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RESEARCH

How Trump's 'one big beautiful bill' is cutting climate investments and weakening the safety net for Native Americans

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- The Trump administration's signature domestic policy law, the One Big Beautiful Bill Act, could lead to \$1.5 billion less in federal green energy spending for Native American Tribes in the coming years, compromising their energy infrastructure and potentially increasing their reliance on resource extraction.

 - Additionally, the law's new work requirements for Supplemental Nutrition Assistance Program (SNAP) and Medicaid recipients stand to decrease Native American eligibility for those programs, despite a specific exemption for them written into the bill.

 - These funding cuts and eligibility hurdles violate the government's responsibility to provide health care, nutrition assistance, and environmental support to Tribal nations, citizens, and communities, particularly given that existing funding levels are inadequate.

 - Congress should explore how to restore Tribal community investments and strengthen protections for Native American nutrition assistance and health care.
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Last July, President Donald Trump signed the One Big Beautiful Bill Act (OBBBA) into law, enacting several of the administration's major policy priorities. The law's changes to tax policy will largely go into effect this year as households file their 2025 taxes. At the same time, the impacts of the law's most consequential changes—namely, changes to green energy spending, the Supplemental Nutrition Assistance Program (SNAP), and Medicaid—have been more difficult to quantify.

This lack of clarity extends to the OBBBA's impacts on Native Americans and Tribal nations, which receive federal support in service of the government's [trust and treaty \(https://www.bia.gov/faqs/what-federal-indian-trust-responsibility\)](https://www.bia.gov/faqs/what-federal-indian-trust-responsibility) obligations to Indian Country. This piece summarizes those potential impacts from changes to green energy spending, SNAP, and Medicaid, and also highlights the potential shortcomings in legislative attempts to shield Indian Country from some of these impacts.

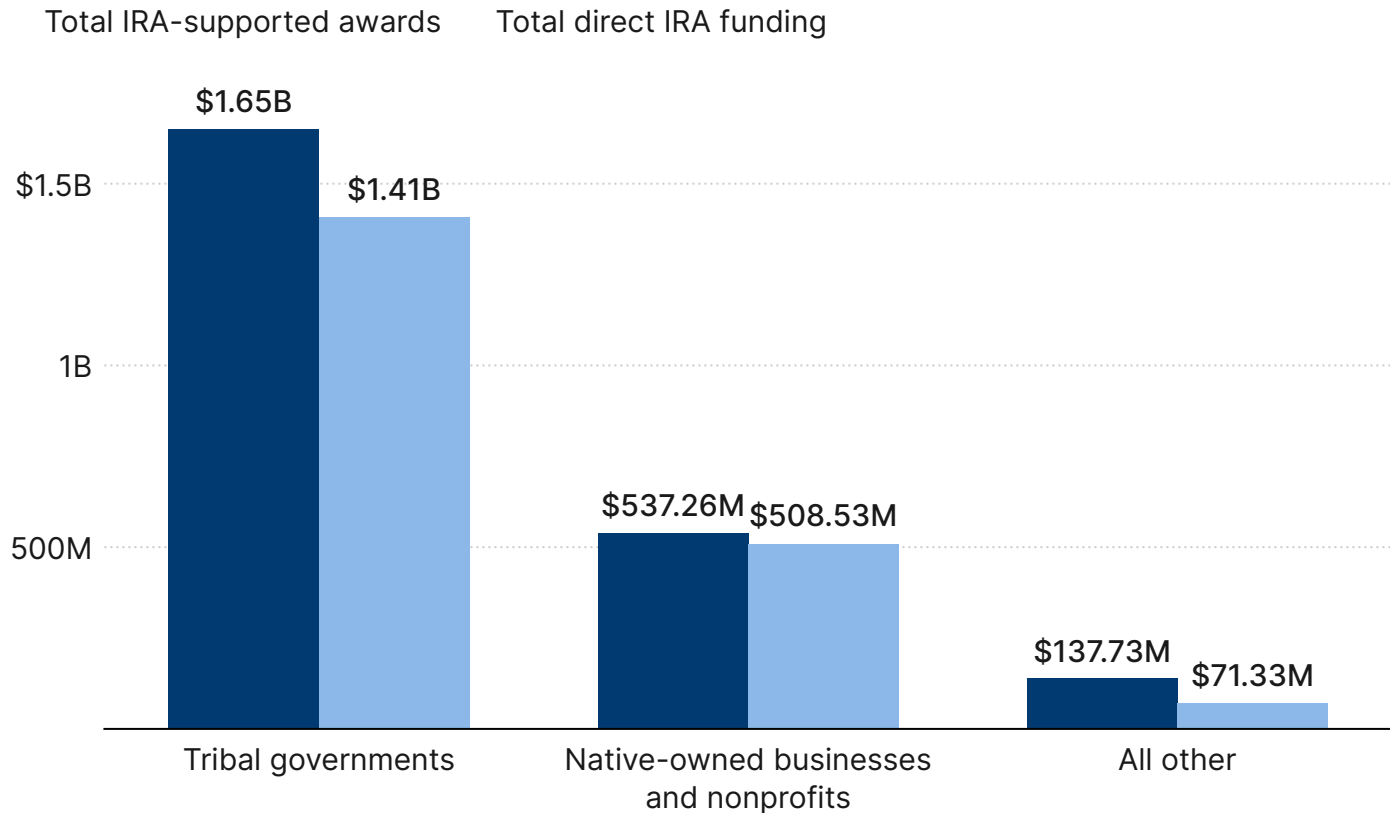
The elimination of climate and clean energy programs has substantial effects for Tribal funding

