



# The Impact of the 2024 Election on State-Level Climate Action

NOVEMBER 2023

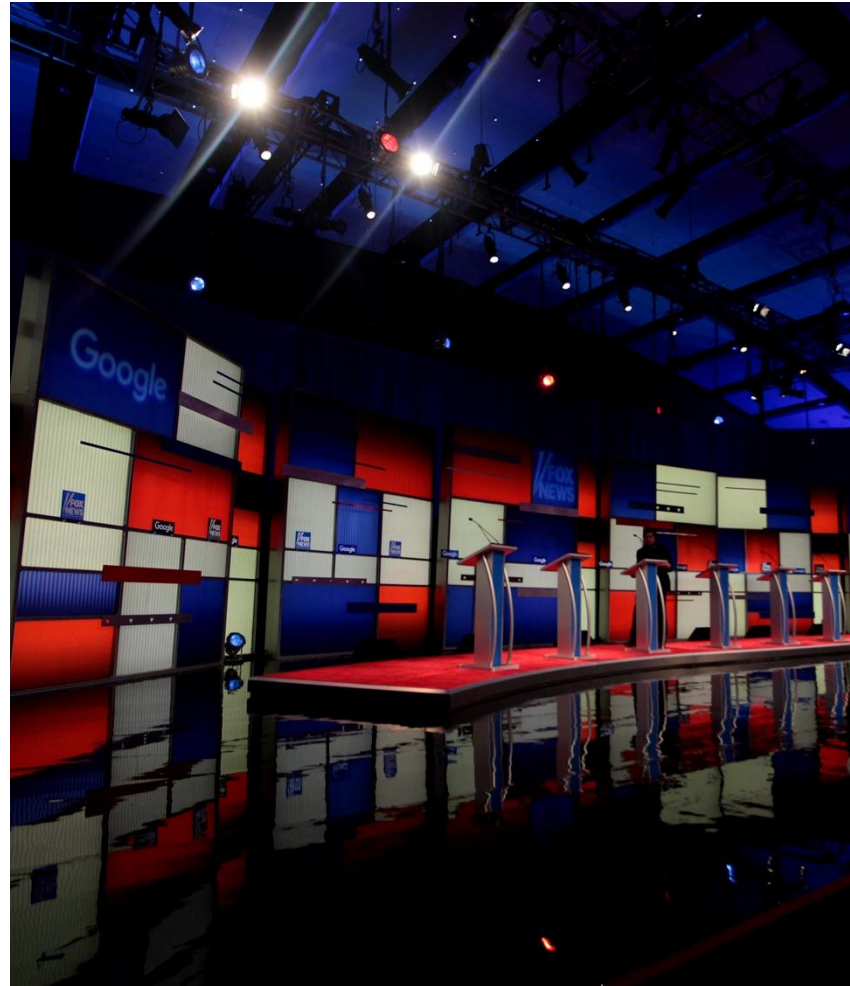
Matt Piotrowski and Anna Mervosh

# Acknowledgements



This briefing was prepared under the Transatlantic Climate Bridge project, which is supported by the German Federal Government. The briefing is the independent work and sole responsibility of adelphi (coordinator of the Transatlantic Climate Bridge Program Office) and Climate Advisers and was neither commissioned by nor necessarily reflects the views of the Federal Government.

# Table of Contents



I. SCENARIO ANALYSIS: STATE-LEVEL CLIMATE ACTION AFTER 2024	2
II. SNAPSHOT OF 2024 RACES	3
III. SCENARIO ANALYSIS: PREDICTING HOW OUTCOMES OF THE 2024 PRESIDENTIAL ELECTION COULD IMPACT STATE-LEVEL CLIMATE ACTION	16
IV. OPPORTUNITIES FOR COLLABORATION AND INVESTMENT BY GERMAN ACTORS	22

# I. Scenario Analysis: State-Level Climate Action after 2024

The 2024 U.S. election cycle has arrived, and tight races for control of the presidency, the House of Representatives, and the Senate will have significant consequences for climate action, both at the federal and subnational levels. State-level action is critical to achieving the U.S.'s climate goals regardless of the outcome of the 2024 national election, but certain results will make state-level action even more critical than in others. If Democrats maintain control of the presidency and the Senate while also winning back the House, they could enact federal climate legislation to build on the seminal 2022 Inflation Reduction Act (IRA), but any other outcome will place greater pressure on states to maintain the U.S.'s momentum toward meeting its climate goal of cutting emissions in half by 2030.

Opportunities to invest in the green economy are abundant across states and across sectors, even in regions that have not led on climate in the past. Democratic-led states, swing states, and Republican-led states alike stand to benefit from federal support included in the Inflation Reduction Act (IRA), the Bipartisan Infrastructure Law (BIL), and the Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act—all passed during President Biden's administration. An influx of federal tax incentives, rebates, grants, and loans supporting the clean energy transition is catalyzing action at the state level—more batteries are manufactured, more residents are buying electric vehicles, more homeowners are electrifying their homes, and more jobs are being created. Investment in subnational actors implementing the IRA and enacting their own climate policies could build resilience in the face of political uncertainty at the federal level. With targeted investment at the state and city level, climate action will continue and perhaps even accelerate, regardless of the 2024 election outcome.

The subsequent analysis below offers an overview of current polls and factors that could influence the results of the 2024 election cycle, as well as indicators at the state level that could project federal level outcomes. Following an analysis of four possible scenarios and their impacts on state level climate action, we identify opportunities for German actors to invest in and collaborate with states in an effort to build resilience amidst a turbulent political environment.



## II. Snapshot of 2024 Races

### Current Polls

#### **PRESIDENTIAL RACE: CURRENTLY LEANING REPUBLICAN**

Former President Donald Trump has continued to dominate in the polls ahead of the Republican primary and will likely clinch the Republican nomination to face current President Joe Biden for a second time. Recent polls show that former President Trump holds a slight lead over President Biden in the event of a rematch in 2024. A poll of registered voters conducted for CNN in late October through early November 2023 found that 45% of those surveyed would vote for President Biden and 49% would vote for former President Trump if a rematch was held that day; support for President Biden decreased and support for former President Trump increased since the question was first asked in August 2023.<sup>1</sup> Another recent poll conducted for CBS News in late October through early November 2023 reveals that surveyed voters preferred former President Trump to President Biden—51% vs. 48%.<sup>2</sup> A poll conducted by The New York Times and Siena College in October 2023 showed that former President Trump also holds the lead in states that have historically influenced the outcome of presidential elections. Among surveyed voters in six major swing states, former President Trump leads President Biden by four percentage points overall—48% vs. 44%—and he leads President Biden in five out of these six states: Arizona, Georgia, Michigan, Nevada, and Pennsylvania.<sup>3</sup> Wisconsin is the only major swing state where President Biden holds a slight lead—two percentage points—over former President Trump.<sup>4</sup>

Former President Trump's strong and consistent performance in the polls shows that his base is not deterred by his legal battles, and he may even be in a stronger position in 2024 than in 2016 or 2020, as indicated by closer polling data.<sup>5</sup> Analysts note that "it's not obvious" that former President Trump's four indictments "will loom larger for voters than the traditional presidential issues of the economy and foreign affairs," which many voters already believe that President Biden is handling poorly.<sup>6</sup> Democrats hope that voters' views may shift in favor of President Biden if former President Trump is convicted and sentenced next year, thus potentially amplifying negative associations that voters may have with former President

---

<sup>1</sup> "Poll 12" SSRS, November 7, 2023, <https://s3.documentcloud.org/documents/24131320/cnn-poll-on-2024.pdf>

<sup>2</sup> Anthony Salvanto, Jennifer De Pinto, and Fred Backus, "If Trump wins, more voters foresee better finances, staying out of war — CBS News poll," *CBS News*, November 5, 2023, <https://www.cbsnews.com/news/trump-vs-biden-poll-2024-presidential-election-year-out/>

<sup>3</sup> "Cross-Tab: October 2023 Times/Siena Poll of the 2024 Battlegrounds," *The New York Times*, November 5, 2023, <https://www.nytimes.com/interactive/2023/11/07/us/elections/times-siena-battlegrounds-registered-voters.html>

<sup>4</sup> "Wisconsin Cross-Tab: October 2023 Times/Siena Poll" *The New York Times*, November 5, 2023, <https://www.nytimes.com/interactive/2023/11/07/us/elections/times-siena-wisconsin.html>

<sup>5</sup> Sahil Kapur, "Biden and Trump are tied in the polls. Democrats have mixed feelings about it," *NBC News*, September 10, 2023, <https://www.nbcnews.com/politics/2024-election/biden-trump-tied-polls-rcna103893>

<sup>6</sup> Rich Lowry, "What if Trump Is Convicted, and Nobody Cares?" *POLITICO*, November 9, 2023, <https://www.politico.com/news/magazine/2023/11/09/trump-legal-troubles-2024-campaign-column-00126180>

Trump.<sup>7</sup> Despite his legal battles, former President Trump is demonstrating an ability to retain his 2020 voters and gain traction among younger voters and voters of color, while President Biden is struggling to mobilize previous supporters, especially Black and Latino voters.<sup>8</sup> A small portion of voters—an estimated 29 percent of the electorate—will be key to deciding the 2024 presidential election; a majority of these key voters are not just undecided, they do not support either candidate.<sup>9</sup> As of September 2023, former President Trump was already polling slightly better among these voters than President Biden—just like he did over Democratic candidate Hillary Clinton in 2016.<sup>10</sup>

No Republican candidate has yet to appear as though they will threaten former President Trump's current massive lead. The lack of open criticism from some of his competitors suggests that other Republican candidates accept that former President Trump will most likely secure the nomination, and they may be vying for a Vice President role instead.<sup>11</sup>

The first caucuses and primaries of the 2024 election cycle—in which candidates are nominated by both parties—will offer insight into the race going forward. The first scheduled Republican caucus—to be held in Iowa—will take place on January 15, 2024.

## HOUSE RACES: CURRENTLY LEANING REPUBLICAN

Current polls show that Republicans may retain a majority in the House after the 2024 election, with 270toWin—a site that tracks polling data for key political races—predicting that Republicans will hold 207 seats, Democrats will hold 203 seats, and 25 seats are tossups.<sup>12</sup> Key races that will determine control of the House will be in Arizona, California, and New York.<sup>13</sup> While Democrats may trail in overall polls for House races, recent court decisions on redistricting boost Democrats' optimism heading into 2024. Judges have rejected multiple Congressional maps drawn by Republicans, and alternative maps could shift the shape of over 12 Congressional districts, assuming court decisions are not reversed, favoring Democratic wins in districts in states such as Alabama, Florida, Louisiana, and New York.<sup>14</sup> Democrats see redistricting efforts as especially significant for their success in the South, as to-be-developed

<sup>7</sup> Jonathan Swan, Ruth Igielnik, and Maggie Haberman, "Trump Indictments Haven't Sunk His Campaign, but a Conviction Might," *The New York Times*, November 6, 2023, <https://www.nytimes.com/2023/11/06/us/politics/trump-biden-times-siena-poll.html>

<sup>8</sup> Kapur, "Biden and Trump are tied in the polls."

