

115TH CONGRESS
1ST SESSION

S. 987

To transition away from fossil fuel sources of energy to 100 percent clean and renewable energy by 2050, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 27, 2017

Mr. MERKLEY (for himself, Mr. SANDERS, Mr. MARKEY, and Mr. BOOKER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To transition away from fossil fuel sources of energy to 100 percent clean and renewable energy by 2050, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “100 by ’50 Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings; purposes; statement of policy.
- Sec. 3. Definitions.

TITLE I—CLEAN AND RENEWABLE ENERGY FOR ALL

- Sec. 101. Making public transportation affordable and accessible.
- Sec. 102. Making solar energy affordable and accessible to low-income and disadvantaged families.
- Sec. 103. Making energy efficiency retrofits affordable and accessible to low-income and disadvantaged families.
- Sec. 104. Making electricity affordable for low income and disadvantaged families.
- Sec. 105. Increasing sustainable community development capacity.
- Sec. 106. Training workers for jobs in clean energy.
- Sec. 107. Requirements for apprenticeship programs and employment of targeted workers.

TITLE II—JUST TRANSITION FOR WORKERS

- Sec. 201. Short title.
- Sec. 202. Definitions.

Subtitle A—Adjustment Assistance Program

PART I—GROUP CERTIFICATION

- Sec. 211. Petitions.
- Sec. 212. Group eligibility requirements.
- Sec. 213. Determinations and certifications.
- Sec. 214. Subpoena power.
- Sec. 215. Judicial review.

PART II—INDIVIDUAL APPLICATIONS; TERMINATION OF ASSISTANCE

- Sec. 221. Adjustment assistance.
- Sec. 222. Termination of adjustment assistance.

PART III—FEDERALLY FUNDED UNEMPLOYMENT COMPENSATION

- Sec. 231. Temporary additional unemployment compensation program for certain adversely affected workers.
- Sec. 232. Permanent State requirement for the provision of additional unemployment compensation for certain adversely affected workers.

PART IV—OTHER BENEFITS AND SERVICES

- Sec. 241. Eligibility for premium subsidy credit and cost sharing benefits for health insurance.
- Sec. 242. Training and support for employment.
- Sec. 243. Additional pensions benefits.

PART V—FUNDING

- Sec. 251. Establishment of Clean Energy Workers Trust Fund.
- Sec. 252. Modifications to rules relating to inverted corporations.

PART VI—MISCELLANEOUS PROVISIONS

- Sec. 261. Credit for hiring unemployed certified adversely affected workers.
- Sec. 262. Enforcement.
- Sec. 263. Benefit information to workers.
- Sec. 264. Amendment to Surface Mining Control and Reclamation Act of 1977.

Sec. 265. Regulations.

Subtitle B—Workplace Democracy Act

Sec. 271. Short title.

Sec. 272. Streamlining certification for labor organizations.

Sec. 273. Facilitating initial collective bargaining agreements.

Subtitle C—Community Need-Based Economic Transition Assistance Program

Sec. 281. Community need-based economic transition assistance program.

Sec. 282. Economic development grant programs.

Sec. 283. Need-based water, broadband, and electric grid infrastructure investment program.

TITLE III—GREENING THE GRID

Subtitle A—Fossil Fuel Phaseout

Sec. 301. Fossil fuel phaseout.

Subtitle B—Enhancing Grid Reliability

Sec. 311. Enhancing grid reliability.

Subtitle C—Making Clean and Renewable Energy Affordable

PART I—REDUCING CARBON POLLUTION AND CREATING JOBS BY TRANSITIONING TO SUSTAINABLE ENERGY SOURCES

Sec. 321. Extension and modification of credits with respect to facilities producing energy from certain renewable resources.

Sec. 322. Extension and modification of energy credit.

Sec. 323. Permanent extension of qualifying advanced energy project credit.

Sec. 324. Promoting access to renewable energy and energy efficiency for tax-exempt organizations.

PART II—SAVING CONSUMERS AND BUSINESSES MONEY BY PROMOTING ENERGY EFFICIENCY

Sec. 326. Permanent extension of energy efficient commercial buildings deduction.

Sec. 327. Permanent extension of new energy efficient home credit.

Sec. 328. Permanent extension and refundability of credit for nonbusiness energy property.

Sec. 329. Permanent extension, modification, and refundability of credit for residential energy efficient property.

TITLE IV—ELECTRIFYING THE ENERGY ECONOMY

Subtitle A—General Provisions

Sec. 401. National zero-emission vehicle standard.

Sec. 402. Carbon fee for aviation, maritime transportation, and rail.

Sec. 403. Accelerating the deployment of zero-emission vehicles in communities.

Sec. 404. Accelerating the deployment of zero-emission vehicle fleets.

Sec. 405. Decarbonizing America's highways.

Sec. 406. Accelerating the deployment of zero-emission aviation, rail, and maritime transportation.

Sec. 407. Accelerating the deployment of zero-emission residential and commercial heating.

Subtitle B—Helping Americans Move Beyond Oil

Sec. 411. Permanent extension, increase, and refundability of credit for qualified new plug in electric drive motor vehicles.

Sec. 412. Permanent extension of credit for hybrid medium- and heavy-duty trucks.

Sec. 413. Extension of second generation biofuel producer credit.

Sec. 414. Extension of special allowance for second generation biofuel plant property.

Sec. 415. Extension and modification of the alternative fuel vehicle refueling property credit.

TITLE V—ENDING NEW FOSSIL FUEL INVESTMENTS

Subtitle A—Ending New Fossil Fuel Investments

Sec. 501. Moratorium on new major fossil fuel projects.

Sec. 502. Ending fossil fuel subsidies.

Subtitle B—Ending Fossil Fuel Subsidies

Sec. 511. Termination of various tax expenditures relating to fossil fuels.

Sec. 512. Uniform 7-year amortization for geological and geophysical expenditures.

Sec. 513. Natural gas gathering lines treated as 15-year property.

Sec. 514. Repeal of domestic manufacturing deduction for hard mineral mining.

Sec. 515. Limitation on deduction for income attributable to domestic production of oil, natural gas, or primary products thereof.

Sec. 516. Termination of last-in, first-out method of inventory for oil, natural gas, and coal companies.

Sec. 517. Repeal of percentage depletion for coal and hard mineral fossil fuels.

Sec. 518. Termination of capital gains treatment for royalties from coal.

Sec. 519. Modifications of foreign tax credit rules applicable to oil, natural gas, and coal companies which are dual capacity taxpayers.

Sec. 520. Increase in Oil Spill Liability Trust Fund financing rate.

Sec. 521. Application of certain environmental taxes to synthetic crude oil.

Sec. 522. Denial of deduction for removal costs and damages for certain oil spills.

Sec. 523. Tax on crude oil and natural gas produced from the outer Continental Shelf in the Gulf of Mexico.

Sec. 524. Repeal of corporate income tax exemption for publicly traded partnerships with qualifying income and gains from activities relating to fossil fuels.

TITLE VI—MAINTAINING AMERICAN COMPETITIVENESS

Sec. 601. Purposes; definitions.

Sec. 602. Leveling playing field for domestic manufacturers.

Sec. 603. Making American manufacturing energy efficient.

TITLE VII—MOBILIZING AMERICAN RESOURCES

Sec. 701. National Climate Change Council.

Sec. 702. Climate Fund; climate bonds.

Sec. 703. Accelerating 100 percent locally.

Sec. 704. Climate justice resiliency.

TITLE VIII—MISCELLANEOUS

Sec. 801. Tax amendments review.

1 **SEC. 2. FINDINGS; PURPOSES; STATEMENT OF POLICY.**

2 (a) FINDINGS.—Congress finds that—

3 (1) from 1880 through 2015, global tempera-
4 tures have increased by about 1.06 degrees Celsius;

5 (2) the vast majority of global warming that
6 has occurred over the 50-year period ending on the
7 date of enactment of this Act was due to human ac-
8 tivities, primarily the burning of fossil fuels;

9 (3) emissions of greenhouse gases and atmos-
10 pheric concentrations of greenhouse gases continue
11 to rise, which results in a continued warming trend;

12 (4) global warming already has a significant im-
13 pact on the economy, including the farming, fishing,
14 forestry, and recreation industries;

15 (5) the significant impacts of global warming
16 that are already occurring will be amplified by a
17 global temperature increases, resulting in increased
18 droughts, rising seas, mass extinctions, heat waves,
19 desertification, wildfires, acidifying oceans, signifi-
20 cant economic disruption, and security threats;

21 (6) low-income communities, communities of
22 color, indigenous communities and other environ-
23 mental justice communities in the United States are

1 inordinately exposed to pollution from fossil fuels,
2 and climate impacts will be disproportionately felt by
3 those communities;

4 (7) the world is facing a climate emergency;

5 (8) people in States and local communities
6 across the United States are engaging in and win-
7 ning the fight to mobilize to solve the climate crisis;
8 and

9 (9) the Federal Government has thus far failed
10 to adequately address the climate crisis.

11 (b) PURPOSES.—The purposes of this Act are—

12 (1) to reduce, in conjunction with other laws
13 and policies, emissions of carbon pollution to ensure
14 that the contribution of the United States to global
15 climate change is lower than the level required to
16 keep global average temperature increases below
17 dangerous levels;

18 (2) to implement solutions that acknowledge the
19 intersections of environmental degradation that per-
20 petuate racial, social, and economic inequities;

21 (3) to protect the lives of low-income and dis-
22 advantaged communities and invest in those commu-
23 nities;

1 (4) to empower communities to prepare for, and
2 react to, the impacts of climate change that are al-
3 ready being experienced;

4 (5) to demonstrate to the international commu-
5 nity a commitment by the Federal Government to
6 aggressively reduce carbon pollution;

7 (6) to create jobs for all individuals, especially
8 in communities with high rates of unemployment or
9 underemployment, and build a sustainable economy;
10 and

11 (7) to ensure universal access to clean and re-
12 newable energy for all homes and businesses in the
13 United States.

14 (c) STATEMENT OF POLICY.—It is the policy of the
15 United States that—

16 (1) the United States should aggressively re-
17 duce carbon pollution as rapidly as practicable, and
18 achieve 100 percent clean and renewable energy not
19 later than 2050; and

20 (2) the Federal Government should do every-
21 thing in its power—

22 (A) to protect public health and environ-
23 ment;

24 (B) to avoid the most dangerous impacts
25 of climate change; and

1 (C) to promote a rapid, just, and equitable
2 transition to a clean energy economy.

3 **SEC. 3. DEFINITIONS.**

4 In this Act:

5 (1) ADMINISTRATOR.—The term “Adminis-
6 trator” means the Administrator of the Environ-
7 mental Protection Agency.

8 (2) CLIMATE FUND.—The term “Climate
9 Fund” means the Climate Fund established by sec-
10 tion 702(a).

11 (3) COUNCIL.—The term “Council” means the
12 National Climate Change Council established by sec-
13 tion 701(b).

14 (4) DISADVANTAGED COMMUNITY.—

15 (A) IN GENERAL.—The term “disadvan-
16 taged community” means a community that is
17 disadvantaged based on geographic, public
18 health, environmental hazard, or socioeconomic
19 criteria.

20 (B) INCLUSIONS.—The term “disadvan-
21 taged community” includes—

22 (i) an area burdened by cumulative
23 environmental pollution or other hazard
24 that can lead to a negative public health
25 effect;

1 (ii) an area with a concentration of
 2 people that—

3 (I) are low-income;

4 (II) have high unemployment;

5 (III) have a high rent burden;

6 (IV) have a low level of home
 7 ownership;

8 (V) have a low level of edu-
 9 cational attainment; or

10 (VI) are members of groups that
 11 have historically experienced discrimi-
 12 nation on the basis of race or eth-
 13 nicity; and

14 (iii) an area that is vulnerable to the
 15 impact of climate change such as flooding,
 16 storm surges, and urban heat island ef-
 17 fects.

18 (5) INDIAN TRIBE.—The term “Indian tribe”
 19 has the meaning given the term in section 4 of the
 20 Indian Self-Determination and Education Assistance
 21 Act (25 U.S.C. 5304).

22 (6) LOW-INCOME COMMUNITY.—The term “low-
 23 income community” means a census or tribal block
 24 group in which not less than 50 percent of house-

1 holds have an annual income that is less than 80
2 percent of the greater of—

3 (A) the annual median gross income for
4 the area in which the census or tribal block
5 group is located; and

6 (B) the annual median gross income for
7 the State in which the census or tribal block
8 group is located.

9 (7) RAIL.—

10 (A) IN GENERAL.—The term “rail” means
11 any entity transporting goods or passengers op-
12 erating on the general railroad system of trans-
13 portation (as defined in Appendix A of part A
14 of title 49, Code of Federal Regulations (or suc-
15 cessor regulations)).

16 (B) EXCLUSION.—The term “rail” does
17 not include rapid transit operations in an urban
18 area not connected to the general railroad sys-
19 tem of transportation (as defined in Appendix
20 A of part 209 of title 49, Code of Federal Reg-
21 ulations (or successor regulations)).

22 (8) SECRETARY.—The term “Secretary” means
23 the Secretary of Energy.

24 (9) STATE.—The term “State” means—

25 (A) a State;

1 (B) the District of Columbia;
 2 (C) the Commonwealth of Puerto Rico;
 3 and
 4 (D) any other territory or possession of the
 5 United States.

6 (10) ZERO-EMISSION VEHICLE.—The term
 7 “zero-emission vehicle” means a vehicle that pro-
 8 duces zero exhaust emissions of any criteria pollut-
 9 ant, precursor pollutant, or greenhouse gas in any
 10 mode of operation or condition, as determined by the
 11 Administrator.

12 **TITLE I—CLEAN AND**
 13 **RENEWABLE ENERGY FOR ALL**
 14 **SEC. 101. MAKING PUBLIC TRANSPORTATION AFFORDABLE**
 15 **AND ACCESSIBLE.**

16 (a) ESTABLISHMENT.—The Secretary shall establish
 17 a zero-emission vehicle-based public transportation pro-
 18 gram (referred to in this section as the “Program”).

19 (b) GOALS.—The goals of the Program are—
 20 (1) to facilitate affordable and accessible zero-
 21 emission vehicle-based public transportation;
 22 (2) to establish regionally appropriate, inter-
 23 operable models for zero-emission vehicle-based pub-
 24 lic transportation in diverse communities throughout
 25 the United States;

1 (3) to encourage the innovation and investment
2 necessary to achieve mass market modes of zero-
3 emission vehicle-based public transportation; and

4 (4) to reduce and displace fossil fuel use and
5 reduce greenhouse gas emissions by accelerating the
6 deployment of zero-emission vehicle-based public
7 transportation in the United States.

8 (c) COMPETITIVE GRANTS.—

9 (1) IN GENERAL.—The Secretary shall establish
10 a competitive process to select communities for the
11 Program to receive grants.

12 (2) COMMUNITY SELECTION CRITERIA.—Not
13 later than 150 days after the date of enactment of
14 this Act, the Secretary shall publish a set of selec-
15 tion criteria for the grants competition that—

16 (A) shall prioritize communities that dem-
17 onstrate affordable modes of access to zero-
18 emission vehicle-based public transportation for
19 disadvantaged communities;

20 (B) shall ensure, to the maximum extent
21 practicable, that—

22 (i) the combination of selected com-
23 munities is diverse in population, popu-
24 lation density, demographics, urban and

1 suburban composition, typical commuting
2 patterns, and climate;

3 (ii) at least 1 community selected has
4 a population of less than 500,000; and

5 (iii) grants are of a sufficient amount
6 such that each community will be able to
7 provide broadly accessible zero-emission ve-
8 hicle-based public transportation through-
9 out the community;

10 (C) may give preference to applicants pro-
11 posing a greater non-Federal cost share; and

12 (D) in considering community plans, shall
13 take into account previous Department of En-
14 ergy and other Federal investments to ensure
15 that the maximum domestic benefit from Fed-
16 eral investments is realized.

17 (3) APPLICATIONS.—

18 (A) IN GENERAL.—Not later than 150
19 days after the date of publication by the Sec-
20 retary of selection criteria described in para-
21 graph (2), any State, tribal, or local govern-
22 ment, or group of State, tribal, or local govern-
23 ments may apply to the Secretary to receive a
24 grant under this subsection.

25 (B) JOINT SPONSORSHIP.—

1 (i) IN GENERAL.—An application sub-
2 mitted under subparagraph (A) may be
3 jointly sponsored by electric utilities, auto-
4 mobile manufacturers, technology pro-
5 viders, carsharing companies or organiza-
6 tions, third-party zero-emission vehicle
7 service providers, nongovernmental organi-
8 zations, or other appropriate entities.

9 (ii) DISBURSEMENT OF GRANTS.—A
10 grant provided under this subsection shall
11 only be disbursed to a State, tribal, or
12 local government, or group of State, tribal,
13 or local governments, regardless of whether
14 the application is jointly sponsored under
15 clause (i).

16 (4) SELECTION.—Not later than 120 days after
17 an application deadline has been established under
18 subparagraph (A), the Secretary shall announce the
19 names of the communities selected under this sub-
20 section.

21 (5) COMMUNITY PLANS.—Plans for the deploy-
22 ment of zero-emission vehicle-based public transpor-
23 tation shall include—

24 (A) a proposed level of cost sharing;

- 1 (B) documentation demonstrating a project
2 involving relevant stakeholders, including—
- 3 (i) a list of stakeholders that in-
4 cludes—
- 5 (I) elected and appointed officials
6 from each of the participating State,
7 local, and tribal governments;
- 8 (II) all relevant generators and
9 distributors of electricity;
- 10 (III) State utility regulatory au-
11 thorities;
- 12 (IV) departments of public works
13 and transportation;
- 14 (V) as appropriate, owners and
15 operators of regional electric power
16 distribution and transmission facili-
17 ties; and
- 18 (VI) as appropriate, other exist-
19 ing community coalitions recognized
20 by the Department of Energy;
- 21 (ii) evidence of the commitment of the
22 stakeholders to participate in the project;
- 23 (iii) a clear description of the role and
24 responsibilities of each stakeholder; and

1 (iv) a plan for continuing the engage-
2 ment and participation of the stakeholders,
3 as appropriate, throughout the implemen-
4 tation of the deployment plan;

5 (C) descriptions of incentives for economi-
6 cally disadvantaged residents in the community
7 to ensure affordable access to zero-emission ve-
8 hicle-based public transportation, in addition to
9 any Federal incentives;

10 (D) a timeline for the deployment of zero-
11 emission vehicle-based public transportation;

12 (E) a plan for monitoring and evaluating
13 the implementation of the plan, including
14 metrics for assessing the success of the deploy-
15 ment and an approach to updating the plan, as
16 appropriate; and

17 (F) a description of the manner in which
18 any grant funds applied for under paragraph
19 (3) will be used and the proposed local cost
20 share for the funds.

21 (d) FUNDING.—The Secretary shall use to carry out
22 this section not more than \$30,000,000,000 for each fiscal
23 year from the Climate Fund.

1 **SEC. 102. MAKING SOLAR ENERGY AFFORDABLE AND AC-**
2 **CESSIBLE TO LOW-INCOME AND DISADVAN-**
3 **TAGED FAMILIES.**

4 (a) DEFINITIONS.—In this section:

5 (1) ADMINISTRATIVE EXPENSE.—The term
6 “administrative expense” has the meaning given the
7 term by the Secretary.

8 (2) COMMUNITY SOLAR FACILITY.—The term
9 “community solar facility” means a community-
10 based distributed photovoltaic solar electricity gener-
11 ating facility that, as determined by the Secretary—

12 (A) is owned by a subscriber organization;

13 (B) has a nameplate rating of 2 megawatts
14 or less;

15 (C) is located in or near a community of
16 subscribers to whom the beneficial use of the
17 electricity generated by the facility belongs; and

18 (D) reserves not less than 25 percent of
19 the quantity of electricity generated by the fa-
20 cility for households in low-income communities
21 and disadvantaged communities that are sub-
22 scribers to the facility.

23 (3) ELIGIBLE ENTITY.—

24 (A) IN GENERAL.—The term “eligible enti-
25 ty” means—

26 (i) a low-income household;

- 1 (ii) a household in a disadvantaged
- 2 community;
- 3 (iii) a unit of State, territorial, or
- 4 local government;
- 5 (iv) an Indian tribe;
- 6 (v) a Native Hawaiian community-
- 7 based organization;
- 8 (vi) a rural area (as defined in section
- 9 343(a) of the Consolidated Farm and
- 10 Rural Development Act (7 U.S.C.
- 11 1991(a))); and
- 12 (vii) any other national or regional en-
- 13 tity that—
- 14 (I) deploys a safe, high-quality
- 15 photovoltaic solar electricity gener-
- 16 ating facility for consumers under a
- 17 model that maximizes energy savings
- 18 to those consumers; and
- 19 (II) has experience, as deter-
- 20 mined by the Secretary, in the instal-
- 21 lation of solar systems using a job
- 22 training or community volunteer-
- 23 based installation model.

1 (B) LOAN PROGRAM.—With respect to a
2 loan provided under this section, the term “eli-
3 gible entity” means—

4 (i) an entity described in clauses (i)
5 through (vi) of subparagraph (A); and

6 (ii) a private entity that—

7 (I) deploys a safe, high-quality
8 photovoltaic solar electricity gener-
9 ating facility for consumers under a
10 model that maximizes energy savings
11 to those consumers; and

12 (II) will install solar systems
13 using a job training installation
14 model.

15 (4) GRANT-ELIGIBLE HOUSEHOLD.—The term
16 “grant-eligible household” means a household the
17 members of which—

18 (A) earn an income equal to 80 percent or
19 less of the applicable area median income, as
20 defined for the applicable year by the Secretary
21 of Housing and Urban Development; and

22 (B) reside in an owner-occupied home.

23 (5) LOW-INCOME HOUSEHOLD.—The term
24 “low-income household” means a household with an
25 income equal to 80 percent or less of the applicable

1 area median income, as defined for the applicable
 2 year by the Secretary of Housing and Urban Devel-
 3 opment.

4 (6) MULTI-FAMILY AFFORDABLE HOUSING.—
 5 The term “multi-family affordable housing” means
 6 any federally subsidized affordable housing complex
 7 in which not less than 50 percent of the units are
 8 reserved for low-income households and households
 9 in disadvantaged communities.

10 (7) NATIVE HAWAIIAN COMMUNITY-BASED OR-
 11 GANIZATION.—The term “Native Hawaiian commu-
 12 nity-based organization” means any organization
 13 that is composed primarily of Native Hawaiians
 14 from a specific community and that assists in the
 15 social, cultural, and educational development of Na-
 16 tive Hawaiians in that community.

17 (8) PHOTOVOLTAIC SOLAR ELECTRICITY GEN-
 18 ERATING FACILITY.—The term “photovoltaic solar
 19 electricity generating facility” means—

20 (A) a generator that creates electricity
 21 from light photons; and

22 (B) the accompanying hardware enabling
 23 that electricity to flow—

24 (i) onto the electric grid; or

25 (ii) into an energy storage device.

1 (9) SUBSCRIBER.—The term “subscriber”
2 means an electricity consumer who—

3 (A) owns a subscription, or an equivalent
4 unit or share of the capacity or generation, of
5 a community solar facility;

6 (B) has identified 1 or more physical loca-
7 tions—

8 (i) to which the subscription will be
9 attributed;

10 (ii) within the same electric utility
11 service territory, or within the same geo-
12 graphical area, as the community solar fa-
13 cility, in accordance with applicable State
14 and local law; and

15 (iii) that may change from time to
16 time, subject to the condition that the
17 physical location shall be within the geo-
18 graphical limits allowed for a subscriber of
19 the applicable community solar facility;
20 and

21 (C) confirms the status of the consumer as
22 a low-income household, or a household in a
23 disadvantaged community, for each applicable
24 fiscal year.

1 (10) SUBSCRIPTION.—The term “subscription”
2 means a share in the capacity, or a proportional in-
3 terest in the solar electricity generation, of a com-
4 munity solar facility.

5 (11) UNDERSERVED AREA.—The term “under-
6 served area” means—

7 (A) a geographical area with low or no
8 photovoltaic solar deployment, as determined by
9 the Secretary; or

10 (B) trust land, as defined in section 3765
11 of title 38, United States Code.

12 (b) ESTABLISHMENT OF LOAN AND GRANT PRO-
13 GRAM.—

14 (1) IN GENERAL.—The Secretary shall establish
15 a program under which the Secretary shall provide
16 loans and grants to eligible entities for use in ac-
17 cordance with this section.

18 (2) FUNDING.—

19 (A) IN GENERAL.—Subject to the avail-
20 ability of appropriations, the Secretary shall
21 make grants and issue loans in accordance with
22 this subsection.

23 (B) LOANS.—Subject to subparagraph
24 (D), not more than 50 percent of funds made
25 available under subparagraph (A) for a fiscal

1 year shall be used to provide loans to eligible
2 entities for—

3 (i) community solar facilities; or

4 (ii) multi-family affordable housing
5 solar installations.

6 (C) GRANTS.—After allocating amounts to
7 carry out subparagraph (B), the Secretary shall
8 use the remaining funds made available under
9 subparagraph (A) for a fiscal year to provide
10 grants to eligible entities—

11 (i) to pay the upfront costs of photo-
12 voltaic solar electricity generating facilities
13 installed on properties of grant-eligible
14 households; or

15 (ii) for any other eligible use described
16 in subsection (e).

17 (D) INCREASE IN LOAN AMOUNT.—Not-
18 withstanding subparagraph (B), if the Sec-
19 retary determines that more than 50 percent of
20 the amounts described in that subparagraph are
21 necessary for any of fiscal years 2018 through
22 2050 to provide loans to encourage innovative
23 financing and installation models to reach un-
24 derserved markets, the Secretary may use more

1 than 50 percent of those amounts to provide
2 those loans.

3 (3) GOALS AND ACCOUNTABILITY.—

4 (A) IN GENERAL.—In providing loans and
5 grants under this subsection, the Secretary
6 shall take such actions as may be necessary to
7 ensure that—

8 (i) the assistance provided under this
9 subsection is used to facilitate and encour-
10 age innovative solar installation and fi-
11 nancing models, under which the recipients
12 develop and install photovoltaic solar elec-
13 tricity generating facilities that provide sig-
14 nificant savings to low-income households
15 and households in disadvantaged commu-
16 nities while providing job training or com-
17 munity engagement opportunities with re-
18 spect to each solar system installed;

19 (ii) loan and grant recipients—

20 (I) install not less than 600 kilo-
21 watts of photovoltaic solar energy dur-
22 ing the 2-year period ending on the
23 date on which the loan or grant is
24 provided to ensure consumer protec-
25 tion; or

(II) before the date on which the goal described in subclause (I) is achieved, enter into partnership with an entity that—

(aa) has not less than 2 years of experience deploying solar photovoltaic systems for low-income households and households in disadvantaged communities in a manner that maximizes the savings benefits of solar access; and

(bb) was primarily responsible for the installation of at least 2 megawatts of solar energy during the 2-year period ending on the date on which the loan or grant is provided;

(iii) the photovoltaic solar electricity generating facilities installed using assistance provided under this subsection are safe, high-quality systems that comply with local building and safety codes and standards;

1 (iv) the provision of assistance under
2 this subsection establishes and fosters a
3 partnership between the Federal Govern-
4 ment and eligible entities, resulting in effi-
5 cient development of solar installations
6 with—

7 (I) minimal governmental inter-
8 vention;

9 (II) limited governmental regula-
10 tion; and

11 (III) significant involvement by
12 nonprofit and private entities;

13 (v) solar projects installed using as-
14 sistance provided under this subsection—

15 (I) shall include job training; and

16 (II) may include community par-
17 ticipation in which job trainees and
18 volunteers assist in the development of
19 solar projects;

20 (vi) assistance provided under this
21 subsection gives priority to development
22 in—

23 (I) areas with low photovoltaic
24 penetration;

25 (II) rural areas;

1 (III) Indian tribal areas; and

2 (IV) other underserved areas, in-
3 cluding Alaskan Native and Appa-
4 lachian communities;

5 (vii) solar systems are developed using
6 assistance provided under this subsection
7 on a geographically diverse basis among
8 the eligible entities; and

9 (viii) to the maximum extent prac-
10 ticable, solar installation activities for
11 which assistance is provided under this
12 section leverage, or connect grant-eligible
13 households to, federally or locally sub-
14 sidized weatherization and energy effi-
15 ciency efforts that meet or exceed local en-
16 ergy efficiency standards.

17 (B) DETERMINATION.—If, at any time, the
18 Secretary determines that any goal described in
19 subparagraph (A) cannot be met by providing
20 assistance in accordance with this subsection,
21 the Secretary shall immediately submit to the
22 appropriate committees of Congress a written
23 notice of that determination, including any pro-
24 posed changes necessary to achieve the goal.

25 (4) COMMUNITY SOLAR FACILITIES.—

1 (A) IN GENERAL.—A community solar fa-
2 cility may use a loan provided under this sub-
3 section only to offset the costs of generation
4 and provision of solar energy to low-income
5 households, and households in disadvantaged
6 communities, that are subscribers of the com-
7 munity solar facility.

8 (B) TRANSFER AND ASSIGNMENT OF SUB-
9 SCRIPTIONS.—A subscription to a community
10 solar facility that receives assistance under this
11 subsection may be transferred or assigned by
12 the subscriber to—

13 (i) any subscriber organization; or

14 (ii) any individual or entity who quali-
15 fies to be a subscriber to that community
16 solar facility.

17 (C) TREATMENT.—

18 (i) IN GENERAL.—No owner, oper-
19 ator, or subscriber of a community solar
20 facility that receives assistance under this
21 subsection shall be subject to regulation by
22 the Federal Energy Regulatory Commis-
23 sion solely as a result of an interest in the
24 community solar facility.

1 (ii) PRICE OF SUBSCRIPTION.—The
2 price paid for any subscription to a com-
3 munity solar facility shall not be subject to
4 the regulation of any Federal department,
5 agency, or commission.

6 (c) NATIONAL COMPETITION.—

7 (1) IN GENERAL.—The Secretary shall select el-
8 igible entities to receive loans or grants under this
9 section through a nationwide competitive process, to
10 be established by the Secretary.

11 (2) APPLICATIONS.—To be eligible to receive a
12 loan or grant under this section, an eligible entity
13 shall submit to the Secretary an application at such
14 time, in such manner, and containing such informa-
15 tion as the Secretary may require.

16 (3) REQUIREMENTS.—In selecting eligible enti-
17 ties to receive loans or grants under this section, the
18 Secretary shall, at a minimum—

19 (A) require that the eligible entity—

20 (i) enter into a grant or loan agree-
21 ment, as applicable, under subsection (d);
22 and

23 (ii) has obtained financial commit-
24 ments (or has demonstrated the capacity

1 to obtain financial commitments) necessary
2 to comply with that agreement;

3 (B) ensure that loans and grants are pro-
4 vided, and amounts are used, in a manner that
5 results in geographical diversity throughout the
6 United States and within States, territories,
7 and Indian tribal land among photovoltaic solar
8 electricity generating facilities installed using
9 the assistance provided under this section;

10 (C) to the maximum extent practicable, ex-
11 pand photovoltaic solar energy availability to—

12 (i) geographical areas, throughout the
13 United States and within States, terri-
14 tories, and Indian tribal land, with—

15 (I) low photovoltaic solar pene-
16 tration; or

17 (II) a higher cost burden with re-
18 spect to the deployment or installation
19 of photovoltaic solar electricity gener-
20 ating facilities;

21 (ii) rural communities;

22 (iii) Indian tribes; and

23 (iv) other underserved areas, including
24 Appalachian and Alaska Native commu-
25 nities;

(D) take into account the warranty period and quality of the applicable photovoltaic solar electricity generating facility equipment and any necessary interconnecting equipment; and

(E) ensure that all calculations for estimated household energy savings are based solely on electricity offsets from the photovoltaic solar electricity generating facilities.

(d) LOAN AND GRANT AGREEMENTS.—

(1) IN GENERAL.—As a condition of receiving a loan or grant under this section, an eligible entity shall enter into a loan or grant agreement, as applicable, with the Secretary.

(2) REQUIREMENTS.—A loan or grant agreement under this subsection shall—

(A) require the eligible entity—

(i) to use the assistance provided under this section only in accordance with this section;

(ii) to install such quantity of solar systems with such defined capacity target (expressed in megawatts) as may be established by the Secretary, taking into consideration the costs associated with carrying out loan or grant obligations in the areas

1 in which the solar systems will be devel-
2 oped;

3 (iii) to use the assistance in a manner
4 that leverages other sources of funding
5 (other than loans or grants under this sec-
6 tion), including private or public funds, in
7 developing the solar projects; and

8 (iv) to establish loan terms, if applica-
9 ble, that maximize the benefit to the low-
10 income households, and households in dis-
11 advantaged communities, receiving solar
12 energy from the eligible entity;

13 (B) require the Secretary to rescind any
14 amounts provided to the eligible entity that are
15 not used during the 2-year period beginning on
16 the date on which the amounts are initially dis-
17 tributed to the eligible entity, except in any case
18 in which the eligible entity has demonstrated to
19 the satisfaction of the Secretary that a longer
20 period, not to exceed 3 years after the date of
21 initial distribution, is necessary to deliver pro-
22 posed services;

23 (C) with respect to a loan provided under
24 this section, establish—

1 (i) an interest rate equal to the cost
 2 of funds to the Department of the Treas-
 3 ury for obligations of comparable maturity
 4 to the loan as of the date on which the
 5 loan agreement is entered into; and

6 (ii) a payout time that maximizes the
 7 savings to customers during the effective
 8 period of the agreement; and

9 (D) contain such other terms as the Sec-
 10 retary may require to ensure compliance with
 11 the requirements of this section.

12 (e) USE.—An eligible entity shall use a loan or grant
 13 provided under this section for the purpose of developing
 14 new photovoltaic solar projects in the United States for
 15 low-income households, households in disadvantaged com-
 16 munities, and individuals who otherwise would likely be
 17 unable to afford or purchase photovoltaic solar systems
 18 through 1 or more of the following activities:

19 (1) PHOTOVOLTAIC SOLAR EQUIPMENT AND IN-
 20 STALLATION.—To pay the costs of—

21 (A) solar equipment, including only photo-
 22 voltaic solar equipment and storage and all
 23 hardware or software components relating to
 24 safely producing, monitoring, and connecting

1 the system to the electric grid or onsite storage;
2 and

3 (B) installation, including all direct labor
4 associated with installing the photovoltaic solar
5 equipment.

6 (2) JOB TRAINING.—To fund onsite job train-
7 ing and community or volunteer engagement, includ-
8 ing—

9 (A) only job training costs directly associ-
10 ated with the solar projects funded under this
11 section; and

12 (B) job training opportunities that may
13 cover the full range of the solar value chain,
14 such as marketing and outreach, customer ac-
15 quisition, system design, and installation posi-
16 tions.

17 (3) DEPLOYMENT SUPPORT.—To fund entities
18 that have a demonstrated ability, as determined by
19 the Secretary—

20 (A) to advise State and local entities re-
21 garding solar policy, regulatory, and program
22 design to continue and expand the work of the
23 entities in low-income communities and dis-
24 advantaged communities;

1 (B) to foster community outreach and edu-
2 cation regarding the benefits of photovoltaic
3 solar energy for low-income communities and
4 disadvantaged communities; or

5 (C) to provide apprenticeship program op-
6 portunities registered and approved by—

7 (i) the Office of Apprenticeship of the
8 Department of Labor pursuant to part 29
9 of title 29, Code of Federal Regulations (or
10 successor regulations); or

11 (ii) a State Apprenticeship Agency
12 recognized by that Office.