The OBBBA made sweeping changes to the [Inflation Reduction Act \(https://www.congress.gov/bill/117th-congress/house-bill/5376/text\)](https://www.congress.gov/bill/117th-congress/house-bill/5376/text) (IRA), a law the 117th Congress passed in 2022 that authorized over \$433 billion in new spending for clean energy, community resilience, housing, infrastructure, and economic development. The changes the OBBBA made to that law reflect the Trump administration's opposition to investments for mitigating and adapting to climate change, and also offset some of the costs of the OBBBA's tax cuts.

In a November 2024 report, the Department of the Interior found that the IRA, if fully implemented, would have made nearly [\\$4.2 billion in federal investments \(https://www.doi.gov/libraries/pdf.js/web/viewer.html?file=https%3A%2F%2Fwww.doi.gov%2Fsites%2Fdefault%2Ffiles%2Fdocuments%2F2024-12%2F2025-native-american-funding-crosscut-report508.pdf#page=27\)](https://www.doi.gov/libraries/pdf.js/web/viewer.html?file=https%3A%2F%2Fwww.doi.gov%2Fsites%2Fdefault%2Ffiles%2Fdocuments%2F2024-12%2F2025-native-american-funding-crosscut-report508.pdf#page=27) benefitting Indian Country. Our analysis of federal spending data through the end of Fiscal Year 2025 reveals that a total of \$2 billion in grants, direct payments, and cooperative agreements has already been awarded to Tribal governments, Tribally controlled colleges and universities, individuals living on reservation land, and Native enterprises.¹ Moreover, because many federal grants were partially funded by the IRA and partially funded by other federal funding streams, IRA funding partially or fully supported federal awards worth more than \$2.3 billion through the end of FY 2025.

FIGURE 1

Inflation Reduction Act funding obligated to Indian Country, FY 2022 to FY 2025



Source: Brookings analysis of USAspending data

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Note: Many federal grants were partially funded by the IRA and partially funded by other federal funding streams. "Total direct IRA funding" represents the amount of funding drawn from IRA-funded appropriations accounts as a result of federal award obligations. "Total IRA-supported awards" represent the total value of all grants and direct payments fully or partially funded by IRA appropriations accounts.