<sup>9</sup> Harry Enten, "The group that won Trump the election in 2016 may win it for him again in 2024," *CNN*, September 9, 2023, <https://www.cnn.com/2023/09/09/politics/president-election-trump-biden-cnn-poll/index.html>

<sup>10</sup> Enten, "The group that won Trump the election in 2016 may win it for him again in 2024."

<sup>11</sup> Sudiksha Kochi, "Is the first GOP debate an audition for Donald Trump's running mate? Here's who he could pick," *USA Today*, August 22, 2023, <https://www.usatoday.com/story/news/politics/elections/2023/08/22/is-the-gop-debate-in-milwaukee-an-audition-for-donald-trumps-vp-pick/70611178007/>

<sup>12</sup> "2024 House Election: Consensus Forecast," *270toWin*, October 31, 2023, <https://www.270towin.com/2024-house-election/consensus-2024-house-forecast>

<sup>13</sup> Savannah Kuchar, "Who will control the House after 2024? Districts that backed both Biden and Republicans could decide," *USA Today*, September 12, 2023, <https://www.usatoday.com/story/news/politics/elections/2023/09/12/congressional-districts-house-majority-2024/70770568007/>

<sup>14</sup> Zach Montellaro and Ally Mutnick, "Dems inch toward House majority with recent court wins," *Politico*, September 11, 2023, <https://www.politico.com/news/2023/09/11/redistricting-could-help-democrats-win-back-the-house-00114780>

maps are expected to reverse previously gerrymandered districts that disproportionately suppressed Black voter turnout and representation in Congress.<sup>15</sup>

### **SENATE RACES: CURRENTLY LEANING REPUBLICAN**

Current polls show that Republicans hold a slight lead in key Senate races, with four projected to be highly uncertain but leaning toward a Republican victory—seats currently held by Kyrsten Sinema (Independent-Arizona), Joe Manchin (Democrat-West Virginia), Jon Tester (Democrat-Montana), and Sherrod Brown (Democrat-Ohio).<sup>16</sup> If Republicans win these seats, then they would gain control of the Senate in the next Congress; even if President Biden is re-elected, his agenda would face resistance from the Senate.<sup>17</sup>

The race for Arizona's Senate seat is likely to be particularly intense, as Kari Lake, a Republican who previously ran for governor of Arizona, is expected to challenge incumbent Senator Sinema, assuming that Senator Sinema launches a 2024 campaign. Lake has openly supported former President Trump and denied the legitimacy of previous election results, making her a far-right candidate who may push voters towards a more moderate candidate like Senator Sinema.<sup>18</sup>

Senator Joe Manchin's (Democrat-West Virginia) recent announcement that he will not seek reelection in 2024 endangers Democrats' ability to control the Senate, since Democrats are likely to lose their seat in the otherwise Republican-led state.

### **Possible Entrance of Third-Party Candidates**

Voters' lack of enthusiasm for either former President Trump or President Biden, prompted by concerns about both candidates' age and performance as president, may open an opportunity for third-party candidates to enter the race. Of the 29 percent of voters who do not support either former President Trump or President Biden, as of September 2023, a large portion responded that they would support a third candidate.<sup>19</sup> The growing centrist "No Labels" party aims to appeal to cynical voters by offering an alternative option, likely a moderate Republican candidate who would be confirmed in April 2024.<sup>20</sup> A Democratic co-chair of the party has promised that the group would halt its efforts if President Biden was safely in the lead over

---

<sup>15</sup> Montellaro and Mutnick, "Dems inch toward House majority with recent court wins."

<sup>16</sup> "2024 Senate Elections: Consensus Forecast," *270toWin*, October 2, 2023, <https://www.270towin.com/2024-senate-election/consensus-2024-senate-forecast>

<sup>17</sup> Simone Pathe, "The 10 Senate seats most likely to flip in 2024," *CNN*, July 27, 2023, <https://www.cnn.com/2023/07/27/politics/senate-race-rankings-july-elections/index.html>

<sup>18</sup> Nick Robertson, "Kari Lake launching Arizona Senate campaign Oct. 10," *The Hill*, September 28, 2023, <https://thehill.com/homenews/campaign/4227665-kari-lake-launching-arizona-senate-campaign-in-october/>

<sup>19</sup> Enten, "The group that won Trump the election in 2016 may win it for him again in 2024."

<sup>20</sup> Reid J. Epstein and Lisa Lerer, "Fearing Third-Party Spoilers vs. Trump, Biden Allies Try to Squash Them," *New York Times*, October 8, 2023, <https://www.nytimes.com/2023/10/08/us/politics/biden-trump-third-parties-no-labels.html?smid=tw-share>

former President Trump leading up to the election.<sup>21</sup> However, President Biden's campaign team remains concerned that the "No Labels" party could siphon votes from President Biden and benefit former President Trump. Now that the "No Labels" party has secured the ability to run a candidate on the ballot in 12 states,<sup>22</sup> a few of which are swing states, President Biden's campaign is engaging in efforts to hinder donations and attention from being channeled to the possibility of a third-party candidate.<sup>23</sup> Analysts note that Democrats are especially concerned about the "No Labels" party since President Biden is already struggling to retain a solid base of voters while former President Trump benefits from a more loyal support system that is unlikely to desert him for alternative options.<sup>24</sup>

An additional threat to President Biden's campaign comes from an Independent candidate who was formerly affiliated with the Green Party, Cornel West, a longstanding progressive academic and political activist. Appealing to a young and diverse voter base that is largely discontent with President Biden's performance as president, especially on climate issues, West could siphon votes from President Biden in a race against former President Trump.<sup>25</sup>

While simultaneous runs by both West and a "No Labels" candidate could jeopardize President Biden's campaign by segmenting the liberal vote, a newcomer to the 2024 presidential race also poses a threat to former President Trump. Robert F. Kennedy recently announced his campaign as an Independent candidate, and early financial data suggests that he is gaining more support from Republican donors than Democrats, while also mobilizing support among donors who have not contributed to a political campaign in recent years.<sup>26</sup> Analysts note Kennedy still could influence the outcome of the 2024 election based on his level of support.<sup>27</sup>

Polls offer conflicting views on how well West and Kennedy could sway voters away from President Biden or former President Trump. A poll conducted by Quinnipiac University in late October 2023 shows that in the event of a four-way race, 36% of surveyed voters would vote for President Biden, 35% for former President Trump, 19% for Kennedy, and 6% for West.<sup>28</sup> A slightly higher percentage of those who responded that they would vote for Kennedy identified as Republicans while a much higher percentage of those who responded that they would vote for West identified as Democrats. When registered voters were asked in a poll conducted for CNN in late October and early November 2023 who they would vote for in a four-way race,

---

<sup>21</sup> Lauren Sforza, "No Labels pledges to end third-party push if Biden 'way' ahead of Trump in spring," *The Hill*, June 15, 2023, <https://thehill.com/homenews/campaign/4052216-no-labels-pledges-to-end-third-party-push-if-biden-way-ahead-of-trump-in-spring/>

<sup>22</sup> Katherine Koretski, "No Labels gains 2024 ballot access in a 12<sup>th</sup> state," *NBC News*, October 24, 2023, <https://www.nbcnews.com/meet-the-press/meetthepressblog/no-labels-gains-2024-ballot-access-12th-state-rcna121916>

<sup>23</sup> Epstein and Lerer, "Fearing Third-Party Spoilers vs. Trump, Biden Allies Try to Squash Them."

<sup>24</sup> Epstein and Lerer, "Fearing Third-Party Spoilers vs. Trump, Biden Allies Try to Squash Them."

<sup>25</sup> William A. Galston, "Will Cornel West turn the 2024 presidential election into a rerun of 1948?," *The Brookings Institution*, July 13, 2023, <https://www.brookings.edu/articles/will-cornel-west-turn-the-2024-presidential-election-into-a-rerun-of-1948/>

<sup>26</sup> Brittany Gibson and Jessica Piper, "RFK Jr.'s donor data reveals his 2024 threat," *POLITICO*, November 1, 2023, <https://www.politico.com/news/2023/11/01/rfk-jr-2024-campaign-donors-00124621>

<sup>27</sup> Gibson and Jessica Piper, "RFK Jr.'s donor data reveals his 2024 threat."

<sup>28</sup> "2024 Presidential Race Stays Static In The Face Of Major Events, Quinnipiac University National Poll Finds; RFK Jr. Receives 22% As Independent Candidate In 3-Way Race," *Quinnipiac University*, November 1, 2023, <https://poll.qu.edu/poll-release?releaseid=3881>



35% said they would be more likely to vote for President Biden, 41% for former President Trump, 16% for Kennedy, and 4% for West.<sup>29</sup> While it is unclear exactly how the two Independent candidates would influence the outcome of the 2024 presidential election, Kennedy and West could have a greater impact than originally expected.

