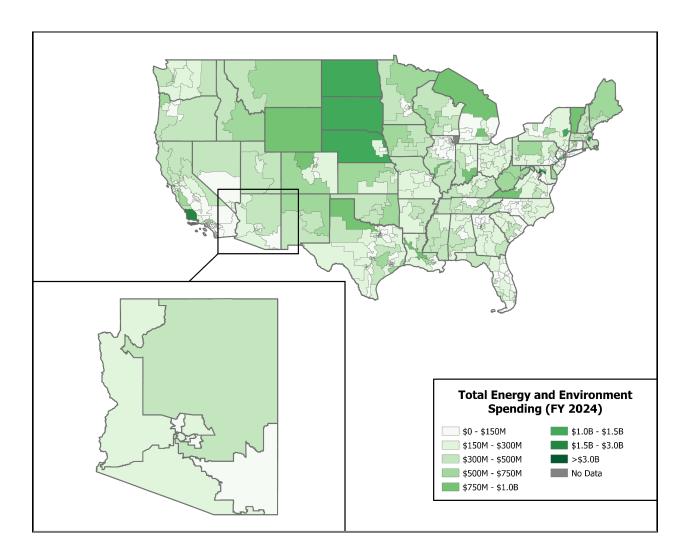
Spending by Congressional District (2024)

Table 4. Congressional districts with the most and least total federal investment in 2024

Congressional District	Total Spending (FY24)	Congressional District	Total Spending (FY24)
AZ-1	\$234.66 million (64.3% rural, 89.6% Tribal)	AZ-6	\$20.15 million (48.3% rural, 0% Tribal)
AZ-2	\$352.31 million (46.5% rural, 31.0%% Tribal)	AZ-7	\$268.02 million (5.9% rural, 21.6% Tribal)
AZ-3	\$206.01 million (0% rural, 0.2% Tribal)	AZ-8	\$57.69 million (0% rural, 0% Tribal)
AZ-4	\$210.52 million (0% rural, 0% Tribal)	AZ-9	\$212.47 million (28.8% rural, 3.5% Tribal)

AZ-5 \$1.46 million (0% rural, 0% Tribal)		
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Figure 2. Total federal investment by congressional district in 2024



ARRA IRA \$4 Billion -BIL/IIJA Willions (2024 Dollars)
\$2 Billion (2024 Dollars)
\$1 Billion (2024 Dollars) **Recipient Types** Highways & Transportation State and Territorial Government Local and Regional Government Higher Education Nonprofit Private Business Individual Other Tribes and Tribal Entities \$0 Billion -Year

Figure 3. Federal Energy and Environment Spending 2010-2025

Note: FY2025 is partial year data for 6 months (October 2024 to April 2025)