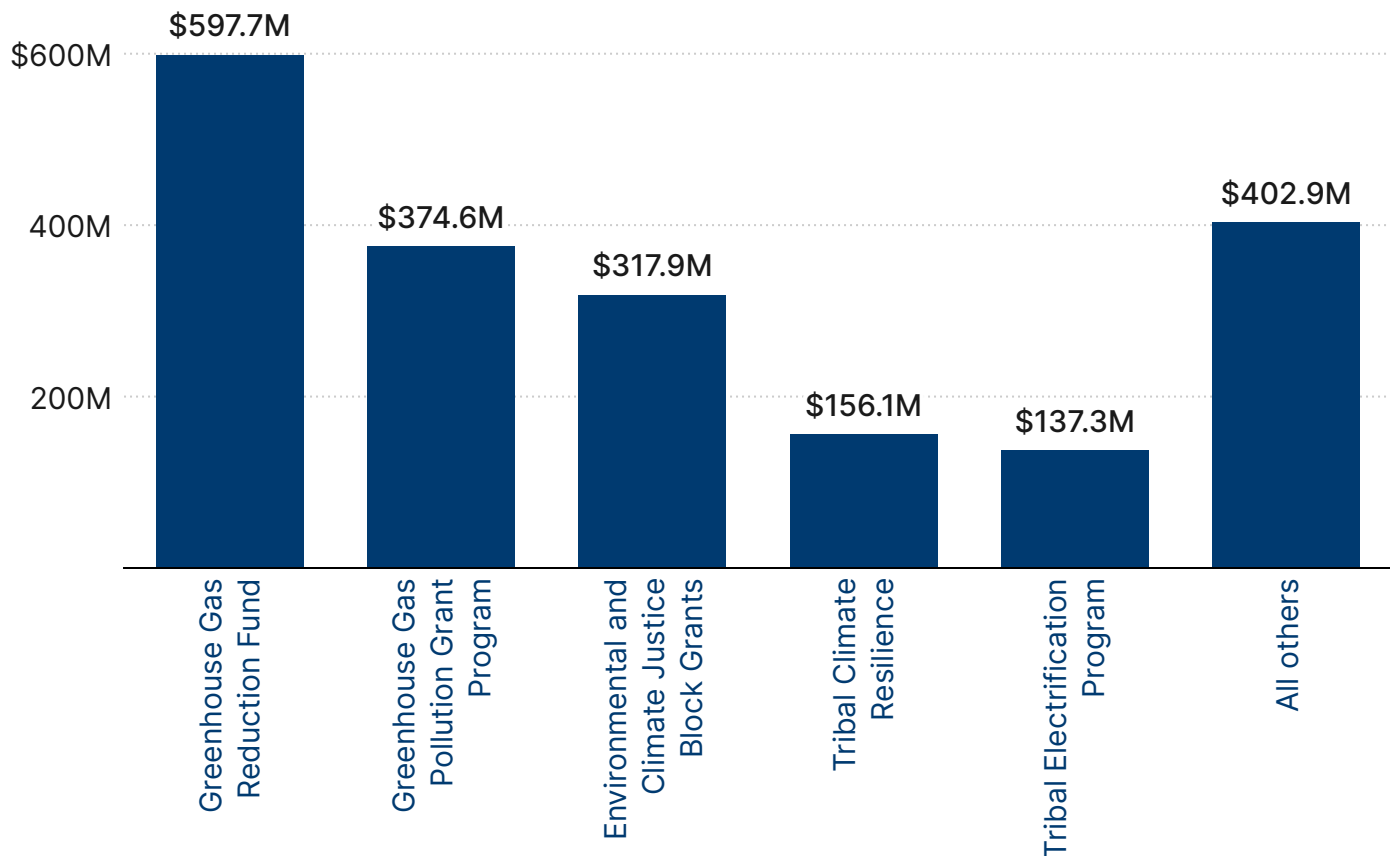
Nearly three years after the IRA's implementation, the OBBBA rescinded a significant portion of unspent funding authorized for the Environmental Protection Agency, National Oceanic and Atmospheric Administration, General Services Administration, and the departments of Housing and Urban Development, Transportation, Agriculture, and Energy.

While the OBBBA left several Tribe-specific programs untouched, our analysis finds that these were not the programs through which Indian Country was receiving the most investment. Of the \$2 billion in federal funding the IRA awarded to Indian Country, nearly \$1.3 billion (64.9%) was channeled through three programs: the Greenhouse Gas Reduction Fund, the Greenhouse Gas Pollution Grant Program, and

the Environmental and Climate Justice Block Grants Program. By comparison, two of the most significant programs in the IRA designed specifically for Tribes—the Tribal Climate Resilience Program and Tribal Electrification Program, both of which the OBBBA did not affect—provided just \$293.4 million in funding to Indian Country, accounting for just 14.8% of total Tribal funding under the IRA.