## Key Factors Influencing the 2024 Election

### “BIDENOMICS” FAILS TO HELP PRESIDENT BIDEN IN POLLS

In the aftermath of COVID-19, the economy has largely rebounded during the Biden administration, with inflation under control and an optimistic economy that resisted a recession. President Biden’s campaign team continues to push “Bidenomics,” touting the president’s accomplishments: overseeing the creation of thousands of manufacturing jobs, the prevention of a devastating recession, and federal investments through once-in-a-generation legislative packages.<sup>30</sup>

Despite a relatively strong economy under President Biden’s leadership, the majority of American voters remain discontent, with around 63 percent of surveyed voters disapproving of how the administration was handling the economy, as of August 2023.<sup>31</sup> Voters could view the economy, and President Biden’s role in managing it, even more negatively in the next year if they are hit with higher oil prices or struggle to pay off debt or maintain savings as a result of quickly increasing interest rates.<sup>32</sup> Discontent with President Biden’s handling of the economy and concerns about high food and gas prices may pose a larger threat to President Biden’s re-election bid than his age, which is often seen as his biggest challenge.<sup>33</sup>

While polled voters today may not view President Biden’s actions on the economy favorably, his campaign hopes that their view of the economy will improve before the 2024 election. Democrats hope that real incomes will consistently increase as unemployment and inflation decrease, proving to voters that President Biden’s economic agenda was to thank.<sup>34</sup> Additionally, many of the economic benefits of the Inflation Reduction Act (IRA)—the landmark package signed by President Biden in 2022 that dedicates \$370 billion to boost the green economy mainly through tax credits and direct grants—have yet to be recognized by American voters. The Biden campaign faces the challenge that “folks just simply don’t know that a lot of these bills happened,” according to an inside source.<sup>35</sup> The Building Back Better Democratic

<sup>29</sup> “Poll 12” SSRS, November 7, 2023, <https://s3.documentcloud.org/documents/24131320/cnn-poll-on-2024.pdf>

<sup>30</sup> Lisa Mascaro, “‘Bidenomics’ delivers once-in-a-generation investment, but with political risks,” *PBS*, August 15, 2023, <https://www.pbs.org/newshour/politics/bidenomics-delivers-once-in-a-generation-investment-but-with-political-risks>

<sup>31</sup> “The August 2023 AP-NORC Center Poll,” *The Associated Press-NORC Center for Public Affairs Research*, August 2023, <https://apnorc.org/wp-content/uploads/2023/08/August-2023-Omnibus-Biden-Economy-Topline.pdf>

<sup>32</sup> Eric Levitz, “3 Economic Risks That Could Decide the 2024 Race,” *New York Magazine*, September 20, 2023, <https://nymag.com/intelligencer/2023/09/3-economic-risks-that-could-decide-the-2024-race.html>

<sup>33</sup> Ed Kilgore, “The Issue That’s a Bigger Problem for Biden Than His Age,” *New York Magazine*, September 25, 2023, <https://nymag.com/intelligencer/2023/09/abc-nbc-polls-show-the-economy-hurts-biden-more-than-age.html>

<sup>34</sup> Levitz, “3 Economic Risks That Could Decide the 2024 Race.”

<sup>35</sup> Nick Reynolds, “Biden’s Economy Is a Risky Bet for 2024 Election,” *Newsweek*, August 14, 2023, <https://www.newsweek.com/biden-economy-risky-bet-2024-election-1819701>

super PAC is attempting to address this knowledge gap by launching bilingual advertisements in cities in swing states such as Arizona, Georgia, and Pennsylvania to mobilize support for President Biden's infrastructure programs, especially among Black and Hispanic voters.<sup>36</sup> It remains to be seen if voters will recognize the benefits of the IRA in time for the 2024 election, and if they will associate those gains with President Biden's performance as president.

## **PRESIDENT BIDEN NOT RECEIVING CREDIT FOR CLIMATE ACHIEVEMENTS**

While President Biden includes passage of climate legislation among the administration's greatest achievements, a significant portion of the voter base that he is appealing to ahead of the election is either unaware of his actions on climate or is unwilling to accept that he should get credit. Even some voters who consider climate to be an important factor in their voting decisions thought that the IRA only focused on reducing inflation, as its name suggests, and were not aware of its landmark climate provisions.<sup>37</sup> In fact, a poll conducted in July 2023 found that 71 percent of respondents had either heard a little or nothing at all about the IRA.<sup>38</sup> Insufficient awareness of President Biden's climate accomplishments is not helping his reputation among voters; in the July 2023 poll, 57 percent of respondents said they disapproved of how President Biden is handling climate change—only 10 percentage points lower than their disapproval of how former President Trump handled climate change during his presidency.<sup>39</sup> The poll further projects that a near majority or majority of voters are supportive of expanded or new tax credits for electric vehicles, heat pumps, solar panels, and the domestic manufacturing of solar panels and wind turbines.<sup>40</sup> If voters knew the benefits of the IRA, their approval of the legislative package, and President Biden as a president and candidate, would likely increase, given that more and more voters are considering climate as part of their voting decisions, but it unclear if the administration will be able to educate the general public about the accomplishments in the IRA.

## **FORMER PRESIDENT TRUMP'S LEGAL BATTLES**

Assuming former President Donald Trump secures the Republican nomination, his four indictments increase the chance that a third-party candidate would enter the race.<sup>41</sup> Republican voters' approval of former President Trump remains strong, but a September 2023 poll revealed that 62 percent of surveyed voters—of all parties—are at least moderately concerned about his criminal and civil indictments.<sup>42</sup> However, voters' concern about former President Trump's indictments are more minor than their concerns about President Biden's age—74

---

<sup>36</sup> Reynolds, "Biden's Economy Is a Risky Bet for 2024 Election."

<sup>37</sup> Timothy Puko, "Why Biden's allies are scrambling to elevate his landmark climate law," *The Washington Post*, September 26, 2023, <https://www.washingtonpost.com/climate-environment/2023/09/26/biden-climate-law-2024-election/>

<sup>38</sup> "Climate Poll," *The Washington Post-University of Maryland*, July 2023, <https://www.washingtonpost.com/tablet/2023/08/04/july-13-23-2023-washington-post-university-maryland-climate-poll/>

<sup>39</sup> "Climate Poll," *The Washington Post-University of Maryland*.

<sup>40</sup> "Climate Poll," *The Washington Post-University of Maryland*.

<sup>41</sup> Jonathan Martin, "A 4-Way Race? The 2024 Presidential Contest is Anything But Settled," *Politico*, July 28, 2023, <https://www.politico.com/news/magazine/2023/07/28/2024-presidential-contest-candidates-biden-trump-00108685>

<sup>42</sup> "Study #230239," *Hart Research Associates/Public Opinion Strategies*, September 2023, [https://www.documentcloud.org/documents/23990176-230239-nbc-september-2023-poll\\_for-release-92423](https://www.documentcloud.org/documents/23990176-230239-nbc-september-2023-poll_for-release-92423)

percent of respondents noted at least moderate concern about President Biden’s mental and physical state not being sufficient for a second term as president.<sup>43</sup>

## Possible Indicators of 2024: Key Gubernatorial Races to Watch

Beyond the federal level, state-level races across the country act as a thermometer for political sentiment among voters ahead of the 2024 election. Gubernatorial candidates backed by former President Trump are mounting significant challenges to moderate Democrats in key battleground states. These “bellwether” states may serve as indicators of possible outcomes at the federal level. In particular, Kentucky’s recent gubernatorial election and North Carolina and New Hampshire’s upcoming races are worth watching.

### **KENTUCKY: A 2023 RACE RESULTING IN THE RE-ELECTION OF A DEMOCRATIC INCUMBENT AND THE DEFEAT OF A CHALLENGER BACKED BY FORMER PRESIDENT TRUMP**

Democrats are more optimistic about their prospects in 2024 after Andy Beshear—the current, Democratic governor in an otherwise Republican-led state—defeated Republican candidate and Attorney General, Daniel Cameron, who earned former President Trump’s endorsement in the Republican primary. Unlike President Biden, Governor Beshear enjoys strong approval ratings for his stances on the economy and job creation, and his strong record on economic growth, along with his defense of Medicaid access and abortion rights, were key to his victory.<sup>44</sup> As the governor of a state still dependent on coal production, Governor Beshear supports the construction of natural gas pipelines while celebrating Kentucky’s rising position as the “electric vehicle battery production capital” of the United States, without explicit references to climate itself.<sup>45</sup> Governor Beshear quietly refused to apply for IRA grants that could have helped Kentucky to develop climate transition plans, likely to appease conservative voters who could shift to supporting his opponent.<sup>46</sup> Republicans were unsuccessful in their efforts to portray Governor Beshear as supportive of “radical environmentalists who want to kill coal” to counter support that Democrats would receive from voters for their defense of abortion rights.<sup>47</sup> Cameron’s loss suggests that the “culture war” messaging espoused by Republican presidential candidates like former President Trump and entrepreneur Vivek Ramaswamy may not translate into Republican victories in 2024. Heading into 2024 races, Democrats may follow Governor Beshear’s successful strategy of framing climate issues in terms of economic growth, which he demonstrated by celebrating the opening of battery production plants in his victory speech.

<sup>43</sup> “Study #230239,” *Hart Research Associates/Public Opinion Strategies*.

<sup>44</sup> Hannah Knowles and Dylan Wells, “Democrat Andy Beshear wins reelection for governor in Kentucky,” *The Washington Post*, November 7, 2023, <https://www.washingtonpost.com/politics/2023/11/07/kentucky-governor-election-results-2023/>

<sup>45</sup> Adam Aton, “Ky. governor’s reelection gambit: The climate ‘dog whistle,’” *E&E News*, July 24, 2023, <https://www.eenews.net/articles/ky-governors-reelection-gambit-the-climate-dog-whistle/>

<sup>46</sup> Adam Aton, “How Biden steered climate money to red states,” *E&E News*, July 19, 2023, <https://www.eenews.net/articles/how-biden-steered-climate-money-to-red-states/>

<sup>47</sup> Adam Aton and Benjamin Storrow, “‘Dead, flat wrong’: GOP climate attacks fail to stop Democratic wins,” *E&E News*, November 9, 2023, <https://www.eenews.net/articles/dead-flat-wrong-gop-climate-attacks-fail-to-stop-democratic-wins/>

## **NORTH CAROLINA: A TIGHT 2024 RACE IN A SWING STATE BETWEEN A CLIMATE CHANGE DENIER AND A SUPPORTER OF CLIMATE ACTION**

Election analysts are focusing on the race for governor in North Carolina in 2024—a state with a near even split between Democratic and Republican voters—as an indicator of the presidential election outcome. The expected race between likely nominees Josh Stein, the current Democratic Attorney General, and Mark Robinson, the current Republican Lieutenant Governor, is likely to follow a trend of extremely tight statewide elections in North Carolina. Unlike the bordering state of Georgia, where Democrats have secured wins due to growing metropolitan areas, North Carolina’s large group of rural voters, who tend to vote Republican, cement its swing state status.<sup>48</sup>

While consecutive Republican wins in North Carolina in the last three presidential elections largely doom Democrats’ hopes that North Carolina may shift further left, it is uncertain whether the state’s large percentage of moderate voters would support a far-right candidate like Robinson.<sup>49</sup> Robinson bears many similarities to former President Trump, but goes even further to delegitimize climate action, discrediting climate science as “pseudoscience, junk science that has not proven a single solitary thing.”<sup>50</sup> Unlike Governor Beshear in Kentucky, a more conservative state, Stein has taken a strong stance on climate, pushing for increased renewable energy generation and residential solar arrays. The outcome of the race between a climate change denier and a supporter of increased climate action could have major effects in other swing states, affecting the extent to which they engage in climate action.