13 (4) ADMINISTRATION.—To pay the administra-
14 tive expenses of the eligible entity, including
15 preproject feasibility efforts, in carrying out the du-
16 ties of the Secretary associated with delivering pro-
17 posed services, except that not more than 15 percent
18 of the total amount of the assistance provided to the
19 eligible entity under this section may be used for ad-
20 ministrative expenses.

21 (f) COMPLIANCE.—

22 (1) RECORDS AND AUDITS.—During the period
23 beginning on the date of initial distribution to an eli-
24 gible entity of a loan or grant under this section and
25 ending on the termination date of the loan or grant

1 under subsection (g), the eligible entity shall main-
 2 tain such records and adopt such administrative
 3 practices as the Secretary may require to ensure
 4 compliance with the requirements of this section and
 5 the applicable loan or grant agreement.

6 (2) DETERMINATION BY SECRETARY.—If the
 7 Secretary determines that an eligible entity that re-
 8 ceives a grant or loan under this section has not,
 9 during the 2-year period beginning on the date of
 10 initial distribution to the eligible entity of the assist-
 11 ance (or such longer period as is established under
 12 subsection (d)(2)(B)), substantially fulfilled the obli-
 13 gations of the eligible entity under the applicable
 14 loan or grant agreement, the Secretary shall—

15 (A) rescind the balance of any funds dis-
 16 tributed to, but not used by, the eligible entity
 17 under this section; and

18 (B) use those amounts to provide other
 19 loans or grants in accordance with this section.

20 (g) TERMINATION.—The Secretary shall terminate a
 21 loan or grant provided under this section on the date on
 22 which the Secretary makes a determination that the total
 23 amount of the loan or grant (excluding any interest, fees,
 24 and other earnings of the loan or grant) has been—

25 (1) fully expended by the eligible entity; or

1 (2) returned to the Secretary.

2 (h) REGULATIONS.—Not later than 90 days after the
3 date of enactment of this Act, the Secretary shall promul-
4 gate such regulations as the Secretary determines to be
5 necessary to carry out this section, to take effect on the
6 date of promulgation.

7 (i) FUNDING.—The Secretary shall use to carry out
8 this section not more than \$10,000,000,000 for each fiscal
9 year from the Climate Fund.

10 **SEC. 103. MAKING ENERGY EFFICIENCY RETROFITS AF-**
11 **FORDABLE AND ACCESSIBLE TO LOW-IN-**
12 **COME AND DISADVANTAGED FAMILIES.**

13 (a) WEATHERIZATION ASSISTANCE PROGRAM.—Sec-
14 tion 422 of the Energy Conservation and Production Act
15 (42 U.S.C. 6872) is amended to read as follows:

16 **“SEC. 422. FUNDING.**

17 “The Secretary shall use to carry out the weatheriza-
18 tion program under this part from amounts in the Climate
19 Fund established by section 702(a) of the 100 by ’50 Act
20 not more than \$10,000,000,000 for each fiscal year.”.

21 (b) TECHNICAL CORRECTION.—Section 415 of the
22 Energy Conservation and Production Act (42 U.S.C.
23 6865) is amended in subsections (d) and (e)(1)(A) by
24 striking “section 422(b)” each place it appears and insert-
25 ing “section 422”.

1 **SEC. 104. MAKING ELECTRICITY AFFORDABLE FOR LOW IN-**
 2 **COME AND DISADVANTAGED FAMILIES.**

3 Section 2602 of the Low-Income Home Energy As-
 4 sistance Act of 1981 (42 U.S.C. 8621) is amended—

5 (1) by striking subsection (b) and inserting the
 6 following:

7 “(b) FUNDING.—The Secretary shall use to carry out
 8 this title (other than section 2607A) from amounts in the
 9 Climate Fund established by section 702(a) of the 100 by
 10 ’50 Act not more than \$24,000,000,000 for each fiscal
 11 year.”; and

12 (2) in subsection (c), by striking
 13 “appropriated” and inserting “made available”.

14 **SEC. 105. INCREASING SUSTAINABLE COMMUNITY DEVEL-**
 15 **OPMENT CAPACITY.**

16 (a) DEFINITIONS.—In this section:

17 (1) ELIGIBLE COMMUNITY DEVELOPMENT OR-
 18 GANIZATION.—The term “eligible community devel-
 19 opment organization” means—

20 (A) a unit of general local government (as
 21 defined in section 104 of the Cranston-Gonzalez
 22 National Affordable Housing Act (42 U.S.C.
 23 12704));

24 (B) a community housing development or-
 25 ganization (as defined in section 104 of the

1 Cranston-Gonzalez National Affordable Hous-
2 ing Act (42 U.S.C. 12704));

3 (C) an Indian tribe;

4 (D) a tribally designated housing entity (as
5 defined in section 4 of the Native American
6 Housing Assistance and Self-Determination Act
7 of 1996 (25 U.S.C. 4103)); and

8 (E) a public housing agency (within the
9 meaning of section 3(b) of the United States
10 Housing Act of 1937 (42 U.S.C. 1437a(b))).

11 (2) NONPROFIT ORGANIZATION.—The term
12 “nonprofit organization” has the meaning given the
13 term in section 104 of the Cranston-Gonzalez Na-
14 tional Affordable Housing Act (42 U.S.C. 12704).

15 (3) SECRETARY.—The term “Secretary” means
16 the Secretary of Housing and Urban Development.

17 (b) GRANTS TO NONPROFIT ORGANIZATIONS.—The
18 Secretary may make grants to nonprofit organizations to
19 provide training, education, support, or advice to an eligi-
20 ble community development organization or qualified
21 youth service and conservation corps—

22 (1) to improve energy efficiency;

23 (2) to design strategies to maximize energy effi-
24 ciency; and

25 (3) to promote—

1 (A) resource conservation and reuse;

2 (B) the installation or construction of re-
 3 newable energy technologies or facilities, such
 4 as wind, wave, solar, and geothermal energy;
 5 and

6 (C) the effective use of existing infrastruc-
 7 ture in affordable housing and economic devel-
 8 opment activities in low-income communities
 9 and disadvantaged communities.

10 (c) APPLICATION.—To be eligible for a grant under
 11 this section, a nonprofit organization shall prepare and
 12 submit to the Secretary an application at such time, in
 13 such manner, and containing such information as the Sec-
 14 retary may require.

15 (d) AWARD OF CONTRACTS.—Contracts for architec-
 16 tural or engineering services funded with amounts from
 17 grants made under this section shall be awarded in accord-
 18 ance with chapter 11 of title 40, United States Code.

19 (e) FUNDING.—For fiscal year 2018 and each fiscal
 20 year thereafter, the Secretary shall use to carry out this
 21 section from amounts in the Climate Fund not more than
 22 a total of \$2,000,000,000.

23 **SEC. 106. TRAINING WORKERS FOR JOBS IN CLEAN EN-**
 24 **ERGY.**

25 (a) DEFINITIONS.—In this section:

1 (1) ELIGIBLE PARTNERSHIP.—The term “eligi-
2 ble partnership” means a partnership that in-
3 cludes—

4 (A) not less than 1—

5 (i) local educational agency that is eli-
6 gible for funding under section 131 of the
7 Carl D. Perkins Career and Technical
8 Education Act of 2006 (20 U.S.C. 2351);
9 or

10 (ii) area career and technical edu-
11 cation school or educational service agency
12 described in subsection (e) or (f) of such
13 section;

14 (B) not less than 1 postsecondary institu-
15 tion eligible for funding under section 132 of
16 such Act (20 U.S.C. 2352); and

17 (C) representatives of the community, in-
18 cluding nonprofit organizations, business enti-
19 ties, labor organizations, or industry entities
20 that have experience in fields described in sub-
21 section (b)(1).

22 (2) PROGRAM OF STUDY.—The term “program
23 of study” means a program of study for a field de-
24 scribed in subsection (b)(1) that contains the infor-
25 mation described in section 122(c)(1)(A) of the Carl

1 D. Perkins Career and Technical Education Act of
2 2006 (20 U.S.C. 2342(c)(1)(A)).

3 (b) PROGRAM AUTHORIZED.—

4 (1) IN GENERAL.—The Secretary of Education
5 is authorized to award grants, on a competitive
6 basis, to eligible partnerships to enable the eligible
7 partnerships to develop programs of study that are
8 focused on emerging careers and jobs in the fields
9 of clean energy, renewable energy, energy efficiency,
10 climate change mitigation, and climate change adap-
11 tation.

12 (2) CONSULTATION.—The Secretary of Edu-
13 cation shall consult with the Secretary of Labor and
14 the Secretary prior to the issuance of a solicitation
15 for grant applications under this section.

16 (c) APPLICATION.—

17 (1) IN GENERAL.—An eligible partnership seek-
18 ing a grant under this section shall submit an appli-
19 cation to the Secretary of Education at such time
20 and in such manner as such Secretary may require.

21 (2) CONTENTS.—Each application submitted
22 under this subsection shall include—

23 (A) a description of the eligible partnership
24 and the roles and responsibilities of each part-
25 ner in the partnership, and a demonstration of

1 each partner's capacity to support the program
2 of study;

3 (B)(i) a description of each career area
4 within a field described in subsection (b)(1) to
5 be developed through the grant and the reason
6 for choosing such field; and

7 (ii) evidence of the labor market need to
8 prepare students in such career area;

9 (C) a description of the program of study
10 proposed to be funded by the grant, including—

11 (i) whether such program of study is
12 a new or existing program (as of the date
13 of the application); and

14 (ii) the secondary and postsecondary
15 components of such program of study;

16 (D) a description of the students to be
17 served by the program of study;

18 (E) a description of how the proposed pro-
19 gram of study will be replicable and dissemi-
20 nated to schools outside of the partnership, in-
21 cluding schools in urban and rural areas;

22 (F) a description of the applied learning
23 that will be incorporated into the program of
24 study and how the applied learning will incor-
25 porate or reinforce academic learning;

1 (G) a description of how the proposed pro-
2 gram of study will be delivered;

3 (H) a description of how the program of
4 study will provide accessibility to students, es-
5 pecially economically disadvantaged, low-per-
6 forming, urban, and rural students;

7 (I) a description of how the program will
8 address placement of students in non-tradi-
9 tional fields, as defined in section 3 of the Carl
10 D. Perkins Career and Technical Education Act
11 of 2006 (20 U.S.C. 2302); and

12 (J) a description of how the applicant pro-
13 poses to consult or has consulted with a labor
14 organization, labor management partnership,
15 apprenticeship program, or joint apprenticeship
16 and training program, that provides education
17 and training in the field of study for which the
18 applicant proposes to develop a curriculum.

19 (d) PRIORITY.—In awarding grants under this sec-
20 tion, the Secretary of Education shall give priority to any
21 application that proposes—

22 (1) to use innovative means to deliver the pro-
23 posed program of study to students, educators, and
24 instructors outside of the eligible partnership;

1 (2) to focus on low-performing students and
2 special populations, as defined in section 3 of the
3 Carl D. Perkins Career and Technical Education
4 Act of 2006 (20 U.S.C. 2302);

5 (3) to provide a comprehensive plan to enroll
6 economically disadvantaged students in the program
7 of study; and

8 (4) to provide a comprehensive plan to ensure
9 that all students can complete programs of study
10 supported by a grant under this section without bor-
11 rowing Federal or private education loans.

12 (e) PEER REVIEW.—

13 (1) IN GENERAL.—The Secretary of Education
14 shall convene a peer review process to review appli-
15 cations for grants under this section and to make
16 recommendations regarding the selection of grant-
17 ees.

18 (2) MEMBERSHIP.—Members of the peer review
19 committee shall include in a balanced manner (to
20 the maximum extent practicable)—

21 (A) educators who have experience imple-
22 menting curricula with comparable purposes;
23 and

24 (B) business and industry experts in fields
25 described in subsection (b)(1).

1 (f) USE OF FUNDS.—An eligible partnership receiv-
 2 ing a grant under this section shall use grant funds for
 3 the development, implementation, and dissemination of 1
 4 or more programs of study in a career area related to a
 5 field described in subsection (b)(1).

6 (g) FUNDING.—For fiscal year 2018 and each fiscal
 7 year thereafter, the Secretary of Education shall use to
 8 carry out this section from amounts in the Climate Fund
 9 not more than a total of \$400,000,000.

10 **SEC. 107. REQUIREMENTS FOR APPRENTICESHIP PRO-**
 11 **GRAMS AND EMPLOYMENT OF TARGETED**
 12 **WORKERS.**

13 (a) DEFINITIONS.—In this section:

14 (1) QUALIFIED APPRENTICESHIP OR OTHER
 15 TRAINING PROGRAM.—The term “qualified appren-
 16 ticeship or other training program” means—

17 (A) an apprenticeship or other training
 18 program that qualifies as an employee welfare
 19 benefit plan (as defined in section 3 of the Em-
 20 ployee Retirement Income Security Act of 1974
 21 (29 U.S.C. 1002)), in which—

22 (i) not later than 18 months after the
 23 date of enactment of this Act, not less
 24 than 50 percent of participating first-year

1 apprentices or trainees are projected to be
2 targeted workers; and

3 (ii) not later than 4 years after the
4 date of enactment of this Act, not less
5 than 30 percent of all apprentices or train-
6 ees are projected to be targeted workers;
7 and

8 (B) in any case in which the Secretary of
9 Labor certifies that a qualified apprenticeship
10 or other training program described in subpara-
11 graph (A) for a craft or trade classification of
12 workers that a prospective contractor or sub-
13 contractor intends to employ is not operated in
14 the locality in which a project will be per-
15 formed, an apprenticeship or other training pro-
16 gram that is not an employee welfare benefit
17 plan (as so defined) if the Secretary of Labor
18 determines that the apprenticeship or other
19 training program—

20 (i) is registered with the Office of Ap-
21 prenticeship of the Department of Labor
22 or a State apprenticeship agency recog-
23 nized by the Office of Apprenticeship for
24 Federal purposes; and

1 (ii) meets the requirements of sub-
2 paragraph (A).

3 (2) TARGETED WORKER.—The term “targeted
4 worker” means an individual who—

5 (A) resides in the same labor market area
6 (as defined in section 3 of the Workforce Inno-
7 vation and Opportunity Act (29 U.S.C. 3102))
8 as the area in which the applicable project will
9 be carried out; and

10 (B) is—

11 (i) a member of a targeted group
12 (within the meaning of section 51 of the
13 Internal Revenue Code of 1986) and re-
14 sides in a census tract in which not less
15 than 20 percent of the households have in-
16 comes that are below the most recent an-
17 nual Federal Poverty Income Guidelines
18 published by the Department of Health
19 and Human Services;

20 (ii) a member of a family that re-
21 ceived an annual family income that, dur-
22 ing the 2-year period prior to employment
23 on the project or admission to the
24 preapprenticeship program, did not exceed
25 200 percent of the most recent annual

1 Federal Poverty Income Guidelines pub-
2 lished by the Department of Health and
3 Human Services, excluding—

4 (I) unemployment compensation;

5 (II) child support payments;

6 (III) cash payments under a Fed-
7 eral, State, or local income-based pub-
8 lic assistance program; and

9 (IV) benefits under the old-age,
10 survivors, and disability insurance
11 benefits program established under
12 title II of the Social Security Act (42
13 U.S.C. 401 et seq.); or

14 (iii) a member of a disadvantaged
15 community.

16 (b) PREAPPRENTICESHIP REQUIREMENTS.—Each
17 contractor and subcontractor on any contract for con-
18 struction services for a project funded directly by, or as-
19 sisted in whole or in part by or through, the Federal Gov-
20 ernment pursuant to this Act or an amendment made by
21 this Act shall agree to provide not less than 1 percent of
22 the contract amount to fund preapprenticeship programs
23 that—

24 (1) demonstrate the ability to recruit, train,
25 and prepare for admission to apprenticeship pro-

1 grams individuals who qualify as targeted workers;
2 and

3 (2) arrange to provide individuals who success-
4 fully complete the preapprenticeship program to
5 qualified apprenticeship or other training programs.

6 (c) QUALIFIED APPRENTICESHIP AND OTHER
7 TRAINING PROGRAMS.—Each contractor and subcon-
8 tractor that seeks to provide construction services on
9 projects funded directly by, or assisted in whole or in part
10 by or through, the Federal Government pursuant to this
11 Act or an amendment made by this Act shall submit ade-
12 quate assurances with the bid or proposal of the con-
13 tractor or subcontractor that the contractor or subcon-
14 tractor participates in a qualified apprenticeship or other
15 training program for each craft or trade classification of
16 worker that the contractor or subcontractor intends to em-
17 ploy to perform work on the project.

18 (d) EMPLOYMENT OF TARGETED WORKERS.—

19 (1) IN GENERAL.—Each contractor and subcon-
20 tractor on each project funded directly by, or as-
21 sisted in whole or in part by or through, the Federal
22 Government pursuant to this Act or an amendment
23 made by this Act shall—

24 (A) to the maximum extent practicable, en-
25 sure that not less than 15 percent of all hours

worked by newly hired laborers and mechanics employed on the project be performed by targeted workers; and

(B) establish a goal that at least 30 percent of all hours worked by newly hired laborers and mechanics employed on the project be performed by targeted workers.

(2) RELIANCE ON IDENTIFICATION OF TARGETED WORKERS.—For purposes of this subsection, contractors and subcontractors may rely on the identification of individuals as targeted workers by a qualified apprenticeship or other training program.

TITLE II—JUST TRANSITION FOR WORKERS

SEC. 201. SHORT TITLE.

This title may be cited as the “Clean Energy Worker Just Transition Act”.

SEC. 202. DEFINITIONS.

In this title:

(1) ADVERSELY AFFECTED EMPLOYMENT.—

The term “adversely affected employment” means employment in an applicable firm.

(2) ADVERSELY AFFECTED WORKER.—The

term “adversely affected worker” means an individual who, because of lack of work in adversely af-

1 fected employment, has been totally or partially sep-
2 arated from such employment, or has been threat-
3 ened to be totally or partially separated from such
4 employment.

5 (3) ADJUSTMENT ASSISTANCE.—The term “ad-
6 justment assistance” means any compensation, cred-
7 it, benefit, funding, training, or service provided
8 under subtitle A through any option described in
9 paragraph (1), (2), or (3) of section 221(b).

10 (4) APPLICABLE FIRM.—The term “applicable
11 firm” means, as applicable—

12 (A) the firm, or subdivision of a firm, for
13 which the group of workers who are petitioning
14 for certification under section 211 work;

15 (B) the firm, or subdivision of a firm, for
16 which a group of certified adversely affected
17 workers work;

18 (C) a group of firms within close geo-
19 graphic proximity, as determined by the Sec-
20 retary, for which a group of workers who are
21 petitioning for certification under section 211
22 work; or

23 (D) a group of firms within a close geo-
24 graphic proximity, as determined by the Sec-

1 retary, for which a group of certified adversely
2 affected workers work.

3 (5) CERTIFIED ADVERSELY AFFECTED WORK-
4 ER.—The term “certified adversely affected worker”
5 means an adversely affected worker covered by a
6 certification issued under section 213(a)(2).

7 (6) CERTIFIED OR RECOGNIZED LABOR ORGANI-
8 ZATION.—The term “certified or recognized labor or-
9 ganization” means a labor organization that is cer-
10 tified or recognized under section 9 of the National
11 Labor Relations Act (29 U.S.C. 159) as the rep-
12 resentative of the workers involved.

13 (7) ENERGY INDUSTRY.—The term “energy in-
14 dustry” means a commercial sector, as determined
15 by the Secretary, that—

16 (A) extracts, transports, or uses as a direct
17 input energy resources or electricity; or

18 (B) is otherwise dependent on the genera-
19 tion or consumption of energy resources or elec-
20 tricity.

21 (8) PARTIAL SEPARATION.—The term “partial
22 separation” means, with respect to an individual
23 who has not been totally separated, that such indi-
24 vidual has experienced—

1 (A) a reduction in hours of work to 80 per-
 2 cent or less of the individual's average weekly
 3 hours in adversely affected employment; and

4 (B) a reduction in wages to 80 percent or
 5 less of the individual's average weekly wage in
 6 such adversely affected employment.

7 (9) PARTIALLY SEPARATED.—The term “par-
 8 tially separated” means, with respect to an indi-
 9 vidual who has not been totally separated, that such
 10 individual is experiencing partial separation.

11 (10) RAPID RESPONSE ACTIVITY.—The term
 12 “rapid response activity” has the meaning given the
 13 term in section 3 of the Workforce Innovation and
 14 Opportunity Act (29 U.S.C. 3102) except that—

15 (A) a reference in such section to a State
 16 shall be considered to be a reference to the Sec-
 17 retary; and

18 (B) the reference in such section to funds
 19 shall be considered to be a reference to funds
 20 reserved by the Secretary under section
 21 242(b)(1).

22 (11) SECRETARY.—The term “Secretary”
 23 means the Secretary of Labor.

24 (12) THREATENED.—The term “threatened”,
 25 with respect to total or partial separation, means

1 that an individual is aware of imminent total or par-
 2 tial separation from employment with an applicable
 3 firm or with a company with which the applicable
 4 firm is contracted to provide goods or services.

5 (13) TOTAL SEPARATION.—The term “total
 6 separation” means the layoff or severance of an indi-
 7 vidual from employment with an applicable firm.

8 (14) TOTALLY SEPARATED.—The term “totally
 9 separated” means, with respect to an individual,
 10 that such individual is experiencing total separation.

11 **Subtitle A—Adjustment Assistance** 12 **Program**

13 **PART I—GROUP CERTIFICATION**

14 **SEC. 211. PETITIONS.**

15 (a) IN GENERAL.—A petition for a group of workers
 16 to be certified under section 213 for eligibility to apply
 17 for adjustment assistance may be submitted to the Sec-
 18 retary by any of the following:

19 (1) Not less than 3 workers on behalf of the
 20 group of workers petitioning for such certification.

21 (2) A certified or recognized labor organization,
 22 or any other duly authorized representative of such
 23 workers (as determined by the Secretary), rep-
 24 resenting not less than 3 of the workers in the
 25 group.

1 (3) The applicable firm.

2 (b) ACTIONS BY THE SECRETARY.—On receipt of a
3 petition submitted under subsection (a), the Secretary
4 shall—

5 (1) ensure that rapid response activities and ap-
6 propriate career services (as described in section 134
7 of the Workforce Innovation and Opportunity Act
8 (29 U.S.C. 3174)) authorized under other Federal
9 laws are made available to the workers covered by
10 the petition to the extent authorized under such
11 laws;

12 (2) verify the information included in the peti-
13 tion; and

14 (3) publish notice in the Federal Register and
15 on the Web site of the Department of Labor that
16 the Secretary has received such petition and has ini-
17 tiated an investigation into whether the group of
18 workers shall be certified under section 213.

19 (c) HEARING.—

20 (1) IN GENERAL.—If an individual who submits
21 a petition under subsection (a), or any other indi-
22 vidual determined by the Secretary to have a sub-
23 stantial interest in the outcome of the decision of the
24 Secretary regarding certification under section 213,

1 submits a request for a hearing in accordance with
2 paragraph (2), the Secretary shall—

3 (A) provide for a public hearing; and

4 (B) afford such individual an opportunity
5 to be present, produce evidence, and be heard.

6 (2) SUBMISSION.—The request under para-
7 graph (1) shall be submitted to the Secretary not
8 later than 10 days after the date on which the Sec-
9 retary publishes notice in the Federal Register under
10 subsection (b)(3).

11 **SEC. 212. GROUP ELIGIBILITY REQUIREMENTS.**

12 (a) CRITERIA.—

13 (1) IN GENERAL.—A group of workers shall be
14 certified by the Secretary as eligible to apply for ad-
15 justment assistance pursuant to a petition filed
16 under section 211, if the Secretary determines
17 that—

18 (A) such petition covers not less than 3
19 workers who are similarly situated as—

20 (i) workers who work or have worked
21 for the same applicable firm;

22 (ii) workers who are totally or par-
23 tially separated, or threatened to be totally
24 or partially separated, due to the same
25 local or regional circumstance; or

1 (iii) workers who are serviced by the
2 same one-stop center described in section
3 121 of the Workforce Innovation and Op-
4 portunity Act (29 U.S.C. 3151);

5 (B) such workers are workers who work in
6 an industry that is a qualifying industry, as de-
7 termined under paragraph (2);

8 (C) a significant number or proportion of
9 the workers working for the applicable firm
10 have become totally or partially separated or
11 are threatened to become totally or partially
12 separated;

13 (D)(i) sales or production of the applicable
14 firm have decreased absolutely;

15 (ii) the applicable firm has been closed, re-
16 located, or acquired from another entity or for-
17 eign country; or

18 (iii) the sales, production, or services of the
19 applicable firm have caused a shift that has
20 contributed to the total or partial separation, or
21 threatened total or partial separation, of such
22 workers; and

23 (E) the total or partial separation, threat-
24 ened total or partial separation, or any of the

1 actions described in subparagraph (D), are di-
2 rectly attributable to—

3 (i) actions by the Federal Govern-
4 ment;

5 (ii) the low cost of competing alter-
6 native forms of energy; or

7 (iii) other reasons as determined by
8 the Secretary.

9 (2) QUALIFYING INDUSTRY.—

10 (A) INITIAL PERIOD.—For any group fil-
11 ing a petition under section 211 on a date that
12 is during the period beginning on the date of
13 enactment of this Act and ending on the date
14 that is 5 years after such date of enactment, a
15 qualifying industry shall be a coal-related or
16 coal-dependent industry, as determined by the
17 Secretary.

18 (B) SUBSEQUENT YEARS.—

19 (i) SYSTEM.—For any group filing a
20 petition under section 211 on a date that
21 is after the 5-year period described in sub-
22 paragraph (A), the Secretary shall estab-
23 lish a system in accordance with this sub-
24 paragraph for determining industries (in
25 addition to the coal-related or coal-depend-

1 ent industry) to add as qualifying indus-
2 tries.

3 (ii) QUALIFICATIONS.—To be added
4 as a qualifying industry under clause (i),
5 an industry shall be—

6 (I) an energy industry; and

7 (II) an industry for which the
8 Secretary, in consultation with the
9 Secretary of Commerce, has deter-
10 mined that, during the 5-year period
11 preceding the determination of the
12 Secretary under this subparagraph,
13 not less than 20 percent of the work-
14 ers in such industry are totally or par-
15 tially separated or are threatened to
16 become totally or partially separated.

17 (iii) TIMING.—On the date that is 5
18 years after the date of enactment of this
19 Act, and each year thereafter, the Sec-
20 retary, in consultation with the Secretary
21 of Commerce, shall determine if any indus-
22 try meets the qualifications under clause
23 (ii) and add any such industry as a quali-
24 fying industry.

1 (C) INDEFINITELY QUALIFIED.—Notwith-
2 standing any other provision in this paragraph,
3 an industry that is a qualifying industry, under
4 subparagraph (A) or (B), shall indefinitely re-
5 main a qualifying industry.

6 (b) BASIS FOR SECRETARY'S DETERMINATIONS.—

7 (1) IN GENERAL.—The Secretary shall, in de-
8 termining whether to certify a group of workers
9 under section 213, obtain from the workers, the ap-
10 plicable firm, or a customer of the applicable firm,
11 information the Secretary determines to be nec-
12 essary to make such certification, through question-
13 naires and in any other manner that the Secretary
14 determines appropriate.

15 (2) STANDARDS; CRITERIA.—The Secretary
16 shall establish—

17 (A) standards, including data require-
18 ments, to investigate petitions filed under sec-
19 tion 211; and

20 (B) criteria for making determinations
21 under section 213.

22 (3) ADDITIONAL INFORMATION.—The Secretary
23 may seek additional information to determine wheth-
24 er to certify a group of workers—

25 (A) by contacting—

1 (i) officials or workers of the applica-
2 ble firm;

3 (ii) officials of a certified or recog-
4 nized labor organization or other duly au-
5 thorized representative of the group of
6 workers;

7 (iii) State or regional departments of
8 labor, energy, the environment, economic
9 development, or commerce or that regulate
10 utilities; or

11 (iv) the Administrator, the Secretary,
12 the Federal Energy Regulatory Commis-
13 sion, the Secretary of the Army (acting
14 through the Chief of Engineers), the Sec-
15 retary of the Interior, the United States
16 Geological Survey, the Secretary of Agri-
17 culture, the Secretary of Commerce, or the
18 Secretary of the Treasury, as applicable;
19 and

20 (B) by using any other available sources of
21 information.

22 (4) VERIFICATION OF INFORMATION.—

23 (A) CERTIFICATION.—The Secretary shall
24 require the worker, applicable firm, or a cus-
25 tomer of such firm to certify—

1 (i) all information obtained under
2 paragraph (1) through questionnaires; and

3 (ii) all other information obtained
4 under paragraph (1) from such worker,
5 firm, or customer on which the Secretary
6 relies in making a determination under
7 section 213, unless the Secretary has a
8 reasonable basis for determining that such
9 information is accurate and complete with-
10 out being certified.

11 (B) USE OF SUBPOENAS.—

12 (i) IN GENERAL.—Except as provided
13 in clause (ii), if a worker, applicable firm,
14 or customer of such firm fails to provide
15 information requested by the Secretary
16 under paragraph (1) within 20 days after
17 the date of such request, the Secretary
18 shall obtain such information by subpoena
19 in accordance with section 214.

20 (ii) EXCEPTION.—The requirement
21 under clause (i) shall not apply if the
22 worker, applicable firm, or customer of
23 such firm demonstrates to the satisfaction
24 of the Secretary that such worker, firm, or

1 customer will provide the information with-
2 in a reasonable period of time.

3 (C) PROTECTION OF CONFIDENTIAL IN-
4 FORMATION.—

5 (i) IN GENERAL.—The Secretary may
6 not release information obtained under
7 paragraph (1) that the Secretary considers
8 to be confidential business information or
9 personally identifiable information unless
10 the worker, applicable firm, or customer
11 whose information is at issue had notice,
12 at the time of submission, that the infor-
13 mation would be released by the Secretary,
14 or such worker, applicable firm, or cus-
15 tomer subsequently consents to the release
16 of the information.

17 (ii) EXCEPTION.—Nothing in this
18 subparagraph prohibits the Secretary from
19 providing the confidential business infor-
20 mation described in clause (i) to a court in
21 camera or to another party under a protec-
22 tive order issued by a court.

23 **SEC. 213. DETERMINATIONS AND CERTIFICATIONS.**

24 (a) IN GENERAL.—As soon as practicable after the
25 date on which a petition is filed under section 211 and,

1 subject to subsection (e), not later than 40 days after that
2 date, the Secretary shall—

3 (1) determine whether the petitioning group
4 meets the requirements under section 212(a); and

5 (2) issue a certification of eligibility to apply for
6 adjustment assistance covering the workers in any
7 group which meets such requirements.

8 (b) DATE OF SEPARATION.—Each certification
9 issued under subsection (a)(2) shall specify the date on
10 which the total or partial separation began or threatened
11 to begin.

12 (c) PUBLICATION.—

13 (1) IN GENERAL.—Not later than 5 days after
14 reaching a determination on a petition filed under
15 section 211, the Secretary shall publish a summary
16 of the determination in the Federal Register and on
17 the Web site of the Department of Labor, together
18 with the reasons of the Secretary for making such
19 determination.

20 (2) LIMITATION ON PERSONAL INFORMATION.—

21 The publication under paragraph (1)—

22 (A) shall not include any personal informa-
23 tion, including names, of workers certified; and

24 (B) may include information regarding the
25 applicable firm.

1 (d) TERMINATION OF CERTIFICATION.—Whenever
2 the Secretary determines, with respect to any certification
3 of eligibility of the workers of an applicable firm, that total
4 or partial separations, or threatened total or partial sepa-
5 rations, from such firm are no longer attributable to the
6 factors described in subparagraph (E) of section
7 212(a)(1), the Secretary shall—

8 (1) terminate such certification; and

9 (2) promptly have notice of such termination,
10 and the reasons for such termination, published in
11 the Federal Register and on the Web site of the De-
12 partment of Labor.

13 (e) EXTENSION.—The Secretary may have an exten-
14 sion for completing the determination or issuance under
15 subsection (a) if any individual fails to comply with the
16 requirements for providing information under section
17 212(b).

18 **SEC. 214. SUBPOENA POWER.**

19 (a) IN GENERAL.—In the case described in section
20 212(b)(4)(B), the Secretary may require by subpoena the
21 attendance of witnesses and the production of evidence
22 necessary for the Secretary to make a determination under
23 section 213.

24 (b) CONTUMACY.—If a person refuses to obey a sub-
25 poena issued under subsection (a), a United States district

1 court within the jurisdiction of which the relevant pro-
 2 ceeding under this title is conducted may, on petition by
 3 the Secretary, issue an order requiring compliance with
 4 such subpoena.

5 **SEC. 215. JUDICIAL REVIEW.**

6 A denial of a certification under section 213 shall be
 7 subject to judicial review in accordance with chapter 7 of
 8 title 5, United States Code.

9 **PART II—INDIVIDUAL APPLICATIONS;**

10 **TERMINATION OF ASSISTANCE**

11 **SEC. 221. ADJUSTMENT ASSISTANCE.**

12 (a) IN GENERAL.—In accordance with this part, the
 13 Secretary shall award adjustment assistance for a cal-
 14 endar year to any individual who—

15 (1) submits an application for an adjustment
 16 assistance option under any of paragraphs (1)
 17 through (3) of subsection (b) to the Secretary in a
 18 manner determined by the Secretary;

19 (2) is determined by the Secretary to be a cer-
 20 tified adversely affected worker as of the date on
 21 which such individual submits the application; and

22 (3) meets all requirements under this section
 23 with respect to the applicable adjustment assistance
 24 option.

1 (b) OPTIONS.—For a calendar year, an individual
2 may apply for adjustment assistance under not more than
3 1 of the following options:

4 (1) OPTION A.—Option A shall consist of ad-
5 justment assistance that is—

6 (A) federally funded unemployment com-
7 pensation under part III, and the amendments
8 made by such part;

9 (B) premium subsidy credits and cost
10 sharing benefits for health insurance under sec-
11 tion 241, and the amendments made by such
12 section; and

13 (C) additional pension benefits under sec-
14 tion 243, and the amendment made by such
15 section.

16 (2) OPTION B.—Option B shall consist of ad-
17 justment assistance that is—

18 (A)(i) funding in an amount equal to the
19 cost of attendance (as defined in section 472 of
20 the Higher Education Act of 1965 (20 U.S.C.
21 1087l)), for a program of education or training
22 of not more than 4 years at a public institution
23 of higher education (as defined in section 102
24 of such Act (20 U.S.C. 1002)), subject to para-
25 graph (4); or

1 (ii)(I) training services and appropriate ca-
2 reer services under section 242;

3 (II) job search allowances and relocation
4 allowances under section 242, for individuals
5 who meet the requirements under subsections
6 (d) and (e) of that section, respectively; and

7 (III) an amount for living expenses that is
8 based on, and calculated in the same manner
9 as, the cost of attendance, as defined in that
10 section, for the training services and career
11 services, subject to paragraph (4); and

12 (B) premium subsidy credits and cost
13 sharing benefits for health insurance under sec-
14 tion 241, and the amendments made by such
15 section, and additional pension benefits under
16 section 243, and the amendment made by such
17 section.