FIGURE 2

IRA funding obligated to Indian Country through the end of Fiscal Year 2025, by program/statutory authority



Source: Brookings analysis of USASpending data

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To put it another way, over \$1.5 billion (76%) of the funding the IRA awarded to Indian Country was authorized under programs the OBBBA rescinded. Had all federal agencies continued to award IRA funding to Native recipients at the same rate as they did from FY 2022 to FY 2025, these recipients would have received an additional \$1.5 billion in federal funding from these same programs.

FIGURE 3

Potential funding loss in Indian Country due to IRA program cancellations

	\$0	\$200M	\$400M	\$600M	\$800M	\$1B
Awarded funding						
Potential future funding lost						
Environmental and Climate Justice Block Grants*						\$935.3M
Greenhouse Gas Reduction Fund*					\$598.4M	
National Forest System Restoration and Fuels Reduction Projects				\$466.8M		
Climate Smart Agricultural Conservation Investments			\$427.1M			
Neighborhood Access and Equity Grant Program		\$73.9M				
Affordable Housing Energy / Water Efficiency Grant Program*		\$40.1M				
Air Pollution Monitoring Grants		\$24.3M				
National Parks and Public Lands Conservation and Resilience		\$15.5M				
Clean Industrial Facilities		\$6.7M				
Clean Heavy Duty Vehicles		\$1.2M				

Source: Brookings analysis of USASpending and IRATracker.org data

Note: Starred programs (*) represent those that have been paused and/or are being targeted for grant and contract cancellations.

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In addition, last year, Congress revoked the statutory authority for several IRA programs, including two of the largest sources of climate funding for Tribal communities: the Greenhouse Gas Reduction Fund and the Environmental and Climate Justice Block Grants Program. This means that Native recipients receiving funding under those programs are confronting cancellations for grants already obligated—forcing in-progress projects to halt unless they can find alternative funding sources.

The [Trump administration's rationale \(https://www.whitehouse.gov/issues/american-energy-dominance/\)](https://www.whitehouse.gov/issues/american-energy-dominance/) for cancelling the above IRA programs is based on "unleashing American energy dominance" by "rescinding billions in green corporate welfare," "restoring consumer choice," and "driving down prices for families." Yet the cancellations ignore the increased need that has arisen in Native communities on and off reservations as a direct result of federal disinvestment and resource extraction. Enhancement of solar capacity on reservations, for instance, has provided Tribes with off-grid energy infrastructure and storage capabilities that did not exist prior to the IRA. Reducing the prevalence of fossil fuel infrastructure on and near reservations protects their residents from [exposure to water and soil contamination \(https://hsph.harvard.edu/news/fossil-fuel-extraction-harming-indigenous-communities/\)](https://hsph.harvard.edu/news/fossil-fuel-extraction-harming-indigenous-communities/) from oil spills and the corresponding long-term increased risks of cancer. Active IRA awards these programs funded are restoring [eroded shorelines on reservation land \(https://www.nytimes.com/2026/01/10/us/native-tribes-washington-floods.html\)](https://www.nytimes.com/2026/01/10/us/native-tribes-washington-floods.html), providing workforce development in communities with historically low access to quality employment, as well as rebuilding roads and bridges that connect reservation residents to opportunity in adjacent communities.

While these challenges predate the IRA, the Trump administration has not put forward any new investment strategy for supporting Native American communities in that law's place. Now, the OBBBA's program cuts represent a rejection of the binding fiduciary responsibility that the federal government has to Indian Country to ensure them the same quality of life as the non-Native population across health, infrastructure, economic vitality, and environmental safety.