Early polling shows that more North Carolinians may indeed be willing to support a far-right candidate like Robinson, and by association, former President Trump. A poll sponsored by a left-leaning group, Carolina Forward, in early September shows Robinson ahead of Stein by four percentage points, if they were to face each other in 2024—his greatest lead in polls yet.<sup>51</sup>

## **NEW HAMPSHIRE: A 2024 RACE WITH AN OPEN FIELD OF CANDIDATES IN A NEW ENGLAND SWING STATE**

The field of candidates vying to fill New Hampshire’s governor seat in 2024 has yet to narrow; nominations are to be decided between two Republican candidates and two Democratic candidates. The candidates for governor reflect New Hampshire’s more conservative stance on climate as compared to its New England neighbors; Republican candidates, Chuck Morse and Kelly Ayotte, oppose commitments to reduce the state’s emissions and Democratic candidates,

---

<sup>48</sup> Louis Jacobson, “Uniquely Competitive North Carolina Emerges as Key 2024 Battleground,” *U.S. News*, August 31, 2023, <https://www.usnews.com/news/national-news/articles/2023-08-31/uniquely-competitive-north-carolina-emerges-as-key-2024-battleground>

<sup>49</sup> Abigail Tracy, “North Carolina Governor’s Race Is Shaping Up to Be a Bellwether for Joe Biden,” *Vanity Fair*, August 1, 2023, <https://www.vanityfair.com/news/2023/08/joe-biden-josh-stein-north-carolina-governors-race-2024>

<sup>50</sup> David Boraks, “As he runs for governor, Lt. Gov. Mark Robinson casts doubt on climate science,” *WFAE 90.7*, August 11, 2023, <https://www.wfae.org/energy-environment/2023-08-11/as-he-runs-for-governor-lt-gov-mark-robinson-casts-doubt-on-climate-science>

<sup>51</sup> “Latest Polls,” *FiveThirtyEight*, September 15, 2023, <https://projects.fivethirtyeight.com/polls/governor/2024/north-carolina/>

Cinde Warmington and Joyce Craig, support the removal of net metering caps but otherwise do not prioritize climate issues in their campaign agendas.<sup>52</sup>

Only two polls, conducted by Emerson College, offer insight into the state of the race, and both show Ayotte with a nine and 13-point lead over Craig and Warmington, respectively.<sup>53</sup> It seems likely that a Republican will once again assume New Hampshire's governor seat, potentially hindering climate action.

## State-Level Climate Action Independent of the IRA

Emboldened by federal-level regulations and spending, as well as growing momentum for green investments in the underlying U.S. economy, many U.S. states continue to increase their climate ambition. While the IRA funds unprecedented investments in state-level climate action, many states, led by California, are also acting independently of the law to implement their own climate measures. Climate action independent of the IRA is expected to continue no matter the 2024 outcome.

### CALIFORNIA

California (the world's fifth largest market, just slightly smaller than Germany's) continues to lead the way, honoring the legacy of the "California effect" – which is a combination of the state setting an example on climate that other states follow and companies choosing to make all their U.S. operations and products compliant with California's laws rather than treating the state as a separate market. This section analyzes recent activity in California, which is adopting an all-of-government approach to tackle climate change and is likely to catalyze action among other states, complementing the IRA's impact to boost climate action across the country.

#### California's Disclosure Rules

With its recently enacted disclosure rules, signed by Governor Gavin Newsom on October 7, 2023, California provides another example of how states can effectively lead on climate. California's legislature is the first in the United States to require certain companies to disclose their greenhouse gas emissions and climate-related financial risks. The Climate Corporate Data Accountability Act requires public and private companies with \$1 billion or more in annual revenues that conduct business in California to disclose their Scopes 1, 2, and 3 emissions based on the Greenhouse Gas Protocol.<sup>54</sup> The rule's scope extends far beyond the over 5,000

<sup>52</sup> Ethan Dewitt, "Governor's race 2024: Here's where the four candidates stand on the issues," *New Hampshire Bulletin*, September 19, 2023, <https://newhampshirebulletin.com/2023/09/19/governors-race-2024-heres-where-the-four-candidates-stand-on-the-issues/>

<sup>53</sup> "Latest Polls," *FiveThirtyEight*, <https://projects.fivethirtyeight.com/polls/governor/2024/new-hampshire/>

<sup>54</sup> "SB-253 Climate Corporate Data Accountability Act" *State of California*, October 7, 2023, [https://leginfo.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB253](https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB253); Lori Llewellyn, "California's disclosure bills are revolutionary, yes - but CDP data proves many companies are already prepared," *CDP*, September 21, 2023, <https://www.cdp.net/en/articles/governments/californias-disclosure-bills-are-revolutionary-yes-but-cdp-data-proves-many-companies-are-already-prepared>



entities that it directly affects: Smaller companies in the supply chains of the larger companies must monitor their own emissions and report them to the larger entities.<sup>55</sup> Alongside the Climate Corporate Data Accountability Act, California passed another law—the Climate-Related Financial Risk Act—that requires companies conducting business in California with \$500 million or more in annual revenues to disclose their climate-related financial risks.<sup>56</sup> The laws build upon each other to pressure companies to mitigate their emissions and climate-related financial risks.

During the legislative process, the laws found significant but not universal, support from both major corporations and the climate community. Companies such as Adobe, IKEA, Microsoft, and Patagonia expressed their support for the emissions disclosure law before it was signed, noting that it would bridge the “disconnect” between companies that already voluntarily disclose their emissions to the Carbon Disclosure Project (CDP) and “mid-market companies and suppliers [that] don’t have the resources or the knowledge to disclose and take action.”<sup>57</sup> Apple and Salesforce also issued statements in favor of the law, but with the latter calling upon state legislators to consider amendments that would better align California’s disclosure requirements with those enforced by the European Union to streamline the disclosure process.<sup>58</sup> After signing the two bills into law, Governor Newsom shared concerns with the legislation’s quickly approaching reporting deadlines and the vague guidance for disclosures. Legislators will likely consider delaying the disclosure deadlines and developing more specific guidance in 2024.<sup>59</sup>

California is “exercising its immense market leverage to establish climate disclosures as standard practice in the U.S. and beyond,” sending a signal within the United States and to the international community in favor of stricter carbon disclosure requirements.<sup>60</sup> California’s disclosure rules may motivate greater federal level action on climate as the U.S. Securities and Exchange Commission (SEC) is finalizing its final disclosure rule. The SEC’s final ruling, which is expected to be announced this year, will likely be weaker than California’s laws since it can only require public companies to disclose their emissions—possibly only Scopes 1 and 2. While

<sup>55</sup> Emily Martinez Lieban, Deborah Brundy, Amy L. Edwards, “Greenhouse Gas Guessing Game: California’s Latest Climate Disclosure Legislation,” *Holland & Knight*, September 28, 2023,

<https://www.hklaw.com/en/insights/publications/2023/09/greenhouse-gas-guessing-game-californias-latest-climate-disclosure>

<sup>56</sup> “SB-261 Greenhouse gases: climate-related financial risk,” *State of California*, October 7, 2023,

[https://leginfo.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB261](https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB261)

<sup>57</sup> “Leading Companies and Institutions Support the Climate Corporate Data Accountability Act (SB 253)”, August 14, 2023,

<https://www.ceres.org/sites/default/files/Asm%20Approps%20Major%20Companies%20and%20Institutions%20Support%20SB%20253.pdf>

<sup>58</sup> “SB 253 (Wiener) - Climate Corporate Data Accountability Act - Support,” September 7, 2023,

[https://twitter.com/Scott\\_Wiener/status/1699891993105833985](https://twitter.com/Scott_Wiener/status/1699891993105833985); “Support for SB253 - Climate Corporate Data Accountability Act,” June 30, 2023,

<https://ceres.my.salesforce.com/sfc/p/#A0000000ZqYY/a/5c000001BxAf/a6qKtL99hJKfg9eSezyXp3v8m0Vv5P5GXpG.zilOogE>

<sup>59</sup> Yuvaraj Sivalingam, Sarah Grey, Brian D. Israel et al, “Governor Newsom Signs Sweeping Climate Disclosure Laws and Calls for Amendments,” *Arnold & Porter*, October 10, 2023,

<https://www.arnoldporter.com/en/perspectives/advisories/2023/10/governor-newsom-signs-sweeping-climate>

<sup>60</sup> Lily Hsueh, “Analysis: The potential global impact of California’s new corporate climate disclosure laws,” *PBS*, October 15, 2023, <https://www.pbs.org/newshour/nation/analysis-the-potential-global-impact-of-californias-new-corporate-climate-disclosure-laws>

it is unclear if the SEC will require companies to disclose their Scope 3 emissions, California's rules do require this and that may convince the SEC to adopt a stricter final rule than it was originally considering. The Chair of the SEC, Gary Gensler, noted that California's rules "may change the baseline" by reducing expected compliance costs associated with an SEC rule that would include Scope 3 disclosures.<sup>61</sup> California's rules could spur a "race to the top," motivating the SEC to adopt stricter disclosure rules that include Scope 3 emissions since many companies that operate in the United States already conduct business in California.