18 (3) OPTION C.—Option C shall—

19 (A) be for an individual who is 62 years of
20 age or older on the date on which such indi-
21 vidual submits an application under subsection
22 (a) and—

23 (i) retires from the adversely affected
24 employment not later than 120 days after

the date on which such individual becomes
a certified adversely affected worker; or

(ii) in the case of an individual whose
adversely affected employment was at an
applicable firm that is no longer capable of
providing the full retirement pension and
health care benefits as promised, has re-
tired prior to the date on which such indi-
vidual becomes a certified adversely af-
fected worker; and

(B) consist of adjustment assistance that
is—

(i) the premium subsidy credits and
cost sharing benefits for health insurance
under section 241, and the amendments
made by such section; and

(ii) additional pension benefits under
section 243, and the amendment made by
such section.

(4) SPECIAL RULE.—Any amount provided for
the cost of attendance of a program of education or
training under paragraph (2)(A)(i), or for living ex-
penses related to training services under paragraph
(2)(A)(ii), shall be reduced by any amount provided
toward such cost of attendance or living expenses

1 under section 242, section 401 of the Higher Edu-
2 cation Act of 1965 (20 U.S.C. 1070a), or any other
3 Federal grant assistance program.

4 (c) REAPPLICATION PROCESS.—An individual who
5 has received adjustment assistance for a calendar year
6 shall reapply for such assistance for any subsequent cal-
7 endar year subject to subsection (d).

8 (d) LIMITATIONS.—

9 (1) OPTION A.—An individual may receive ad-
10 justment assistance under subsection (b)(1) for not
11 more than 3 years.

12 (2) OPTION B.—An individual may receive ad-
13 justment assistance under subsection (b)(2) for not
14 more than 4 years.

15 (e) FLEXIBILITY IN OPTIONS.—During a calendar
16 year, an individual receiving adjustment assistance under
17 an option under subsection (b) may terminate adjustment
18 assistance under that option and apply to receive adjust-
19 ment assistance under a different option under such sub-
20 section.

21 **SEC. 222. TERMINATION OF ADJUSTMENT ASSISTANCE.**

22 (a) DEFINITION OF COMPARABLE BENEFITS.—In
23 this section, the term “comparable benefits” means bene-
24 fits that provide the individual with not less than 90 per-
25 cent of the salary, pension benefits, and health care bene-

1 fits provided to the individual by the applicable firm imme-
 2 diately prior to the individual becoming an adversely af-
 3 fected worker.

4 (b) NOTIFICATION OF COMPARABLE BENEFITS.—
 5 Not later than 60 days after obtaining comparable bene-
 6 fits, an individual receiving adjustment assistance shall
 7 notify the Secretary of such comparable benefits.

8 (c) TERMINATION.—Any adjustment assistance pro-
 9 vided to an individual under this subtitle shall terminate
 10 not later than 60 days after the date on which such indi-
 11 vidual obtains comparable benefits.

12 **PART III—FEDERALLY FUNDED UNEMPLOYMENT** 13 **COMPENSATION**

14 **SEC. 231. TEMPORARY ADDITIONAL UNEMPLOYMENT COM-** 15 **PENSATION PROGRAM FOR CERTAIN AD-** 16 **VERSELY AFFECTED WORKERS.**

17 (a) FEDERAL-STATE AGREEMENTS.—Any State that
 18 desires to do so may enter into and participate in an
 19 agreement under this section with the Secretary. Any
 20 State that is a party to an agreement under this section
 21 may, upon providing 30 days' written notice to the Sec-
 22 retary, terminate such agreement.

23 (b) PROVISIONS OF AGREEMENT.—

24 (1) IN GENERAL.—Any agreement under sub-
 25 section (a) shall provide that the State agency of the

1 State will make payments of temporary additional
2 unemployment compensation to applicable individ-
3 uals who—

4 (A) have exhausted all rights to regular
5 compensation under the State law or under
6 Federal law with respect to a benefit year;

7 (B) have no rights to regular compensation
8 with respect to a week under such law or any
9 other State unemployment compensation law or
10 to compensation under any other Federal law;

11 (C) are not receiving compensation with
12 respect to such week under the unemployment
13 compensation law of Canada; and

14 (D) are able to work, available to work,
15 and actively seeking work.

16 (2) EXHAUSTION OF BENEFITS.—For purposes
17 of paragraph (1)(A), an applicable individual shall
18 be deemed to have exhausted such individual's rights
19 to regular compensation under a State law when—

20 (A) no payments of regular compensation
21 can be made under such law because such indi-
22 vidual has received all regular compensation
23 available to such individual based on employ-
24 ment or wages during such individual's base pe-
25 riod; or

1 (B) such individual's rights to such com-
2 pensation have been terminated by reason of
3 the expiration of the benefit year with respect
4 to which such rights existed.

5 (3) WEEKLY BENEFIT AMOUNT, ETC.—

6 (A) IN GENERAL.—Subject to paragraph
7 (4), for purposes of any agreement under this
8 section—

9 (i) the amount of temporary addi-
10 tional unemployment compensation that
11 shall be payable to any applicable indi-
12 vidual for any week of total unemployment
13 shall be equal to the amount of the regular
14 compensation (including dependents' allow-
15 ances) payable to such individual during
16 such individual's benefit year under the
17 State law for a week of total unemploy-
18 ment;

19 (ii) subject to subparagraph (B), the
20 terms and conditions of the State law
21 which apply to claims for regular com-
22 pensation and to the payment thereof (in-
23 cluding terms and conditions relating to
24 availability for work, active search for
25 work, and refusal to accept work) shall

1 apply to claims for temporary additional
2 unemployment compensation and the pay-
3 ment thereof, except—

4 (I) that an applicable individual
5 shall not be eligible for temporary ad-
6 ditional unemployment compensation
7 unless, in the base period with respect
8 to which such individual exhausted all
9 rights to regular compensation under
10 the State law, such individual had 20
11 weeks of full-time insured employment
12 or the equivalent in insured wages, as
13 determined under the provisions of
14 the State law implementing section
15 202(a)(5) of the Federal-State Ex-
16 tended Unemployment Compensation
17 Act of 1970 (26 U.S.C. 3304 note;
18 Public Law 91–373); and

19 (II) where otherwise inconsistent
20 with the provisions of this section or
21 with the regulations or operating in-
22 structions of the Secretary promul-
23 gated to carry out this section; and

24 (iii) the maximum amount of tem-
25 porary additional unemployment compensa-

1 tion payable to any applicable individual is
2 156 weeks.

3 (B) EXCEPTION.—Under an agreement
4 under this section, temporary additional unem-
5 ployment compensation shall not be denied
6 under subparagraph (A) to an applicable indi-
7 vidual for any week by reason of a failure to ac-
8 cept an offer of, or apply for, work if the work
9 does not provide for comparable benefits (as de-
10 fined in section 222(c)).

11 (4) NO NEW BENEFIT YEAR.—In determining
12 the amount under paragraph (3), a State shall not
13 establish a new benefit year with respect to applica-
14 ble individuals.

15 (5) COORDINATION RULE.—Notwithstanding
16 any other provision of Federal law (and if the State
17 law permits), the Governor of a State that is in an
18 extended benefit period may provide for the payment
19 of emergency unemployment compensation prior to
20 temporary additional unemployment compensation to
21 applicable individuals who otherwise meet the re-
22 quirements of this section.

23 (6) UNAUTHORIZED ALIENS INELIGIBLE.—A
24 State shall require as a condition of temporary addi-
25 tional unemployment compensation that each alien

1 who receives such compensation must be legally au-
 2 thorized to work in the United States, as defined for
 3 purposes of the Federal Unemployment Tax Act (26
 4 U.S.C. 3301 et seq.). In determining whether an
 5 alien meets the requirements of this subsection, a
 6 State must follow the procedures provided in section
 7 1137(d) of the Social Security Act (42 U.S.C.
 8 1320b-7(d)).

9 (c) PAYMENTS TO STATES.—

10 (1) IN GENERAL.—

11 (A) FULL REIMBURSEMENT.—There shall
 12 be paid to each State which has entered into an
 13 agreement under this section an amount equal
 14 to 100 percent of—

15 (i) the total amount of additional
 16 weeks of temporary additional unemploy-
 17 ment compensation paid to applicable indi-
 18 viduals by the State pursuant to such
 19 agreement; and

20 (ii) any additional administrative ex-
 21 penses incurred by the State by reason of
 22 such agreement (as determined by the Sec-
 23 retary).

24 (B) TERMS OF PAYMENTS.—Sums payable
 25 to any State by reason of such State's having

1 an agreement under this section shall be pay-
2 able, either in advance or by way of reimburse-
3 ment (as determined by the Secretary), in such
4 amounts as the Secretary estimates the State
5 will be entitled to receive under this section for
6 a period, reduced or increased, as the case may
7 be, by any amount by which the Secretary finds
8 that his estimates for any prior period were
9 greater or less than the amounts which should
10 have been paid to the State. Such estimates
11 may be made on the basis of such statistical,
12 sampling, or other method as may be agreed
13 upon by the Secretary and the State agency of
14 the State involved.

15 (2) CERTIFICATIONS.—The Secretary shall
16 from time to time certify to the Secretary of the
17 Treasury for payment to each State the sums pay-
18 able to such State under this section.

19 (3) FUNDING.—Payments to States under an
20 agreement under this section shall be made from the
21 Trust Fund established under section 251.

22 (d) FRAUD AND OVERPAYMENTS.—

23 (1) IN GENERAL.—If an individual knowingly
24 has made, or caused to be made by another, a false
25 statement or representation of a material fact, or

1 knowingly has failed, or caused another to fail, to
2 disclose a material fact, and as a result of such false
3 statement or representation or of such nondisclosure
4 such individual has received an amount of temporary
5 additional unemployment compensation to which
6 such individual was not entitled, such individual—

7 (A) shall be ineligible for further tem-
8 porary additional unemployment compensation
9 in accordance with the provisions of the applica-
10 ble State unemployment compensation law re-
11 lating to fraud in connection with a claim for
12 unemployment compensation; and

13 (B) shall be subject to prosecution under
14 section 1001 of title 18, United States Code.

15 (2) REPAYMENT.—In the case of individuals
16 who have received amounts of temporary additional
17 unemployment compensation to which they were not
18 entitled, the State shall require such individuals to
19 repay the amounts of such temporary additional un-
20 employment compensation to the State agency, ex-
21 cept that the State agency may waive such repay-
22 ment if it determines that—

23 (A) the payment of such temporary addi-
24 tional unemployment compensation was without
25 fault on the part of any such individual; and

1 (B) such repayment would be contrary to
2 equity and good conscience.

3 (3) RECOVERY BY STATE AGENCY.—

4 (A) IN GENERAL.—The State agency shall
5 recover the amount to be repaid, or any part
6 thereof, by deductions from any temporary ad-
7 ditional unemployment compensation payable to
8 such individual under this section or from any
9 unemployment compensation payable to such
10 individual under any State or Federal unem-
11 ployment compensation law administered by the
12 State agency or under any other State or Fed-
13 eral law administered by the State agency
14 which provides for the payment of any assist-
15 ance or allowance with respect to any week of
16 unemployment, during the 3-year period after
17 the date such individual received the payment
18 of the temporary additional unemployment com-
19 pensation to which the individual was not enti-
20 tled, in accordance with the same procedures as
21 apply to the recovery of overpayments of reg-
22 ular unemployment benefits paid by the State.

23 (B) OPPORTUNITY FOR HEARING.—No re-
24 payment shall be required, and no deduction
25 shall be made, until a determination has been

1 made, notice thereof and an opportunity for a
2 fair hearing has been given to the individual,
3 and the determination has become final.

4 (4) REVIEW.—Any determination by a State
5 agency under this subsection shall be subject to re-
6 view in the same manner and to the same extent as
7 determinations under the State unemployment com-
8 pensation law, and only in that manner and to that
9 extent.

10 (e) APPLICABILITY.—

11 (1) IN GENERAL.—An agreement entered into
12 under this section shall apply to weeks of unemploy-
13 ment—

14 (A) beginning after the date on which such
15 agreement is entered into; and

16 (B) ending on or before January 1, 2020.

17 (2) TERMINATION.—No temporary additional
18 unemployment compensation under this section shall
19 be payable for any week subsequent to the last week
20 described in paragraph (1)(B).

21 (f) DEFINITIONS.—In this section:

22 (1) APPLICABLE INDIVIDUAL.—The term “ap-
23 plicable individual” means, with respect to a week of
24 temporary additional unemployment compensation,
25 an individual who—

1 (A) is a certified adversely affected worker
 2 (as defined in section 202) for such week; and
 3 (B) has been awarded adjustment assist-
 4 ance for option A under section 221(b) for such
 5 week.

6 (2) EB PROGRAM DEFINITIONS.—The terms
 7 “compensation”, “regular compensation”, “extended
 8 compensation”, “benefit year”, “base period”,
 9 “State”, “State agency”, “State law”, and “week”
 10 have the respective meanings given such terms under
 11 section 205 of the Federal-State Extended Unem-
 12 ployment Compensation Act of 1970 (26 U.S.C.
 13 3304 note).

14 **SEC. 232. PERMANENT STATE REQUIREMENT FOR THE**
 15 **PROVISION OF ADDITIONAL UNEMPLOYMENT**
 16 **COMPENSATION FOR CERTAIN ADVERSELY**
 17 **AFFECTED WORKERS.**

18 (a) UNEMPLOYMENT COMPENSATION.—Chapter 23
 19 of subtitle C of the Internal Revenue Code of 1986 is
 20 amended—

21 (1) in section 3304(a)—

22 (A) in paragraph (18), by striking “and”
 23 at the end;

24 (B) by redesignating paragraph (19) as
 25 paragraph (20); and

1 (C) by inserting after paragraph (18) the
 2 following new paragraph:

3 “(19) additional unemployment compensation
 4 for applicable individuals shall be payable as pro-
 5 vided in section 3312; and”; and

6 (2) by adding at the end the following:

7 **“SEC. 3312. ADDITIONAL UNEMPLOYMENT COMPENSATION**
 8 **FOR CERTAIN ADVERSELY AFFECTED WORK-**
 9 **ERS.**

10 “(a) ADDITIONAL UNEMPLOYMENT COMPENSA-
 11 TION.—

12 “(1) IN GENERAL.—

13 “(A) IN GENERAL.—For purposes of sec-
 14 tion 3304(a)(19), a State law shall provide that
 15 payment of additional unemployment compensa-
 16 tion shall be made to applicable individuals
 17 who—

18 “(i) have exhausted all rights to reg-
 19 ular compensation under the State law or
 20 under Federal law with respect to a benefit
 21 year;

22 “(ii) have no rights to regular com-
 23 pensation with respect to a week under
 24 such law or any other State unemployment

1 compensation law or to compensation
2 under any other Federal law;

3 “(iii) are not receiving compensation
4 with respect to such week under the unem-
5 ployment compensation law of Canada; and

6 “(iv) are able to work, available to
7 work, and actively seeking work.

8 “(B) EXCEPTION.—Additional unemploy-
9 ment compensation shall not be denied under
10 subparagraph (A) to an applicable individual
11 for any week by reason of a failure to accept an
12 offer of, or apply for, work if the work does not
13 provide for comparable benefits (as defined in
14 section 232(c) of the Clean Energy Worker
15 Just Transition Act).

16 “(2) EXHAUSTION OF BENEFITS.—For pur-
17 poses of paragraph (1)(A), an applicable individual
18 shall be deemed to have exhausted such individual’s
19 rights to regular compensation under a State law
20 when—

21 “(A) no payments of regular compensation
22 can be made under such law because such indi-
23 vidual has received all regular compensation
24 available to such individual based on employ-

ment or wages during such individual's base period; or

“(B) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

“(3) WEEKLY BENEFIT AMOUNT, ETC.—

“(A) IN GENERAL.—Subject to paragraph (4), for purposes of this section—

“(i) the amount of additional unemployment compensation which shall be payable to any applicable individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

“(ii) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof (including terms and conditions relating to availability for work, active search for work, and refusal to accept work) shall apply to claims for additional unemploy-

1 ment compensation and the payment there-
2 of, except—

3 “(I) that an applicable individual
4 shall not be eligible for additional un-
5 employment compensation unless, in
6 the base period with respect to which
7 such individual exhausted all rights to
8 regular compensation under the State
9 law, such individual had 20 weeks of
10 full-time insured employment or the
11 equivalent in insured wages, as deter-
12 mined under the provisions of the
13 State law implementing section
14 202(a)(5) of the Federal-State Ex-
15 tended Unemployment Compensation
16 Act of 1970 (26 U.S.C. 3304 note);
17 and

18 “(II) where otherwise incon-
19 sistent with the provisions of this sec-
20 tion or with the regulations or oper-
21 ating instructions of the Secretary of
22 Labor promulgated to carry out this
23 section; and

1 “(iii) the maximum amount of addi-
2 tional unemployment compensation payable
3 to any applicable individual is 156 weeks.

4 “(B) TRANSITION FOR APPLICABLE INDIVIDUALS RECEIVING COMPENSATION UNDER
5 THE TEMPORARY ADDITIONAL UNEMPLOYMENT
6 COMPENSATION PROGRAM.—In the case of an
7 applicable individual who received temporary
8 additional unemployment compensation under
9 section 231 of the Clean Energy Worker Just
10 Transition Act for weeks ending prior to Janu-
11 ary 1, 2020—
12

13 “(i) the number of weeks described in
14 subparagraph (A)(iii) shall be reduced by
15 the number of weeks such individual re-
16 ceived the temporary additional unemploy-
17 ment compensation under such section
18 231; and

19 “(ii) in determining the amount under
20 subparagraph (A) for such individual, the
21 State shall use the same benefit year as
22 was used for such individual under such
23 section 231.

24 “(4) NO NEW BENEFIT YEAR.—In determining
25 the amount under paragraph (3), a State shall not

1 establish a new benefit year with respect to applica-
2 ble individuals.

3 “(5) COORDINATION RULE.—Notwithstanding
4 any other provision of Federal law (and if the State
5 law permits), the Governor of a State that is in an
6 extended benefit period may provide for the payment
7 of emergency unemployment compensation prior to
8 additional unemployment compensation to applicable
9 individuals who otherwise meet the requirements of
10 this section.

11 “(6) UNAUTHORIZED ALIENS INELIGIBLE.—A
12 State shall require as a condition of additional un-
13 employment compensation that each alien who re-
14 ceives such compensation must be legally authorized
15 to work in the United States, as defined for pur-
16 poses of the Federal Unemployment Tax Act (26
17 U.S.C. 3301 et seq.). In determining whether an
18 alien meets the requirements of this subsection, a
19 State must follow the procedures provided in section
20 1137(d) of the Social Security Act (42 U.S.C.
21 1320b–7(d)).

22 “(b) PAYMENTS TO STATES.—

23 “(1) IN GENERAL.—

1 “(A) FULL REIMBURSEMENT.—There shall
2 be paid to each State an amount equal to 100
3 percent of—

4 “(i) the total amount of additional un-
5 employment compensation paid to applica-
6 ble individuals by the State pursuant to
7 this section; and

8 “(ii) any additional administrative ex-
9 penses incurred by the State by reason of
10 this section (as determined by the Sec-
11 retary of Labor).

12 “(B) TERMS OF PAYMENTS.—Sums pay-
13 able to any State by reason of this section shall
14 be payable, either in advance or by way of reim-
15 bursement (as determined by the Secretary of
16 Labor), in such amounts as the Secretary of
17 Labor estimates the State will be entitled to re-
18 ceive under this section for a period, reduced or
19 increased, as the case may be, by any amount
20 by which the Secretary of Labor finds that his
21 estimates for any prior period were greater or
22 less than the amounts which should have been
23 paid to the State. Such estimates may be made
24 on the basis of such statistical, sampling, or
25 other method as may be agreed upon by the

1 Secretary of Labor and the State agency of the
2 State involved.

3 “(2) CERTIFICATIONS.—The Secretary of
4 Labor shall from time to time certify to the Sec-
5 retary of the Treasury for payment to each State the
6 sums payable to such State under this section.

7 “(3) FUNDING.—Payments to States under an
8 agreement under this section shall be made from the
9 Clean Energy Workers Trust Fund established
10 under section 251 of the Clean Energy Worker Just
11 Transition Act.

12 “(c) FRAUD AND OVERPAYMENTS.—

13 “(1) IN GENERAL.—If an individual knowingly
14 has made, or caused to be made by another, a false
15 statement or representation of a material fact, or
16 knowingly has failed, or caused another to fail, to
17 disclose a material fact, and as a result of such false
18 statement or representation or of such nondisclosure
19 such individual has received an amount of additional
20 unemployment compensation to which such indi-
21 vidual was not entitled, such individual—

22 “(A) shall be ineligible for further addi-
23 tional unemployment compensation in accord-
24 ance with the provisions of the applicable State
25 unemployment compensation law relating to

1 fraud in connection with a claim for unemploy-
2 ment compensation; and

3 “(B) shall be subject to prosecution under
4 section 1001 of title 18, United States Code.

5 “(2) REPAYMENT.—In the case of individuals
6 who have received amounts of additional unemploy-
7 ment compensation to which they were not entitled,
8 the State shall require such individuals to repay the
9 amounts of such additional unemployment com-
10 pensation to the State agency, except that the State
11 agency may waive such repayment if it determines
12 that—

13 “(A) the payment of such additional unem-
14 ployment compensation was without fault on
15 the part of any such individual; and

16 “(B) such repayment would be contrary to
17 equity and good conscience.

18 “(3) RECOVERY BY STATE AGENCY.—

19 “(A) IN GENERAL.—The State agency
20 shall recover the amount to be repaid, or any
21 part thereof, by deductions from any additional
22 unemployment compensation payable to such
23 individual under this section or from any unem-
24 ployment compensation payable to such indi-
25 vidual under any State or Federal unemploy-

1 ment compensation law administered by the
2 State agency or under any other State or Fed-
3 eral law administered by the State agency
4 which provides for the payment of any assist-
5 ance or allowance with respect to any week of
6 unemployment, during the 3-year period after
7 the date such individuals received the payment
8 of the additional unemployment compensation
9 to which they were not entitled, in accordance
10 with the same procedures as apply to the recov-
11 ery of overpayments of regular unemployment
12 benefits paid by the State.

13 “(B) OPPORTUNITY FOR HEARING.—No
14 repayment shall be required, and no deduction
15 shall be made, until a determination has been
16 made, notice thereof and an opportunity for a
17 fair hearing has been given to the individual,
18 and the determination has become final.

19 “(4) REVIEW.—Any determination by a State
20 agency under this subsection shall be subject to re-
21 view in the same manner and to the same extent as
22 determinations under the State unemployment com-
23 pensation law, and only in that manner and to that
24 extent.

25 “(d) DEFINITIONS.—In this section:

1 “(1) APPLICABLE INDIVIDUAL.—The term ‘ap-
 2 plicable individual’ means, with respect to a week of
 3 additional unemployment compensation, an indi-
 4 vidual who—

5 “(A) is a certified adversely affected work-
 6 er (as defined in section 202 of the Clean En-
 7 ergy Worker Just Transition Act) for such
 8 week; and

9 “(B) has been awarded adjustment assist-
 10 ance for option A under section 221(b)(1) of
 11 such Act for such week.

12 “(2) EB PROGRAM DEFINITIONS.—The terms
 13 ‘compensation’, ‘regular compensation’, ‘extended
 14 compensation’, ‘benefit year’, ‘base period’, ‘State’,
 15 ‘State agency’, ‘State law’, and ‘week’ have the re-
 16 spective meanings given such terms under section
 17 205 of the Federal-State Extended Unemployment
 18 Compensation Act of 1970 (26 U.S.C. 3304 note).”.

19 (b) CLERICAL AMENDMENT.—The table of sections
 20 for chapter 23 of subtitle C of the Internal Revenue Code
 21 of 1986 is amended by adding at the end the following
 22 item:

 “Sec. 3312. Additional unemployment compensation.”.

23 (c) EFFECTIVE DATE.—The amendments made by
 24 this section shall take effect on January 1, 2020, and shall

1 apply to weeks of unemployment ending on or after such
 2 date.

3 **PART IV—OTHER BENEFITS AND SERVICES**

4 **SEC. 241. ELIGIBILITY FOR PREMIUM SUBSIDY CREDIT AND**
 5 **COST SHARING BENEFITS FOR HEALTH IN-**
 6 **SURANCE.**

7 (a) PREMIUM SUBSIDY CREDIT.—

8 (1) IN GENERAL.—Paragraph (1) of section
 9 36B(c) of the Internal Revenue Code of 1986 is
 10 amended by adding at the end the following new
 11 subparagraph:

12 “(E) SPECIAL RULE FOR CERTAIN CER-
 13 TIFIED ADVERSELY AFFECTED WORKERS.—If—

14 “(i) a taxpayer has a household in-
 15 come which is not greater than 100 per-
 16 cent of an amount equal to the poverty line
 17 for a family of the size involved, and

18 “(ii) the taxpayer is a certified ad-
 19 versely affected worker under section 202
 20 of the Clean Energy Worker Just Transi-
 21 tion Act and has been awarded adjustment
 22 assistance under Option A, Option B, or
 23 Option C of section 211(b) of such Act,

24 the taxpayer shall, for purposes of the credit
 25 under this section, be treated as an applicable

1 taxpayer with a household income which is
 2 equal to 100 percent of the poverty line for a
 3 family of the size involved.”.

4 (2) EFFECTIVE DATE.—The amendment made
 5 by this subsection shall apply to months beginning
 6 after December 31, 2017.

7 (b) COST SHARING.—The second sentence of section
 8 1402(b) of the Patient Protection and Affordable Care Act
 9 is amended by striking “section 36B(c)(1)(B)” and insert-
 10 ing “subparagraph (C) or (E) of section 36B(c)(1)”.

11 **SEC. 242. TRAINING AND SUPPORT FOR EMPLOYMENT.**

12 (a) DEFINITIONS.—In this section:

13 (1) CAREER SERVICES.—The term “career serv-
 14 ices” means services described in section 134(c)(2)
 15 of the Workforce Innovation and Opportunity Act
 16 (29 U.S.C. 3174(c)(2)).

17 (2) ELIGIBLE ADVERSELY AFFECTED WORK-
 18 ER.—The term “eligible adversely affected worker”
 19 means a certified adversely affected worker who has
 20 been awarded adjustment assistance under section
 21 221(b)(2).

22 (3) SUITABLE EMPLOYMENT.—The term “suit-
 23 able employment”, used with respect to an eligible
 24 adversely affected worker, means employment—

1 (A) at a wage that is not less than 90 per-
 2 cent of the wage the worker received on the day
 3 before the date described in section 213(b); and

4 (B) that meets such other requirements as
 5 the Secretary may specify.

6 (4) TRAINING SERVICES.—The term “training
 7 services” means services provided under section
 8 134(c)(3) of the Workforce Innovation and Oppor-
 9 tunity Act (29 U.S.C. 3174(c)(3)).

10 (b) FUNDING.—Each fiscal year, the Secretary shall
 11 use a portion of the funds made available under section
 12 251 to carry out this section. From that portion, the Sec-
 13 retary shall—

14 (1) reserve an amount for the Secretary to use
 15 in ensuring the availability of rapid response activi-
 16 ties and career services under section 211(b)(1);

17 (2) reserve an amount to grant job search al-
 18 lowances under subsection (d);

19 (3) reserve an amount to grant relocation allow-
 20 ance under subsection (e); and

21 (4) use the remainder of the portion to carry
 22 out subsection (c).

23 (c) CAREER SERVICES AND TRAINING SERVICES.—

24 (1) FUNDING.—Each fiscal year, the Secretary
 25 shall use the remainder described in subsection

1 (b)(4) to provide career services and training serv-
2 ices to eligible adversely affected workers, or to con-
3 tribute to the costs of the one-stop delivery system
4 involved.

5 (2) TREATMENT OF FUNDS.—The Secretary
6 shall treat the funds in that remainder as if the
7 funds are part of the amount described in section
8 132(b)(2)(B) of the Workforce Innovation and Op-
9 portunity Act (29 U.S.C. 3172(b)(2)(B)), except
10 that—

11 (A) all funds in that remainder may only
12 be used to provide career services and training
13 services to eligible adversely affected worker, or
14 to contribute to the costs of the one-stop deliv-
15 ery system involved, as described in section
16 133(b)(5)(B)(ii) of the Workforce Innovation
17 and Opportunity Act (29 U.S.C.
18 3173(b)(5)(B)(ii));

19 (B) the funds in that remainder shall not
20 be counted for purposes of applying section
21 132(b)(2)(B)(iii) or 133(b)(2)(B)(iii) of that
22 Act (29 U.S.C. 3172(b)(2)(B)(iii),
23 3173(b)(2)(B)(iii)); and

1 (C) section 133(b)(4) of that Act (29
2 U.S.C. 3173(b)(4)) shall not apply to the funds
3 in that remainder.

4 (d) JOB SEARCH ALLOWANCES.—

5 (1) JOB SEARCH ALLOWANCE AUTHORIZED.—

6 (A) DISTRIBUTIONS.—

7 (i) INITIAL DISTRIBUTION.—The Sec-
8 retary shall establish procedures for an ini-
9 tial distribution to States of reserved funds
10 described in subsection (b)(2) and available
11 for a fiscal year. Such procedures may in-
12 clude the distribution of funds pursuant to
13 requests submitted by States in need of
14 such funds.

15 (ii) SUBSEQUENT DISTRIBUTION.—
16 The Secretary shall establish procedures
17 for the distribution to States of the re-
18 served funds that remain available for the
19 fiscal year after the initial distribution re-
20 quired under clause (i). Such procedures
21 may include the distribution of funds pur-
22 suant to requests submitted by States in
23 need of such funds.

24 (B) STATE USE OF FUNDS.—Each State
25 may use funds distributed to the State under

1 subparagraph (A) to allow an eligible adversely
2 affected worker who has completed a program
3 of training services or has received appropriate
4 career services to file an application with the
5 Secretary for payment of a job search allow-
6 ance.

7 (C) APPROVAL OF APPLICATIONS.—The
8 Secretary may grant an allowance pursuant to
9 an application filed under subparagraph (B)
10 when all of the following apply:

11 (i) ASSIST ELIGIBLE ADVERSELY AF-
12 FECTED WORKER.—The allowance is paid
13 to assist a worker described in subpara-
14 graph (B) in securing a job within the
15 United States.

16 (ii) LOCAL EMPLOYMENT NOT AVAIL-
17 ABLE.—The Secretary determines that the
18 worker cannot reasonably be expected to
19 secure suitable employment in the com-
20 muting area in which the worker resides.

21 (iii) APPLICATION.—The worker has
22 filed an application for the allowance with
23 the Secretary at such time and containing
24 such information as the Secretary may de-
25 termine.

1 (2) AMOUNT OF ALLOWANCE.—

2 (A) IN GENERAL.—Any allowance granted
3 under paragraph (1) shall provide reimburse-
4 ment to the worker of not more than 90 percent
5 of the necessary job search expenses of the
6 worker as prescribed by the Secretary in regula-
7 tions.

8 (B) MAXIMUM ALLOWANCE.—Reimburse-
9 ment under this paragraph may not exceed
10 \$1,250 for any worker.

11 (C) EXCEPTION.—Notwithstanding sub-
12 paragraphs (A) and (B), a State may reimburse
13 any worker described in paragraph (1)(B) for
14 necessary expenses incurred by the worker in
15 participating in a job search program approved
16 by the Secretary.

17 (e) RELOCATION ALLOWANCES.—

18 (1) RELOCATION ALLOWANCE AUTHORIZED.—

19 (A) DISTRIBUTIONS.—

20 (i) INITIAL DISTRIBUTION.—The Sec-
21 retary shall establish procedures for an ini-
22 tial distribution to States of reserved funds
23 described in subsection (b)(3) and available
24 for a fiscal year. Such procedures may in-
25 clude the distribution of funds pursuant to

1 requests submitted by States in need of
2 such funds.

3 (ii) SUBSEQUENT DISTRIBUTION.—

4 The Secretary shall establish procedures
5 for the distribution to States of the re-
6 served funds that remain available for the
7 fiscal year after the initial distribution re-
8 quired under clause (i). Such procedures
9 may include the distribution of funds pur-
10 suant to requests submitted by States in
11 need of such funds.

12 (B) STATE USE OF FUNDS.—Each State
13 may use funds distributed to the State under
14 subparagraph (A) to allow an eligible adversely
15 affected worker to file an application for a relo-
16 cation allowance with the Secretary, and the
17 Secretary may grant the relocation allowance,
18 subject to the terms and conditions of this sub-
19 section.

20 (2) CONDITIONS FOR GRANTING ALLOWANCE.—

21 The relocation allowance may be granted if all of the
22 following terms and conditions are met:

23 (A) ASSIST ELIGIBLE ADVERSELY AF-
24 FECTED WORKER.—The relocation allowance
25 will assist an eligible adversely affected worker

1 in relocating within the United States to receive
2 training services or for employment.

3 (B) LOCAL EMPLOYMENT NOT AVAIL-
4 ABLE.—The Secretary determines that the
5 worker cannot reasonably be expected to se-
6 cure—

7 (i) in the case of a worker relocating
8 to receive training services, suitable train-
9 ing services in the commuting area in
10 which the worker resides; and

11 (ii) in the case of a worker relocating
12 for employment, suitable employment in
13 that commuting area.

14 (C) SEPARATION OR THREAT.—The work-
15 er is totally or partially separated, or is threat-
16 ened to become totally or partially separated,
17 from employment at the time relocation com-
18 mences.

19 (D) SUITABLE TRAINING OR EMPLOY-
20 MENT.—The worker—

21 (i) in the case of a worker relocating
22 to receive training services or for employ-
23 ment after receiving training services, ob-
24 tains approval from the Secretary for the
25 program of training services involved; or

1 (ii) in the case of a worker relocating
2 for employment, has obtained suitable em-
3 ployment affording a reasonable expecta-
4 tion of long-term duration in the area in
5 which the worker wishes to relocate, or has
6 obtained a bona fide offer of such employ-
7 ment.

8 (E) APPLICATION.—The worker filed an
9 application with the Secretary before—

10 (i) in the case of a worker relocating
11 for employment or to receive training serv-
12 ices, the later of—

13 (I) the 425th day after the date
14 of the certification under section 212
15 that covers the worker; or

16 (II) the 425th day after the date
17 of the worker's last total separation;
18 or

19 (ii) in the case of a worker relocating
20 for employment after receiving training
21 services, the date that is the 182d day
22 after the date on which the worker con-
23 cluded a program of training services ap-
24 proved by the Secretary under subpara-
25 graph (D)(i).

1 (3) AMOUNT OF ALLOWANCE.—Any relocation
2 allowance granted to a worker under paragraph (1)
3 shall include—

4 (A) not more than 90 percent of the rea-
5 sonable and necessary expenses (including sub-
6 sistence and transportation expenses at levels
7 not exceeding those allowable as specified in
8 regulations prescribed by the Secretary) in-
9 curred in transporting the worker, the worker's
10 family, and household effects; and

11 (B) a lump sum equivalent to 3 times the
12 worker's average weekly wage, up to a max-
13 imum payment of \$1,250.

14 (4) LIMITATIONS.—A relocation allowance may
15 not be granted to a worker unless—

16 (A) in the case of a worker relocating for
17 employment or to receive training services, the
18 relocation occurs within 182 days after the fil-
19 ing of the application for relocation assistance;
20 or

21 (B) in the case of a worker relocating for
22 employment after receiving training services,
23 the relocation occurs within 182 days after the
24 conclusion of a program of training services ap-

1 proved by the Secretary under paragraph
2 (2)(D)(i).