SNAP and Medicaid work requirements may compromise Native American eligibility

Among the most significant changes the OBBBA made are new work requirements for individuals enrolled in Medicaid and the Supplemental Nutrition Assistance Program (SNAP). For both programs, able-bodied adults without young dependent children will be required to report at least 80 hours per month of employment or participation in a work program, educational program, or community service, unless they qualify for an exemption. For SNAP, existing exemptions are removed for older adults (55 to 64) and parents of teenagers. The SNAP restrictions started being phased in on a state-by-state basis in late 2025, whereas the effective date for the Medicaid work

requirements is not until 2027 (and the Trump administration has some authority to allow states to delay implementation).

Native Americans, who are disproportionately served by both [SNAP](https://www.epi.org/blog/cuts-to-snap-benefits-will-disproportionately-harm-families-of-color-and-children/) (<https://www.epi.org/blog/cuts-to-snap-benefits-will-disproportionately-harm-families-of-color-and-children/>) and [Medicaid](https://www.kff.org/racial-equity-and-health-policy/health-coverage-by-race-and-ethnicity/) (<https://www.kff.org/racial-equity-and-health-policy/health-coverage-by-race-and-ethnicity/>), are exempted from the new work requirements.² This exemption is not race-based, but rather a product of the federal government's legally binding trust and treaty obligations, which include providing Native people with access to healthy food and health care.

However, exempting Native people from these work requirements in writing is [not the same as exempting them in practice](https://kffhealthnews.org/news/article/native-americans-medicaid-work-requirements-exemptions-montana-nevada/) (<https://kffhealthnews.org/news/article/native-americans-medicaid-work-requirements-exemptions-montana-nevada/>). The OBBBA doesn't lay out a specific process by which states must verify American Indian or Alaska Native identity. Moreover, Native Americans have historically faced barriers to getting and staying enrolled in Medicaid and SNAP, and past experiments with work requirements have resulted in incorrect disenrollment of Native Americans.

The OBBBA stipulates that states must use a process called ["ex parte verification"](https://shvs.org/medicaid-work-reporting-requirements-implementation-basics-and-state-decision-points/) (<https://shvs.org/medicaid-work-reporting-requirements-implementation-basics-and-state-decision-points/>) to the fullest extent possible, using existing data sources to determine if a person meets the work requirements or is eligible for an exemption without requiring the individual to submit additional information. However, this process may be inadequate for identifying some exempted Native Americans because many of the sources that states use for the ex parte verification process (which include Social Security data, state or Internal Revenue Service payroll data, and Equifax Work Number data) do not indicate Tribal enrollment.

In some cases, states may be able to automatically verify exempt Native American people through existing records. For example, prior to the OBBBA, Medicaid had provisions that differed for Native American people, such as certain fee waivers provided by the Indian Health Care Improvement Act; states may already have information about which individuals are eligible Native Americans due to these past policies. However, in instances in which past records are inadequate or don't exist, Native Americans seeking an exemption may need to manually submit documentation

such as a Tribal citizenship document on Tribal letterhead, a Tribal enrollment card, or a Certificate of Degree of Indian Blood.

The potential challenges that Native Americans will face can be seen in Arkansas' experience with Medicaid work requirements. In 2018, Arkansas instituted work requirements for Medicaid, and had a similar exemption for Native Americans as the OBBBA. In order to identify individuals exempted from the work requirements, the Arkansas Department of Human Services [attempted to verify individuals eligible for an exemption](#) (https://www.urban.org/sites/default/files/publication/101113/lessons_from_launching_medicaid_work_requirements_in_arkansas_3.pdf#page=28) by matching them through systems such as the Arkansas Division of Workforce Services, SNAP records, and other public support services. While data on who received these exemptions isn't available by racial group, Arkansas was able to identify through this matching process that approximately two-thirds of all individuals enrolled in Medicaid in the state were exempt from work requirements.

Individuals who Arkansas did not automatically verify as exempt needed to complete a manual exemption process. For Native Americans, this included completing the standard health coverage application as well as a [separate document](#) (<https://regulations.justia.com/states/arkansas/agency-016/division-06/rule-016-06-17-027/#:~:text=APPENDIX%20B%20for,to%20view%20image>) verifying their Tribal status. While research into Native-specific barriers in Arkansas doesn't exist, in other states that have experimented with work requirements, such as Arizona, research has found that these types of manual processes can be prohibitively difficult for Native people, as some Tribes require members to take steps such as [appearing in person](#) (<https://www.cbpp.org/research/health/taking-away-medicaid-for-not-meeting-work-requirements-harms-american-indians-and>) before governing bodies to obtain necessary documentation.