### California's Lawsuit Against Fossil Fuel Companies

In addition to sweeping climate legislation, California is challenging major oil and gas companies in court. California's lawsuit against major oil companies, filed in September 2023, is based on the belief that the American Petroleum Institute, BP, Chevron, ConocoPhillips, ExxonMobil, and Shell knowingly catalyzed climate disasters in California and misled the public by supporting the distribution of "faux science," according to the state's Attorney General, Rob Bonta.<sup>62</sup> California is hoping for a decision that will force these companies to compensate for past climate damages caused by their products by capitalizing an "abatement fund" for mitigation and adaptation measures.<sup>63</sup>

Litigation against fossil fuel companies is expected to increase all across the United States on account of California's actions. California's lawsuit comes after the U.S. Supreme Court decided in April 2023 that it would not hear five climate cases brought by state and local governments against oil companies. The Supreme Court's decision sent the cases back to their respective state courts—a loss for oil companies that would have benefited from streamlined and, likely more favorable, rulings at the federal level.<sup>64</sup> Analysts note that almost 25 percent of residents of the United States and its territories belong to local and state governments that have sued major oil companies. The number of cases filed by subnational actors will grow after the Supreme Court's decision and California's latest challenge.<sup>65</sup>

One key case to watch is *Honolulu, HI, et al. v. Sunoco LP, et al.*, in which the city and county of Honolulu, Hawaii filed a damage lawsuit against major oil companies in 2020 for knowingly

<sup>61</sup> Douglas Gillison, SEC chief says new California law could 'change baseline' for coming SEC climate rule," *Reuters*, September 27, 2023, <https://www.reuters.com/sustainability/sec-chief-says-new-california-law-could-change-baseline-coming-sec-climate-rule-2023-09-27/>

<sup>62</sup> William Brangham and Dorothy Hastings, "California sues oil companies for exacerbating climate change," *PBS*, September 20, 2023, <https://www.pbs.org/newshour/show/california-sues-oil-companies-for-exacerbating-climate-change#:~:text=California%20is%20suing%20big%20oil,General%20Assembly.>

<sup>63</sup> "People of the State of California v. Big Oil," *Office of Governor Gavin Newsom*, September 16, 2023, <https://www.gov.ca.gov/2023/09/16/people-of-the-state-of-california-v-big-oil/>

<sup>64</sup> Lesley Clark, "Supreme Court unlocks climate cases by rejecting oil industry bid," *E&E News*, April 25, 2023, <https://subscriber.politicopro.com/article/eenews/2023/04/25/supreme-court-rejects-oil-industry-bid-unlocking-climate-cases-00093572>; Christopher Tansey and Celeste Koeleveld, "US Supreme Court Keeps Climate Change Litigation Alive and in State Courts' Hands," *Clifford Chance*, April 27, 2023, <https://www.cliffordchance.com/insights/resources/blogs/business-and-human-rights-insights/2023/04/US-supreme-court-keeps-climate-change-litigation-alive-and-in-state-courts-and.html>

<sup>65</sup> Kathy Mulvey, "California Advances Corporate Climate Accountability Amid New Evidence of ExxonMobil's Deception," *Union of Concerned Scientists*, September 21, 2023, <https://blog.ucsusa.org/kathy-mulvey/california-advances-corporate-climate-accountability-amid-new-evidence-of-exxonmobils-deception/>

exacerbating climate change and deceiving the public.<sup>66</sup> Given that the Supreme Court rejected oil companies' requests for it to hear the case and that the lawsuit is based on state law, it is possible that Hawaii's courts may rule in Honolulu's favor.

### **OTHER STATES FOCUS ON CLIMATE LEADERSHIP**

Complementing efforts funded by the IRA, states are following California's lead in implementing their own measures to increase climate ambition. For example, another consistent climate leader, New York, announced on October 24, 2023, that it will award new contracts to wind, solar, and hydroelectricity companies that will generate energy that will satisfy 12 percent of the state's demand at the time of completion.<sup>67</sup> Other states, especially in the Midwest, are also increasing their action to curb emissions, thanks to new Democratic trifectas—which is when the party controls the governorship and the entire legislature. Michigan is of particular note, as its legislature aims to pass an assortment of small climate policies, such as those related to streamlining permitting of renewable energy projects, in an effort to sustain progress despite opposition from industry groups.<sup>68</sup>

The states that are consistent leaders on climate issues tend to be led by Democrats, holding support from voters and elected officials who prioritize climate action. California, Colorado, Illinois, Maryland, Massachusetts, New Jersey, New York, and Washington have demonstrated an unparalleled commitment to addressing climate change; all voted for President Biden in 2020, all have Democratic governors, and all have Democratic senators. In addition to enacting ambitious climate policies within their own states, these climate leaders are all members of the U.S. Climate Alliance in which they commit to meet Paris Agreement goals regardless of support from the federal level.<sup>69</sup> These states' political environment is conducive to continued climate action, regardless of the outcomes of the 2024 election. If anything, these states may increase their climate commitments in the event of increased Republican control to keep the United States on track to meeting its Paris Agreement commitments.

Other states are also gaining momentum as climate leaders, some in response to political shifts and others in response to IRA incentives. Thanks to Democratic policymakers in both their legislative and executive branches, Michigan and Minnesota are quickly becoming climate leaders. Analysts note that "Years of opposition to climate action have created a pent-up demand in both states for Democrats to act aggressively" on climate; in previous terms, their governors advanced climate agendas to the best of their ability through executive orders, but

---

<sup>66</sup> Patrick Parenteau and John Dernbach, "The Supreme Court just gave a massive boost to the dozens of cities suing Big Oil over rising sea levels, 2 law professors say," *Fortune*, May 23, 2023, <https://fortune.com/2023/05/23/big-oil-climate-change-rising-sea-levels-lawsuit-supreme-court/>

<sup>67</sup> Benjamin Storrow, "New York rolls out renewable projects in bid to save climate goals," *E&E News*, October 24, 2023, <https://www.eenews.net/articles/new-york-rolls-out-renewable-projects-in-bid-to-save-climate-goals/>

<sup>68</sup> Adam Aton, "Mich. Dems push narrow climate bills but angle for sweeping deal," *E&E News*, October 16, 2023, <https://subscriber.politicopro.com/article/eenews/2023/10/16/mich-dems-push-narrow-climate-bills-while-angling-for-sweeping-deal-00121618>

<sup>69</sup> "Our Coalition," *United States Climate Alliance*, <https://usclimatealliance.org/about/>

newly supportive legislatures will help to accelerate the adoption of more resilient policies.<sup>70</sup> In Michigan, the Michigan Healthy Climate Plan outlines a path for the state to source 100 percent of its electricity from renewable sources by 2035—although the legislature recently extended the target date to 2040 to appease industry interests<sup>71</sup> and phase out coal plants by 2030.<sup>72</sup> Governor Gretchen Whitmer has consistently promoted Michigan as an up-and-coming climate leader, largely through increased investment in electric vehicles.<sup>73</sup> Minnesota has committed to sourcing 100 percent of its electricity from clean sources by 2040 and has outlined its commitments to emissions reductions in its Climate Action Framework.<sup>74</sup> States with Democratic trifectas are also more likely to dedicate state funds to match federal funds available through the IRA to maximize benefits for their state.<sup>75</sup> Northeastern states, many of which are consistent climate leaders, exemplify the benefits of regional collaboration through a regional cap-and-invest program and a cohesive electric vehicle charging network; Michigan and Minnesota’s new Democratic governments could catalyze similar efforts in the Midwest.<sup>76</sup> While the IRA significantly supports states in their efforts to mitigate and adapt to climate change and also create jobs, many will continue to look to invest in their green economies independent of the federal government.

## CONSERVATIVE STATES

Many of the conservative-leaning states have a mixed record on investment in the green economy and taking action to mitigate emissions, but they do stand to benefit immensely from the IRA, even though these states’ leadership did not support the IRA in the first place and are not focused on climate action. States with strong fossil fuel industries and Republican leadership, such as Wyoming, North Dakota, and West Virginia, are expected to gain the greatest per capita amount of investment through the IRA by 2030.<sup>77</sup> The IRA provides significant benefits to states that have large solar or wind potential, which favors rural, flat states in the South and Midwest that tend to be led by Republicans.<sup>78</sup> A state that swings between voting for Democrats and Republicans, Georgia is at the heart of the growing “Battery Belt,” where battery manufacturing, and the job market connected to it, is thriving as a result

<sup>70</sup> Adam Aton, “Dems will flex climate muscle after big wins in Mich., Minn.” *E&E News*, December 16, 2022, <https://www.eenews.net/articles/dems-will-flex-climate-muscle-after-big-wins-in-mich-minn/>; Jeffrey Tomich, “Midwest trifectas bolster Democrats’ climate ambition,” *E&E News*, November 10, 2022, <https://subscriber.politicopro.com/article/eenews/2022/11/10/midwest-trifectas-bolster-democrats-climate-ambition-00066021>

<sup>71</sup> Ben Orner and Garret Ellison, “100% clean energy target set by Michigan lawmakers after negotiations,” *M Live*, November 3, 2023, <https://www.mlive.com/politics/2023/11/100-clean-energy-target-set-by-michigan-lawmakers-after-negotiations.html>

<sup>72</sup> Coral Davenport, “A Climate Laggard in America’s Industrial Heartland Has a Plan to Change, Fast,” *New York Times*, July 2, 2023, <https://www.nytimes.com/2023/07/02/climate/michigan-climate-change.html>

<sup>73</sup> Davenport, “A Climate Laggard in America’s Industrial Heartland Has a Plan to Change, Fast.”

<sup>74</sup> “Governor Walz Signs Bill Moving Minnesota to 100 Percent Clean Energy by 2040,” *Minnesota Department of Commerce*, February 7, 2023, <https://mn.gov/commerce/news/?id=17-563384>

<sup>75</sup> Tomich, “Midwest trifectas bolster Democrats’ climate ambition.”

<sup>76</sup> Tomich, “Midwest trifectas bolster Democrats’ climate ambition.”

<sup>77</sup> Ashna Aggarwal, Jacob Corvidae, and Wendy Jaglom-Kurtz, “The Economic Tides Just Turned for States,” *RMI*, February 6, 2023, <https://rmi.org/economic-tides-just-turned-for-states/>

<sup>78</sup> Saijel Kishan, Brian Eckhouse, and Christopher Cannon, “Red States to Reap the Biggest Rewards From Biden’s Climate Package,” *Bloomberg*, April 25, 2023, <https://www.bloomberg.com/graphics/2023-red-states-will-reap-the-biggest-rewards-from-biden-s-climate-package/>

of support from the IRA, the BIL, and the CHIPS and Science Act—all passed during the Biden administration. Even Republicans are supportive of the uptick in clean energy manufacturing, not necessarily out of concern for climate change, but out of an interest in job creation.<sup>79</sup>

### III. Scenario Analysis: Predicting How Outcomes of the 2024 Presidential Election Could Impact State-Level Climate Action

Presidential transitions, especially when coupled with a shift in the party controlling the executive branch, impact how subnational and non-governmental actors engage in climate action. A Democratic presidency usually catalyzes climate action at the federal level, as shown in the Obama and Biden administrations, while a Republican presidency usually leads to a decreased level of climate ambition and climate policy rollbacks within the federal government, as shown in the Trump administration. States are expected to ramp up their climate action in the coming years, but if there is an absence of leadership at the federal level after the 2024 election, as was the case in 2016, states are expected to increase ambition even more to offset backsliding from the lack of federal action. The federal elections' impact on states will, however, be complicated by partisan divides, with Democratic-led states expected to respond differently than swing states or Republican-led states.

Below, we analyze four potential scenarios for state-level climate action, depending on different outcomes of the 2024 presidential election. German actors should consider preparing for any of these four scenarios, given that the outcomes of the 2024 election cycle remain highly uncertain a year in advance.