3 **SEC. 243. ADDITIONAL PENSIONS BENEFITS.**

4 (a) IN GENERAL.—In the case that, with respect to
5 a certified adversely affected worker, the amount of pen-
6 sion plan benefits guaranteed under section 4022 or
7 4022A of the Employee Retirement Income Security Act
8 of 1974 (29 U.S.C. 1322, 1322a), subject to section
9 4022B of such Act (29 U.S.C. 1322b) is less than the
10 amount of the nonforfeitable benefit to which such em-
11 ployee was entitled under the terms of the pension plan
12 of the applicable firm immediately before the date of the
13 insolvency of such applicable firm, the Pension Benefit
14 Guaranty Corporation shall make payments to such cer-
15 tified adversely affected worker or to the multiemployer
16 plan of the certified adversely affected worker, as applica-
17 ble, on a monthly basis in an amount equal to—

18 (1) the excess of—

19 (A) the amount to which the employee was
20 so entitled; over

21 (B) the amount so guaranteed; and

22 (2) the payments otherwise made to such work-
23 er in accordance with section 4022 or 4022A of the
24 Employee Retirement Income Security Act of 1974

1 (29 U.S.C. 1322, 1322a), subject to section 4022B
2 of such Act (29 U.S.C. 1322b).

3 (b) TRANSFERS FROM FUND.—Each fiscal quarter,
4 the Secretary of Labor shall transfer from the Trust Fund
5 established under section 251 to the fund established
6 under subsection (i) of section 4005 of the Employee Re-
7 tirement Income Security Act (29 U.S.C. 1305) (as added
8 by subsection (c)), an amount equal to the aggregate pay-
9 ments that are expected to be made under subsection
10 (a)(1) by the Pension Benefit Guaranty Corporation in the
11 subsequent fiscal quarter. The Secretary of Labor may ad-
12 just the amounts so transferred for a fiscal quarter to ac-
13 count for any overpayment or underpayment so made in
14 a previous fiscal quarter.

15 (c) PBGC FUND.—Section 4005 of the Employee Re-
16 tirement Income Security Act of 1974 (29 U.S.C. 1305)
17 is amended by adding at the end the following:

18 “(i) An eighth fund shall be established and credited
19 with any amounts transferred in accordance with section
20 243(b) of the Clean Energy Worker Just Transition Act.
21 Such amounts shall be made available to make payments
22 in accordance with section 243(a) of such Act.”.

PART V—FUNDING**SEC. 251. ESTABLISHMENT OF CLEAN ENERGY WORKERS
TRUST FUND.**

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund to be known as the “Clean Energy Workers Trust Fund” (referred to in this title as the “Trust Fund”), consisting of such amounts as may be appropriated to the Trust Fund under subsection (b).

(b) AMOUNTS IN TRUST FUND.—There is appropriated to the Trust Fund, on an annual basis, an amount equal to the increase in revenues to the Treasury resulting from the amendments made by section 252.

(c) EXPENDITURES FROM TRUST FUND.—

(1) IN GENERAL.—Except as provided under paragraph (2), amounts in the Trust Fund shall be available without further appropriation—

(A) to carry out—

(i) the group certification and individual application provisions under parts I and II of this subtitle, respectively;

(ii) adjustment assistance provided through any option under section 221(b) (subject to paragraph (2)); and

(iii) sections 262 and 263; and

1 (B) for the administrative costs associated
 2 with carrying out subparagraph (A) and this
 3 section.

4 (2) TAX CREDITS AND INCENTIVES.—From
 5 time to time there shall be transferred from the
 6 Trust Fund to the general fund of the Treasury
 7 amounts equal to the decrease in revenues to the
 8 Treasury resulting from the amendments made by
 9 sections 241 and 261.

10 (3) AVAILABILITY.—The amounts in the Trust
 11 Fund shall be available for the purposes described in
 12 paragraphs (1) and (2) to the Secretary and the
 13 head of any other agency as necessary to carry out
 14 such purposes.

15 **SEC. 252. MODIFICATIONS TO RULES RELATING TO IN-**
 16 **VERTED CORPORATIONS.**

17 (a) IN GENERAL.—Subsection (b) of section 7874 of
 18 the Internal Revenue Code of 1986 is amended to read
 19 as follows:

20 “(b) INVERTED CORPORATIONS TREATED AS DO-
 21 MESTIC CORPORATIONS.—

22 “(1) IN GENERAL.—Notwithstanding section
 23 7701(a)(4), a foreign corporation shall be treated for
 24 purposes of this title as a domestic corporation if—

1 “(A) such corporation would be a surro-
 2 gate foreign corporation if subsection (a)(2)
 3 were applied by substituting ‘80 percent’ for
 4 ‘60 percent’, or

5 “(B) such corporation is an inverted do-
 6 mestic corporation.

7 “(2) INVERTED DOMESTIC CORPORATION.—For
 8 purposes of this subsection, a foreign corporation
 9 shall be treated as an inverted domestic corporation
 10 if, pursuant to a plan (or a series of related trans-
 11 actions)—

12 “(A) the entity completes after May 8,
 13 2014, the direct or indirect acquisition of—

14 “(i) substantially all of the properties
 15 held directly or indirectly by a domestic
 16 corporation, or

17 “(ii) substantially all of the assets of,
 18 or substantially all of the properties consti-
 19 tuting a trade or business of, a domestic
 20 partnership, and

21 “(B) after the acquisition, either—

22 “(i) more than 50 percent of the stock
 23 (by vote or value) of the entity is held—

24 “(I) in the case of an acquisition
 25 with respect to a domestic corpora-

tion, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation, or

“(II) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership, or

“(ii) the management and control of the expanded affiliated group which includes the entity occurs, directly or indirectly, primarily within the United States, and such expanded affiliated group has significant domestic business activities.

“(3) EXCEPTION FOR CORPORATIONS WITH SUBSTANTIAL BUSINESS ACTIVITIES IN FOREIGN COUNTRY OF ORGANIZATION.—A foreign corporation described in paragraph (2) shall not be treated as an inverted domestic corporation if after the acquisition the expanded affiliated group which includes the entity has substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the

1 total business activities of such expanded affiliated
2 group. For purposes of subsection (a)(2)(B)(iii) and
3 the preceding sentence, the term ‘substantial busi-
4 ness activities’ shall have the meaning given such
5 term under regulations in effect on May 8, 2014, ex-
6 cept that the Secretary may issue regulations in-
7 creasing the threshold percent in any of the tests
8 under such regulations for determining if business
9 activities constitute substantial business activities for
10 purposes of this paragraph.

11 “(4) MANAGEMENT AND CONTROL.—For pur-
12 poses of paragraph (2)(B)(ii)—

13 “(A) IN GENERAL.—The Secretary shall
14 prescribe regulations for purposes of deter-
15 mining cases in which the management and
16 control of an expanded affiliated group is to be
17 treated as occurring, directly or indirectly, pri-
18 marily within the United States. The regula-
19 tions prescribed under the preceding sentence
20 shall apply to periods after May 8, 2014.

21 “(B) EXECUTIVE OFFICERS AND SENIOR
22 MANAGEMENT.—Such regulations shall provide
23 that the management and control of an ex-
24 panded affiliated group shall be treated as oc-
25 ccurring, directly or indirectly, primarily within

1 the United States if substantially all of the ex-
2 ecutive officers and senior management of the
3 expanded affiliated group who exercise day-to-
4 day responsibility for making decisions involving
5 strategic, financial, and operational policies of
6 the expanded affiliated group are based or pri-
7 marily located within the United States. Indi-
8 viduals who in fact exercise such day-to-day re-
9 sponsibilities shall be treated as executive offi-
10 cers and senior management regardless of their
11 title.

12 “(5) SIGNIFICANT DOMESTIC BUSINESS ACTIVI-
13 TIES.—For purposes of paragraph (2)(B)(ii), an ex-
14 panded affiliated group has significant domestic
15 business activities if at least 25 percent of—

16 “(A) the employees of the group are based
17 in the United States,

18 “(B) the employee compensation incurred
19 by the group is incurred with respect to employ-
20 ees based in the United States,

21 “(C) the assets of the group are located in
22 the United States, or

23 “(D) the income of the group is derived in
24 the United States,

1 determined in the same manner as such determina-
 2 tions are made for purposes of determining substan-
 3 tial business activities under regulations referred to
 4 in paragraph (3) as in effect on May 8, 2014, but
 5 applied by treating all references in such regulations
 6 to ‘foreign country’ and ‘relevant foreign country’ as
 7 references to ‘the United States’. The Secretary may
 8 issue regulations decreasing the threshold percent in
 9 any of the tests under such regulations for deter-
 10 mining if business activities constitute significant
 11 domestic business activities for purposes of this
 12 paragraph.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) Clause (i) of section 7874(a)(2)(B) of such
 15 Code is amended by striking “after March 4, 2003,”
 16 and inserting “after March 4, 2003, and before May
 17 9, 2014,”.

18 (2) Subsection (c) of section 7874 of such Code
 19 is amended—

20 (A) in paragraph (2)—

21 (i) by striking “subsection
 22 (a)(2)(B)(ii)” and inserting “subsections
 23 (a)(2)(B)(ii) and (b)(2)(B)(i)”, and

24 (ii) by inserting “or (b)(2)(A)” after
 25 “(a)(2)(B)(i)” in subparagraph (B),

1 (B) in paragraph (3), by inserting “or
 2 (b)(2)(B)(i), as the case may be,” after
 3 “(a)(2)(B)(ii),”

4 (C) in paragraph (5), by striking “sub-
 5 section (a)(2)(B)(ii)” and inserting “sub-
 6 sections (a)(2)(B)(ii) and (b)(2)(B)(i),” and

7 (D) in paragraph (6), by inserting “or in-
 8 verted domestic corporation, as the case may
 9 be,” after “surrogate foreign corporation”.

10 (c) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply to taxable years ending after May
 12 8, 2014.

13 **PART VI—MISCELLANEOUS PROVISIONS**

14 **SEC. 261. CREDIT FOR HIRING UNEMPLOYED CERTIFIED** 15 **ADVERSELY AFFECTED WORKERS.**

16 (a) INCLUSION IN WORK OPPORTUNITY CREDIT.—
 17 Paragraph (1) of section 51(d) of the Internal Revenue
 18 Code of 1986 is amended by striking “or” at the end of
 19 subparagraph (I), by striking the period at the end of sub-
 20 paragraph (J) and inserting “, or”, and by adding at the
 21 end the following new subparagraph:

22 “(K) a qualified adversely affected energy
 23 industry unemployed worker.”.

24 (b) DEFINITION OF QUALIFIED ADVERSELY AF-
 25 FECTED ENERGY INDUSTRY UNEMPLOYED WORKER.—

1 Subsection (d) of section 51 of the Internal Revenue Code
 2 of 1986 is amended by adding at the end the following
 3 new paragraph:

4 “(16) QUALIFIED ADVERSELY AFFECTED EN-
 5 ERGY INDUSTRY UNEMPLOYED WORKER.—The term
 6 ‘qualified adversely affected energy industry unem-
 7 ployed worker’ means any individual who—

8 “(A) is a certified adversely affected work-
 9 er under section 202 of the Clean Energy
 10 Worker Just Transition Act and whose status
 11 as such has not been terminated before the date
 12 the individual begins work for the employer,

13 “(B) is certified by the designated local
 14 agency as—

15 “(i) having aggregate periods of un-
 16 employment during the 1-year period end-
 17 ing on the hiring date which equal or ex-
 18 ceed 4 weeks (but less than 6 months), or

19 “(ii) having aggregate periods of un-
 20 employment during the 1-year period end-
 21 ing on the hiring date which equal or ex-
 22 ceed 6 months.”.

23 (c) INCREASED CREDIT AMOUNT FOR LONG-TERM
 24 UNEMPLOYED WORKERS.—Section 51(b)(3) of the Inter-
 25 nal Revenue Code of 1986 is amended—

1 (1) by striking “and” before “\$24,000”, and

2 (2) by inserting “, and \$14,000 per year in the
3 case of any individual who is a qualified adversely
4 affected energy industry unemployed worker by rea-
5 son of subsection (d)(16)(B)(ii)” after “subsection
6 (d)(3)(A)(ii)(II)”.

7 (d) CREDIT LIMITED TO INDIVIDUALS HIRED FOR
8 COMPARABLE OCCUPATION.—Subsection (b) of section 51
9 of the Internal Revenue Code of 1986 is amended by add-
10 ing at the end the following new paragraph:

11 “(4) SPECIAL RULE FOR QUALIFIED AD-
12 VERSELY AFFECTED ENERGY INDUSTRY UNEM-
13 PLOYED WORKERS.—The term ‘qualified wages’
14 shall not include any wages paid to qualified ad-
15 versely affected energy industry unemployed worker
16 unless the position for which such worker is hired
17 for is a comparable occupation as determined under
18 section 222 of the Clean Energy Worker Just Tran-
19 sition Act.”.

20 (e) TERMINATION PROVISION NOT TO APPLY.—
21 Paragraph (4) of section 51(c) of the Internal Revenue
22 Code of 1986 is amended by adding at the end the fol-
23 lowing new sentence: “The preceding sentence shall not
24 apply with respect to amounts paid or incurred to qualified
25 adversely affected energy industry unemployed workers.”.

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to individuals who begin work for
3 the employer after December 31, 2017.

4 **SEC. 262. ENFORCEMENT.**

5 (a) VIOLATIONS.—It shall be a violation of this sub-
6 title to for any person to—

7 (1) make a false statement of a material fact
8 knowing it to be false, or knowingly fail to disclose
9 a material fact, for the purpose of obtaining or in-
10 creasing for that person or for any other person any
11 payment authorized to be furnished under this sub-
12 title; or

13 (2) make a false statement of a material fact
14 knowing it to be false, or knowingly fail to disclose
15 a material fact, when providing information to the
16 Secretary during an investigation of a petition under
17 section 211.

18 (b) PENALTIES.—Any person who commits a viola-
19 tion under subsection (a) shall be imprisoned for not more
20 than 1 year, fined under title 18, United States Code, or
21 both.

22 **SEC. 263. BENEFIT INFORMATION TO WORKERS.**

23 (a) GENERAL INFORMATION.—The Secretary shall
24 provide—

25 (1) full information to workers about—

1 (A) the adjustment assistance available
2 under this subtitle; and

3 (B) the petition and application proce-
4 dures, and the appropriate filing dates, for such
5 adjustment assistance;

6 (2) whatever assistance is necessary to enable
7 groups of workers to prepare petitions or applica-
8 tions for such adjustment assistance;

9 (3) the applicable eligible agency, as defined in
10 section 3 of the Carl D. Perkins Career and Tech-
11 nical Education Act of 2006 (20 U.S.C. 2302), or
12 any equivalent agency, and public or private agen-
13 cies, institutions, and employers, as appropriate,
14 with information of each certification issued under
15 section 213 and of projections, if available, of the
16 needs for training under section 242 as a result of
17 such certification; and

18 (4) labor organizations and other community
19 organizations with funding from the Trust Fund es-
20 tablished under section 251, to conduct community
21 outreach to educate adversely affected workers about
22 such adjustment assistance.

23 (b) WRITTEN NOTICE TO INDIVIDUALS.—The Sec-
24 retary shall provide written notice through the mail of the
25 adjustment assistance available under this subtitle to each

1 worker whom the Secretary has reason to believe is cov-
2 ered by a certification under section 213—

3 (1) at the time such certification is made, if the
4 worker was partially or totally separated, or threat-
5 ened to become totally or partially separated, from
6 the adversely affected employment before such cer-
7 tification, or

8 (2) at the time of the total or partial separa-
9 tion, or threatened total or partial separation, of the
10 worker from the adversely affected employment, if
11 paragraph (1) does not apply.

12 (c) PUBLISHED NOTICE.—The Secretary shall pub-
13 lish notice of the adjustment assistance available under
14 this subtitle to workers covered by each certification issued
15 under section 213 in newspapers of general circulation in
16 the areas in which such workers reside.

17 (d) NOTIFICATION TO DEPARTMENT OF COM-
18 MERCE.—Not later than 60 days after the date of enact-
19 ment of this Act, and each year thereafter, the Secretary
20 shall prepare and submit a report to the Department of
21 Commerce on the geographic location and sector impli-
22 cated by each certification issued under section 213.

1 **SEC. 264. AMENDMENT TO SURFACE MINING CONTROL AND**
2 **RECLAMATION ACT OF 1977.**

3 Section 402(i)(2) of the Surface Mining Control and
4 Reclamation Act of 1977 (30 U.S.C. 1232(i)(2)) is
5 amended—

6 (1) by striking “Subject to” and inserting the
7 following:

8 “(A) IN GENERAL.—Subject to”; and

9 (2) by adding at the end the following:

10 “(B) EXCESS AMOUNTS.—

11 “(i) IN GENERAL.—Subject to para-
12 graph (3), and after all transfers referred
13 to in subparagraph (A) and paragraph (1)
14 have been made, any amounts remaining
15 after the application of paragraph (3)(A)
16 (without regard to this subparagraph) shall
17 be transferred to the trustees of the 1974
18 UMWA Pension Plan and used solely to
19 pay pension benefits required under such
20 plan.

21 “(ii) 1974 UMWA PENSION PLAN.—
22 For purposes of this subparagraph, the
23 term ‘1974 UMWA Pension Plan’ means a
24 pension plan referred to in section
25 9701(a)(3) of the Internal Revenue Code
26 of 1986 but without regard to whether

1 participation in such plan is limited to in-
 2 dividuals who retired in 1976 and there-
 3 after.”.

4 **SEC. 265. REGULATIONS.**

5 The Secretary shall promulgate regulations to carry
 6 out this subtitle.

7 **Subtitle B—Workplace Democracy**
 8 **Act**

9 **SEC. 271. SHORT TITLE.**

10 This subtitle may be cited as the “Workplace Democ-
 11 racy for a Clean Energy Future”.

12 **SEC. 272. STREAMLINING CERTIFICATION FOR LABOR OR-**
 13 **GANIZATIONS.**

14 (a) IN GENERAL.—Section 9(c) of the National
 15 Labor Relations Act (29 U.S.C. 159(c)) is amended by
 16 adding at the end the following:

17 “(6) Notwithstanding any other provision of this sec-
 18 tion, whenever a petition shall have been filed by an em-
 19 ployee or group of employees or any individual or labor
 20 organization acting in their behalf alleging that a majority
 21 of employees in a unit appropriate for the purposes of col-
 22 lective bargaining wish to be represented by an individual
 23 or labor organization for such purposes, the Board shall
 24 investigate the petition. If the Board finds that a majority
 25 of the employees in a unit appropriate for bargaining has

1 signed valid authorizations designating the individual or
 2 labor organization specified in the petition as their bar-
 3 gaining representative and that no other individual or
 4 labor organization is currently certified or recognized as
 5 the exclusive representative of any of the employees in the
 6 unit, the Board shall not direct an election but shall certify
 7 the individual or labor organization as the representative
 8 described in subsection (a).

9 “(7) The Board shall develop guidelines and proce-
 10 dures for the designation by employees of a bargaining
 11 representative in the manner described in paragraph (6).
 12 Such guidelines and procedures shall include—

13 “(A) model collective bargaining authorization
 14 language that may be used for purposes of making
 15 the designations described in paragraph (6); and

16 “(B) procedures to be used by the Board to es-
 17 tablish the validity of signed authorizations desig-
 18 nating bargaining representatives.”.

19 (b) CONFORMING AMENDMENTS.—

20 (1) NATIONAL LABOR RELATIONS BOARD.—Sec-
 21 tion 3(b) of the National Labor Relations Act (29
 22 U.S.C. 153(b)) is amended, in the second sentence—

23 (A) by striking “and to” and inserting
 24 “to”; and

1 (B) by striking “and certify the results
2 thereof,” and inserting “, and to issue certifi-
3 cations as provided for in that section,”.

4 (2) UNFAIR LABOR PRACTICES.—Section 8(b)
5 of the National Labor Relations Act (29 U.S.C.
6 158(b)) is amended—

7 (A) in paragraph (7)(B) by striking “, or”
8 and inserting “or a petition has been filed
9 under section 9(c)(6), or”; and

10 (B) in paragraph (7)(C) by striking “when
11 such a petition has been filed” and inserting
12 “when such a petition other than a petition
13 under section 9(c)(6) has been filed”.

14 **SEC. 273. FACILITATING INITIAL COLLECTIVE BARGAINING**
15 **AGREEMENTS.**

16 Section 8 of the National Labor Relations Act (29
17 U.S.C. 158) is amended by adding at the end the fol-
18 lowing:

19 “(h) Whenever collective bargaining is for the pur-
20 pose of establishing an initial agreement following certifi-
21 cation or recognition, the provisions of subsection (d) shall
22 be modified as follows:

23 “(1) Not later than 10 days after receiving a
24 written request for collective bargaining from an in-
25 dividual or labor organization that has been newly

1 organized or certified as a representative as defined
2 in section 9(a), or within such further period as the
3 parties agree upon, the parties shall meet and com-
4 mence to bargain collectively and shall make every
5 reasonable effort to conclude and sign a collective
6 bargaining agreement.

7 “(2) If after the expiration of the 90-day period
8 beginning on the date on which bargaining is com-
9 menced, or such additional period as the parties may
10 agree upon, the parties have failed to reach an
11 agreement, either party may notify the Federal Me-
12 diation and Conciliation Service of the existence of
13 a dispute and request mediation. Whenever such a
14 request is received, it shall be the duty of the Service
15 promptly to put itself in communication with the
16 parties and to use its best efforts, by mediation and
17 conciliation, to bring them to agreement.

18 “(3) If after the expiration of the 30-day period
19 beginning on the date on which the request for me-
20 diation is made under paragraph (2), or such addi-
21 tional period as the parties may agree upon, the
22 Service is not able to bring the parties to agreement
23 by conciliation, the Service shall refer the dispute to
24 an arbitration board established in accordance with
25 such regulations as may be prescribed by the Serv-

1 ice. The arbitration panel shall render a decision set-
 2 tling the dispute and such decision shall be binding
 3 upon the parties for a period of 2 years, unless
 4 amended during such period by written consent of
 5 the parties.”.

6 **Subtitle C—Community Need-**
 7 **Based Economic Transition As-**
 8 **sistance Program**

9 **SEC. 281. COMMUNITY NEED-BASED ECONOMIC TRANSI-**
 10 **TION ASSISTANCE PROGRAM.**

11 (a) ELIGIBLE COUNTY DEFINED.—In this subtitle,
 12 the term “eligible county” means a county or an Indian
 13 tribe eligible for assistance under this subtitle—

14 (1) in which not less than 35 certified adversely
 15 affected workers reside; and

16 (2) that is certified by the Secretary under sub-
 17 section (b).

18 (b) CERTIFICATION.—The Secretary shall certify an
 19 eligible county not later than 20 days after the date on
 20 which the Secretary determines that at least 35 workers
 21 residing in the county are certified adversely affected
 22 workers.

23 (c) NOTIFICATION.—After the Secretary certifies a
 24 county as an eligible county under this section, the Sec-
 25 retary shall provide notice of the certification—

1 (1) to the county government; or

2 (2) if the county does not have a county govern-
3 ment, to the most localized relevant regional or
4 State government.

5 (d) APPLICATION.—After the date on which the Sec-
6 retary certifies a county under this section, the county
7 may apply for a grant under each of subsections (a)
8 through (c) of section 282 and each of subsections (a)
9 through (e) of section 283.

10 **SEC. 282. ECONOMIC DEVELOPMENT GRANT PROGRAMS.**

11 (a) APPALACHIAN REGIONAL COMMISSION.—

12 (1) IN GENERAL.—The Appalachian Regional
13 Commission established by section 14301(a) of title
14 40, United States Code (referred to in this sub-
15 section as the “Commission”), shall award grants to
16 eligible counties to support economic development
17 planning and implementation activities in those
18 counties, including—

19 (A) developing entrepreneurial ecosystems;

20 (B) facilitating access to capital invest-
21 ments and new markets; and

22 (C) addressing barriers relating to ade-
23 quate water, sewer, and telecommunications in-
24 frastructure.

1 (2) REGULATIONS; GUIDANCE.—The Commis-
2 sion may issue such regulations and guidance to
3 carry out this subsection as the Commission deter-
4 mines to be necessary.

5 (3) FUNDING.—The Commission shall use to
6 carry out this subsection not more than \$40,000,000
7 for each of fiscal years 2016 through 2025 from the
8 Climate Fund.

9 (b) ECONOMIC DEVELOPMENT ADMINISTRATION.—

10 (1) IN GENERAL.—The Assistant Secretary of
11 Commerce for Economic Development (referred to in
12 this subsection as the “Assistant Secretary”) shall—

13 (A) advance and coordinate regional place-
14 based innovation efforts for the Federal Gov-
15 ernment; and

16 (B) provide planning and coordination as-
17 sistance to eligible counties and other Federal
18 agencies to assist in economic development ac-
19 tivities under this subtitle.

20 (2) REGULATIONS; GUIDANCE.—The Assistant
21 Secretary may issue such regulations and guidance
22 to carry out this subsection as the Assistant Sec-
23 retary determines to be necessary.

24 (3) FUNDING.—The Assistant Secretary shall
25 use to carry out this subsection not more than

1 \$10,000,000 for each of fiscal years 2016 through
2 2025 from the Climate Fund.

3 (c) NEW DEVELOPMENT AND JOBS IN ABANDONED
4 MINE LAND COMMUNITIES.—

5 (1) IN GENERAL.—The Director of the Office of
6 Surface Mining Reclamation and Enforcement (re-
7 ferred to in this subsection as the “Director”) shall
8 award grants to eligible counties for activities relat-
9 ing to the reclamation of abandoned coal mine land
10 sites and associated polluted waters.

11 (2) PURPOSE.—The purpose of the grant pro-
12 gram under this subsection is to promote sustainable
13 redevelopment in eligible counties.

14 (3) SELECTION.—The Director shall award
15 grants based on economic factors, including—

16 (A) the unemployment rate in the eligible
17 county;

18 (B) the amount and severity of problems
19 in the eligible county relating to abandoned coal
20 mine land and water problems; and

21 (C) whether, in the determination of the
22 Director, reclamation activities to promote eco-
23 nomic development would assist the eligible
24 county.

1 (4) REGULATIONS; GUIDANCE.—In consultation
 2 with States, Indian tribes, and other stakeholders,
 3 the Director may issue such regulations and guid-
 4 ance to carry out this subsection as the Director de-
 5 termines to be necessary.

6 (5) FUNDING.—The Director shall use to carry
 7 out this subsection not more than \$250,000,000 for
 8 each of fiscal years 2016 through 2025 from the Cli-
 9 mate Fund.

10 (d) SMALL BUSINESS ADMINISTRATION.—

11 (1) IN GENERAL.—The Administrator of the
 12 Small Business Administration shall award grants to
 13 members of disadvantaged communities to support
 14 entrepreneurial opportunities, such as starting or ex-
 15 panding small businesses or nonprofit organizations
 16 that—

17 (A) promote improvements in energy effi-
 18 ciency;

19 (B) design strategies to maximize energy
 20 efficiency; and

21 (C) promote—

22 (i) resource conservation and reuse;

23 (ii) the installation or construction of
 24 renewable energy technologies or facilities,

such as wind, wave, solar, and geothermal energy; and

(iii) the effective use of existing infrastructure in affordable housing and economic development activities in low-income communities and disadvantaged communities.

(2) REGULATIONS; GUIDANCE.—The Administrator of the Small Business Administration may issue such regulations and guidance to carry out this subsection as the Administrator of the Small Business Administration determines to be necessary.

(3) FUNDING.—The Administrator of the Small Business Administration shall use to carry out this subsection not more than \$50,000,000 for each of fiscal years 2018 through 2050 from the Climate Fund.

SEC. 283. NEED-BASED WATER, BROADBAND, AND ELECTRIC GRID INFRASTRUCTURE INVESTMENT PROGRAM.

(a) STATE DRINKING WATER TREATMENT REVOLVING LOAN FUNDS.—The Administrator shall award to eligible counties capitalization grants for the purpose of establishing a drinking water treatment revolving loan fund

1 under section 1452(a) of the Safe Drinking Water Act (42
2 U.S.C. 300j–12(a)).

3 (b) WATER INFRASTRUCTURE FINANCE AND INNO-
4 VATION.—The Administrator shall provide to eligible
5 counties long-term, low-interest loans for large water in-
6 frastructure projects that are not eligible for funding from
7 a State revolving loan fund, in accordance with the Water
8 Infrastructure Finance and Innovation Act of 2014 (33
9 U.S.C. 3901 et seq.).

10 (c) BROADBAND INITIATIVES PROGRAM.—The Sec-
11 retary of Agriculture shall provide to eligible counties
12 loans and loan guarantees under the broadband initiatives
13 program established under title VI of the Rural Elec-
14 trification Act of 1936 (7 U.S.C. 950bb et seq.) to expand
15 the access to, and quality of, broadband service across the
16 rural United States.

17 (d) BROADBAND TECHNOLOGY OPPORTUNITIES PRO-
18 GRAM.—The Assistant Secretary of Commerce for Com-
19 munications and Information shall award to eligible coun-
20 ties grants for purposes of the Broadband Technology Op-
21 portunities Program established under section 6001(a) of
22 the American Recovery and Reinvestment Act of 2009 (47
23 U.S.C. 1305(a)), including providing access to, and im-
24 proving, broadband service to underserved areas of the
25 United States.

1 (e) ELECTRIC GRID INFRASTRUCTURE.—The Sec-
 2 retary shall award to eligible counties grants for expenses
 3 necessary for—

4 (1) electricity delivery and energy reliability ac-
 5 tivities to modernize the electric grid, including ac-
 6 tivities relating to—

7 (A) demand-responsive equipment;

8 (B) enhanced security and reliability of en-
 9 ergy infrastructure;

10 (C) energy storage research, development,
 11 demonstration, and deployment;

12 (D) facilitating recovery from disruptions
 13 to the energy supply; and

14 (E) high-voltage transmission lines to
 15 bring utility-scale hydro, wind, solar, and geo-
 16 thermal generation to demand centers; and

17 (2) implementation of the programs authorized
 18 under title XIII of the Energy Independence and Se-
 19 curity Act of 2007 (42 U.S.C. 17381 et seq.).

20 (f) GRANT AND LOAN SELECTION AND MANAGE-
 21 MENT.—

22 (1) IN GENERAL.—In carrying out this section,
 23 the Secretary of the Treasury, in consultation with
 24 the Assistant Secretary of Commerce for Economic
 25 Development and State and local workforce develop-

1 ment boards established under sections 101 and 107
 2 of the Workforce Innovation and Opportunity Act
 3 (29 U.S.C. 3111, 3122), shall determine the per-
 4 centage of funds made available to allocate to each
 5 agency carrying out a loan or grant program under
 6 subsections (a) through (e).

7 (2) SELECTION.—To the maximum extent prac-
 8 ticable, in selecting grant and loan applicants under
 9 this section, the heads of the agencies carrying out
 10 the grant and loan programs shall consult and co-
 11 ordinate with the Assistant Secretary of Commerce
 12 for Economic Development.

13 (g) FUNDING.—There shall be used to carry out this
 14 section from the Climate Fund \$7,000,000,000 for the pe-
 15 riod of fiscal years 2016 through 2025.

16 **TITLE III—GREENING THE GRID**

17 **Subtitle A—Fossil Fuel Phaseout**

18 **SEC. 301. FOSSIL FUEL PHASEOUT.**

19 (a) IN GENERAL.—Title VI of the Public Utility Reg-
 20 ulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is
 21 amended by adding at the end the following:

22 **“SEC. 610. FOSSIL FUEL PHASEOUT.**

23 “(a) DEFINITIONS.—In this section:

1 “(1) ADMINISTRATOR.—The term ‘Adminis-
2 trator’ means the Administrator of the Environ-
3 mental Protection Agency.

4 “(2) BASE QUANTITY OF ELECTRICITY.—The
5 term ‘base quantity of electricity’ means the total
6 quantity of electric energy sold by a retail electric
7 supplier, expressed in terms of megawatt hours, to
8 electric customers for purposes other than resale
9 during the most recent calendar year for which in-
10 formation is available.

11 “(3) FOSSIL FUEL ENERGY.—The term ‘fossil
12 fuel energy’ means electric energy generated, in
13 whole or in part, by a fossil fuel resource.

14 “(4) FOSSIL FUEL ENERGY CREDIT.—The term
15 ‘fossil fuel energy credit’ means a credit issued
16 under subsection (f) that represents 1 megawatt
17 hour of fossil fuel energy.

18 “(5) FOSSIL FUEL RESOURCE.—The term ‘fos-
19 sil fuel resource’ means coal, oil, gas, oil shale, or
20 tar sands.

21 “(6) RETAIL ELECTRIC SUPPLIER.—

22 “(A) IN GENERAL.—The term ‘retail elec-
23 tric supplier’ means an entity that sold not less
24 than 1,000 megawatt hours of electric energy to

1 electric consumers for purposes other than re-
2 sale during the preceding calendar year.

3 “(B) INCLUSION.—The term ‘retail electric
4 supplier’ includes an entity that generates not
5 less than 1,000 megawatt hours of electric en-
6 ergy for use by the entity.

7 “(7) RETIRE.—The term ‘retire’, with respect
8 to a fossil fuel energy credit, means to disqualify the
9 fossil fuel energy credit for any subsequent use
10 under this section, including sale, transfer, ex-
11 change, or submission in satisfaction of a compliance
12 obligation.

13 “(b) COMPLIANCE.—For calendar year 2022 and
14 each calendar year thereafter, each retail electric supplier
15 shall meet the requirements of subsections (c) and (d) by
16 submitting to the Administrator, not later than April 1
17 of the following calendar year, as applicable—

18 “(1) for a retail electric supplier that exceeds
19 the maximum allowable percentage of fossil fuel en-
20 ergy generation for the applicable calendar year, as
21 determined under subsection (c), a quantity of fossil
22 fuel energy credits sufficient to offset that excess, as
23 determined and certified by the Administrator; or

24 “(2) for a retail electric supplier that does not
25 exceed the maximum allowable percentage of fossil

1 fuel energy generation for the applicable calendar
 2 year, as determined under subsection (c), a certifi-
 3 cation of that compliance, as the Administrator de-
 4 termines to be appropriate.

5 “(c) MAXIMUM ALLOWABLE ANNUAL PERCENTAGE
 6 OF FOSSIL FUEL ENERGY SALES.—For calendar years
 7 2022 through 2050, in annual increments, the maximum
 8 annual percentage of the base quantity of electricity of a
 9 retail electric supplier that may be generated from fossil
 10 fuel resources, or otherwise credited towards the percent-
 11 age requirement pursuant to subsection (e), shall be the
 12 applicable percentage specified in the following table:

“Maximum Allowable Annual Percentage of Fossil Fuel Energy
Sales

Calendar Year	Percentage
2022	70.0
2023	67.5
2024	65.0
2025	62.5
2026	60.0
2027	57.5
2028	55.0
2029	52.5
2030	50.0
2031	47.5
2032	45.0
2033	42.5
2034	40.0
2035	37.5
2036	35.0
2037	32.5
2038	30.0
2039	27.5
2040	25.0
2041	22.5
2042	20.0
2043	17.5
2044	15.0
2045	12.5

“Maximum Allowable Annual Percentage of Fossil Fuel Energy
Sales—Continued

Calendar Year	Percentage
2046	10.0
2047	7.5
2048	5.0
2049	2.5
2050	0.0.