Because of barriers such as these, data from Arkansas show that [just 5% of individuals](#) (<https://collections.nlm.nih.gov/master/borndig/101740372/Issue-Brief-An-Early-Look-at-Implementation-of-Medicaid-Work-Requirements-in-Arkansas.pdf#page=7>) who received an exemption got it through the manual application process. Unsurprisingly, [approximately three-quarters](#) (<https://www.urban.org/urban-wire/reconciliation-bill-would-deny-medicaid->

[coverage-many-working-people](#)) of individuals whose exemption or compliance status could not be determined automatically were either disenrolled from Medicaid or had their disenrollment process initiated.

Similar instances have led to a steep decline in Native American enrollment across these programs. In one study conducted during the federal government's post-pandemic [unwinding \(https://healthlaw.org/unwinding/\)](https://healthlaw.org/unwinding/) of Medicaid's [continuous enrollment provision \(https://www.medicaid.gov/medicaid/enrollment-strategies/continuous-eligibility-medicaid-and-chip-coverage\)](https://www.medicaid.gov/medicaid/enrollment-strategies/continuous-eligibility-medicaid-and-chip-coverage) (which prevented recipients from being disenrolled from the program during the COVID-19 public health emergency), researchers found that American Indian and Alaska Native Medicaid recipients were significantly more likely to be disenrolled than other demographic groups. While this study could not determine the share of disenrollments that were voluntarily versus procedurally initiated, reporting from the Centers for Medicare and Medicaid Services (CMS) indicates that up to [70% of disenrollments nationwide \(https://southdakotasearchlight.com/2025/08/25/native-americans-want-to-avoid-past-medicaid-enrollment-snafus-as-work-requirements-loom/\)](https://southdakotasearchlight.com/2025/08/25/native-americans-want-to-avoid-past-medicaid-enrollment-snafus-as-work-requirements-loom/) occurred for procedural reasons rather than a change in qualification status.

FIGURE 4

Survey population of Medicaid-insured community health center patients versus procedural disenrollment rate during Medicaid unwinding

Source: JAMA Health Forum

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The inability to shield American Indian and Alaska Native SNAP and Medicaid beneficiaries from disenrollment is further compounded by the fact that many states may not even collect data on Native American identity. As of 2019, [only 19 states](https://www.macpac.gov/wp-content/uploads/2022/03/MACPAC-brief_Race-and-Ethnicity-Data-Availability.pdf) (https://www.macpac.gov/wp-content/uploads/2022/03/MACPAC-brief_Race-and-Ethnicity-Data-Availability.pdf) were successfully capturing race and ethnicity data on at least 90% of their Medicaid applications. And as of 2023, [just eight](https://www.cms.gov/aian-unwinding) (<https://www.cms.gov/aian-unwinding>) states shared Medicaid enrollment data with Tribal governments, severely limiting the ability of Tribes to advocate on behalf of their citizens. Additionally, a [Government Accountability Office report](https://www.gao.gov/assets/gao-24-106883.pdf) (<https://www.gao.gov/assets/gao-24-106883.pdf>) following Medicaid unwinding found that several state agencies were [limiting methods](https://dailymontan.com/2025/08/24/native-americans-want-to-avoid-past-medicaid-enrollment-problems-as-work-requirements-loom/#:~:text=Ninety%2Dthree%20percent%20of%20disenrollments,to%20their%20) (<https://dailymontan.com/2025/08/24/native-americans-want-to-avoid-past-medicaid-enrollment-problems-as-work-requirements-loom/#:~:text=Ninety%2Dthree%20percent%20of%20disenrollments,to%20their%20>

[state%20Medicaid%20agency.](#)) by which recipients could submit renewal paperwork, which created unique challenges for Native people living on reservation land, who may lack access to [mailing addresses \(https://www.sltrib.com/news/2019/10/06/some-native-americans-no/\)](https://www.sltrib.com/news/2019/10/06/some-native-americans-no/) and [reliable broadband \(https://www.census.gov/library/stories/2024/06/broadband-access-tribal-areas.html\)](https://www.census.gov/library/stories/2024/06/broadband-access-tribal-areas.html)

The experience in Arkansas and elsewhere shows why a theoretical work requirement exemption for Native Americans is inadequate. As states begin to develop processes to comply with the OBBBA's more stringent eligibility requirements, the Department of Agriculture and CMS should require states to adopt proactive eligibility identification and shield Native populations from these new requirements in accordance with the OBBBA's design.