*Scenario 1 assumes that the status quo will be preserved, with President Biden winning a second term, Republicans maintaining control of the House, and Democrats maintaining control of the Senate.*

*Scenario 2 assumes that Democrats will secure the presidency and both houses of Congress, with President Biden winning a second term, Democrats taking back control of the House, and Democrats maintaining control of the Senate.*

*Scenario 3 assumes that Democratic influence will lessen, with a Republican winning the presidency, Republicans maintaining control of the House, and Democrats maintaining control of the Senate.*

---

<sup>79</sup> Brian Eckhouse, "Every Politician Wants Green Jobs in This Bitter US Battleground," *Bloomberg*, November 4, 2022, <https://www.bloomberg.com/news/features/2022-11-04/georgia-midterm-elections-a-green-jobs-boom-plays-to-republicans-and-democrats>



*Scenario 4 assumes that Republicans will secure the presidency and both houses of Congress, with a Republican winning the presidency, Republicans maintaining control of the House, and Republicans taking back control of the Senate.*

## Scenario 1: Democrats retain control of presidency, Republicans retain control of House, and Democrats retain control of Senate (Status quo)

In a status quo scenario in which President Biden is elected to serve another term as president, Republicans retain control of the House, and Democrats retain control of the Senate, the federal government would be expected to push for a sufficient but limited level of climate action, with states supporting federal-level programs. The Biden administration would likely prioritize enabling policies that would be more limited in scope than the IRA, but important for facilitating its implementation. Such enabling policies might focus on permitting reform, battery development, and circularity within the economy.

To undermine a Democratic-majority's agenda, House Republicans could launch investigations into IRA spending that could hinder the issuance of grants and loans, although Republicans pose a limited threat given that government agencies still retain the ability to support IRA programs. House Republicans' attempts to exert oversight over the Interior Department, and other federal agencies directing climate initiatives, could restrict resources for offshore wind projects, mining reform, and protections for public lands.<sup>80</sup> However, the longevity of the IRA is to its benefit—tax credits lasting for 10 years would be resilient to Republican-led threats in a status quo scenario.<sup>81</sup>

Executive action on methane, auto emissions, and power plants would likely continue to facilitate progress. The Department of Energy would likely issue additional guidance on IRA tax credits, and the IRS may follow suit in coming years.<sup>82</sup>

Climate action is not likely to change significantly at the state level in a status quo scenario. States would continue to benefit from federal level action, collecting funds from the IRA, unless they decide not to apply for funds (for example, Florida, Iowa, Kentucky, and South Dakota rejected Climate Pollution Reduction Grant funding).<sup>83</sup> Blue states would likely mirror federal-level climate action, with California, Colorado, New York, and Washington expected to continue demonstrating leadership on climate.<sup>84</sup> States with Democratic complete government

<sup>80</sup> Jason Plautz, "What a Republican House means for energy," *E&E News*, November 17, 2022, <https://www.eenews.net/articles/what-a-republican-house-means-for-energy/>

<sup>81</sup> Plautz, "What a Republican House means for energy."

<sup>82</sup> Interview with researcher from clean energy-focused think tank.

<sup>83</sup> Aton, "How Biden steered climate money to red states."

<sup>84</sup> Interview with researcher from clean energy-focused think tank.

control within their executive and legislative branches, such as Michigan and Minnesota, may accelerate climate ambition.<sup>85</sup>

## Scenario 2: Democrats retain control of presidency, Democrats take back control of House, and Democrats retain control of Senate (Democratic trifecta)

In the event of Democrats being in power in both the executive and legislative branches, climate action at the federal level is expected to accelerate, with cities and states continuing to implement the IRA and complementing its measures with their own subnational actions. Senate Majority Leader Chuck Schumer (Democrat-New York) indicated that Democrats are prepared to pass a second and larger climate bill, should they take back control of the House and retain control of the presidency and Senate. Such a bill could prioritize permitting reform and the implementation of tax incentives to expand transmission projects for renewable energy—efforts that were blocked by House Republicans during the drafting of the IRA. A broad climate bill may also build upon the IRA to offer incentives that support decarbonization of the transportation and agricultural sectors.<sup>86</sup> Some Democratic Senators have expressed hope that a future climate bill would include provisions enabling the government to invest more in geothermal energy and implement carbon pricing.<sup>87</sup>

Similar to Scenario 1, most states would likely continue to collect IRA funds, but the flow of funding could be blocked or redirected due to Republican opposition in some states. Florida's Governor (and Republican presidential candidate), Ron DeSantis, vetoed the Florida legislature's request for nearly \$350 million for a rebate program to incentivize the purchase of energy efficient products and \$3 million in Climate Pollution Reduction Grants to develop emissions reductions plans.<sup>88</sup> Iowa, Kentucky, and South Dakota have also declined the IRA's Climate Pollution Reduction Grants; cited reasons for rejecting funds concerned a lack of capacity to meet IRA requirements, rather than outright opposition to the IRA's climate provisions.<sup>89</sup>

However, more Republican-led states could reject IRA funding out of opposition to the IRA and new Democratic efforts to expand climate funding in Scenario 2, as well as helping approval ratings among Republican voters in tight races.<sup>90</sup> If a state chooses to reject IRA funding, its

---

<sup>85</sup> Interview with researcher from clean energy-focused think tank.

<sup>86</sup> Emma Dumain, "Schumer promises to build on climate law if Dems win," *E&E News*, August 15, 2023, <https://www.eenews.net/articles/schumer-promises-to-build-on-climate-law-if-dems-win/>

<sup>87</sup> Emma Dumain, "The IRA turns 1. Many Democrats are already talking about the next climate law," *E&E News*, July 27, 2023, <https://subscriber.politicopro.com/article/eenews/2023/07/27/on-anniversary-of-climate-bill-deal-democrats-want-more-00108357>

<sup>88</sup> Jennifer Haberkorn, "DeSantis tells Biden: Keep your IRA money," *Politico*, August 30, 2023, <https://www.politico.com/news/2023/08/30/desantis-refuses-biden-climate-ira-money-00113397>

<sup>89</sup> Austyn Gaffney, "As Some States Refuse IRA Money, Cities Search for Work-Arounds," *The Sierra Club*, September 6, 2023, <https://www.sierraclub.org/sierra/some-states-refuse-ira-money-cities-search-work-arounds>

<sup>90</sup> Aton, "How Biden steered climate money to red states."

three largest cities may apply for grants so as not to interrupt implementation.<sup>91</sup> The IRA's safeguard allows cities to take the lead, if states choose not to, but the IRA's impact would be limited to urban areas, excluding rural communities that need funding to transition away from fossil fuels. In the event of Democrats in full power in Washington, impacts on climate action could differ among states, with Democratic-led states dramatically accelerating action and Republican-led states launching resistance.

### Scenario 3: Republicans take back control of presidency, Republicans retain control of House, and Democrats retain control of Senate

Should Republicans take back control of the presidency and maintain control of the House, federal level climate action would likely stall and resemble the Trump administration between 2016 and 2020. Conservative groups, led by the Heritage Foundation, have already shared their vision for Scenario 3 in Project 2025's "Mandate for Leadership: The Conservative Promise"—a strategy for a Republican president's first 180 days.<sup>92</sup> Project 2025's overarching strategy calls upon a Republican president to roll back emissions regulations, cut programs focused on supporting the clean energy transition, and expand oil and gas extraction on public lands.<sup>93</sup> Project 2025 would further threaten states' ability to adopt standards that regulate greenhouse gas emissions from vehicles, following California's lead; states would only be permitted to regulate criteria pollutants—ground-level ozone, particulate matter, carbon monoxide, lead, sulfur dioxide, and nitrogen dioxide.<sup>94</sup>

A Republican-controlled presidency and House could also threaten implementation of the IRA, likely hindering the distribution of tax credits, loans, and grants; investments in electric vehicles and offshore wind; and issuance of guidelines shared by the Treasury Department for tax incentives.<sup>95</sup> A Republican president could favor Republican-led states when overseeing the distribution of remaining IRA funding, and could couple a targeted distribution strategy with deregulation of polluting industries. While Republican strategists may envision a repeal of the IRA, resistance among Republicans to the IRA may decrease in the coming years as the benefits of IRA tax credits, grants, and programs are realized. Evidence in support of this theory lies in the 2022 midterm elections, when resistance from Republican candidates against the IRA was weaker than expected.<sup>96</sup>

<sup>91</sup> Gaffney, "As Some States Refuse IRA Money, Cities Search for Work-Arounds."

<sup>92</sup> "Mandate for Leadership: The Conservative Promise," *Project 2025*, 2023, [https://thf\\_media.s3.amazonaws.com/project2025/2025\\_MandateForLeadership\\_FULL.pdf](https://thf_media.s3.amazonaws.com/project2025/2025_MandateForLeadership_FULL.pdf)

<sup>93</sup> Lisa Friedman, "A Republican 2024 Climate Strategy: More Drilling, Less Clean Energy," *The New York Times*, August 4, 2023, <https://www.nytimes.com/2023/08/04/climate/republicans-climate-project2025.html>

<sup>94</sup> Scott Waldman, "Conservatives have already written a climate plan for Trump's second term," *Politico*, July 28, 2023, <https://www.politico.com/news/2023/07/28/far-right-climate-plans-00107498>; "Criteria Air Pollutants," *United States Environmental Protection Agency*, <https://www.epa.gov/criteria-air-pollutants>

<sup>95</sup> Hannah Northey and Timothy Cama, "How a Republican president could hobble the climate law," *Politico*, August 16, 2023, <https://www.politico.com/news/2023/08/16/how-a-republican-president-could-hobble-the-climate-law-00111555>

<sup>96</sup> Interview with researcher from clean energy-focused think tank.