1 “(d) REQUIREMENT FOR 2050 AND THEREAFTER.—

2 For calendar year 2050 and each calendar year thereafter,
3 a retail electric supplier shall not generate or sell any fossil
4 fuel energy.

5 “(e) FOSSIL FUEL ENERGY CREDITS.—

6 “(1) IN GENERAL.—A retail electric supplier
7 may satisfy the requirements of subsection (b)
8 through the submission of fossil fuel energy cred-
9 its—

10 “(A) issued to the retail electric supplier
11 under subsection (f); or

12 “(B) obtained by purchase, transfer, or ex-
13 change under subsection (g), subject to any
14 emissions adjustment under subsection
15 (f)(3)(B).

16 “(2) LIMITATION.—A fossil fuel energy credit
17 may be counted toward compliance with subsection
18 (b) only once.

19 “(f) ISSUANCE OF FOSSIL FUEL ENERGY CRED-
20 ITS.—

1 “(1) IN GENERAL.—Not later than 1 year after
2 the date of enactment of this section, the Adminis-
3 trator shall establish by rule a program—

4 “(A) to verify and issue fossil fuel energy
5 credits to retail electric suppliers;

6 “(B) to track the sale, transfer, exchange,
7 carry over, and retirement of fossil fuel energy
8 credits; and

9 “(C) to enforce the requirements of this
10 section.

11 “(2) APPLICATION.—

12 “(A) IN GENERAL.—To continue selling or
13 generating fossil fuel energy as a retail electric
14 supplier, or otherwise to be issued fossil fuel en-
15 ergy credits, a retail electric supplier shall sub-
16 mit to the Administrator an application for the
17 issuance of fossil fuel energy credits.

18 “(B) CONTENTS.—The application under
19 subparagraph (A) shall indicate—

20 “(i) the quantity of electric energy
21 sold to electric consumers, expressed in
22 megawatt hours of electric energy, for pur-
23 poses other than resale during the pre-
24 ceding calendar year;

25 “(ii) if applicable—

1 “(I) the total quantity of electric
2 energy generated by the retail electric
3 supplier for use by the retail electric
4 supplier;

5 “(II) the type and quantity of
6 each energy resource that is used to
7 produce any energy sold to electric
8 consumers or used by the retail elec-
9 tric supplier; and

10 “(III) the location at which the
11 fossil fuel energy will be produced;
12 and

13 “(iii) any other information the Ad-
14 ministrators determine to be appropriate.

15 “(3) QUANTITY OF FOSSIL FUEL ENERGY
16 CREDITS.—

17 “(A) IN GENERAL.—Subject to subpara-
18 graphs (B) through (D), the Administrator
19 shall issue a quantity of fossil fuel energy cred-
20 its for a calendar year that is equal to the
21 amount by which fossil fuel energy sales have
22 been reduced during the period beginning on
23 January 1, 2000, and ending on December 31
24 of the preceding calendar year.

1 “(B) MAXIMUM QUANTITY.—On approval
2 of an application under paragraph (2), the max-
3 imum quantity of fossil fuel energy credits that
4 may be issued by the Administrator to any re-
5 tail electric supplier for a calendar year shall be
6 equal to a quantity of fossil fuel energy credits
7 equal to the difference between—

8 “(i) the maximum annual percentage
9 of fossil fuel energy sales, expressed in
10 megawatt hours, for the applicable cal-
11 endar year; and

12 “(ii) the actual quantity, expressed in
13 megawatt hours, of fossil fuel energy sold
14 by the retail electric supplier during the
15 applicable calendar year.

16 “(C) EMISSIONS ADJUSTMENT.—

17 “(i) IN GENERAL.—The Administrator
18 may adjust the calculation of the actual
19 quantity of fossil fuel energy generation by
20 setting standard emissions factors based
21 on the lifecycle greenhouse gas emissions
22 of specific types of fossil fuel energy-gener-
23 ating facilities.

1 “(ii) LIFECYCLE EMISSIONS OF NON-
2 FOSSIL ENERGY RESOURCES.—The Admin-
3 istrator shall—

4 “(I) evaluate the lifecycle emis-
5 sions of non-fossil energy resources,
6 including upstream emissions such as
7 greenhouse gas emissions associated
8 with mining; and

9 “(II) reduce any allocation of
10 credits on the basis of that lifecycle
11 evaluation.

12 “(D) LIMITATION.—

13 “(i) IN GENERAL.—This paragraph
14 applies only to retail electric suppliers that
15 do not sell or generate fossil fuel energy in
16 excess of the maximum allowable annual
17 percentage of fossil fuel energy generation
18 for the applicable calendar year, as deter-
19 mined under subsection (c).

20 “(ii) PROHIBITION.—The Adminis-
21 trator may not issue a fossil fuel energy
22 credit for a calendar year to any retail
23 electric supplier that exceeds the maximum
24 allowable annual percentage of fossil fuel
25 energy sales for that calendar year.

1 “(4) CREDIT BANKING.—A fossil fuel energy
2 credit for any calendar year that is not submitted to
3 comply with the maximum allowable percentage of
4 fossil fuel energy requirement of subsection (c) for
5 that calendar year may be carried forward for use
6 in accordance with this section within the next 5
7 years, but not later than 2049.

8 “(g) FOSSIL FUEL ENERGY CREDIT TRADING.—

9 “(1) IN GENERAL.—A fossil fuel energy credit
10 for any calendar year before 2050 that is not sub-
11 mitted to comply with the maximum allowable per-
12 centage of fossil fuel energy requirement of sub-
13 section (c) for that calendar year may be sold, trans-
14 ferred, or exchanged by the retail electric supplier to
15 which the fossil fuel energy credit is issued or by any
16 other retail electric supplier that acquires the fossil
17 fuel energy credit.

18 “(2) LIMITATIONS.—

19 “(A) IN GENERAL.—The sale, transfer, or
20 exchange of fossil fuel energy credits may only
21 occur between retail electric suppliers.

22 “(B) RIGHTS.—A retail electric supplier
23 shall be the only entity that may obtain legal
24 rights to a fossil fuel energy credit.

1 “(C) HOTSPOTS.—The Administrator
2 shall—

3 “(i) evaluate trading to determine if
4 trading results in the unsafe concentration
5 of pollution in any area to any population;
6 and

7 “(ii) if any unsafe concentration of
8 pollution is identified, halt the sale of cred-
9 its to entities—

10 “(I) within the identified area; or

11 “(II) that purchase electricity
12 from a facility that would exacerbate
13 pollution in the identified area, as de-
14 termined by the Administrator.

15 “(3) DELEGATION.—The Administrator may
16 delegate to an appropriate market-making entity the
17 administration of a national tradeable fossil fuel en-
18 ergy credit market for purposes of creating a trans-
19 parent national market for the sale or trade of fossil
20 fuel energy credits.

21 “(h) FOSSIL FUEL ENERGY CREDIT RETIREMENT.—

22 “(1) IN GENERAL.—Any retail electric supplier
23 that obtains legal rights to a fossil fuel energy credit
24 may retire the fossil fuel energy credit in any cal-
25 endar year.

1 “(2) USE OF RETIRED FOSSIL FUEL ENERGY
2 CREDIT.—A fossil fuel energy credit retired under
3 paragraph (1) may not be used for compliance with
4 subsection (b) in—

5 “(A) the calendar year in which the fossil
6 fuel energy credit is retired; or

7 “(B) any subsequent calendar year.

8 “(i) INFORMATION COLLECTION.—The Adminis-
9 trator may collect the information necessary to verify and
10 audit—

11 “(1) the annual fossil fuel energy sales or gen-
12 eration of any retail electric supplier;

13 “(2) a fossil fuel energy credit submitted by a
14 retail electric supplier pursuant to subsection (b)(1);

15 “(3) the validity of a fossil fuel energy credit
16 submitted for compliance by a retail electric supplier
17 to the Administrator; and

18 “(4) the quantity of electricity sales of all retail
19 electric suppliers.

20 “(j) STATE PROGRAMS.—

21 “(1) IN GENERAL.—Nothing in this section di-
22 minishes any authority of a State or political sub-
23 division of a State—

24 “(A) to adopt or enforce any law (includ-
25 ing regulations) respecting electricity; or

1 “(B) to regulate an electric utility.

2 “(2) COMPLIANCE WITH SECTION.—No law or
3 regulation of a State or political subdivision of a
4 State shall relieve any electric utility from compli-
5 ance with any requirement otherwise applicable
6 under this section.

7 “(k) REGULATIONS.—Not later than 1 year after the
8 date of enactment of this section, the Administrator shall
9 promulgate regulations to implement this section.

10 “(l) ENFORCEMENT.—

11 “(1) CIVIL PENALTY.—

12 “(A) IN GENERAL.—A retail electric sup-
13 plier that fails to comply with subsection (b)
14 shall be liable for a civil penalty, assessed by
15 the Administrator, in an amount that is equal
16 to twice the average value of the aggregate
17 quantity of fossil fuel energy credits that the re-
18 tail electric supplier failed to submit in violation
19 of that subsection, as determined by the Admin-
20 istrator.

21 “(B) ENFORCEMENT.—The Administrator
22 shall assess any civil penalty under subpara-
23 graph (A).

24 “(C) DEPOSIT.—With respect to any civil
25 penalty paid to the Administrator pursuant to

1 subparagraph (A), the Administrator shall de-
 2 posit the amount in the Climate Fund estab-
 3 lished by section 702(a) of the 100 by '50 Act.

4 “(2) INJUNCTION.—After calendar year 2050,
 5 the Administrator may issue an injunction on the
 6 purchase or generation of fossil fuel energy by a re-
 7 tail electric supplier.”.

8 (b) TABLE OF CONTENTS AMENDMENT.—The table
 9 of contents of the Public Utility Regulatory Policies Act
 10 of 1978 (16 U.S.C. prec. 2601) is amended by adding at
 11 the end of the items relating to title VI the following:

“Sec. 609. Rural and remote communities electrification grants.

“Sec. 610. Fossil fuel phaseout.”.

12 **Subtitle B—Enhancing Grid** 13 **Reliability**

14 **SEC. 311. ENHANCING GRID RELIABILITY.**

15 (a) ENERGY STORAGE AND DISPATCHABLE ENERGY
 16 GRANT PROGRAM.—

17 (1) ESTABLISHMENT.—The Secretary shall es-
 18 tablish a competitive grant program for utility-scale
 19 demonstration projects for energy storage and
 20 dispatchable concentrated solar thermal, geothermal,
 21 and ocean power energy technologies, or other
 22 emerging dispatchable technologies, as identified by
 23 the Secretary.

1 (2) FEDERAL COST SHARE.—The Secretary
 2 may provide a grant under this subsection in an
 3 amount that is equal to not more than 20 percent
 4 of the total costs incurred in connection with the de-
 5 velopment, construction, acquisition of components
 6 for, or engineering of a demonstration project re-
 7 ferred to in paragraph (1).

8 (3) NO OWNERSHIP INTEREST.—The United
 9 States shall hold no equity or other ownership inter-
 10 est in a qualified advanced electric transmission
 11 manufacturing plant or qualified advanced electric
 12 transmission property for which funds are provided
 13 under this subsection.

14 (4) FUNDING.—The Secretary shall use to
 15 carry out this subsection not more than
 16 \$10,000,000,000 for each fiscal year from the Cli-
 17 mate Fund.

18 (b) INTERSTATE COMPETITIVE RENEWABLE ENERGY
 19 ZONES.—The Federal Power Act is amended by inserting
 20 after section 216 (16 U.S.C. 824p) the following:

21 **“SEC. 216A. INTERSTATE COMPETITIVE RENEWABLE EN-**
 22 **ERGY ZONES.**

23 “(a) PURPOSES.—The purposes of this section are—

24 “(1) to provide greater certainty for—

1 “(A) renewable energy project developers
2 by encouraging preconstruction capacity com-
3 mitments by transmitting utilities; and

4 “(B) transmitting utilities by encouraging
5 preconstruction financial commitments from
6 project developers; and

7 “(2) to expedite transmission and renewable en-
8 ergy generation projects through Federal permitting
9 processes.

10 “(b) DEFINITIONS.—In this section:

11 “(1) COMMISSION.—The term ‘Commission’
12 means the Federal Energy Regulatory Commission.

13 “(2) RENEWABLE ENERGY PROJECT DEVEL-
14 OPER.—The term ‘renewable energy project devel-
15 oper’ means an entity that is responsible for siting
16 renewable energy generation projects, as identified
17 by the Commission.

18 “(3) SECRETARY.—The term ‘Secretary’ means
19 the Secretary of Energy.

20 “(4) ZONE.—The term ‘zone’ means an inter-
21 state competitive renewable energy zone established
22 under subsection (c)(1).

23 “(c) RENEWABLE ENERGY ZONES.—

24 “(1) ESTABLISHMENT.—Not later than 180
25 days after the date of conclusion of the consultation

1 required under paragraph (2), after providing public
2 notice and an opportunity to comment, the Commis-
3 sion, in coordination with the Secretary, shall estab-
4 lish zones, to be known as ‘interstate competitive re-
5 newable energy zones’, in accordance with the pur-
6 poses described in subsection (a)—

7 “(A) to expedite—

8 “(i) the construction of interstate
9 transmission facilities; and

10 “(ii) transmission facilities crossing 2
11 or more grid interconnections; and

12 “(B) to facilitate the deployment of renew-
13 able energy resources in areas in which renew-
14 able energy resources and suitable land areas
15 are sufficient to develop generating capacity.

16 “(2) CONSULTATION.—During the 2-year pe-
17 riod beginning on the date of enactment of this sec-
18 tion, the Commission, in coordination with the Sec-
19 retary and the heads of other relevant Federal agen-
20 cies, shall carry out appropriate consultation with
21 States and Indian tribes (or any entity designated
22 by a State or Indian tribe), Federal power mar-
23 keting agencies, Transmission Organizations, trans-
24 mitting utilities, and renewable energy project devel-

1 operates with respect to identifying appropriate loca-
2 tions for zones—

3 “(A) in accordance with the purposes de-
4 scribed in paragraph (1);

5 “(B) taking into consideration reliability,
6 congestion, cybersecurity, environmental im-
7 pact, and cost effectiveness; and

8 “(C) in a manner that ensures that the
9 processing and permitting of renewable energy
10 facilities and transmission facilities comply with
11 applicable requirements of Federal law.

12 “(3) IDENTIFICATION OF GRID-PLANNING ENTI-
13 TIES.—Not later than 90 days after the date of con-
14 clusion of the consultation required under paragraph
15 (2), any entity described in that paragraph that in-
16 tends to support the purposes described in sub-
17 section (a) in the grid planning activities of the enti-
18 ty shall submit to the Commission a notice of that
19 intent.

20 “(d) PRECONSTRUCTION COMMITMENTS.—Not later
21 than 90 days after the date of establishment of the zones
22 under subsection (c)(1), the Commission, in coordination
23 with each relevant grid-planning entity identified under
24 subsection (c)(3), shall solicit participation of, and con-

1 vene, interested stakeholders within each zone for pur-
2 poses of—

3 “(1) construction planning; and

4 “(2) encouraging—

5 “(A) financial commitments by renewable
6 energy project developers to transmitting utili-
7 ties; and

8 “(B) commitments of transmission access
9 by transmitting utilities to renewable energy
10 project developers.

11 “(e) CONSTRUCTION PLANNING.—Not later than 180
12 days after the date of establishment of the zones under
13 subsection (c)(1), the Commission, in coordination with
14 each relevant grid-planning entity identified under sub-
15 section (c)(3), shall develop a plan for each zone relating
16 to construction of the transmission capacity necessary to
17 deliver to electric customers, in a manner that is most ben-
18 eficial and cost-effective to the customers, the renewable
19 electricity generation capacity within the zone.

20 “(f) COORDINATION WITH STATE AND REGIONAL
21 PLANNING PROCESSES.—The Commission shall provide
22 support for, and may participate as requested in, State
23 and regional grid planning processes that, as determined
24 by the Commission, will expedite the construction of intra-

1 state transmission lines to facilitate the deployment of re-
 2 newable energy resources.”.

3 **Subtitle C—Making Clean and** 4 **Renewable Energy Affordable**

5 **PART I—REDUCING CARBON POLLUTION AND** 6 **CREATING JOBS BY TRANSITIONING TO SUS-** 7 **TAINABLE ENERGY SOURCES**

8 **SEC. 321. EXTENSION AND MODIFICATION OF CREDITS** 9 **WITH RESPECT TO FACILITIES PRODUCING** 10 **ENERGY FROM CERTAIN RENEWABLE RE-** 11 **SOURCES.**

12 (a) PERMANENT EXTENSION FOR CERTAIN FACILI-
 13 TIES.—Section 45(d) of the Internal Revenue Code of
 14 1986 is amended—

15 (1) in paragraph (4), by striking “and which”
 16 and all that follows through the period and inserting
 17 the following: “and, in the case of a facility using
 18 solar energy, which is placed in service before Janu-
 19 ary 1, 2006.”,

20 (2) in paragraph (6), by striking “and the con-
 21 struction of which begins before January 1, 2017”,

22 (3) in paragraph (7), by striking “and the con-
 23 struction of which begins before January 1, 2017”,

24 (4) in paragraph (9)(A)—

1 (A) in clause (i), by striking “and before
2 January 1, 2017”, and

3 (B) in clause (ii), by striking “and the con-
4 struction of which begins before January 1,
5 2017”, and

6 (5) in paragraph (11)(B), by striking “and the
7 construction of which begins before January 1,
8 2017”.

9 (b) EXTENSION FOR WIND FACILITIES.—

10 (1) IN GENERAL.—Section 45(d)(1) of the In-
11 ternal Revenue Code of 1986 is amended by striking
12 “January 1, 2020” and inserting “January 1,
13 2034”.

14 (2) MODIFICATION OF PHASEOUT.—Paragraph
15 (5) of section 45(b) of such Code is amended—

16 (A) by striking “and” at the end of sub-
17 paragraph (B),

18 (B) by striking “January 1, 2020, 60 per-
19 cent.” in subparagraph (C) and inserting “Jan-
20 uary 1, 2031, 60 percent, and”, and

21 (C) by adding at the end the following new
22 subparagraph:

23 “(D) in the case of any facility the con-
24 struction of which begins after December 31,

1 2030, and before January 1, 2034, 80 per-
2 cent.”.

3 (c) EXTENSION OF ELECTION TO TREAT QUALIFIED
4 FACILITIES OTHER THAN BIOMASS FACILITIES AS EN-
5 ERGY PROPERTY.—

6 (1) IN GENERAL.—Section 48(a)(5)(C) of the
7 Internal Revenue Code of 1986 is amended—

8 (A) by striking “and the construction of
9 which begins before January 1, 2017 (January
10 1, 2020, in the case of any facility which is de-
11 scribed in paragraph (1) of section 45(d))” in
12 clause (ii), and

13 (B) by adding at the end the following new
14 flush sentence:

15 “Such term shall not include any facility de-
16 scribed in section 45(d)(1) the construction of
17 which begins after December 31, 2033.”.

18 (2) EXCLUSION OF BIOMASS FACILITIES.—
19 Clause (i) of section 48(a)(5)(C) of such Code is
20 amended by striking “(2), (3),”.

21 (3) MODIFICATION OF PHASEOUT PERCENTAGE
22 FOR WIND FACILITIES.—Subparagraph (E) of sec-
23 tion 48(a)(5) of such Code is amended—

24 (A) by striking “and” at the end of clause
25 (ii),

1 (B) by striking “January 1, 2020, 60 per-
 2 cent.” in clause (iii) and inserting “January 1,
 3 2031, 60 percent, and”, and

4 (C) by adding at the end the following new
 5 clause:

6 “(d) in the case of any facility the
 7 construction of which begins after Decem-
 8 ber 31, 2030, and before January 1, 2034,
 9 80 percent.”.

10 (d) EFFECTIVE DATES.—The amendments made by
 11 this section shall take effect on January 1, 2017.

12 **SEC. 322. EXTENSION AND MODIFICATION OF ENERGY**
 13 **CREDIT.**

14 (a) PERMANENT EXTENSION FOR CERTAIN PROP-
 15 erty.—Section 48 of the Internal Revenue Code of 1986
 16 is amended—

17 (1) in subsection (a)(3)(A)—

18 (A) in clause (ii), by striking “but only
 19 with respect to periods ending before January
 20 1, 2017”, and

21 (B) in clause (vii), by striking “, but only
 22 with respect to periods ending before January
 23 1, 2017”, and

24 (2) in subsection (c)—

1 (A) in paragraph (1), by striking subpara-
 2 graph (D),

3 (B) in paragraph (2), by striking subpara-
 4 graph (D),

5 (C) in paragraph (3)(A), by inserting
 6 “and” at the end of clause (ii), by striking “,
 7 and” at the end of clause (iii) and inserting a
 8 period, and by striking clause (iv), and

9 (D) in paragraph (4), by striking subpara-
 10 graph (C).

11 (b) SOLAR ENERGY PROPERTY.—

12 (1) EXTENSION.—Section 48(a)(2)(A)(i)(II) of
 13 the Internal Revenue Code of 1986 is amended by
 14 striking “January 1, 2022” and inserting “January
 15 1, 2034”.

16 (2) MODIFICATION OF PHASEOUT.—Subpara-
 17 graph (A) of section 48(a)(6) of the Internal Rev-
 18 enue Code of 1986 is amended—

19 (A) by striking “and” at the end of clause
 20 (i),

21 (B) by striking “January 1, 2022, 22 per-
 22 cent.” in clause (ii) and inserting “January 1,
 23 2030, 22 percent”, and

24 (C) by adding at the end the following new
 25 clauses:

1 “(i) in the case of any facility the con-
 2 struction of which begins after December
 3 31, 2030, and before January 1, 2032, 18
 4 percent, and

5 “(ii) in the case of any facility the
 6 construction of which begins after Decem-
 7 ber 31, 2031, and before January 1, 2034,
 8 14 percent.”.

9 (c) EXTENSION OF 30-PERCENT INVESTMENT CRED-
 10 IT FOR OFFSHORE WIND ENERGY FACILITIES.—

11 (1) IN GENERAL.—

12 (A) IN GENERAL.—Clause (i) of section
 13 48(a)(2)(A) of the Internal Revenue Code of
 14 1986 is amended by striking “and” at the end
 15 of subclause (IV) and by adding at the end the
 16 following new subclause:

17 “(V) qualified offshore wind en-
 18 ergy property, and”.

19 (B) QUALIFIED OFFSHORE WIND ENERGY
 20 PROPERTY DEFINED.—Subsection (c) of section
 21 48 of such Code is amended by adding at the
 22 end the following new paragraph:

23 “(5) QUALIFIED OFFSHORE WIND ENERGY
 24 PROPERTY.—

1 “(A) IN GENERAL.—The term ‘qualified
2 offshore wind energy property’ means property
3 which is part of a qualified offshore wind facil-
4 ity.

5 “(B) QUALIFIED OFFSHORE WIND FACIL-
6 ITY.—For purposes of subparagraph (A), the
7 term ‘qualified offshore wind facility’ means
8 any facility which—

9 “(i) uses wind to generate electricity,
10 and

11 “(ii) is located in—

12 “(I) the inland navigable waters
13 of the United States, including the
14 Great Lakes, or

15 “(II) the coastal waters of the
16 United States, including the territorial
17 seas of the United States, the exclu-
18 sive economic zone of the United
19 States, and the outer Continental
20 Shelf of the United States.”.

21 “(C) CONFORMING AMENDMENT.—Subpara-
22 graph (A) of section 48(a)(3) of such Code is
23 amended by striking “or” at the end of clause
24 (vi), by inserting “or” at the end of clause (vii),

1 and by adding at the end the following new
2 clause:

3 “(viii) qualified offshore wind energy
4 property,”.

5 (D) COORDINATION WITH CREDIT FOR
6 OTHER WIND FACILITIES.—Section 48(a)(5)(C)
7 of such Code is amended by adding at the end
8 the following new sentence:

9 “Such term shall not include any facility which
10 is a qualified offshore wind facility (as defined
11 in subsection (c)(5)).”.

12 (d) LIMITATION ON CREDIT FOR ONSHORE WIND
13 FACILITIES.—Subparagraph (A) of section 48(a)(5) of the
14 Internal Revenue Code of 1986 is amended to read as fol-
15 lows:

16 “(E) LIMITATION FOR ONSHORE WIND FA-
17 CILITIES.—In the case of a qualified investment
18 credit facility described in section 45(d)(1), the
19 credit otherwise determined under the section
20 with respect to qualified property which is part
21 of such facility shall not exceed an amount
22 equal to \$200 for each kilowatt hour of capacity
23 of such facility.”.

24 (e) CREDIT FOR QUALIFIED ELECTRICAL TRANS-
25 MISSION PROPERTY.—

1 (1) IN GENERAL.—Section 48(a)(3)(A) of the
 2 Internal Revenue Code of 1986 is amended by add-
 3 ing at the end the following:

4 “(viii) qualified electrical transmission
 5 property.”.

6 (2) QUALIFIED ELECTRICAL TRANSMISSION
 7 PROPERTY.—Section 48(c) of the Internal Revenue
 8 Code of 1986, as amended by subsection (c), is
 9 amended by adding at the end the following new
 10 paragraph:

11 “(6) QUALIFIED ELECTRICAL TRANSMISSION
 12 PROPERTY.—The term ‘qualified electrical trans-
 13 mission property’ means an interstate electrical
 14 transmission system, including technologies listed in
 15 section 1223 of the Energy Policy Act of 2005,
 16 which is capable of carrying or transmitting at least
 17 69 kilovolts.”.

18 (f) EFFECTIVE DATE.—The amendments made by
 19 this section shall apply to property placed in service in
 20 taxable year beginning after the date of the enactment of
 21 this Act.

22 (g) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply to periods after December 31,
 24 2016, under rules similar to the rules of section 48(m)
 25 of the Internal Revenue Code of 1986 (as in effect on the

1 day before the date of the enactment of the Revenue Rec-
 2 onciliation Act of 1990).

3 **SEC. 323. PERMANENT EXTENSION OF QUALIFYING AD-**
 4 **VANCED ENERGY PROJECT CREDIT.**

5 (a) IN GENERAL.—Section 48C(d)(1)(B) of the In-
 6 ternal Revenue Code of 1986 is amended—

7 (1) by inserting “in any calendar year” after
 8 “allocated under the program”, and

9 (2) by striking “\$2,300,000,000” and inserting
 10 “\$1,000,000,000”.

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 48C(d)(2)(A) of such Code is
 13 amended by striking “during the 2-year period be-
 14 ginning on the date the Secretary establishes the
 15 program under paragraph (1)”.

16 (2) Section 48C(d)(4) of such Code is amended
 17 by striking subparagraphs (A) and (B) and inserting
 18 the following:

19 “(A) REVIEW.—Not later than 4 years
 20 after the close of any calendar year for which
 21 allocations were made under this section, the
 22 Secretary shall review the credits allocated
 23 under this section for such calendar year.

24 “(B) REDISTRIBUTION.—The Secretary
 25 may reallocate credits awarded under this sec-

tion for a calendar year if the Secretary determines that any certification made pursuant to paragraph (2) has been revoked pursuant to paragraph (2)(B) because the project subject to the certification has been delayed as a result of third-party opposition or litigation to the proposed project.”.

(3) Section 48C(d)(4)(C) of such Code is amended by striking “the Secretary is authorized to conduct an additional program for applications for certification” and inserting “notwithstanding paragraph (2)(A), the Secretary is authorized to accept additional applications for certification with respect to such amounts.”.

**SEC. 324. PROMOTING ACCESS TO RENEWABLE ENERGY
AND ENERGY EFFICIENCY FOR TAX-EXEMPT
ORGANIZATIONS.**

(a) IN GENERAL.—Upon application, the Secretary of the Treasury shall, subject to the requirements of this section, provide a grant to each eligible entity who places in service specified energy property to reimburse such person for a portion of the expense of such property as provided in subsection (b). No grant shall be made under this section with respect to any property unless such property is placed in service after 2016.

1 (b) GRANT AMOUNT.—

2 (1) IN GENERAL.—The amount of the grant
3 under subsection (a) with respect to any specified
4 energy property shall be the applicable percentage of
5 the basis of such property.

6 (2) APPLICABLE PERCENTAGE.—For purposes
7 of paragraph (1), the term “applicable percentage”
8 means—

9 (A) 30 percent in the case of any property
10 described in paragraphs (1) through (4) of sub-
11 section (d), and

12 (B) 10 percent in the case of any other
13 property.

14 (3) LIMITATIONS.—In the case of property de-
15 scribed in paragraph (1), (2), (3), (6), or (7) of sub-
16 section (d), the amount of any grant under this sec-
17 tion with respect to such property shall not exceed
18 the limitation described in section 48(a)(5)(E),
19 48(a)(6), 48(c)(1)(B), 48(c)(2)(B), or 48(c)(3)(B) of
20 the Internal Revenue Code of 1986, respectively,
21 with respect to such property.

22 (c) TIME FOR PAYMENT OF GRANT.—The Secretary
23 of the Treasury shall make payment of any grant under
24 subsection (a) during the 60-day period beginning on the
25 later of—

1 (1) the date of the application for such grant,
2 or

3 (2) the date the specified energy property for
4 which the grant is being made is placed in service.

5 (d) SPECIFIED ENERGY PROPERTY.—For purposes
6 of this section, the term “specified energy property”
7 means any of the following:

8 (1) QUALIFIED FACILITIES.—Any qualified
9 property (as defined in section 48(a)(5)(D) of the
10 Internal Revenue Code of 1986) which is part of a
11 qualified facility (within the meaning of section 45
12 of such Code) described in paragraph (1), (4), (6),
13 (7), (9), or (11) of section 45(d) of such Code.

14 (2) QUALIFIED FUEL CELL PROPERTY.—Any
15 qualified fuel cell property (as defined in section
16 48(c)(1) of such Code).

17 (3) SOLAR PROPERTY.—Any property described
18 in clause (i) or (ii) of section 48(a)(3)(A) of such
19 Code.

20 (4) QUALIFIED SMALL WIND ENERGY PROP-
21 PERTY.—Any qualified small wind energy property
22 (as defined in section 48(c)(4) of such Code).

23 (5) GEOTHERMAL PROPERTY.—Any property
24 described in clause (iii) of section 48(a)(3)(A) of
25 such Code.

1 (6) QUALIFIED MICROTURBINE PROPERTY.—

2 Any qualified microturbine property (as defined in
3 section 48(c)(2) of such Code).

4 (7) COMBINED HEAT AND POWER SYSTEM

5 PROPERTY.—Any combined heat and power system
6 property (as defined in section 48(c)(3) of such
7 Code).

8 (8) GEOTHERMAL HEAT PUMP PROPERTY.—

9 Any property described in clause (vii) of section
10 48(a)(3)(A) of such Code.

11 Such term shall not include any property unless deprecia-
12 tion (or amortization in lieu of depreciation) is allowable
13 with respect to such property.

14 (e) APPLICATION OF CERTAIN RULES.—In making
15 grants under this section, the Secretary of the Treasury
16 shall apply rules similar to the rules of section 50 of the
17 Internal Revenue Code of 1986 (other than subsection
18 (b)(3) thereof). In applying such rules, if the property is
19 disposed of, or otherwise ceases to be specified energy
20 property, the Secretary of the Treasury shall provide for
21 the recapture of the appropriate percentage of the grant
22 amount in such manner as the Secretary of the Treasury
23 determines appropriate.

24 (f) ELIGIBLE ENTITY.—For purposes of this section,
25 the term “eligible entity” means any organization de-

1 scribed in section 501(c) of the Internal Revenue Code of
 2 1986 and exempt from tax under section 501(a) of such
 3 Code.

4 (g) DEFINITIONS.—Terms used in this section which
 5 are also used in section 45 or 48 of the Internal Revenue
 6 Code of 1986 shall have the same meaning for purposes
 7 of this section as when used in such section 45 or 48.
 8 Any reference in this section to the Secretary of the Treas-
 9 ury shall be treated as including the Secretary’s delegate.

10 (h) APPROPRIATIONS.—There is hereby appropriated
 11 to the Secretary of the Treasury such sums as may be
 12 necessary to carry out this section.

13 **PART II—SAVING CONSUMERS AND BUSINESSES**

14 **MONEY BY PROMOTING ENERGY EFFICIENCY**

15 **SEC. 326. PERMANENT EXTENSION OF ENERGY EFFICIENT**

16 **COMMERCIAL BUILDINGS DEDUCTION.**

17 (a) IN GENERAL.—Section 179D of the Internal Rev-
 18 enue Code of 1986 is amended by striking subsection (h).

19 (b) UPDATE OF STANDARD.—

20 (1) IN GENERAL.—Section 179D of the Inter-
 21 nal Revenue Code of 1986 is amended by striking
 22 “Standard 90.1-2007” each place it appears and in-
 23 serting “the applicable ASHRAE standard”.

1 (2) APPLICABLE ASHRAE STANDARD.—Section
 2 179D(c)(2) of such Code is amended to read as fol-
 3 lows:

4 “(2) APPLICABLE ASHRAE STANDARD.—The
 5 term ‘applicable ASHRAE standard’ means—

6 “(A) Standard 90.1–2013 of the American
 7 Society of Heating, Refrigerating, and Air Con-
 8 ditioning Engineers and the Illuminating Engi-
 9 neering Society of North America, or

10 “(B) in the case of any subsequent stand-
 11 ard adopted by the American Society of Heat-
 12 ing, Refrigerating, and Air Conditioning Engi-
 13 neers which supersedes the standard described
 14 in subparagraph (A), such subsequent stand-
 15 ard.”.

16 (c) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to property placed in service after
 18 December 31, 2016.

19 **SEC. 327. PERMANENT EXTENSION OF NEW ENERGY EFFI-**
 20 **CIENT HOME CREDIT.**

21 (a) IN GENERAL.—Section 45L of the Internal Rev-
 22 enue Code of 1986 is amended by striking subsection (g).

23 (b) UPDATE OF STANDARD.—

24 (1) IN GENERAL.—Section 45L of the Internal
 25 Revenue Code of 1986 is amended by striking “the

1 standards of chapter 4 of the 2006 International
 2 Energy Conservation Code, as such Code (including
 3 supplements) is in effect on January 1, 2006” each
 4 place it appears and inserting “the applicable stand-
 5 ards”.

6 (2) APPLICABLE STANDARDS.—Section 45L of
 7 such Code, as amended by subsection (a), is amend-
 8 ed by adding at the end the following new sub-
 9 section:

10 “(g) APPLICABLE STANDARDS.—For purposes of this
 11 section, the term ‘applicable standards’ means, with re-
 12 spect to any dwelling unit, the standards in effect for resi-
 13 dential building energy efficiency under the International
 14 Energy Conservation Code on the first day of the taxable
 15 year in which construction for the dwelling unit com-
 16 menced.”.

17 (c) EFFECTIVE DATE.—The amendments made by
 18 this section shall apply to homes acquired after December
 19 31, 2016.

20 **SEC. 328. PERMANENT EXTENSION AND REFUNDABILITY**
 21 **OF CREDIT FOR NONBUSINESS ENERGY**
 22 **PROPERTY.**

23 (a) PERMANENT EXTENSION.—Section 25C of the
 24 Internal Revenue Code of 1986 is amended by striking
 25 subsection (g).