In addition, more states and federal agencies should follow the lead of the states that already share data with Tribal governments about Native American SNAP and Medicaid recipients to ease verification of exemptions. For example, states could enter into joint data-sharing agreements with Tribes to help them verify Native American individuals who are exempted from work requirements. This could include having states and the federal government collect self-identified Tribal affiliation data as part of the standard SNAP and Medicaid application process, and then work with Tribes to verify as exempt any self-identified Native American individuals whose eligibility cannot be determined automatically.

These potential solutions would entail new administrative process for federal agencies, states, and Tribes. However, given recent funding cuts and layoffs across the federal government, the administrative capacity may not exist to implement these needed safeguards. As such, absent a repeal of these policies, Congress should provide funding for federal agencies, states, and Tribes in its future budget and appropriations bills to enhance their administrative capacity to take on these new responsibilities.

New policy changes illustrate the need for a fundamental rethinking of Indian Country funding

The One Big Beautiful Bill Act continues a pattern of federal disinvestment in Indian Country. The law's cuts to climate and energy funding for Tribes will have direct negative impacts on the ability of Tribes to strengthen their energy resiliency, clean up pollution on their lands, and adapt to the effects of climate change. Compounding these negative impacts will be the Tribal citizens who are left more vulnerable through the loss of SNAP food assistance and Medicaid health insurance coverage, despite the law's ostensible protections against these changes.

The OBBBA also underscores broader shortcomings with federal funding to Indian Country. As our previous research has shown, Congress frequently relies on [discretionary funding \(https://www.brookings.edu/articles/the-government-shutdown-shows-the-need-to-reform-how-the-federal-government-funds-native-american-tribes-and-communities/\)](https://www.brookings.edu/articles/the-government-shutdown-shows-the-need-to-reform-how-the-federal-government-funds-native-american-tribes-and-communities/) and [competitive grants \(https://www.brookings.edu/articles/fortifying-a-robust-indigenous-finance-industry-in-the-mountain-plains-region-through-native-knowledge-institutions-and-relationships/\)](https://www.brookings.edu/articles/fortifying-a-robust-indigenous-finance-industry-in-the-mountain-plains-region-through-native-knowledge-institutions-and-relationships/) to fund Tribes and Native American communities. These decisions undermine trust and treaty obligations to Tribal nations, citizens, and communities. As this analysis has shown, a significant portion of federal funding to Indian Country comes from grants that require Tribes and Native American organizations to compete with non-Native entities. Additionally, the cycle of investment and disinvestment illustrated by the OBBBA's cuts to the IRA are representative of the type of unreliable federal partnership that has permeated federal investment and program development in Indian Country for decades.

In future budget and spending bills, Congress should carefully consider the negative impacts of these policies, explore how to restore needed investments for Tribal communities, and strengthen protections for Native American nutrition assistance and health care.

Footnotes

1. This total excludes loans and contracts.
2. In the original House version of the bill, lawmakers limited SNAP waiver requests—i.e., the ability to request an exemption from the new work requirements—to only counties or census-defined “county equivalents.” This would have precluded Native American reservations from being an eligible area—a significant change that should have resulted in the Senate Indian Affairs Committee receiving reconciliation instructions, which they did not. To solve this issue, the final version of the OBBBA creates a new

categorical exemption from work requirements for American Indian and Alaska Native workers and households. On the other hand, Native Americans were categorically exempted from Medicaid work requirements beginning with the original House bill. As discussed in this piece, Native Americans previously had categorical exemptions to certain Medicaid fees and other provisions due to the Indian Health Care Improvement Act.

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