In the event that Republicans control the presidency and House, states would likely face greater pressure to implement the IRA. Impacts on states would vary, mainly based on the degree of economic benefits to be received. Upcoming climate leaders, like Michigan and Minnesota, may lose momentum if federal support decreases during a Republican administration, but the eight consistent climate leaders would likely accelerate action to compensate for a drop in federal level ambition. Republican-led states may also increase their level of ambition as IRA benefits are realized. In particular, Wyoming, the largest producer of coal in the United States and a Republican-led state, also stands to gain the greatest per capita amount of investment from the IRA—some \$12,300 per resident.<sup>97</sup> As a state with both the resources for coal production and wind energy generation, Wyoming stands to benefit from IRA incentives to transition away from fossil fuels and simultaneously install wind energy facilities on its plains.<sup>98</sup> States with topographical conditions like Wyoming that are conducive to expanded wind energy may especially take advantage of the IRA's clean electricity tax credits.<sup>99</sup>

Given the possibility that a Republican president could withdraw the United States from the Paris Agreement (or stall action within the First Movers Coalition, the Clean Energy Ministerial's Industrial Deep Decarbonization Initiative, and a Global Arrangement on Sustainable Steel and Aluminum between the United States and the European Union), as former President Trump did during his administration, the consistent climate leaders would likely be prepared to maintain progress toward meeting the U.S.'s commitments. Many states with net zero goals adopted them during the Trump administration, thanks to climate-conscious leaders in their executive and legislative branches. Members of the U.S. Climate Alliance would likely increase their commitments if a Republican wins the presidency in 2024.<sup>100</sup> A 2022 report from America is All In emphasizes the importance of state and local climate action to fulfill the U.S.' Paris Agreement goal of 50-52% emissions reductions below a 2005 baseline by 2030. The full implementation of already enacted policies enables a 39% reduction in emissions by 2030, but America is All In proposes an "an all-of-society, accelerated approach" that centers subnational actors.<sup>101</sup> Regardless of the election's outcome, the consistent climate leaders will lead the way, and may even accelerate their actions in the event of a Republican win.

In the event of a Republican win and a slowing of federal support for climate action, philanthropies and non-governmental organizations would likely step in to support subnational action. In fact, support from philanthropies could lead to a net increase in resources for states and cities in the event of Scenario 3, as climate-conscious donors look for opportunities to support climate action. States with the optimal political environment for increasing climate

---

<sup>97</sup> Aggarwal, Corvidae, and Jaglom-Kurtz, "The Economic Tides Just Turned for States."

<sup>98</sup> Marianne Lavelle, "Wyoming Could Gain the Most from Federal Climate Funding, But Obstacles Are Many," *Inside Climate News*, August 30, 2023, <https://insideclimatenews.org/news/30082023/wyoming-inflation-reduction-act-first-in-subsidies/>

<sup>99</sup> Lavelle, "Wyoming Could Gain the Most from Federal Climate Funding, But Obstacles Are Many."

<sup>100</sup> Sam Ricketts, Rita Clifton, and Lola Oduyeru, "States Are Laying a Road Map for Climate Leadership," *The Center for American Progress*, April 30, 2020, <https://www.americanprogress.org/article/states-laying-road-map-climate-leadership/>

<sup>101</sup> Alicia Zhao, Shannon Kennedy, Kowan O'Keefe et al, "An 'All-In' Pathway to 2030: The Beyond 50 Scenario," *America is All In*, November 2022, [https://www.americaisallin.com/sites/default/files/2022-11/Final%20-%20The%20Beyond%2050%20Scenario\\_0.pdf](https://www.americaisallin.com/sites/default/files/2022-11/Final%20-%20The%20Beyond%2050%20Scenario_0.pdf)

action and the greatest opportunity to reduce their emissions would be the most likely recipients of philanthropic and NGO support.<sup>102</sup>

### Scenario 4: Republicans take back control of presidency, Republicans retain control of House, and Republicans take back control of Senate (Republican trifecta)

In the event of Republicans controlling all of Washington, federal climate action would stall even more dramatically than in the event of Scenario 3, placing even greater pressure on states to lead the way. Implementation of the IRA would face similar threats to those posed by Scenario 3, and Republicans would likely wage greater attacks on Biden-era regulations. With a majority in both the Senate and the House, Republicans could push to repeal the IRA or at least significantly undermine its funding.

The effectiveness of the Environmental Protection Agency and the Federal Energy Regulatory Commission would also be weakened under a Republican presidency. While a large portion of the IRA is resilient to rollbacks, a Republican president would likely halt executive action to regulate emissions from the power and transportation sectors, losing the opportunity to further reduce emissions beyond the IRA.<sup>103</sup> Senate Republicans have already signaled an intent to doom the EPA's proposal to impose stricter emissions reductions standards on plants powered by fossil fuels; their ability to do so would increase with Republicans in control after 2024.<sup>104</sup>

Similar to Scenario 3, states would bear greater responsibility for implementing the IRA, but increased action at the state and local levels would likely be even more ambitious to compensate for inaction at the federal level. Consistent climate leaders, especially those with Democratic-led governments, like California, Washington, Maryland, Massachusetts, and others, may accelerate progress toward climate goals, given that they have the optimal political environments and processes in place to implement stronger climate policies. More states may push for carbon-free electricity and boost support for electric vehicles.

---

<sup>102</sup> Interview with researcher at state policy-focused think tank.

<sup>103</sup> Timothy Puko, "The U.S. is taking a giant step toward meeting its climate goal," *The Washington Post*, May 11, 2023, <https://www.washingtonpost.com/climate-environment/2023/05/11/epa-power-plant-climate-rules/>

<sup>104</sup> Maxine Joselow, "Senate Republicans urge EPA to withdraw climate rule for power plants," *The Washington Post*, August 1, 2023, <https://www.washingtonpost.com/politics/2023/08/01/senate-republicans-urge-epa-withdraw-climate-rule-power-plants/>



## IV. Opportunities for Collaboration and Investment by German Actors

Germany's relationship with the United States stands to be significantly impacted by the outcome of the 2024 presidential election, especially with regards to collaboration on climate issues. Analysts from the European Council on Foreign Relations note that the polarization between Democrats and Republicans on climate change raises the stakes of the 2024 election in which "the election of one leader or another is likely to shift the needle entirely on this topic."<sup>105</sup>

In the event of Scenario 1 or 2 with a President Biden victory, his administration would likely call on allies to adopt their own Inflation Reduction Act—providing government support to accelerate clean energy generation, thus boosting demand for renewable energy and associated technology.<sup>106</sup> In the event of Scenario 3 or 4 with a Republican victory, the Republican president would likely roll back Biden-era regulations and implement incentives to boost domestic fossil fuel production, thus potentially boosting exports of fossil fuels to Germany.<sup>107</sup> A Republican administration and Republican Congress would also seek to repeal major portions of the IRA, which would heighten risks of the United States not meeting the Biden administration's U.S. climate targets under the Paris Agreement.

German actors should consider building resilience against any possible climate policy turbulence at the U.S. federal level by investing in climate action at the U.S. subnational level. To prepare for a possible Republican victory, Germany could deepen or develop relationships with states that are hotspots of green economic activity and align with Republican interests of reducing dependence on China while boosting trade relations between the United States and the European Union. Additionally, pursuing simultaneous strategies to engage with Democratic-led climate leaders like California and with Republican-led and/or swing states charging ahead in clean energy manufacturing like Georgia and Texas could help to ensure that green economic activity does not falter if Republicans win control in 2024. A longer-term goal of increased engagement of subnational actors in the UN Framework Convention on Climate Change (UNFCCC) process would help to empower local and state actors to take greater strides toward becoming climate leaders and influence negotiations among national actors in favor of subnational interests. Each of these ideas is discussed below.

---

<sup>105</sup> Célia Belin, Majda Ruge, and Jeremy Shapiro, "Brace yourself: How the 2024 US presidential election could affect Europe," *European Council on Foreign Relations*, May 30, 2023, <https://ecfr.eu/publication/brace-yourself-how-the-2024-us-presidential-election-could-affect-europe/>

<sup>106</sup> Belin, Ruge, and Shapiro, "Brace yourself: How the 2024 US presidential election could affect Europe."

<sup>107</sup> Belin, Ruge, and Shapiro, "Brace yourself: How the 2024 US presidential election could affect Europe."

## Strategy #1: Develop a Republican-Friendly Engagement Strategy to Diversify and Secure Supply Chains by Reducing Dependence on China and Other Major Suppliers

To prepare for the possibility of a Republican win in 2024—Scenario 3 or 4—Germany should consider developing a strategy that would resonate with U.S. conservatives and ensure that climate action does not falter in the event of Republican control. Unfortunately, it is not possible to convince national-level Republican leaders to favor climate action. Many Republicans, however, are prepared to acknowledge the reality of the clean energy revolution, with growing dependence on key technologies such as renewable energy, hydrogen, batteries, and more. The way to convince Republicans to adopt policies that are needed to manage the clean energy revolution is to frame arguments in non-climate terms. A Republican-friendly framing for such action, for example, could involve appealing to conservatives' distrust of China by emphasizing the importance of "friend-shoring" as a way to reduce the U.S.'s dependence on China for key green technologies. Greater investment in materials such as batteries in the U.S.-EU trade market would reduce dependence on China while boosting the market for green technology in the United States and Europe. To make these policies acceptable to U.S. conservatives, German policymakers could label collaboration efforts as "supply chain security partnerships" and share talking points that allude to achieving economic strength in the "energy economy of tomorrow" rather than talking about climate change. In sum, framing climate initiatives from a lens of reducing Chinese influence would increase the chance that climate action would continue, even if Republicans hold the presidency and/or Congress.

## Strategy #2: Facilitate Technical Data Cooperation in Key Sectors – Batteries, Green Hydrogen, and Solar

Facilitating cooperation between Germany and U.S. states on three key sectors—batteries, green hydrogen, and solar—offers significant benefits for economic growth and climate action in both countries. Such collaboration could involve facilitating exchanges, sharing best practices, and engaging private sector actors working in key sectors at the state level. Greater transparency and data sharing could foster more free trade between the United States and the European Union in these key sectors. These relationships could facilitate increased cooperation on technology transfers and energy policy.

For fostering partnerships on battery manufacturing, German actors are advised to engage with states such as Georgia, Michigan, and South Carolina that are leading the way in terms of battery and electric vehicle manufacturing.<sup>108</sup> President Biden recently announced funding for seven new Regional Clean Hydrogen Hubs that will facilitate green hydrogen production in California, Delaware, Illinois, Indiana, Michigan, Minnesota, Montana, New Jersey, North

---

<sup>108</sup> Julian Spector, "The South is building the most vibrant EV and battery hub in the US," *Canary Media*, June 8, 2023, <https://www.canarymedia.com/articles/clean-energy-manufacturing/the-south-is-building-the-most-vibrant-ev-and-battery-hub-in-the-us#:~:text=Georgia%20%E2%80%94%20not%20Michigan%20%E2%80%94%20leads%20the,1%20billion.>

Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Texas, Washington, and West Virginia, opening opportunities for investments and cooperation.<sup>109</sup> For possible collaborations on solar energy, California, Ohio, and Texas are seeing sharp growth in this area.<sup>110</sup> Deepening relationships between German actors and U.S. states that are hotspots for these key sectors could help to develop resilient supply chains that could withstand possible turbulence in federal climate policy in the event of a Republican victory. Republicans would be less likely to unravel trade relationships in key sectors that reduce dependence on China. Boosting demand for materials produced domestically or by allies is tied to the earlier recommendation of developing a Republican-friendly engagement strategy heading into 2024.