1 (b) UPDATE OF STANDARDS.—

2 (1) QUALIFIED ENERGY EFFICIENCY IMPROVE-
3 MENTS.—

4 (A) IN GENERAL.—Section 25C(c)(2)(C) of
5 the Internal Revenue Code of 1986 is amended
6 by striking “the prescriptive criteria for such
7 component established by the 2009 Inter-
8 national Energy Conservation Code, as such
9 Code (including supplements) is in effect on the
10 date of the enactment of the American Recov-
11 ery and Reinvestment Tax Act of 2009” and in-
12 serting “the applicable IECC standards”.

13 (B) APPLICABLE IECC STANDARDS.—Sec-
14 tion 25C(c) of such Code is amended by adding
15 at the end the following new paragraph:

16 “(5) APPLICABLE IECC STANDARDS.—For pur-
17 poses of this section, the term ‘applicable IECC
18 standards’ means, with respect to any building enve-
19 lope component, the prescriptive criteria for such
20 component in effect under the International Energy
21 Conservation Code on the first day of the taxable
22 year for which the credit is allowed.”.

23 (2) ENERGY EFFICIENT PROPERTY.—

24 (A) HEAT PUMPS AND AIR CONDI-
25 TIONERS.—

1 (i) IN GENERAL.—Section 25C(d)(3)
 2 of the Internal Revenue Code of 1986 is
 3 amended by striking “the Consortium for
 4 Energy Efficiency, as in effect on January
 5 1, 2009” each place it appears and insert-
 6 ing “the applicable CEE standards”.

7 (ii) APPLICABLE CEE STANDARDS.—
 8 Section 25C(d) of such Code is amended
 9 by adding at the end the following new
 10 paragraph:

11 “(7) APPLICABLE CEE STANDARDS.—For pur-
 12 poses of this section, the term ‘applicable CEE
 13 standards’ means, with respect to any property, the
 14 standards established by the Consortium for Energy
 15 Efficiency that are in effect for such property on the
 16 first day of the taxable year for which the credit is
 17 allowed.”.

18 (B) OTHER ENERGY EFFICIENT BUILDING
 19 PROPERTY.—Paragraph (3) of section 25C(d)
 20 of such Code is amended—

21 (i) in subparagraph (A), by inserting
 22 “and meets Energy Star program certifi-
 23 cation requirements as of the first day of
 24 the taxable year in which the property
 25 placed in service” after “procedure”,

1 (ii) in subparagraph (C), by inserting
2 “and meets Energy Star program certifi-
3 cation requirements as of the first day of
4 the taxable year in which the property
5 placed in service” after “90 percent”, and

6 (iii) in subparagraph (E)—

7 (I) by striking “and which” and
8 inserting “which”, and

9 (II) by inserting “, and which
10 meets Energy Star program certifi-
11 cation requirements as of the first day
12 of the taxable year in which the prop-
13 erty placed in service” after “75 per-
14 cent”.

15 (C) FURNACES AND HOT WATER BOIL-
16 ERS.—Paragraph (4) of section 25C(d) of such
17 Code is amended by inserting “and meets En-
18 ergy Star program certification requirements as
19 of the first day of the taxable year in which the
20 property placed in service” after “95”.

21 (D) ADVANCED MAIN AIR CIRCULATING
22 FANS.—Paragraph (5) of section 25C(d) of
23 such Code is amended—

24 (i) by striking “and which” and in-
25 serting “, which”, and

1 (ii) by inserting “, and which meets
 2 Energy Star program certification require-
 3 ments as of the first day of the taxable
 4 year in which the property placed in serv-
 5 ice” after “test procedures”).

6 (c) CREDIT MADE REFUNDABLE.—

7 (1) CREDIT MOVED TO SUBPART RELATING TO
 8 REFUNDABLE CREDITS.—The Internal Revenue
 9 Code of 1986 is amended—

10 (A) by redesignating section 25C as section
 11 36C, and

12 (B) by moving section 36C (as amended by
 13 subsections (a) and (b) and as redesignated by
 14 subparagraph (A)) from subpart A of part IV
 15 of subchapter A of chapter 1 to the location im-
 16 mediately before section 37 in subpart C of part
 17 IV of subchapter A of chapter 1.

18 (2) CONFORMING AMENDMENTS.—

19 (A) Section 1016(a)(33) of such Code is
 20 amended—

21 (i) by striking “section 25C(f)” and
 22 inserting “section 36C(f)”, and

23 (ii) by striking “under section 25C”
 24 and inserting “under section 36C”.

1 (B) The table of sections for subpart A of
 2 part IV of subchapter A of chapter 1 of such
 3 Code is amended by striking the item relating
 4 to section 25C.

5 (C) Paragraph (2) of section 1324(b) of
 6 title 31, United States Code, is amended by in-
 7 serting “36C,” after “36B,”.

8 (D) The table of sections for subpart C of
 9 part IV of subchapter A of chapter 1 of the In-
 10 ternal Revenue Code of 1986 is amended by in-
 11 serting after the item relating to section 36B
 12 the following new item:

“36C. Nonbusiness energy property.”.

13 (d) EFFECTIVE DATE.—The amendments made by
 14 this section shall apply to property placed in service after
 15 December 31, 2016.

16 **SEC. 329. PERMANENT EXTENSION, MODIFICATION, AND**
 17 **REFUNDABILITY OF CREDIT FOR RESIDEN-**
 18 **TIAL ENERGY EFFICIENT PROPERTY.**

19 (a) PERMANENT EXTENSION.—Section 25D of the
 20 Internal Revenue Code of 1986 is amended by striking
 21 subsection (h).

22 (b) MAINTENANCE OF PHASEOUT PERCENTAGE FOR
 23 CERTAIN SOLAR PROPERTY.—Paragraph (3) of section
 24 25D(g) of the Internal Revenue Code of 1986 is amended
 25 by striking “and before January 1, 2022,”.

1 (c) CREDIT ALLOWED FOR ENERGY STORAGE PROP-
2 ERTY.—

3 (1) IN GENERAL.—Section 25D(a) of the Inter-
4 nal Revenue Code of 1986 is amended by adding at
5 the end the following new paragraph:

6 “(6) 30 percent of the qualified energy storage
7 property expenditures made by the taxpayer during
8 the taxable year.”.

9 (2) QUALIFIED ENERGY STORAGE PROPERTY
10 EXPENDITURES.—Section 25D(d) of such Code is
11 amended by adding at the end the following new
12 paragraph:

13 “(6) QUALIFIED ENERGY STORAGE PROPERTY
14 EXPENDITURE.—The term ‘qualified energy storage
15 property expenditure’ means an expenditure for
16 property—

17 “(A) which is—

18 “(i) located in a dwelling unit located
19 in the United States and used by the tax-
20 payer as a residence,

21 “(ii) directly connected to the elec-
22 trical grid, and

23 “(iii) designed to receive electrical en-
24 ergy, to store such energy, and—

1 “(I) to convert such energy to
2 electricity and deliver such electricity
3 for sale, or

4 “(II) to use such energy to pro-
5 vide improved reliability or economic
6 benefits to the grid, or

7 “(B) which is—

8 “(i) part of a dwelling unit located in
9 the United States which is—

10 “(I) connected to the electrical
11 grid, and

12 “(II) used by the taxpayer as a
13 residence,

14 “(ii) connected to—

15 “(I) qualified solar electric prop-
16 erty, or

17 “(II) qualified small wind energy
18 property, and

19 “(iii) designed to receive electrical en-
20 ergy, store such energy, and to convert
21 such energy to electricity for use by the
22 taxpayer.”.

23 (d) CREDIT MADE REFUNDABLE.—

1 (1) CREDIT MOVED TO SUBPART RELATING TO
2 REFUNDABLE CREDITS.—The Internal Revenue
3 Code of 1986 is amended—

4 (A) by redesignating section 25D as sec-
5 tion 36D, and

6 (B) by moving section 36D (as amended
7 by subsections (a) and (b) and as redesignated
8 by subparagraph (A)) from subpart A of part
9 IV of subchapter A of chapter 1 to the location
10 immediately before section 37 in subpart C of
11 part IV of subchapter A of chapter 1 (as
12 amended by section 323).

13 (2) CONFORMING AMENDMENTS.—

14 (A) Section 36C(e)(1) of the Internal Rev-
15 enue Code of 1986 (as redesignated by section
16 323) is amended by striking “25D(e)” and in-
17 serting “36D(e)”.

18 (B) Section 45(d)(1) of such Code is
19 amended by striking “section 25D” and insert-
20 ing “section 36D”.

21 (C) Section 1016(a)(34) of such Code is
22 amended—

23 (i) by striking “section 25D(f)” and
24 inserting “section 36D(f)”, and

1 (ii) by striking “under section 25D”
 2 and inserting “under section 36D”.

3 (D) The table of sections for subpart A of
 4 part IV of subchapter A of chapter 1 of such
 5 Code is amended by striking the item relating
 6 to section 25D.

7 (E) Paragraph (2) of section 1324(b) of
 8 title 31, United States Code, as amended by
 9 this Act, is amended by inserting “36D,” after
 10 “36C.”.

11 (F) The table of sections for subpart C of
 12 part IV of subchapter A of chapter 1 of the In-
 13 ternal Revenue Code of 1986, as amended by
 14 this Act, is amended by inserting after the item
 15 relating to section 36C the following new item:

“36D. Residential energy efficient property.”.

16 (e) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to property placed in service after
 18 December 31, 2016.

19 **TITLE IV—ELECTRIFYING THE** 20 **ENERGY ECONOMY**

21 **Subtitle A—General Provisions**

22 **SEC. 401. NATIONAL ZERO-EMISSION VEHICLE STANDARD.**

23 (a) NATIONAL ZERO-EMISSION VEHICLE STAND-
 24 ARD.—Part A of title II of the Clean Air Act (42 U.S.C.

1 7521 et seq.) is amended by adding at the end the fol-
 2 lowing:

3 **“SEC. 220. NATIONAL ZERO-EMISSION VEHICLE STANDARD.**

4 “(a) DEFINITIONS.—In this section:

5 “(1) BASE QUANTITY OF NEW MOTOR VEHICLE
 6 SALES.—The term ‘base quantity of new motor vehi-
 7 cle sales’ means the total quantity of new motor ve-
 8 hicles sold by a vehicle manufacturer during the
 9 most recent calendar year.

10 “(2) HYBRID ELECTRIC VEHICLE.—The term
 11 ‘hybrid electric vehicle’ means a new qualified hybrid
 12 motor vehicle (as defined in section 30B(d)(3) of the
 13 Internal Revenue Code of 1986).

14 “(3) RETIRE.—The term ‘retire’, with respect
 15 to a zero-emission vehicle credit, means to disqualify
 16 the zero-emission vehicle credit for any subsequent
 17 use under this section, including sale, transfer, ex-
 18 change, or submission in satisfaction of a compliance
 19 obligation.

20 “(4) VEHICLE MANUFACTURER.—

21 “(A) IN GENERAL.—The term ‘vehicle
 22 manufacturer’ means an entity that—

23 “(i) engaged in the manufacturing of
 24 new motor vehicles; and

1 “(ii) sold not fewer than 100 new
2 motor vehicles to ultimate purchasers, ei-
3 ther directly or through an affiliate, such
4 as a dealer.

5 “(B) EXCLUSIONS.—The term ‘vehicle
6 manufacturer’ does not include—

7 “(i) a motor vehicle parts supplier; or

8 “(ii) a dealer.

9 “(5) ZERO-EMISSION VEHICLE.—The term
10 ‘zero-emission vehicle’ means a motor vehicle that
11 produces zero exhaust emissions of any criteria pol-
12 lutant, precursor pollutant, or greenhouse gas in any
13 mode of operation or condition, as determined by the
14 Administrator.

15 “(b) COMPLIANCE.—For calendar year 2030 and
16 each calendar year thereafter, each vehicle manufacturer
17 shall meet the requirements of subsections (c) and (d) by
18 submitting to the Administrator, not later than April 1
19 of the following calendar year, as applicable—

20 “(1) for a vehicle manufacturer that fails to
21 meet the minimum required percentage of new zero-
22 emission vehicle sales for the applicable calendar
23 year, as determined under subsection (c), a quantity
24 of zero-emission vehicle credits sufficient to offset
25 that excess, as determined by the Administrator; or

1 “(2) for a vehicle manufacturer that meets or
 2 exceeds the minimum required percentage of new
 3 zero-emission vehicle sales for the applicable cal-
 4 endar year, as determined under subsection (c), a
 5 certification of that compliance, as the Adminis-
 6 trator determines to be appropriate.

7 “(c) MINIMUM REQUIRED ANNUAL PERCENTAGE OF
 8 NEW ZERO-EMISSION VEHICLE SALES.—For calendar
 9 years 2030 through 2040, in annual increments, the min-
 10 imum annual percentage of the base quantity of new
 11 motor vehicle sales of a vehicle manufacturer that shall
 12 be zero-emission vehicles, or otherwise credited towards
 13 the percentage requirement pursuant to subsection (e),
 14 shall be the applicable percentage specified in the following
 15 table:

“Minimum Required Annual Percentage of New Zero-Emission
Vehicle Sales

Calendar Year	Percentage
2030	50.0
2031	55.0
2032	60.0
2033	65.0
2034	70.0
2035	75.0
2036	80.0
2037	85.0
2038	90.0
2039	95.0
2040	100.0.

16 “(d) REQUIREMENT FOR 2040 AND THEREAFTER.—
 17 For calendar year 2040 and each calendar year thereafter,

1 a vehicle manufacturer shall sell only zero-emission vehi-
 2 cles.

3 “(e) ZERO-EMISSION VEHICLE CREDITS.—

4 “(1) IN GENERAL.—A vehicle manufacturer
 5 may satisfy the requirements of subsection (b)
 6 through the submission of zero-emission vehicle
 7 credits—

8 “(A) issued to the vehicle manufacturer
 9 under subsection (f); or

10 “(B) obtained by purchase, transfer, or ex-
 11 change under subsection (g).

12 “(2) LIMITATION.—A zero-emission vehicle
 13 credit may be counted toward compliance with sub-
 14 section (b) only once.

15 “(f) ISSUANCE OF ZERO-EMISSION VEHICLE CRED-
 16 ITS.—

17 “(1) IN GENERAL.—Not later than 1 year after
 18 the date of enactment of this section, the Adminis-
 19 trator shall establish by rule a program—

20 “(A) to verify and issue zero-emission vehi-
 21 cle credits to vehicle manufacturers;

22 “(B) to track the sale, transfer, exchange,
 23 carry over, and retirement of zero-emission ve-
 24 hicle credits; and

1 “(C) to enforce the requirements of this
2 section.

3 “(2) APPLICATION.—

4 “(A) IN GENERAL.—A vehicle manufac-
5 turer that sold, either directly or through an af-
6 filiate, such as a dealer, a new zero-emission ve-
7 hicle or a hybrid electric vehicle in the United
8 States may apply to the Administrator for the
9 issuance of a zero-emission vehicle credit.

10 “(B) ELIGIBILITY.—To be eligible for the
11 issuance of a zero-emission vehicle credit, a ve-
12 hicle manufacturer shall demonstrate to the Ad-
13 ministrator that the vehicle manufacturer sold 1
14 or more zero-emission vehicles or hybrid electric
15 vehicles in the previous calendar year.

16 “(C) CONTENTS.—The application shall
17 indicate—

18 “(i) the type of zero-emission vehicle
19 or hybrid electric vehicle that was sold;

20 “(ii) the State in which the zero-emis-
21 sion vehicle or hybrid electric vehicle was
22 sold; and

23 “(iii) any other information deter-
24 mined to be appropriate by the Adminis-
25 trator.

1 “(D) AGGREGATION.—An application for a
2 zero-emission vehicle credit under subparagraph
3 (A) may aggregate information on all zero-emis-
4 sion vehicles and hybrid electric vehicles sold by
5 the vehicle manufacturer in the applicable cal-
6 endar year.

7 “(3) QUANTITY OF ZERO-EMISSION VEHICLE
8 CREDITS.—

9 “(A) ZERO-EMISSION VEHICLES.—The Ad-
10 ministrator shall issue to a vehicle manufac-
11 turer the application under paragraph (2) of
12 which is approved 1 zero-emission vehicle credit
13 for each zero-emission vehicle sold in the United
14 States.

15 “(B) HYBRID ELECTRIC VEHICLES.—For a
16 hybrid electric vehicle sold by a vehicle manu-
17 facturer the application under paragraph (2) of
18 which is approved, the Administrator shall issue
19 a partial zero-emission vehicle credit based on
20 the estimated proportion of the mileage driven
21 on the battery of the hybrid electric vehicle, as
22 determined by the Administrator.

23 “(C) FUEL-EFFICIENT VEHICLES.—The
24 Administrator may issue a partial zero-emission
25 vehicle credit for a motor vehicle that consumes

1 less gasoline, as compared to comparable motor
2 vehicles (as identified by the Administrator),
3 based on the estimated proportion of fuel sav-
4 ings, determined by the Administrator.

5 “(D) CREDIT BANKING.—A zero-emission
6 vehicle credit issued for any calendar year that
7 is not submitted to comply with the minimum
8 annual percentage of new zero-emission vehicles
9 requirement of subsection (c) during that cal-
10 endar year may be carried forward for use pur-
11 suant to subsection (b)(1) within the next 5
12 years, but not later than 2040.

13 “(g) ZERO-EMISSION VEHICLE CREDIT TRADING.—

14 “(1) IN GENERAL.—A zero-emission vehicle
15 credit for any calendar year before 2040 that is not
16 submitted to the Administrator to comply with the
17 minimum annual percentage of new zero-emission
18 vehicles requirement of subsection (c) for that cal-
19 endar year may be sold, transferred, or exchanged
20 by the vehicle manufacturer to which the credit is
21 issued or by any other entity that acquires the zero-
22 emission vehicle credit.

23 “(2) DELEGATION.—The Administrator may
24 delegate to an appropriate market-making entity the
25 administration of a national tradeable zero-emission

1 vehicle credit market for purposes of creating a
2 transparent national market for the sale or trade of
3 zero-emission vehicle credits.

4 “(h) ZERO-EMISSION VEHICLE CREDIT RETIRE-
5 MENT.—

6 “(1) IN GENERAL.—Any entity that obtains
7 legal rights to a zero-emission vehicle credit may re-
8 tire the zero-emission vehicle credit in any calendar
9 year.

10 “(2) USE OF RETIRED ZERO-EMISSION VEHICLE
11 CREDIT.—A zero-emission vehicle credit retired
12 under paragraph (1) may not be used for compliance
13 with subsection (b) in—

14 “(A) the calendar year in which the zero-
15 emission vehicle credit is retired; or

16 “(B) any subsequent calendar year.

17 “(i) INFORMATION COLLECTION.—The Adminis-
18 trator may collect the information necessary to verify and
19 audit—

20 “(1) the annual sales of motor vehicles of any
21 vehicle manufacturer;

22 “(2) a zero-emission vehicle credit submitted by
23 a vehicle manufacturer pursuant to subsection
24 (b)(1);

1 “(3) the validity of a zero-emission vehicle cred-
2 it submitted for compliance by a vehicle manufac-
3 turer to the Administrator; and

4 “(4) the quantity of motor vehicle sales in the
5 United States of all vehicle manufacturers.

6 “(j) STATE PROGRAMS.—

7 “(1) IN GENERAL.—Nothing in this section di-
8 minishes any authority of a State or political sub-
9 division of a State to adopt or enforce any law (in-
10 cluding regulations) relating to motor vehicles.

11 “(2) COMPLIANCE WITH SECTION.—No law or
12 regulation of a State or political subdivision of a
13 State shall relieve any vehicle manufacturer from
14 compliance with any requirement otherwise applica-
15 ble under this section.

16 “(k) REGULATIONS.—Not later than 1 year after the
17 date of enactment of this section, the Administrator shall
18 promulgate regulations to implement this section.

19 “(l) ENFORCEMENT.—

20 “(1) CIVIL PENALTY.—

21 “(A) IN GENERAL.—A vehicle manufac-
22 turer that fails to comply with subsection (b)
23 shall be liable for a civil penalty, assessed by
24 the Administrator, in an amount that is equal
25 to twice the average value of the aggregate

1 quantity of zero-emission vehicle credits that
 2 the vehicle manufacturer failed to submit in vio-
 3 lation of that subsection, as determined by the
 4 Administrator.

5 “(B) ENFORCEMENT.—The Administrator
 6 shall assess any civil penalty under subpara-
 7 graph (A).

8 “(C) DEPOSIT.—With respect to any civil
 9 penalty paid to the Administrator pursuant to
 10 subparagraph (A), the Administrator shall de-
 11 posit the amount in the Climate Fund estab-
 12 lished by section 702(a) of the 100 by ’50 Act.

13 “(2) INJUNCTION.—After calendar year 2040,
 14 the Administrator may issue an injunction on the
 15 manufacture of any motor vehicles other than zero-
 16 emission vehicles by a vehicle manufacturer.”.

17 (b) TABLE OF CONTENTS AMENDMENT.—The table
 18 of contents of the Clean Air Act (42 U.S.C. prec. 7401)
 19 is amended by adding at the end of the items relating to
 20 part A of title II the following:

“Sec. 220. Zero-emission vehicle standard.”.

21 **SEC. 402. CARBON FEE FOR AVIATION, MARITIME TRANS-**
 22 **PORTATION, AND RAIL.**

23 (a) DEFINITIONS.—In this section:

24 (1) CARBON FEE.—The term “carbon fee”
 25 means the carbon fee imposed under subsection (b).

1 (2) CARBON POLLUTING SUBSTANCE.—The
2 term “carbon polluting substance” means coal (in-
3 cluding lignite and peat), petroleum and any petro-
4 leum product, or natural gas that, when combusted
5 or otherwise used, will release greenhouse gas emis-
6 sions.

7 (3) COMMERCIAL AVIATION.—The term “com-
8 mercial aviation” means any aircraft operation in-
9 volving the transportation of passengers, cargo, or
10 mail for hire.

11 (4) MARITIME TRANSPORTATION.—The term
12 “maritime transportation” means the shipment of
13 goods, cargo, and people by sea and other water-
14 ways.

15 (b) CARBON FEE.—The Secretary of the Treasury,
16 in consultation with the Council, shall impose a carbon
17 fee, in accordance with this section, on any owner or oper-
18 ator of an entity within the eligible sectors listed in sub-
19 section (d) to transition those sectors away from fossil fuel
20 usage.

21 (c) AMOUNT.—

22 (1) IN GENERAL.—The amount of the carbon
23 fee shall be assessed per ton of carbon dioxide equiv-
24 alent (including carbon dioxide equivalent content of

1 methane) of the carbon polluting substance used as
2 fuel, as determined by the Council.

3 (2) FRACTIONAL PART OF TON.—In the case of
4 a fraction of a ton of a carbon polluting substance,
5 the carbon fee shall be the same fraction of the
6 amount of the fee imposed on a whole ton of the car-
7 bon polluting substance.

8 (3) APPLICABLE AMOUNT.—For purposes of
9 this subsection, the amount of the carbon fee shall
10 be not less than the social cost of carbon, as deter-
11 mined by the Administrator.

12 (d) ELIGIBLE SECTORS.—An owner or operator of an
13 entity shall be subject to a carbon fee if the entity is a
14 part of—

- 15 (1) commercial aviation;
16 (2) maritime transportation; or
17 (3) rail.

18 (e) USE OF COLLECTED CARBON FEE.—Funds col-
19 lected under this section shall be used, as determined by
20 the Council, to establish or fund programs, including those
21 established under section 406, to assist eligible sectors de-
22 scribed in subsection (d) with transitioning away from fos-
23 sil fuel usage.

1 **SEC. 403. ACCELERATING THE DEPLOYMENT OF ZERO-**
2 **EMISSION VEHICLES IN COMMUNITIES.**

3 (a) DEFINITIONS.—In this section:

4 (1) CHARGING INFRASTRUCTURE.—The term
5 “charging infrastructure” means any property (not
6 including a building) used for the recharging of a
7 zero-emission vehicle, including electrical panel up-
8 grades, wiring, conduits, trenching, pedestals, and
9 related equipment.

10 (2) DEPLOYMENT COMMUNITY.—The term “de-
11 ployment community” means a community selected
12 by the Secretary to be part of the Program.

13 (3) FEDERAL-AID SYSTEM OF HIGHWAYS.—The
14 term “Federal-aid system of highways” means the
15 National Highway System described in section 103
16 of title 23, United States Code.

17 (4) PROGRAM.—The term “Program” means
18 the zero-emission vehicle deployment community pro-
19 gram established under subsection (b)(1).

20 (b) ESTABLISHMENT.—

21 (1) IN GENERAL.—The Secretary shall establish
22 a zero-emission vehicle deployment communities pro-
23 gram.

24 (2) EXISTING ACTIVITIES.—In carrying out the
25 Program, the Secretary shall coordinate and supple-
26 ment, not supplant, any ongoing zero-emission vehi-

1 cle deployment activities under section 131 of the
2 Energy Independence and Security Act of 2007 (42
3 U.S.C. 17011).

4 (3) DEPLOYMENT.—

5 (A) IN GENERAL.—The Secretary shall es-
6 tablish a competitive process to select deploy-
7 ment communities for the Program.

8 (B) ELIGIBLE ENTITIES.—In selecting
9 participants for the Program, the Secretary
10 shall only consider applications submitted by
11 State, tribal, or local government entities (or
12 groups of State, tribal, or local government en-
13 tities).

14 (C) SELECTION.—Not later than 1 year
15 after the date of enactment of this Act and not
16 later than 1 year after the date on which any
17 subsequent amounts are appropriated for the
18 Program, the Secretary shall select the deploy-
19 ment communities under this paragraph.

20 (c) GOALS.—The goals of the Program are—

21 (1) to facilitate the rapid deployment of zero-
22 emission vehicles in various regions and regulatory
23 environments, including—

1 (A) the deployment of 1,000,000 zero-
2 emission vehicles in the deployment commu-
3 nities selected under subsection (d)(2);

4 (B) the near-term achievement of signifi-
5 cant market penetration in deployment commu-
6 nities; and

7 (C) supporting the achievement of signifi-
8 cant market penetration nationally;

9 (2) to establish regionally appropriate, inter-
10 operable models for the rapid deployment of zero-
11 emission vehicles nationally, including regionally ap-
12 propriate approaches for the cost-effective deploy-
13 ment of a sufficient quantity of single-family and
14 multifamily residential, workplace, and publicly
15 available charging infrastructure or zero-emission ve-
16 hicle-refueling infrastructure;

17 (3) to increase consumer knowledge and accept-
18 ance of, and exposure to, zero-emission vehicles;

19 (4) to encourage the innovation and investment
20 necessary to achieve mass market deployment of
21 zero-emission vehicles;

22 (5) to demonstrate the integration of zero-emis-
23 sion vehicles into electricity distribution systems and
24 the larger electric grid while maintaining or improv-

1 ing grid system performance, security, and reli-
2 ability;

3 (6) to demonstrate protocols and communica-
4 tion standards that facilitate vehicle integration into
5 the grid and provide seamless charging for con-
6 sumers traveling through multiple utility distribution
7 systems;

8 (7) to investigate differences among deployment
9 communities and to develop best practices for imple-
10 menting vehicle electrification in various commu-
11 nities, including best practices for planning for and
12 facilitating the construction of residential, work-
13 place, and publicly available infrastructure to sup-
14 port zero-emission vehicles;

15 (8) to collect comprehensive data on the pur-
16 chase and use of zero-emission vehicles, including
17 charging or refueling profile data at unit and aggre-
18 gate levels, to inform best practices for rapidly de-
19 ploying zero-emission vehicles in other locations, in-
20 cluding for the installation of charging infrastruc-
21 ture or zero-emission vehicle-refueling infrastructure;

22 (9) to reduce and displace petroleum use and
23 reduce greenhouse gas emissions by accelerating the
24 deployment of zero-emission vehicles in the United
25 States; and

1 (10) to increase domestic manufacturing capac-
2 ity and commercialization in a manner that will es-
3 tablish the United States as a world leader in zero-
4 emission vehicle technologies.

5 (d) DEPLOYMENT COMMUNITY SELECTION CRI-
6 TERIA.—

7 (1) IN GENERAL.—The Secretary shall ensure,
8 to the maximum extent practicable, that selected de-
9 ployment communities serve as models of deploy-
10 ment for various communities across the United
11 States.

12 (2) SELECTION.—In selecting communities
13 under this section, the Secretary—

14 (A) shall ensure, to the maximum extent
15 practicable, that—

16 (i) the combination of selected com-
17 munities is diverse in population, popu-
18 lation density, demographics, urban and
19 suburban composition, typical commuting
20 patterns, climate, and type of utility (in-
21 cluding investor-owned, publicly owned, co-
22 operatively owned, distribution-only, and
23 vertically integrated utilities);

24 (ii) the combination of selected com-
25 munities is diverse in geographical dis-

1 tribution, and at least 1 deployment com-
2 munity is located in each Petroleum Ad-
3 ministration for Defense District;

4 (iii) at least 1 deployment community
5 selected has a population of less than
6 500,000;

7 (iv) grants are of a sufficient amount
8 such that each deployment community will
9 achieve significant market penetration,
10 particularly into the mainstream consumer
11 market; and

12 (v) the deployment communities are
13 representative of other communities across
14 the United States;

15 (B) is encouraged to select a combination
16 of deployment communities that includes mul-
17 tiple models or approaches for deploying zero-
18 emission vehicles that the Secretary believes are
19 reasonably likely to be effective, including mul-
20 tiple approaches to the deployment of charging
21 infrastructure or zero-emission vehicle-refueling
22 infrastructure;

23 (C) shall prioritize deployment commu-
24 nities that demonstrate affordable modes of ac-

1 cess to zero-emission vehicles for low-income
2 communities and disadvantaged communities;

3 (D) in addition to the criteria described in
4 subparagraph (A), may give preference to appli-
5 cants proposing a greater non-Federal cost
6 share; and

7 (E) when considering deployment commu-
8 nity plans, shall take into account previous De-
9 partment of Energy and other Federal invest-
10 ments to ensure that the maximum domestic
11 benefit from Federal investments is realized.

12 (3) CRITERIA.—

13 (A) IN GENERAL.—Not later than 120
14 days after the date of enactment of this Act,
15 and not later than 90 days after the date on
16 which any subsequent amounts are appro-
17 priated for the Program, the Secretary shall
18 publish criteria for the selection of deployment
19 communities that include requirements that ap-
20 plications be submitted by a State, tribal, or
21 local government entity (or groups of State,
22 tribal, or local government entities).

23 (B) APPLICATION REQUIREMENTS.—The
24 criteria published by the Secretary under sub-

1 paragraph (A) shall include application require-
2 ments that, at a minimum, include—

3 (i) achievable goals and methodologies
4 for—

5 (I) the number of zero-emission
6 vehicles to be deployed in the commu-
7 nity;

8 (II) the expected percentage of
9 light-duty vehicle sales that would be
10 sales of zero-emission vehicles;

11 (III) the adoption of zero-emis-
12 sion vehicles (including medium- or
13 heavy-duty vehicles) in private and
14 public fleets during the 3-year dura-
15 tion of the Program; and

16 (IV) a method to generate rev-
17 enue to maintain the infrastructure
18 investments made by the Program
19 after the termination of the Program;

20 (ii) data that demonstrate that—

21 (I) the public is likely to embrace
22 zero-emission vehicles, which may in-
23 clude—

24 (aa) the quantity of zero-
25 emission vehicles purchased;

1 (bb) the number of individ-
2 uals on a waiting list to purchase
3 a zero-emission vehicle;

4 (cc) projections of the quan-
5 tity of zero-emission vehicles sup-
6 plied to dealers; and

7 (dd) any assessment of the
8 quantity of charging infrastruc-
9 ture or zero-emission vehicle-re-
10 fueling infrastructure installed or
11 for which permits have been
12 issued; and

13 (II) automobile manufacturers
14 and dealers will be able to provide and
15 service the targeted number of zero-
16 emission vehicles in the community
17 for the duration of the program;

18 (iii) clearly defined geographical
19 boundaries of the proposed deployment
20 area;

21 (iv) a community deployment plan for
22 the deployment of zero-emission vehicles,
23 charging infrastructure or zero-emission
24 vehicle-refueling infrastructure, and serv-
25 ices in the community;

1 (v) assurances that a majority of the
2 vehicle deployments anticipated in the plan
3 will be personal vehicles authorized to travel
4 on the Federal-aid system of highways,
5 and secondarily, private or public sector
6 zero-emission fleet vehicles, but may also
7 include—

8 (I) private or public sector zero-
9 emission fleet vehicles;

10 (II) medium- and heavy-duty
11 zero-emission vehicles; and

12 (III) any other zero-emission ve-
13 hicle authorized to travel on the Fed-
14 eral-aid system of highways; and

15 (vi) any other merit-based criteria, as
16 determined by the Secretary.

17 (4) COMMUNITY DEPLOYMENT PLANS.—Plans
18 for the deployment of zero-emission vehicles shall in-
19 clude—

20 (A) a proposed level of cost sharing in ac-
21 cordance with subsection (e)(2)(C);

22 (B) documentation demonstrating a de-
23 ployment community project involving relevant
24 stakeholders, including—

1 (i) a list of stakeholders that in-
2 cludes—

3 (I) elected and appointed officials
4 from each of the participating State,
5 local, and tribal governments;

6 (II) all relevant generators and
7 distributors of electricity;

8 (III) State utility regulatory au-
9 thorities;

10 (IV) departments of public works
11 and transportation;

12 (V) owners and operators of
13 property that will be essential to the
14 deployment of a sufficient level of
15 publicly available charging infrastruc-
16 ture or zero-emission vehicle-refueling
17 infrastructure (including privately
18 owned parking lots or structures and
19 commercial entities with public access
20 locations);

21 (VI) zero-emission vehicle manu-
22 facturers or retailers;

23 (VII) third-party providers of
24 residential, workplace, private, and
25 publicly available charging infrastruc-

1 ture or zero-emission vehicle-refueling
2 infrastructure or services;

3 (VIII) owners of any major fleet
4 that will participate in the applicable
5 deployment community project;

6 (IX) as appropriate, owners and
7 operators of regional electric power
8 distribution and transmission facili-
9 ties; and

10 (X) as appropriate, other existing
11 deployment community coalitions rec-
12 ognized by the Department of Energy;

13 (ii) evidence of the commitment of the
14 stakeholders to participate in the project;

15 (iii) a clear description of the role and
16 responsibilities of each stakeholder; and

17 (iv) a plan for continuing the engage-
18 ment and participation of the stakeholders,
19 as appropriate, throughout the implemen-
20 tation of the deployment plan;

21 (C) a description of the number of zero-
22 emission vehicles anticipated to be zero-emission
23 personal vehicles and the number of zero-emis-
24 sion vehicles anticipated to be privately owned
25 fleet or public fleet vehicles;

1 (D) a plan for deploying residential, work-
2 place, private, and publicly available charging
3 infrastructure or zero-emission vehicle-refueling
4 infrastructure, including—

5 (i) an assessment of the number of
6 consumers who will have access to private
7 residential charging infrastructure or zero-
8 emission vehicle-refueling infrastructure in
9 single-family or multifamily residences;

10 (ii) options for accommodating zero-
11 emission vehicle owners who are not able
12 to charge vehicles at their place of resi-
13 dence;

14 (iii) an assessment of the number of
15 consumers who will have access to work-
16 place charging infrastructure or zero-emis-
17 sion vehicle-refueling infrastructure;

18 (iv) a plan for ensuring that the
19 charging infrastructure or zero-emission
20 vehicle be able to send and receive the in-
21 formation needed to interact with the grid
22 and be compatible with smart grid tech-
23 nologies to the extent feasible;

24 (v) an estimate of the number and
25 distribution of publicly and privately owned

1 charging or refueling stations that will be
2 publicly or commercially available;

3 (vi) an estimate of the quantity of
4 charging infrastructure or zero-emission
5 vehicle-refueling infrastructure that will be
6 privately funded or located on private
7 property; and

8 (vii) a description of equipment to be
9 deployed, including assurances that, to the
10 maximum extent practicable, equipment to
11 be deployed will meet open, nonproprietary
12 standards for connecting to zero-emission
13 vehicles that—

14 (I) are commonly accepted by in-
15 dustry at the time the equipment is
16 being acquired; or

17 (II) meet the standards developed
18 by the Director of the National Insti-
19 tute of Standards and Technology
20 under section 1305 of the Energy
21 Independence and Security Act of
22 2007 (42 U.S.C. 17385);

23 (E) 1 or more plans for effective mar-
24 keting of and consumer education relating to

1 zero-emission vehicles, charging or refueling
2 services, and charging infrastructure;

3 (F) descriptions of updated building codes
4 (or a plan to update building codes before or
5 during the grant period) to include charging in-
6 frastructure or dedicated circuits for charging
7 infrastructure, as appropriate, in new construc-
8 tion and major renovations;

9 (G) descriptions of updated construction
10 permitting or inspection processes (or a plan to
11 update construction permitting or inspection
12 processes) to allow for expedited installation of
13 charging infrastructure or zero-emission vehicle-
14 refueling infrastructure for purchasers of zero-
15 emission vehicles, including a permitting proc-
16 ess that allows a vehicle purchaser to have
17 charging infrastructure or zero-emission vehicle-
18 refueling infrastructure installed in a timely
19 manner;

20 (H) descriptions of updated zoning, park-
21 ing rules, or other local ordinances as are nec-
22 essary to facilitate the installation of publicly
23 available charging infrastructure or zero-emis-
24 sion vehicle-refueling infrastructure and to
25 allow for access to publicly available charging

1 infrastructure or zero-emission vehicle-refueling
2 infrastructure, as appropriate;

3 (I) descriptions of incentives for residents
4 in a deployment community who purchase and
5 register a new zero-emission vehicle, in addition
6 to any Federal incentives, including—

7 (i) a rebate of part of the purchase
8 price of the zero-emission vehicle;

9 (ii) reductions in sales taxes or reg-
10 istration fees;

11 (iii) rebates or reductions in the costs
12 of permitting, purchasing, or installing
13 home zero-emission vehicle charging infra-
14 structure or zero-emission vehicle-refueling
15 infrastructure; and

16 (iv) rebates or reductions in State or
17 local toll road access charges;

18 (J) additional consumer benefits, such as
19 preferred parking spaces or single-rider access
20 to high-occupancy vehicle lanes for zero-emis-
21 sion vehicles;

22 (K) a proposed plan for making necessary
23 utility and grid upgrades, including economi-
24 cally sound and cybersecure information tech-

1 nology upgrades and employee training, and a
2 plan for recovering the cost of the upgrades;

3 (L) a description of utility, grid operator,
4 or (if appropriate) competitive charging service
5 providers, policies, and plans for accommo-
6 dating the deployment of zero-emission vehicles,
7 including—

8 (i) rate structures or competitive
9 charging or refueling service provisions and
10 billing protocols for the charging or refuel-
11 ing of zero-emission vehicles;

12 (ii) analysis of potential impacts to
13 the grid;

14 (iii) plans for using information tech-
15 nology or third-party aggregators—

16 (I) to minimize the effects of
17 charging on peak loads;

18 (II) to enhance reliability; and

19 (III) to provide other grid bene-
20 fits; and

21 (iv) plans for working with smart grid
22 technologies or third-party aggregators for
23 the purposes of smart charging and for al-
24 lowing 2-way communication;

1 (M) a plan for a sustainable business
2 model that will ensure cost effective maintenance,
3 nance, operation, and expansion of the charging
4 infrastructure or zero-emission vehicle-refueling
5 infrastructure and charging or refueling services;
6

7 (N) a deployment timeline;

8 (O) a plan for monitoring and evaluating
9 the implementation of the plan, including
10 metrics for assessing the success of the deployment
11 and an approach to updating the plan, as
12 appropriate; and

13 (P) a description of the manner in which
14 any grant funds applied for under subsection
15 (e) will be used and the proposed local cost
16 share for the funds.

17 (e) APPLICATIONS AND GRANTS.—

18 (1) APPLICATIONS.—

19 (A) IN GENERAL.—Not later than 150
20 days after the date of publication by the Secretary
21 of selection criteria described in subsection (d)(3),
22 any State, tribal, or local government, or group of State,
23 tribal, or local governments may apply to the Secretary
24 to become a deployment community.
25

1 (B) JOINT SPONSORSHIP.—

2 (i) IN GENERAL.—An application sub-
3 mitted under subparagraph (A) may be
4 jointly sponsored by electric utilities, auto-
5 mobile manufacturers, technology pro-
6 viders, carsharing companies or organiza-
7 tions, third-party zero-emission vehicle
8 service providers, or other appropriate enti-
9 ties.

10 (ii) DISBURSEMENT OF GRANTS.—A
11 grant provided under this subsection shall
12 only be disbursed to a State, tribal, or
13 local government, or group of State, tribal,
14 or local governments, regardless of whether
15 the application is jointly sponsored under
16 clause (i).

17 (2) GRANTS.—

18 (A) IN GENERAL.—In each application, the
19 applicant may request up to \$250,000,000 in fi-
20 nancial assistance from the Secretary to fund
21 projects in the deployment community.

22 (B) USE OF FUNDS.—Funds provided
23 through a grant under this paragraph may be
24 used to help implement the plan for the deploy-

1 ment of zero-emission vehicles included in the
2 application, including—

3 (i) reducing the cost and increasing
4 the consumer adoption of zero-emission ve-
5 hicles through incentives as described in
6 subsection (d)(4)(I);

7 (ii) planning for and installing charg-
8 ing infrastructure or zero-emission vehicle-
9 refueling infrastructure, including offering
10 additional incentives as described in sub-
11 section (d)(4)(I);

12 (iii) updating building codes, zoning
13 or parking rules, or permitting or inspec-
14 tion processes as described in subpara-
15 graphs (F), (G), and (H) of subsection
16 (d)(4);

17 (iv) workforce training, including
18 training of permitting officials;

19 (v) public education and marketing
20 described in the proposed marketing plan;

21 (vi) supplementing (and not sup-
22 planting) the number of zero-emission ve-
23 hicles that are purchased by State, local,
24 and tribal governments; and

(vii) necessary utility and grid upgrades as described in subsection (d)(4)(K).

(C) COST SHARING.—

(i) IN GENERAL.—A grant provided under this paragraph shall be subject to a minimum non-Federal cost-sharing requirement of 20 percent.

(ii) NON-FEDERAL SOURCES.—The Secretary shall—

(I) determine the appropriate cost share for each selected applicant; and

(II) require that not less than 20 percent of the cost of an activity funded by a grant under this paragraph be provided by a non-Federal source.

(iii) REDUCTION.—The Secretary may reduce or eliminate the cost-sharing requirement described in clause (i), as the Secretary determines to be necessary.

(iv) CALCULATION OF AMOUNT.—In calculating the amount of the non-Federal share under this section, the Secretary—

1 (I) may include allowable costs in
2 accordance with the applicable cost
3 principles, including—

4 (aa) cash;

5 (bb) personnel costs;

6 (cc) the value of a service,
7 other resource, or third party in-
8 kind contribution determined in
9 accordance with the applicable
10 circular of the Office of Manage-
11 ment and Budget;

12 (dd) indirect costs or facili-
13 ties and administrative costs; or

14 (ee) any funds received
15 under the power program of the
16 Tennessee Valley Authority or
17 any Power Marketing Adminis-
18 tration (except to the extent that
19 such funds are made available
20 under an annual appropriations
21 Act);

22 (II) shall include contributions
23 made by State, tribal, or local govern-
24 ment entities and private entities; and

25 (III) shall not include—

1 (aa) revenues or royalties
2 from the prospective operation of
3 an activity beyond the time con-
4 sidered in the grant;

5 (bb) proceeds from the pro-
6 spective sale of an asset of an ac-
7 tivity; or

8 (cc) other appropriated Fed-
9 eral funds.

10 (v) REPAYMENT OF FEDERAL
11 SHARE.—The Secretary shall not require
12 repayment of the Federal share of a cost-
13 shared activity under this section as a con-
14 dition of providing a grant.

15 (vi) TITLE TO PROPERTY.—The Sec-
16 retary may vest title or other property in-
17 terests acquired under projects funded
18 under this Act in any entity, including the
19 United States.

20 (D) OTHER FEDERAL ASSISTANCE.—The
21 Secretary shall consider the receipt of other
22 Federal funds received by the applicant in de-
23 termining the cost share of the applicant.

24 (3) SELECTION.—Not later than 120 days after
25 an application deadline has been established under

1 paragraph (1), the Secretary shall announce the
2 names of the deployment communities selected under
3 this subsection.

4 (f) REPORTING REQUIREMENTS.—

5 (1) IN GENERAL.—The Secretary shall—

6 (A) determine what data will be required
7 to be collected by participants in deployment
8 communities and submitted to the Department
9 of Energy to allow for analysis of the deploy-
10 ment communities;

11 (B) provide for the protection of consumer
12 privacy, as appropriate; and

13 (C) develop metrics to evaluate the per-
14 formance of the deployment communities.

15 (2) PROVISION OF DATA.—As a condition of
16 participation in the Program, a deployment commu-
17 nity shall provide any data identified by the Sec-
18 retary under paragraph (1).

19 (3) REPORTS.—

20 (A) INTERIM REPORT.—Not later than 3
21 years after the date of enactment of this Act,
22 the Secretary shall submit to Congress an in-
23 terim report that contains—

24 (i) a description of the status of—

1 (I) the deployment communities
2 and the implementation of the deploy-
3 ment plan of each deployment commu-
4 nity;

5 (II) the rate of vehicle manufac-
6 turing deployment and market pene-
7 tration of zero-emission vehicles; and

8 (III) the deployment of residen-
9 tial and publicly available infrastruc-
10 ture;

11 (ii) a description of the challenges ex-
12 perience and lessons learned from the
13 Program to date, including the activities
14 described in clause (i); and

15 (iii) an analysis of the data collected
16 under this subsection.

17 (B) FINAL REPORT.—On completion of the
18 Program, the Secretary shall submit to Con-
19 gress a final report that contains—

20 (i) updates on the information de-
21 scribed in subparagraph (A);

22 (ii) a description of the successes and
23 failures of the Program;

1 (iii) recommendations on whether to
2 promote further deployment of zero-emis-
3 sion vehicles; and

4 (iv) if additional deployment commu-
5 nities are recommended, information on—

6 (I) the number of additional de-
7 ployment communities that should be
8 selected;

9 (II) the manner in which criteria
10 for selection should be updated;

11 (III) the manner in which incen-
12 tive structures for deployment should
13 be changed; and

14 (IV) whether other forms of on-
15 board energy storage for zero-emission
16 vehicles should be included.

17 (g) PROPRIETARY INFORMATION.—The Secretary
18 shall, as appropriate, provide for the protection of propri-
19 etary information and intellectual property rights in car-
20 rying out the Program.

21 (h) FUNDING.—The Secretary shall use to carry out
22 this section not more than \$12,500,000,000 for each fiscal
23 year from the Climate Fund.

1 **SEC. 404. ACCELERATING THE DEPLOYMENT OF ZERO-**
2 **EMISSION VEHICLE FLEETS.**

3 (a) ESTABLISHMENT.—The Secretary shall establish
4 a zero-emission vehicle private fleet upgrade program (re-
5 ferred to in this section as the “Program”).

6 (b) COMPETITIVE GRANTS.—

7 (1) IN GENERAL.—The Secretary shall establish
8 a competitive process to select zero-emission vehicle
9 fleets for the Program to receive grants.

10 (2) ELIGIBLE ENTITIES.—In selecting partici-
11 pants for the Program under paragraph (1), the
12 Secretary shall only consider applications (including
13 joint applications) submitted by companies that—

14 (A) are private, nongovernmental entities;

15 (B) are headquartered in the United
16 States; and

17 (C) plan to purchase, or enter into con-
18 tracts for hire, not fewer than 100 zero-emis-
19 sion vehicles.

20 (3) SELECTION CRITERIA.—Not later than 120
21 days after the date of enactment of this Act, the
22 Secretary shall publish a set of selection criteria for
23 the grant competition that includes—

24 (A) offering the highest cost-share relative
25 to the value of the Federal grant offered under
26 the Program;

1 (B) to the maximum extent practicable,
2 serving as a model of deployment for other pri-
3 vate companies across the United States; and

4 (C) meeting other criteria considered ap-
5 propriate by the Secretary.

6 (4) APPLICATIONS AND GRANTS.—

7 (A) IN GENERAL.—Not later than 120
8 days after the date of publication by the Sec-
9 retary of the selection criteria described in
10 paragraph (3), any company that meets the eli-
11 gibility criteria described in paragraph (2) may
12 apply to the Secretary to receive a grant.

13 (B) GRANTS.—

14 (i) IN GENERAL.—In each application,
15 the applicant may apply for a grant of not
16 more than \$20,000,000.

17 (ii) USE OF FUNDS.—Funds provided
18 through a grant under this subsection may
19 be used—

20 (I) to purchase zero-emission ve-
21 hicles;

22 (II) to plan for and install zero-
23 emission vehicle charging or refueling
24 infrastructure; and

1 (III) to carry out other activities
2 considered appropriate by the Sec-
3 retary.

4 (iii) COST SHARING.—

5 (I) IN GENERAL.—A grant pro-
6 vided under this subsection shall be
7 subject to a minimum non-Federal
8 cost-sharing requirement of 80 per-
9 cent.

10 (II) NON-FEDERAL SOURCES.—
11 The Secretary shall determine the ap-
12 propriate cost share for each selected
13 applicant.

14 (III) REDUCTION.—The Sec-
15 retary may reduce or eliminate the
16 cost-sharing requirement described in
17 subclause (I), as the Secretary deter-
18 mines to be necessary.

19 (IV) REPAYMENT OF FEDERAL
20 SHARE.—The Secretary shall not re-
21 quire repayment of the Federal share
22 of a cost-shared activity under this
23 section as a condition of providing a
24 grant.

1 (V) TITLE TO PROPERTY.—The
2 receipt of Federal funds under this
3 section shall not prohibit the pur-
4 chaser of a vehicle, equipment, or
5 other property from retaining sole,
6 permanent title to the vehicle, equip-
7 ment, or property at the conclusion of
8 the Program.

9 (iv) OTHER FEDERAL ASSISTANCE.—
10 The Secretary shall consider the receipt of
11 other Federal funds by the applicant in de-
12 termining the cost share of the applicant.

13 (C) SELECTION.—Not later than 120 days
14 after the application deadline established under
15 subparagraph (A), the Secretary shall announce
16 the names of the applicants selected to receive
17 grants under this section.

18 (5) REPORTING REQUIREMENTS.—

19 (A) IN GENERAL.—The Secretary shall—
20 (i) determine what data will be re-
21 quired to be collected by participants in
22 the Program and submitted to the Sec-
23 retary to permit analysis of the Program;
24 and

1 (ii) develop metrics to determine the
2 success of the deployment communities.

3 (B) PROVISION OF DATA.—As a condition
4 of participation in the Program, an applicant
5 shall provide any data determined by the Sec-
6 retary under subparagraph (A).

7 (C) PROPRIETARY INFORMATION.—In car-
8 rying out this paragraph, the Secretary shall, as
9 appropriate, provide for the protection of pro-
10 prietary information and intellectual property
11 rights.

12 (c) FUNDING.—The Secretary shall use to carry out
13 this section not more than \$12,500,000,000 for each fiscal
14 year from the Climate Fund.

15 **SEC. 405. DECARBONIZING AMERICA'S HIGHWAYS.**

16 (a) DEFINITIONS.—In this section:

17 (1) ALTERNATIVE FUEL ROUTE.—The term
18 “alternative fuel route” means a highway corridor
19 that has been designated under section 151(a) of
20 title 23, United States Code.

21 (2) DECARBONIZATION.—The term
22 “decarbonization” means reducing and eliminating
23 the use of fossil fuels such as coal, oil, or natural
24 gas.

1 (3) NATIONAL HIGHWAY SYSTEM.—The term
2 “National Highway System” has the meaning given
3 the term in section 101 of title 23, United States
4 Code.

5 (4) PROGRAM.—The term “Program” means
6 the national highway decarbonization program estab-
7 lished under subsection (b).

8 (5) SECRETARY.—The term “Secretary” means
9 the Secretary of Transportation.

10 (b) ESTABLISHMENT.—The Secretary shall establish
11 a national highway decarbonization program.

12 (c) GOALS.—The goals of the Program are—

13 (1) to accelerate the deployment of alternative
14 fuel and charging infrastructure along the National
15 Highway System;

16 (2) to reduce and displace fossil fuel use and
17 greenhouse gas emissions due to vehicles traveling
18 on the National Highway System; and

19 (3) to encourage the innovation and investment
20 necessary for zero-emissions vehicles to travel long
21 distances.

22 (d) COMPETITIVE GRANTS.—

23 (1) IN GENERAL.—The Secretary shall establish
24 a competitive process to select projects that lead to
25 the decarbonization of the National Highway System

1 and alternative fuel routes through research, devel-
2 opment, and deployment of the infrastructure and
3 technologies necessary to support long-distance trav-
4 el of zero-emissions vehicles.

5 (2) ELIGIBLE ENTITIES.—In selecting partici-
6 pants for the Program under paragraph (1), the
7 Secretary shall only consider applications (including
8 joint applications) submitted by entities that—

9 (A) are private nongovernmental entities;

10 and

11 (B) are headquartered in the United
12 States.

13 (3) SELECTION CRITERIA.—Not later than 120
14 days after the date of enactment of this Act, the
15 Secretary shall publish a set of selection criteria for
16 the grant competition that includes—

17 (A) offering the highest cost-share relative
18 to the value of the Federal grant offered under
19 the Program;

20 (B) to the maximum extent practicable,
21 serving as a model of deployment for other pri-
22 vate entities across the United States; and

23 (C) such other criteria as the Secretary de-
24 termines to be appropriate.

25 (4) APPLICATIONS AND GRANTS.—

1 (A) IN GENERAL.—Not later than 120
2 days after the date of publication by the Sec-
3 retary of the selection criteria described in
4 paragraph (3), any eligible entity under para-
5 graph (2) may apply to the Secretary to receive
6 a grant.

7 (B) GRANTS.—

8 (i) IN GENERAL.—In each application,
9 the applicant may apply for a grant of not
10 more than \$50,000,000.

11 (ii) USE OF FUNDS.—Funds provided
12 by a grant under this subsection may be
13 used—

14 (I) to deploy technologies and in-
15 frastructure that support long-dis-
16 tance travel of zero-emissions vehicles,
17 including—

18 (aa) battery-charging sta-
19 tions;

20 (bb) battery-swap facilities;

21 (cc) hydrogen refueling sta-
22 tions;

23 (dd) catenary systems; and

1 (ee) second-generation ad-
2 vanced biofuels refueling stations;
3 and

4 (II) to carry such other activities
5 as the Secretary determines to be ap-
6 propriate.

7 (iii) COST SHARING.—

8 (I) IN GENERAL.—A grant pro-
9 vided under this subsection shall be
10 subject to a minimum non-Federal
11 cost-sharing requirement of 80 per-
12 cent.

13 (II) NON-FEDERAL SOURCES.—
14 The Secretary shall determine the ap-
15 propriate cost share for each selected
16 applicant.

17 (III) REDUCTION.—The Sec-
18 retary may reduce or eliminate the
19 cost-sharing requirement described in
20 subclause (I), as the Secretary deter-
21 mines to be necessary.

22 (IV) REPAYMENT OF FEDERAL
23 SHARE.—The Secretary shall not re-
24 quire repayment of the Federal share
25 of a cost-shared activity under this

1 section as a condition of providing a
2 grant.

3 (5) REPORTING REQUIREMENTS.—

4 (A) IN GENERAL.—The Secretary shall—

5 (i) determine what data will be re-
6 quired to be collected by participants in
7 the Program and submitted to the Sec-
8 retary to permit analysis of the Program;
9 and

10 (ii) develop metrics to determine the
11 success of the deployment communities.

12 (B) PROVISION OF DATA.—As a condition
13 of participation in the Program, an applicant
14 shall provide any data determined by the Sec-
15 retary under subparagraph (A).

16 (C) PROPRIETARY INFORMATION.—In car-
17 rying out this paragraph, the Secretary shall, as
18 appropriate, provide for the protection of pro-
19 prietary information and intellectual property
20 rights.

21 (e) FUNDING.—The Secretary shall use to carry out
22 this section not more than \$2,000,000,000 for each fiscal
23 year from the Climate Fund.

1 **SEC. 406. ACCELERATING THE DEPLOYMENT OF ZERO-**
2 **EMISSION AVIATION, RAIL, AND MARITIME**
3 **TRANSPORTATION.**

4 (a) DEFINITIONS.—In this section:

5 (1) COMMERCIAL AVIATION.—The term “com-
6 mercial aviation” means any aircraft operation in-
7 volving the transportation of passengers, cargo, or
8 mail for hire.

9 (2) MARITIME TRANSPORTATION.—The term
10 “maritime transportation” means the shipment of
11 goods, cargo, and people by sea and other water-
12 ways.

13 (3) PROGRAM.—The term “Program” means
14 the national grant program established under sub-
15 section (b).

16 (4) SECRETARY.—The term “Secretary” means
17 the Secretary of Transportation.

18 (b) ESTABLISHMENT.—The Secretary shall establish
19 a national grant program to promote and accelerate the
20 elimination of fossil fuel usage for the commercial avia-
21 tion, maritime transportation, and rail sectors.

22 (c) GOALS.—The goals of the Program are—

23 (1) to accelerate the development and deploy-
24 ment of low carbon fuels and alternative fuel tech-
25 nologies for aircraft, ships, and rail;

1 (2) to reduce and displace fossil fuel use and
2 greenhouse gas emissions due to the commercial
3 aviation, maritime transportation and rail sectors;
4 and

5 (3) to encourage the innovation and investment
6 necessary for reaching the purpose of this section
7 described in subsection (d)(1) by 2050.

8 (d) COMPETITIVE GRANTS.—

9 (1) IN GENERAL.—The Secretary shall establish
10 a competitive process to select projects that lead to
11 the reduction of fossil fuels use in the commercial
12 aviation, maritime transportation, and rail sectors.

13 (2) ELIGIBLE ENTITIES.—In selecting partici-
14 pants for the Program under paragraph (1), the
15 Secretary shall only consider an application (includ-
16 ing a joint application) submitted by an applicant
17 that is—

18 (A) a private, nongovernmental entity that
19 is headquartered in the United States;

20 (B) a State;

21 (C) a group of States;

22 (D) an Interstate Compact;

23 (E) a public agency established by 1 or
24 more States; or

25 (F) an Indian tribe or tribal organization.

1 (3) SELECTION CRITERIA.—Not later than 120
2 days after the date of enactment of this Act, the
3 Secretary shall publish a set of selection criteria for
4 the grant competition that includes—

5 (A) offering the highest cost-share relative
6 to the value of the Federal grant offered under
7 the Program;

8 (B) to the maximum extent practicable,
9 serving as a model of research, development,
10 and deployment for other private entities across
11 the United States; and

12 (C) meeting such other criteria as the Sec-
13 retary determines to be appropriate.

14 (4) APPLICATIONS AND GRANTS.—

15 (A) IN GENERAL.—Not later than 120
16 days after the date of publication by the Sec-
17 retary of the selection criteria described in
18 paragraph (3), any entity that meets the eligi-
19 bility criteria described in paragraph (2) may
20 apply to the Secretary to receive a grant.

21 (B) GRANTS.—

22 (i) IN GENERAL.—In each application,
23 the applicant may apply for a grant of not
24 more than \$100,000,000.

1 (ii) USE OF FUNDS.—Funds provided
2 by a grant under this subsection may be
3 used—

4 (I) primarily to deploy zero emis-
5 sions and alternative fuel technologies
6 for commercial aviation, maritime
7 transportation, and rail including—

8 (aa) electrification;

9 (bb) hydrogen fuel cells;

10 (cc) second-generation ad-
11 vanced biofuels; and

12 (dd) fuel efficiency; and

13 (II) to carry out other activities
14 considered appropriate by the Sec-
15 retary.

16 (iii) COST SHARING.—

17 (I) IN GENERAL.—A grant pro-
18 vided under this subsection shall be
19 subject to a minimum non-Federal
20 cost-sharing requirement of 80 per-
21 cent.

22 (II) NON-FEDERAL SOURCES.—
23 The Secretary shall determine the ap-
24 propriate cost share for each selected
25 applicant.

1 (III) REDUCTION.—The Sec-
2 retary may reduce or eliminate the
3 cost-sharing requirement described in
4 subclause (I), as the Secretary deter-
5 mines to be necessary.

6 (IV) REPAYMENT OF FEDERAL
7 SHARE.—The Secretary shall not re-
8 quire repayment of the Federal share
9 of a cost-shared activity under this
10 section as a condition of providing a
11 grant.

12 (5) REPORTING REQUIREMENTS.—

13 (A) IN GENERAL.—The Secretary shall—

14 (i) determine what data will be re-
15 quired to be collected by participants in
16 the Program and submitted to the Sec-
17 retary to permit analysis of the Program;
18 and

19 (ii) develop metrics to determine the
20 success of the deployment communities.

21 (B) PROVISION OF DATA.—As a condition
22 of participation in the Program, an applicant
23 shall provide any data determined by the Sec-
24 retary under subparagraph (A).

1 (C) PROPRIETARY INFORMATION.—In car-
 2 rying out this paragraph, the Secretary shall, as
 3 appropriate, provide for the protection of pro-
 4 prietary information and intellectual property
 5 rights.

6 (e) FUNDING.—The Secretary shall use to carry out
 7 the Program—

8 (1) climate fees imposed under section 402; and

9 (2) not more than \$12,000,000,000 for each
 10 fiscal year from the Climate Fund.

11 **SEC. 407. ACCELERATING THE DEPLOYMENT OF ZERO-**
 12 **EMISSION RESIDENTIAL AND COMMERCIAL**
 13 **HEATING.**

14 (a) DEFINITIONS.—In this section:

15 (1) FOSSIL FUEL HEATING SYSTEM.—The term
 16 “fossil fuel heating system” means any boiler, fur-
 17 nace, hot water heater, or forced air system that
 18 uses coal, oil, natural gas, propane, or any other fos-
 19 sil fuel, as determined by the Secretary.

20 (2) PROGRAM.—The term “Program” means
 21 the zero-emission residential and commercial heating
 22 program established under subsection (b).

23 (3) RETAIL ELECTRIC SUPPLIER.—The term
 24 “retail electric supplier” means an entity that sold
 25 not less than 1,000 megawatt hours of electric en-

ergy to electric consumers for purposes other than resale during the preceding calendar year.

(4) RETAIL NATURAL GAS SUPPLIER.—The term “retail natural gas supplier” means an entity that sold not less than 100,000 cubic feet of natural gas to natural gas customers for purposes other than resale during the preceding calendar year.

(b) ESTABLISHMENT.—The Secretary shall establish a zero-emission residential and commercial heating program.

(c) COMPETITIVE GRANTS.—

(1) IN GENERAL.—The Secretary shall establish a competitive process for the Program to make grants.

(2) ELIGIBLE ENTITIES.—In selecting participants for the Program, the Secretary shall only consider applications (including joint applications) submitted by—

(A) retail electric suppliers;

(B) retail natural gas suppliers;

(C) States; and

(D) Indian tribes.

(3) SELECTION CRITERIA.—

(A) IN GENERAL.—Not later than 120 days after the date of enactment of this Act,

1 and not later than 90 days after the date on
2 which any subsequent amounts are made avail-
3 able for the Program, the Secretary shall pub-
4 lish criteria for the selection of applicants, in-
5 cluding criteria prioritizing applications—

6 (i) with the highest non-Federal cost
7 share relative to the value of the Federal
8 grant offered under the Program;

9 (ii) that deliver the most rapid reduc-
10 tions in emissions due to fossil fuel heating
11 energy; and

12 (iii) that meet other criteria consid-
13 ered appropriate by the Secretary.

14 (B) APPLICATION REQUIREMENTS.—The
15 applications submitted by eligible entities under
16 paragraph (2) shall describe how selection cri-
17 teria under subparagraph (A) are met, includ-
18 ing a description of—

19 (i) the non-Federal cost-share; and

20 (ii) the manner in which the applicant
21 will measure and verify the planned energy
22 savings.

23 (4) APPLICATIONS AND GRANTS.—

24 (A) IN GENERAL.—Not later than 120
25 days after the date of publication by the Sec-

retary of the selection criteria described in paragraph (3), any entity that meets the eligibility criteria described in paragraph (2) may apply to the Secretary to receive a grant.

(B) GRANTS.—

(i) IN GENERAL.—In each application, the applicant may apply for a grant of not more than \$20,000,000.

(ii) USE OF FUNDS.—Funds provided by a grant under this subsection may be used—

(I) to replace any fossil fuel heating system with a zero-emission heating system;

(II) to provide incentives to owners to replace any fossil fuel heating system with a zero-emission heating system;

(III) to reduce emissions in an existing natural gas distribution system; and

(IV) to replace any fossil fuel heating system with a heating system that is at least 50 percent more energy efficient.

1 (iii) COST SHARING.—

2 (I) IN GENERAL.—A grant pro-
3 vided under this subsection to a pri-
4 vate, for-profit entity shall be subject
5 to a minimum non-Federal cost-shar-
6 ing requirement of 50 percent.

7 (II) NON-FEDERAL SOURCES.—
8 The Secretary shall determine the ap-
9 propriate cost share for each selected
10 applicant.

11 (III) REDUCTION.—The Sec-
12 retary may reduce or eliminate the
13 cost-sharing requirement described in
14 subclause (I), as the Secretary deter-
15 mines to be necessary.

16 (IV) REPAYMENT OF FEDERAL
17 SHARE.—The Secretary shall not re-
18 quire repayment of the Federal share
19 of a cost-shared activity under this
20 section as a condition of providing a
21 grant.

22 (iv) OTHER FEDERAL ASSISTANCE.—
23 The Secretary shall consider the receipt of
24 other Federal funds by the applicant in de-
25 termining the cost share of the applicant.

1 (C) SELECTION.—Not later than 120 days
2 after the application deadline established under
3 subparagraph (A), the Secretary shall announce
4 the applicants selected to receive grants under
5 this section.

6 (5) REPORTING REQUIREMENTS.—

7 (A) IN GENERAL.—The Secretary shall de-
8 termine what data will be required to be col-
9 lected by participants in the Program and sub-
10 mitted to the Secretary to permit analysis of
11 the Program.

12 (B) PROVISION OF DATA.—As a condition
13 of participation in the Program, an applicant
14 shall provide any data determined by the Sec-
15 retary under subparagraph (A).

16 (C) PROPRIETARY INFORMATION.—In car-
17 rying out this paragraph, the Secretary shall, as
18 appropriate, provide for the protection of pro-
19 prietary information and intellectual property
20 rights.

21 (6) ADDITIONAL AUTHORITIES.—To ensure the
22 transition to 100 percent clean and renewable en-
23 ergy by 2050, starting in 2035, the Secretary, in
24 consultation with the Council, shall have the author-
25 ity to set standards for residential and commercial

1 heating systems that eliminate fossil fuel emissions
2 by 2050.

3 (d) FUNDING.—The Secretary shall use to carry out
4 this section not more than \$10,000,000,000 for each fiscal
5 year from the Climate Fund.

6 **Subtitle B—Helping Americans** 7 **Move Beyond Oil**

8 **SEC. 411. PERMANENT EXTENSION, INCREASE, AND** 9 **REFUNDABILITY OF CREDIT FOR QUALIFIED** 10 **NEW PLUG IN ELECTRIC DRIVE MOTOR VEHI-** 11 **CLES.**

12 (a) REPEAL OF PHASEOUT.—Section 30D of the In-
13 ternal Revenue Code of 1986 is amended by striking sub-
14 section (e).

15 (b) EXTENSION FOR 2-WHEELED VEHICLES.—Sub-
16 paragraph (E) of section 30D(g)(3) of the Internal Rev-
17 enue Code of 1986 is amended to read as follows:

18 “(E) is acquired—

19 “(i) in the case of a vehicle that has
20 2 wheels, after December 31, 2014, and

21 “(ii) in the case of a vehicle that has
22 3 wheels, after December 31, 2017.”.

23 (c) INCREASE IN DOLLAR LIMITATION FOR BATTERY
24 CAPACITY.—Paragraph (3) of section 30D(b) of the Inter-

1 nal Revenue Code of 1986 is amended by striking
2 “\$5,000” and inserting “\$7,500”.

3 (d) PERSONAL CREDIT MADE REFUNDABLE.—

4 (1) IN GENERAL.—Section 30D(c)(2) of the In-
5 ternal Revenue Code of 1986 is amended by striking
6 “subpart A” and inserting “subpart C”.

7 (2) TECHNICAL AMENDMENT.—Paragraph (2)
8 of section 1324(b) of title 31, United States Code,
9 as amended by this Act, is amended by inserting
10 “30D(c)(2),” after “36D,”.

11 (e) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to vehicles acquired after Decem-
13 ber 31, 2016.

14 **SEC. 412. PERMANENT EXTENSION OF CREDIT FOR HYBRID**
15 **MEDIUM- AND HEAVY-DUTY TRUCKS.**

16 (a) IN GENERAL.—Section 30B(k) of the Internal
17 Revenue Code of 1986 is amended—

18 (1) by striking “after” in the matter before
19 paragraph (1),

20 (2) by inserting “after” before “December”
21 each place it appears, and

22 (3) in paragraph (3), by inserting “and before
23 the date of the enactment of the Energy Policy Mod-
24 ernization Act of 2017” after “December 31,
25 2009,”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to property purchased after the
3 date of the enactment of this Act.

4 **SEC. 413. EXTENSION OF SECOND GENERATION BIOFUEL**
5 **PRODUCER CREDIT.**

6 (a) IN GENERAL.—Clause (i) of section 40(b)(6)(J)
7 of the Internal Revenue Code of 1986 is amended by strik-
8 ing “January 1, 2017” and inserting “January 1, 2025”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this subsection shall apply to qualified second generation
11 biofuel production after December 31, 2016.

12 **SEC. 414. EXTENSION OF SPECIAL ALLOWANCE FOR SEC-**
13 **OND GENERATION BIOFUEL PLANT PROP-**
14 **ERTY.**

15 (a) IN GENERAL.—Subparagraph (D) of section
16 168(l)(2) of the Internal Revenue Code of 1986 is amend-
17 ed to read as follows:

18 “(D) the construction of which begins be-
19 fore January 1, 2025.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 this section shall apply to property placed in service after
22 December 31, 2016.

1 **SEC. 415. EXTENSION AND MODIFICATION OF THE ALTER-**
2 **NATIVE FUEL VEHICLE REFUELING PROP-**
3 **ERTY CREDIT.**

4 (a) IN GENERAL.—Section 30C of the Internal Rev-
5 enue Code of 1986 is amended—

6 (1) by amending subsection (c) to read as fol-
7 lows:

8 “(c) QUALIFIED ALTERNATIVE FUEL VEHICLE RE-
9 FUELING PROPERTY.—For purposes of this section, the
10 term ‘qualified alternative fuel vehicle refueling property’
11 means any of the following:

12 “(1) A pump or blender pump that is capable
13 of dispensing a fuel mixture that is at least 50 per-
14 cent ethanol.