### Strategy #3: Deepen Relationships with Democratic-Led States, particularly California

German actors should consider deepening partnerships with the U.S.'s most prominent subnational climate leader: California. German actors can foster collaboration and knowledge sharing between German states and cities and California and its cities, following previous Memorandums of Understanding signed between Baden-Württemberg and California in 2018.<sup>111</sup> California, under Governor Gavin Newsom, is a co-chair of the Under2 Coalition; Baden-Württemberg, Bavaria, Hessen, Lower Saxony, North Rhine-Westphalia, Rhineland-Palatinate, Schleswig-Holstein, and Thuringia are all either members or signatories.<sup>112</sup> Working within the Under2 Coalition could help to facilitate collaboration between Germany and California.

In the past, relationships between Germany and California have largely been between subnational actors. Given that California is a climate leader and economic player on par with Germany itself, Germany should consider elevating its relationship with California to be facilitated by its federal government, rather than individual states, that can dedicate greater resources to maximizing the partnership's impact. Dialogues between Germany and California could center around renewables and batteries, boosting economic ties while amplifying California's voice on the global stage. The MOU signed between Baden-Württemberg and California noted an intention to "shar[e] and transfer...know-how and potential project concerning comprehensive, publicly accessible electric charging infrastructure." With the passage of the IRA and increased demand for electric vehicles and charging stations in California, investing in direct relationships between the German federal government and California could help to further scale up electric vehicle infrastructure, which is desperately

<sup>109</sup> "Biden-Harris Administration Announces \$7 Billion For America's First Clean Hydrogen Hubs, Driving Clean Manufacturing and Delivering New Economic Opportunities Nationwide," *Department of Energy*, October 13, 2023,

<https://www.energy.gov/articles/biden-harris-administration-announces-7-billion-americas-first-clean-hydrogen-hubs-driving>

<sup>110</sup> Saijel Kishan, Brian Eckhouse, and Christopher Cannon, "Red States to Reap the Biggest Rewards From Biden's Climate Package," *Bloomberg*, April 25, 2023, <https://www.bloomberg.com/graphics/2023-red-states-will-reap-the-biggest-rewards-from-biden-s-climate-package/>

<sup>111</sup> "Memorandum of Understanding to Establish a Partnership between the following Federal States: The State of California, United States of America AND the Land Baden-Württemberg, Federal Republic of Germany," September 15, 2018, [https://www.energy.ca.gov/sites/default/files/2019-12/MOU\\_Germany\\_SisterStateRelationship\\_09-15-2018\\_ada.pdf](https://www.energy.ca.gov/sites/default/files/2019-12/MOU_Germany_SisterStateRelationship_09-15-2018_ada.pdf)

<sup>112</sup> "States and regions," *The Under2 Coalition*, <https://www.theclimategroup.org/states-and-regions-under2-coalition>

needed as more consumers adopt this new technology.<sup>113</sup> A Germany-California relationship could facilitate dialogue in the form of workshops and public-private partnerships in a mutually beneficial information exchange. In such dialogues, the German federal government can share guidance for expanding electric vehicle charging infrastructure in California, making it more feasible for a greater portion of the population to switch to electric vehicles. Germany has invested in curbside charging stations in urban areas and could advise California on implementing such technology to reduce the cost burden associated with installing private chargers and make electric vehicles more accessible for low-income renters or buyers.<sup>114</sup> Even in the event of Scenario 3 or 4, helping a consistent climate leader like California to expand the accessibility of electric vehicles would help to maintain progress towards meeting climate goals even if federal support stalls.

Deepening relationships with California would help to build resilience in the event of a possible Republican victory or accelerate climate action in the event that President Biden is re-elected. Governor Newsom has recently increased his international visibility through his visits to China and Israel, signaling that he might pursue a presidential run in the coming years. Reinforcing Germany's relationship with California to facilitate cooperation on climate would be strategic, in case Governor Newsom does someday win the presidency. California's economy is the size of Germany's. It is time for Germany's national government to take ownership of Germany's relationship with California. This would further pull California into an international leadership role and strengthen economic ties between Germany as a whole and this enormously influential U.S. state.

#### Strategy #4: Deepen Relationships with Republican-Led and Republican-Leaning States – Texas, Louisiana, and Georgia

German actors should also consider deepening, or developing, relationships with Republican-led states, many of which are becoming leaders in clean energy manufacturing due to support from the IRA. Many of these Republican-led or Republican-leaning states are located in the South—namely, Georgia and Texas. German actors would benefit from increased communication and cooperation with these states due to the potential for green economic growth. Discussions with Republican-led states on climate issues should be framed from a perspective of job creation and economic growth and could focus on key sectors of solar, batteries, green hydrogen and ammonia, and carbon capture technology; the latter is more widely accepted by Republicans. While Republican-led and Republican-leaning states may be less likely to commit to net-zero goals than Democrat-led states, there is potential to help fossil fuel sectors within these states to decarbonize through new technologies. Coastal Louisiana and Texas are especially well equipped to be hotspots for carbon capture and sequestration

---

<sup>113</sup> "Memorandum of Understanding to Establish a Partnership between the following Federal States: The State of California, United States of America AND the Land Baden-Württemberg, Federal Republic of Germany."

<sup>114</sup> Francesco Radicati, "The US Should Follow Germany's Lead in Building Curbside EV Charging," *Guidehouse Insights*, October 19, 2023, <https://guidehouseinsights.com/news-and-views/the-us-should-follow-germanys-lead-in-building-curbside-ev-charging>

processes given that there is already a high concentration of emitters and pipeline infrastructure in place.<sup>115</sup> Germany could benefit from partnerships with public and private actors in Louisiana and Texas, evaluating the benefits of increased carbon capture and sequestration activity as it considers greenlighting the technology.<sup>116</sup> Germany should also consider deepening its relationship with Texas by fostering bilateral dialogues focused on friend-shoring with regards to semiconductor production and trade and pursuing opportunities to expand green ammonia production and electric vehicle manufacturing.<sup>117</sup> Partnering with Republican-led states could help to maintain green economic activity, regardless of the outcome of the 2024 election, and foster relationships with individuals that may be chosen for the cabinet if Republicans win the presidency in 2024.

## Strategy #5: Advocate for Greater Subnational Engagement in the UNFCCC Process

Boosting the engagement of subnational actors on the international stage could help to channel resources to actors looking to catalyze climate action and elevate their interests in diplomatic processes. Investment opportunities at the state and local levels are key, especially in the event of Scenario 4—a Republican trifecta—but collaboration with the U.S. business community and subnational governments would help to accelerate climate ambition, regardless of the election’s outcome. German actors could help to empower local and state governments to become climate leaders by advocating for their participation as part of the UN Framework Convention on Climate Change (UNFCCC) process.

The annual Conference of Parties (COP) presents an opportunity for subnational actors to develop new partnerships, share their accomplishments and goals on a global stage, and gain financial support for on the ground initiatives. German actors could push for the development of a Track 1.5 dialogue in which national and subnational actors meet to discuss progress towards goals and opportunities for greater collaboration going forward. Such a Track 1.5 process could influence the outcomes of official Track 1 negotiations among national governments. German actors could collaborate with existing networks of subnational actors, such as the U.S. Climate Alliance and the We Are Still In coalitions (both of which were created after former President Trump took office in 2017), to mobilize as many local and state governments as possible in favor of such a dialogue. Giving subnational actors a platform at which to share their accomplishments and commit to greater action could insulate against the risk that the United States could backslide on its climate commitments in the event of a Republican win in 2024. If more and more cities and states participate in COP events, others will be motivated to join the process and increase their level of ambition.

---

<sup>115</sup> David Blackmon, “Why Texas, Louisiana Are Poised to Win the Carbon Capture Sweepstakes,” *Forbes*, April 24, 2023, <https://www.forbes.com/sites/davidblackmon/2023/04/24/why-texas-louisiana-are-poised-to-win-the-carbon-capture-sweepstakes/?sh=6ba70b522532>

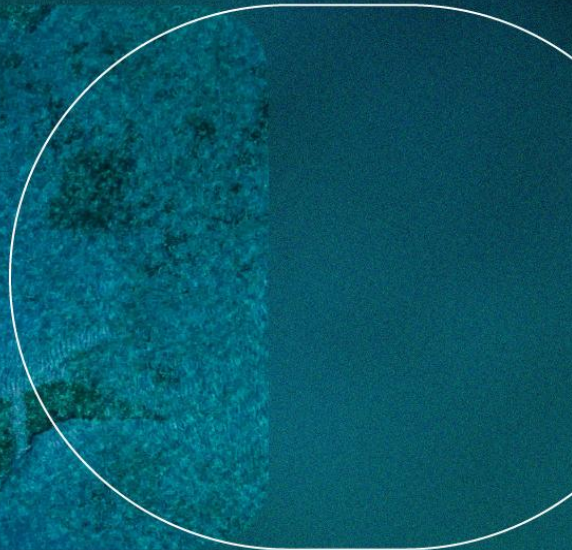
<sup>116</sup> Riham Alkousaa, “German industry leans on Berlin for swift carbon storage plan,” *Reuters*, August 23, 2023, <https://www.reuters.com/sustainability/german-industry-leans-berlin-swift-carbon-storage-plan-2023-08-23/>

<sup>117</sup> “Governor Abbott Hosts German Federal Minister Baerbock in Austin,” *Office of the Texas Governor*, September 13, 2023, <https://gov.texas.gov/news/post/governor-abbott-hosts-german-federal-minister-baerbock-in-austin>



Climate Advisers works to strengthen climate action in the United States and around the world through research, analysis, public policy advocacy and communications strategies. We partner with governments, non-profits, philanthropies, international organizations, financial institutions and companies to help deliver the clean economy. We develop and promote sensible, high-impact initiatives that improve lives, enhance international security and strengthen communities. Climate Advisers currently consists of several independent organizations collaborating to advance the same mission, including: Climate Advisers Trust, a U.S. non-profit, Climate Advisers United Kingdom, a U.K. non-profit, and Climate Advisers Incorporated, a global consultancy. Further information is available at [climateadvisers.org](https://climateadvisers.org).





THE IMPACT OF THE 2024 ELECTION ON  
STATE-LEVEL CLIMATE ACTION

November 2023