15 “(2) A pump or blender pump that is capable
16 of dispensing a fuel mixture that is at least 50 per-
17 cent biodiesel or renewable diesel.

18 “(3) A pump that is capable of dispensing a
19 biofuel and petroleum blend, at least 50 percent of
20 which is a renewable fuel (as defined in section
21 211(o)(1) of the Clean Air Act (42 U.S.C.
22 7545(o)(1))).

23 “(4) A direct current electric charging station
24 with a power rating of at least 40 kilowatts.

25 “(5) An alternating current electric charging
26 station with a voltage rating between 208 volts and

1 240 volts and a power rating between 2.5 kilowatts
2 and 20 kilowatts.

3 “(6) Hydrogen fuel-cell refilling infrastructure.

4 “(7) Any other infrastructure that the Adminis-
5 trator may prescribe by regulation that is capable of
6 dispensing a fuel that is not less than a 50-percent
7 mixture of a renewable fuel (as defined in section
8 211(o)(1) of the Clean Air Act (42 U.S.C.
9 7545(o)(1))).”,

10 (2) in subsection (e)—

11 (A) by striking paragraphs (5) through
12 (7), and

13 (B) by inserting after paragraph (4) the
14 following new paragraph:

15 “(5) RECAPTURE RULES.—The Secretary shall,
16 by regulations, provide for recapturing the benefit of
17 any credit allowable under subsection (a) with re-
18 spect to any property which ceases to be property el-
19 igible for such credit.”, and

20 (3) by amending subsection (g) to read as fol-
21 lows:

22 “(g) TERMINATION.—This section shall not apply to
23 any property placed in service after December 31, 2024.”.

1 (4) EFFECTIVE DATE.—The amendments made
 2 by this section shall apply to property placed in serv-
 3 ice after December 31, 2016.

4 **TITLE V—ENDING NEW FOSSIL**
 5 **FUEL INVESTMENTS**

6 **Subtitle A—Ending New Fossil**
 7 **Fuel Investments**

8 **SEC. 501. MORATORIUM ON NEW MAJOR FOSSIL FUEL**
 9 **PROJECTS.**

10 (a) DEFINITIONS.—In this section:

11 (1) FOSSIL FUEL ENERGY.—The term “fossil
 12 fuel energy” means electric energy generated, in
 13 whole or in part, by a fossil fuel resource.

14 (2) FOSSIL FUEL RESOURCE.—

15 (A) IN GENERAL.—The term “fossil fuel
 16 resource” means all forms of coal, oil, and gas.

17 (B) INCLUSIONS.—The term “fossil fuel
 18 resource” includes—

- 19 (i) bitumen from oil sands;
- 20 (ii) kerogen from oil shale;
- 21 (iii) liquids manufactured from coal;
- 22 (iv) coal bed methane;
- 23 (v) methane hydrates;
- 24 (vi) light oil derived from shale or
- 25 other formations;

- 1 (vii) natural gas liquids; and
- 2 (viii) all conventionally and unconven-
- 3 tionally produced hydrocarbons.

4 (3) GATHERING LINE.—The term “gathering
5 line” has the meaning given the term in section
6 195.2 of title 49, Code of Federal Regulations (as
7 in effect on the date of enactment of this Act).

8 (4) INTERSTATE PIPELINE.—The term “inter-
9 state pipeline” has the meaning given the term in
10 section 195.2 of title 49, Code of Federal Regula-
11 tions (as in effect on the date of enactment of this
12 Act).

13 (b) MORATORIUM.—Subject to subsection (e), begin-
14 ning on January 1, 2021, there shall be a moratorium on
15 Federal permit approval for—

16 (1) any new electric generating facility that
17 generates fossil fuel energy through the combustion
18 of any fossil fuel resource;

19 (2) any new gathering line or interstate pipeline
20 for the transport of any fossil fuel resource that—

21 (A) crosses Federal land or navigable
22 water; or

23 (B) requires the use of eminent domain on
24 private property;

1 (3) any maintenance activity relating to an ex-
2 isting gathering line or interstate pipeline for the
3 transport of a fossil fuel resource that expands the
4 carrying capacity of the gathering line or interstate
5 pipeline by more than 5 percent;

6 (4) any new import or export terminal for fossil
7 fuel resources;

8 (5) any maintenance activity relating to an ex-
9 isting import or export terminal for a fossil fuel re-
10 source that expands the import or export capacity
11 for a fossil fuel resource; and

12 (6) any new refinery of a fossil fuel resource.

13 (c) ENFORCEMENT.—The Administrator may seek an
14 injunction on the construction of any facility described in
15 subsection (b) that begins on or after January 1, 2021.

16 (d) FEDERAL PERMITS.—The Administrator, in co-
17 ordination with the head of the applicable Federal agency,
18 shall deny any application submitted to the head of that
19 Federal agency on or after January 1, 2021, for a permit
20 for any facility described in subsection (b).

21 (e) EXEMPTION.—During the period beginning on
22 January 1, 2021, and ending on December 31, 2029, any
23 entity seeking to construct a new electric generating facil-
24 ity that generates fossil fuel energy through the combus-
25 tion of natural gas may submit to the Administrator an

1 application for a waiver of the moratorium under this sec-
2 tion, including a demonstration by the entity that—

3 (1) the electricity will primarily be used to bal-
4 ance nonfossil fuel resources; and

5 (2) nonfossil fuel resources will not be available
6 to maintain reliability while achieving compliance
7 with the applicable requirements of section 220 of
8 the Clean Air Act (42 U.S.C. 7401 et seq.) (as
9 added by section 401(a)).

10 (f) TRIBAL CONSULTATION.—

11 (1) IN GENERAL.—If an application for routing
12 or siting approval, or permit or right-of-way was
13 granted, approved, or issued on or after February 8,
14 2017, for any facility described in subsection (b)
15 without the consultation required under Executive
16 Order 13175 (25 U.S.C. 5301 note; relating to trib-
17 al consultation), or without the informed and ex-
18 press consent of the applicable Indian tribe, the Ad-
19 ministrator or appropriate agency head shall order
20 an immediate suspension of any preconstruction,
21 construction, or any other activity within, on, under,
22 or through the approved route or right-of-way or
23 permitted area.

24 (2) DURATION.—The suspension described in
25 paragraph (1) shall remain in full force and effect

1 until conclusion of the appropriate administrative
2 proceeding.

3 (g) EMINENT DOMAIN.—Any application, permit, or
4 right-of-way granted or issued for any facility described
5 in subsection (b) that, on or after February 8, 2017, trig-
6 gers the use of eminent domain shall be null and void.

7 **SEC. 502. ENDING FOSSIL FUEL SUBSIDIES.**

8 (a) FOSSIL FUEL.—In this section, the term “fossil
9 fuel” means coal, petroleum, natural gas, or any derivative
10 of coal, petroleum, or natural gas that is used for fuel.

11 (b) ROYALTY RELIEF.—

12 (1) OUTER CONTINENTAL SHELF LANDS ACT.—

13 Section 8(a)(3) of the Outer Continental Shelf
14 Lands Act (43 U.S.C. 1337(a)(3)) is amended—

15 (A) by striking subparagraph (B); and

16 (B) by redesignating subparagraph (C) as
17 subparagraph (B).

18 (2) ENERGY POLICY ACT OF 2005.—

19 (A) INCENTIVES FOR NATURAL GAS PRO-
20 DUCTION FROM DEEP WELLS IN THE SHALLOW
21 WATERS OF THE GULF OF MEXICO.—Section
22 344 of the Energy Policy Act of 2005 (42
23 U.S.C. 15904) is repealed.

1 (B) DEEP WATER PRODUCTION.—Section
2 345 of the Energy Policy Act of 2005 (42
3 U.S.C. 15905) is repealed.

4 (3) FUTURE PROVISIONS.—Notwithstanding
5 any other provision of law (including regulations),
6 royalty relief shall not be permitted under a lease
7 issued under section 8 of the Outer Continental
8 Shelf Lands Act (43 U.S.C. 1337).

9 (c) ROYALTIES UNDER MINERAL LEASING ACT.—

10 (1) COAL LEASES.—Section 7(a) of the Mineral
11 Leasing Act (30 U.S.C. 207(a)) is amended in the
12 fourth sentence by striking “12½ per centum” and
13 inserting “18¾ percent”.

14 (2) LEASES ON LAND ON WHICH OIL OR NAT-
15 URAL GAS IS DISCOVERED.—Section 14 of the Min-
16 eral Leasing Act (30 U.S.C. 223) is amended in the
17 fourth sentence by striking “12½ per centum” and
18 inserting “18¾ percent”.

19 (3) LEASES ON LAND KNOWN OR BELIEVED TO
20 CONTAIN OIL OR NATURAL GAS.—Section 17 of the
21 Mineral Leasing Act (30 U.S.C. 226) is amended—

22 (A) in subsection (b)—

23 (i) in paragraph (1)(A), in the fifth
24 sentence, by striking “12.5 percent” and
25 inserting “18¾ percent”; and

1 (ii) in paragraph (2)(A)(ii), by strik-
 2 ing “12½ per centum” and inserting
 3 “18¾ percent”;

4 (B) in subsection (c)(1), in the second sen-
 5 tence, by striking “12.5 percent” and inserting
 6 “18¾ percent”;

7 (C) in subsection (l), by striking “12½ per
 8 centum” each place it appears and inserting
 9 “18¾ percent”; and

10 (D) in subsection (n)(1)(C), by striking
 11 “12½ per centum” and inserting “18¾ per-
 12 cent”.

13 (d) ELIMINATION OF INTEREST PAYMENTS FOR ROY-
 14 ALTY OVERPAYMENTS.—Section 111 of the Federal Oil
 15 and Gas Royalty Management Act of 1982 (30 U.S.C.
 16 1721) is amended by adding at the end the following:

17 “(k) PAYMENT OF INTEREST.—Interest shall not be
 18 paid on any overpayment.”.

19 (e) OFFSHORE FACILITATES AND PIPELINE OPERA-
 20 TORS.—Section 1004(a) of the Oil Pollution Act of 1990
 21 (33 U.S.C. 2704(a)) is amended—

22 (1) in paragraph (3), by striking “plus
 23 \$75,000,000; and” and inserting “and the liability
 24 of the responsible party under section 1002;”;

25 (2) in paragraph (4)—

1 (A) by inserting “(except an onshore pipe-
2 line transporting diluted bitumen, bituminous
3 mixtures, or any oil manufactured from bitu-
4 men)” after “for any onshore facility”; and

5 (B) by striking the period at the end and
6 inserting “; and”; and

7 (3) by adding at the end the following:

8 “(5) for any onshore facility transporting di-
9 luted bitumen, bituminous mixtures, or any oil man-
10 ufactured from bitumen, the liability of the respon-
11 sible party under section 1002.”.

12 (f) LIMITATION ON INTERNATIONAL FINANCIAL IN-
13 STITUTION FUNDING OF FOSSIL FUEL PROJECTS.—

14 (1) RESCISSION OF FUNDS.—Except as pro-
15 vided in paragraph (3), effective on the date of en-
16 actment of this Act, there are rescinded all unobli-
17 gated balances of amounts made available by the
18 United States—

19 (A) to the International Bank for Recon-
20 struction and Development and the Inter-
21 national Development Association (collectively
22 known as the “World Bank”) or any other
23 international financial institution (as defined in
24 section 1701(c)(2) of the International Finan-

1 cial Institutions Act (22 U.S.C. 262r(c)(2)));
2 and

3 (B) to carry out any project that supports
4 the construction of new fossil-fueled power
5 plants.

6 (2) LIMITATION ON USE OF FUTURE FUNDS.—

7 Except as provided in paragraph (3), and notwith-
8 standing any other provision of law, any amounts
9 made available by the United States to the World
10 Bank or any other international financial institution
11 on or after the date of enactment of this Act may
12 not be used to carry out any project that facilitates
13 additional consumption or production of fossil-fuel
14 based energy.

15 (3) EXCEPTION.—Paragraphs (1) and (2) shall
16 not apply to a fossil-fueled power plant project lo-
17 cated in a least developed country (as that term is
18 defined by the United Nations) if—

19 (A) no other economically feasible alter-
20 native exists; and

21 (B) the project uses the most efficient
22 technology available.

23 (g) INCENTIVES FOR INNOVATIVE TECHNOLOGIES.—

24 (1) IN GENERAL.—Section 1703 of the Energy
25 Policy Act of 2005 (42 U.S.C. 16513) is amended—

1 (A) in subsection (b)—

2 (i) by striking paragraph (2);

3 (ii) by redesignating paragraphs (3)
4 through (9) as paragraphs (2) through (8),
5 respectively; and

6 (iii) by striking paragraph (10);

7 (B) by striking subsection (c); and

8 (C) by redesignating subsections (d) and
9 (e) as subsections (c) and (d), respectively.

10 (2) CONFORMING AMENDMENT.—Section 1704
11 of the Energy Policy Act of 2005 (42 U.S.C. 16514)
12 is amended—

13 (A) by striking the section designation and
14 heading and all that follows through “There
15 are” in subsection (a) and inserting the fol-
16 lowing:

17 **“SEC. 1704. AUTHORIZATION OF APPROPRIATIONS.**

18 “There are”; and

19 (B) by striking subsection (b).

20 (h) RURAL UTILITY SERVICE LOAN GUARANTEES.—

21 Notwithstanding any other provision of law, the Secretary
22 of Agriculture may not make a loan under title III of the
23 Rural Electrification Act of 1936 (7 U.S.C. 931 et seq.)
24 to an applicant for the purpose of carrying out any project
25 that will use fossil fuel.

1 (i) LIMITATION ON FUNDS TO THE OVERSEAS PRI-
2 VATE INVESTMENT CORPORATION OR THE EXPORT-IM-
3 PORT BANK OF THE UNITED STATES FOR FINANCING
4 PROJECTS, TRANSACTIONS, OR OTHER ACTIVITIES THAT
5 SUPPORT FOSSIL FUEL.—

6 (1) RESCISSION OF FUNDS.—Except as pro-
7 vided in paragraph (3), effective on the date of en-
8 actment of this Act, there are rescinded all unobli-
9 gated balances of amounts made available to the
10 Overseas Private Investment Corporation or the Ex-
11 port-Import Bank of the United States to carry out
12 any project, transaction, or other activity that sup-
13 ports the production or use of fossil fuels.

14 (2) LIMITATION ON USE OF FUTURE FUNDS.—
15 Except as provided in paragraph (3), and notwith-
16 standing any other provision of law, any amounts
17 made available to the Overseas Private Investment
18 Corporation or the Export-Import Bank of the
19 United States on or after the date of enactment of
20 this Act may not be used to carry out any project,
21 transaction, or other activity that facilitates addi-
22 tional consumption or production of fossil-fuel based
23 energy.

24 (3) EXCEPTION.—Paragraphs (1) and (2) shall
25 not apply to a fossil-fueled power plant project lo-

1 cated in a least developed country (as that term is
2 defined by the United Nations) if—

3 (A) no other economically feasible alter-
4 native exists; and

5 (B) the project uses the most efficient
6 technology available.

7 (j) TRANSPORTATION FUNDS FOR GRANTS, LOANS,
8 LOAN GUARANTEES, AND OTHER DIRECT ASSISTANCE.—
9 Notwithstanding any other provision of law, any amounts
10 made available to the Department of Transportation may
11 not be used to award any grant, loan, loan guarantee, or
12 provide any other direct assistance to any rail or port
13 project that transports fossil fuel.

14 (k) POWDER RIVER BASIN.—

15 (1) DESIGNATION OF THE POWDER RIVER
16 BASIN AS A COAL PRODUCING REGION.—Not later
17 than 90 days after the date of enactment of this
18 Act, the Director of the Bureau of Land Manage-
19 ment shall designate the Powder River Basin as a
20 coal producing region.

21 (2) REPORT.—Not later than 1 year after the
22 date of enactment of this Act, the Director of the
23 Bureau of Land Management shall submit to Con-
24 gress a report that includes—

1 (A) a study of the fair market value and
2 the amount of royalties paid on coal leases in
3 the Powder River Basin compared to other na-
4 tional and international coal markets; and

5 (B) any policy recommendations to capture
6 the future market value of the coal leases in the
7 Powder River Basin.

8 (l) REPORTS.—

9 (1) DEFINITION OF FOSSIL FUEL PRODUCTION
10 SUBSIDY.—In this subsection, the term “subsidy for
11 fossil fuel production” means any direct funding, tax
12 treatment or incentive, risk-reduction benefit, financ-
13 ing assistance or guarantee, royalty relief, or other
14 provision that provides a financial benefit to a fossil
15 fuel company for the production of fossil fuels.

16 (2) REPORT TO CONGRESS.—Not later than 1
17 year after the date of enactment of this Act, the
18 Secretary of the Treasury, in coordination with the
19 Secretary, shall submit to Congress a report detail-
20 ing each Federal law (including regulations), other
21 than those amended by this Act, as in effect on the
22 date on which the report is submitted, that includes
23 a subsidy for fossil-fuel production.

24 (3) REPORT ON MODIFIED RECOVERY PE-
25 RIOD.—

1 (A) IN GENERAL.—Not later than 1 year
2 after the date of enactment of this Act, the Sec-
3 retary, in coordination with the Commissioner
4 of Internal Revenue, shall submit to Congress a
5 report on the applicable recovery period under
6 the accelerated cost recovery system provided in
7 section 168 of the Internal Revenue Code of
8 1986 for each type of property involved in fossil
9 fuel production, including pipelines, power gen-
10 eration property, refineries, and drilling equip-
11 ment, to determine if any assets are receiving
12 a subsidy for fossil fuel production.

13 (B) ELIMINATION OF SUBSIDY.—In the
14 case of any type of property that the Commis-
15 sioner of Internal Revenue determines is receiv-
16 ing a subsidy for fossil fuel production under
17 such section 168, for property placed in service
18 in taxable years beginning after the date of
19 such determination, such section 168 shall not
20 apply. The preceding sentence shall not apply to
21 any property with respect to a taxable year un-
22 less such determination is published before the
23 first day of such taxable year.

**Subtitle B—Ending Fossil Fuel
Subsidies**

**SEC. 511. TERMINATION OF VARIOUS TAX EXPENDITURES
RELATING TO FOSSIL FUELS.**

(a) IN GENERAL.—Subchapter C of chapter 80 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 7875. TERMINATION OF CERTAIN PROVISIONS RELAT-
ING TO FOSSIL-FUEL INCENTIVES.**

“(a) IN GENERAL.—The following provisions shall not apply to taxable years beginning after the date of the enactment of this section:

“(1) Section 43 (relating to enhanced oil recovery credit).

“(2) Section 45I (relating to credit for producing oil and natural gas from marginal wells).

“(3) Section 45K (relating to credit for producing fuel from a nonconventional source).

“(4) Section 193 (relating to tertiary injectants).

“(5) Section 199(d)(9) (relating to special rule for taxpayers with oil related qualified production activities income).

“(6) Section 461(i)(2) (relating to special rule for spudding of oil or natural gas wells).

1 “(7) Section 469(c)(3) (relating to working in-
2 terests in oil and natural gas property).

3 “(8) Section 613A (relating to limitations on
4 percentage depletion in case of oil and natural gas
5 wells).

6 “(9) Section 617 (relating to deduction and re-
7 capture of certain mining exploration expenditures).

8 “(b) PROVISIONS RELATING TO PROPERTY.—The
9 following provisions shall not apply to property placed in
10 service after the date of the enactment of this section:

11 “(1) Subparagraph (C)(iii) of section 168(e)(3)
12 (relating to classification of certain property).

13 “(2) Section 169 (relating to amortization of
14 pollution control facilities) with respect to any at-
15 mospheric pollution control facility.

16 “(c) PROVISIONS RELATING TO COSTS AND EX-
17 PENSES.—The following provisions shall not apply to costs
18 or expenses paid or incurred after the date of the enact-
19 ment of this section:

20 “(1) Section 179B (relating to deduction for
21 capital costs incurred in complying with Environ-
22 mental Protection Agency sulfur regulations).

23 “(2) Section 263(c) (relating to intangible drill-
24 ing and development costs) with respect to costs in
25 the case of oil and natural gas wells.

1 “(3) Section 468 (relating to special rules for
2 mining and solid waste reclamation and closing
3 costs).

4 “(d) 5-YEAR CARRYBACK FOR MARGINAL OIL AND
5 NATURAL GAS WELL PRODUCTION CREDIT.—Section
6 39(a)(3) (relating to 5-year carryback for marginal oil and
7 natural gas well production credit) shall not apply to cred-
8 its determined in taxable years beginning after the date
9 of the enactment of the this section.

10 “(e) CREDIT FOR CARBON DIOXIDE SEQUESTRA-
11 TION.—Section 45Q (relating to credit for carbon dioxide
12 sequestration) shall not apply to carbon dioxide captured
13 after the date of the enactment of this section.

14 “(f) ALLOCATED CREDITS.—No new credits shall be
15 certified under section 48A (relating to qualifying ad-
16 vanced coal project credit) or section 48B (relating to
17 qualifying gasification project credit) after the date of the
18 enactment of this section.

19 “(g) ARBITRAGE BONDS.—Section 148(b)(4) (relat-
20 ing to safe harbor for prepaid natural gas) shall not apply
21 to obligations issued after the date of the enactment of
22 this section.”.

23 (b) CONFORMING AMENDMENT.—The table of sec-
24 tions for subchapter C of chapter 90 is amended by adding
25 at the end the following new item:

“Sec. 7875. Termination of certain provisions.”.

1 **SEC. 512. UNIFORM 7-YEAR AMORTIZATION FOR GEOLOGI-**
2 **CAL AND GEOPHYSICAL EXPENDITURES.**

3 (a) IN GENERAL.—Section 167(h) of the Internal
4 Revenue Code of 1986 is amended—

5 (1) by striking “24-month period” each place it
6 appears in paragraphs (1) and (4) and inserting “7-
7 year period”, and

8 (2) by striking paragraph (5).

9 (b) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to amounts paid or incurred after
11 the date of the enactment of this Act.

12 **SEC. 513. NATURAL GAS GATHERING LINES TREATED AS 15-**
13 **YEAR PROPERTY.**

14 (a) IN GENERAL.—Subparagraph (E) of section
15 168(e)(3) of the Internal Revenue Code of 1986 is amend-
16 ed by striking “and” at the end of clause (viii), by striking
17 the period at the end of clause (ix) and inserting “, and”,
18 and by adding at the end the following new clause:

19 “(x) any natural gas gathering line
20 the original use of which commences with
21 the taxpayer after the date of the enact-
22 ment of this clause.”.

23 (b) ALTERNATIVE SYSTEM.—The table contained in
24 section 168(g)(3)(B) of the Internal Revenue Code of

1 1986 is amended by inserting after the item relating to
 2 subparagraph (E)(ix) the following new item:

“(E)(x) 22”.

3 (c) CONFORMING AMENDMENT.—Clause (iv) of sec-
 4 tion 168(e)(3)(C) of the Internal Revenue Code of 1986
 5 is amended by inserting “and on or before the date of the
 6 enactment of subparagraph (E)(x)” after “April 11,
 7 2005”.

8 (d) EFFECTIVE DATE.—

9 (1) IN GENERAL.—The amendments made by
 10 this section shall apply to property placed in service
 11 on and after the date of the enactment of this Act.

12 (2) EXCEPTION.—The amendments made by
 13 this section shall not apply to any property with re-
 14 spect to which the taxpayer or a related party has
 15 entered into a binding contract for the construction
 16 thereof on or before the date of the enactment of
 17 this Act, or, in the case of self-constructed property,
 18 has started construction on or before such date.

19 **SEC. 514. REPEAL OF DOMESTIC MANUFACTURING DEDUC-**
 20 **TION FOR HARD MINERAL MINING.**

21 (a) IN GENERAL.—Subparagraph (B) of section
 22 199(c)(4) of the Internal Revenue Code of 1986 is amend-
 23 ed by striking “or” at the end of clause (ii), by striking
 24 the period at the end of clause (iii) and inserting “, or”,
 25 and by adding at the end the following new clause:

1 “(iv) the mining of any hard min-
2 eral.”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

6 **SEC. 515. LIMITATION ON DEDUCTION FOR INCOME AT-**
7 **TRIBUTABLE TO DOMESTIC PRODUCTION OF**
8 **OIL, NATURAL GAS, OR PRIMARY PRODUCTS**
9 **THEREOF.**

10 (a) DENIAL OF DEDUCTION.—Paragraph (4) of sec-
11 tion 199(c) of the Internal Revenue Code of 1986 is
12 amended by adding at the end the following new subpara-
13 graph:

14 “(E) SPECIAL RULE FOR OIL, NATURAL
15 GAS, AND COAL INCOME.—The term ‘domestic
16 production gross receipts’ shall not include
17 gross receipts from the production, refining,
18 processing, transportation, or distribution of oil,
19 natural gas, or coal, or any primary product
20 (within the meaning of subsection (d)(9)) there-
21 of.”.

22 (b) EFFECTIVE DATE.—The amendment made by
23 this section shall apply to taxable years beginning after
24 the date of the enactment of this Act.

1 **SEC. 516. TERMINATION OF LAST-IN, FIRST-OUT METHOD**
2 **OF INVENTORY FOR OIL, NATURAL GAS, AND**
3 **COAL COMPANIES.**

4 (a) IN GENERAL.—Section 472 of the Internal Rev-
5 enue Code of 1986 is amended by adding at the end the
6 following new subsection:

7 “(h) TERMINATION FOR OIL, NATURAL GAS, AND
8 COAL COMPANIES.—Subsection (a) shall not apply to any
9 taxpayer that is in the trade or business of the production,
10 refining, processing, transportation, or distribution of oil,
11 natural gas, or coal for any taxable year beginning after
12 the date of enactment of this subsection.”.

13 (b) ADDITIONAL TERMINATION.—Section 473 of the
14 Internal Revenue Code of 1986 is amended by adding at
15 the end the following new subsection:

16 “(h) TERMINATION FOR OIL, NATURAL GAS, AND
17 COAL COMPANIES.—This section shall not apply to any
18 taxpayer that is in the trade or business of the production,
19 refining, processing, transportation, or distribution of oil,
20 natural gas, or coal for any taxable year beginning after
21 the date of enactment of this subsection.”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years beginning after
24 the date of enactment of this Act.

1 **SEC. 517. REPEAL OF PERCENTAGE DEPLETION FOR COAL**
2 **AND HARD MINERAL FOSSIL FUELS.**

3 (a) IN GENERAL.—Section 613 of the Internal Rev-
4 enue Code of 1986 is amended by adding at the end the
5 following new subsection:

6 “(f) TERMINATION WITH RESPECT TO COAL AND
7 HARD MINERAL FOSSIL FUELS.—In the case of coal, lig-
8 nite, and oil shale (other than oil shale described in sub-
9 section (b)(5)), the allowance for depletion shall be com-
10 puted without reference to this section for any taxable
11 year beginning after the date of the enactment of this sub-
12 section.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) COAL AND LIGNITE.—Section 613(b)(4) of
15 the Internal Revenue Code of 1986 is amended by
16 striking “coal, lignite,”.

17 (2) OIL SHALE.—Section 613(b)(2) of such
18 Code is amended to read as follows:

19 “(2) 15 PERCENT.—If, from deposits in the
20 United States, gold, silver, copper, and iron ore.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 the date of the enactment of this Act.

1 **SEC. 518. TERMINATION OF CAPITAL GAINS TREATMENT**
 2 **FOR ROYALTIES FROM COAL.**

3 (a) IN GENERAL.—Subsection (c) of section 631 of
 4 the Internal Revenue Code of 1986 is amended—

5 (1) by striking “coal (including lignite), or iron
 6 ore” and inserting “iron ore”,

7 (2) by striking “coal or iron ore” each place it
 8 appears and inserting “iron ore”,

9 (3) by striking “iron ore or coal” each place it
 10 appears and inserting “iron ore”, and

11 (4) by striking “COAL OR” in the heading.

12 (b) CONFORMING AMENDMENT.—The heading of sec-
 13 tion 631 of the Internal Revenue Code of 1986 is amended
 14 by striking “, **COAL**,”.

15 (c) EFFECTIVE DATE.—The amendments made by
 16 this section shall apply to dispositions after the date of
 17 the enactment of this Act.

18 **SEC. 519. MODIFICATIONS OF FOREIGN TAX CREDIT RULES**
 19 **APPLICABLE TO OIL, NATURAL GAS, AND**
 20 **COAL COMPANIES WHICH ARE DUAL CAPAC-**
 21 **ITY TAXPAYERS.**

22 (a) IN GENERAL.—Section 901 of the Internal Rev-
 23 enue Code of 1986 is amended by redesignating subsection
 24 (n) as subsection (o) and by inserting after subsection (m)
 25 the following new subsection:

1 “(n) SPECIAL RULES RELATING TO OIL, NATURAL
2 GAS, AND COAL COMPANIES WHICH ARE DUAL CAPACITY
3 TAXPAYERS.—

4 “(1) GENERAL RULE.—Notwithstanding any
5 other provision of this chapter, any amount paid or
6 accrued to a foreign country or possession of the
7 United States for any period by a dual capacity tax-
8 payer which is in the trade or business of the pro-
9 duction, refining, processing, transportation, or dis-
10 tribution of oil, natural gas, or coal shall not be con-
11 sidered a tax—

12 “(A) if, for such period, the foreign coun-
13 try or possession does not impose a generally
14 applicable income tax, or

15 “(B) to the extent such amount exceeds
16 the amount (determined in accordance with reg-
17 ulations) which—

18 “(i) is paid by such dual capacity tax-
19 payer pursuant to the generally applicable
20 income tax imposed by the country or pos-
21 session, or

22 “(ii) would be paid if the generally ap-
23 plicable income tax imposed by the country
24 or possession were applicable to such dual
25 capacity taxpayer.

1 Nothing in this paragraph shall be construed to
2 imply the proper treatment of any such amount not
3 in excess of the amount determined under subpara-
4 graph (B).

5 “(2) DUAL CAPACITY TAXPAYER.—For pur-
6 poses of this subsection, the term ‘dual capacity tax-
7 payer’ means, with respect to any foreign country or
8 possession of the United States, a person who—

9 “(A) is subject to a levy of such country or
10 possession, and

11 “(B) receives (or will receive) directly or
12 indirectly a specific economic benefit (as deter-
13 mined in accordance with regulations) from
14 such country or possession.

15 “(3) GENERALLY APPLICABLE INCOME TAX.—
16 For purposes of this subsection—

17 “(A) IN GENERAL.—The term ‘generally
18 applicable income tax’ means an income tax (or
19 a series of income taxes) which is generally im-
20 posed under the laws of a foreign country or
21 possession on income derived from the conduct
22 of a trade or business within such country or
23 possession.

1 “(B) EXCEPTIONS.—Such term shall not
2 include a tax unless it has substantial applica-
3 tion, by its terms and in practice, to—

4 “(i) persons who are not dual capacity
5 taxpayers, and

6 “(ii) persons who are citizens or resi-
7 dents of the foreign country or posses-
8 sion.”.

9 (b) EFFECTIVE DATE.—

10 (1) IN GENERAL.—The amendments made by
11 this section shall apply to taxes paid or accrued in
12 taxable years beginning after the date of the enact-
13 ment of this Act.

14 (2) CONTRARY TREATY OBLIGATIONS
15 UPHELD.—The amendments made by this section
16 shall not apply to the extent contrary to any treaty
17 obligation of the United States.

18 **SEC. 520. INCREASE IN OIL SPILL LIABILITY TRUST FUND**

19 **FINANCING RATE.**

20 (a) IN GENERAL.—Subparagraph (B) of section
21 4611(c)(2) of the Internal Revenue Code of 1986 is
22 amended—

23 (1) by striking “and” at the end of clause (i),

24 (2) in clause (ii)—

1 (A) by inserting “and before January 1,
2 2018,” after “December 31, 2016,” and

3 (B) by striking the period and inserting “,
4 and”, and

5 (3) by adding at the end the following new
6 clause:

7 “(iii) in the case of crude oil received
8 or petroleum products entered after De-
9 cember 31, 2017, 10 cents a barrel.”.

10 (b) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to crude oil received and petroleum
12 products entered after the date of the enactment of this
13 Act.

14 **SEC. 521. APPLICATION OF CERTAIN ENVIRONMENTAL**
15 **TAXES TO SYNTHETIC CRUDE OIL.**

16 (a) IN GENERAL.—Paragraph (1) of section 4612(a)
17 of the Internal Revenue Code of 1986 is amended to read
18 as follows:

19 “(1) CRUDE OIL.—

20 “(A) IN GENERAL.—The term ‘crude oil’
21 includes crude oil condensates, natural gasoline,
22 and synthetic crude oil.

23 “(B) SYNTHETIC CRUDE OIL.—For pur-
24 poses of subparagraph (A), the term ‘synthetic
25 crude oil’ means any bitumen and bituminous

1 mixtures, any oil manufactured from bitumen
 2 and bituminous mixtures, and any liquid fuel
 3 manufactured from coal.”.

4 (b) EFFECTIVE DATE.—The amendment made by
 5 this section shall apply to oil and petroleum products re-
 6 ceived or entered during calendar quarters beginning more
 7 than 60 days after the date of the enactment of this Act.

8 **SEC. 522. DENIAL OF DEDUCTION FOR REMOVAL COSTS**
 9 **AND DAMAGES FOR CERTAIN OIL SPILLS.**

10 (a) IN GENERAL.—Part IX of subchapter B of chap-
 11 ter 1 of the Internal Revenue Code of 1986 is amended
 12 by adding at the end the following new section:

13 **“SEC. 280I. EXPENSES FOR REMOVAL COSTS AND DAMAGES**
 14 **RELATING TO CERTAIN OIL SPILL LIABILITY.**

15 “No deduction shall be allowed under this chapter for
 16 any amount paid or incurred with respect to any costs or
 17 damages for which the taxpayer is liable under section
 18 1002 of the Oil Pollution Act of 1990 (33 U.S.C. 2702).”.

19 (b) CLERICAL AMENDMENT.—The table of sections
 20 for part IX of subchapter B of chapter 1 of such Code
 21 is amended by adding at the end the following new item:

“Sec. 280I. Expenses for removal costs and damages relating to certain oil spill
 liability.”.

22 (c) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply with respect to any liability arising

1 in taxable years ending after the date of the enactment
2 of this Act.

3 **SEC. 523. TAX ON CRUDE OIL AND NATURAL GAS PRO-**
4 **DUCTION FROM THE OUTER CONTINENTAL**
5 **SHELF IN THE GULF OF MEXICO.**

6 (a) IN GENERAL.—Subtitle E of the Internal Rev-
7 enue Code of 1986 is amended by adding at the end the
8 following new chapter:

9 **“CHAPTER 56—TAX ON SEVERANCE OF**
10 **CRUDE OIL AND NATURAL GAS FROM**
11 **THE OUTER CONTINENTAL SHELF IN**
12 **THE GULF OF MEXICO**

“Sec. 5901. Imposition of tax.

“Sec. 5902. Taxable crude oil or natural gas and removal price.

“Sec. 5903. Special rules and definitions.

13 **“SEC. 5901. IMPOSITION OF TAX.**

14 “(a) IN GENERAL.—In addition to any other tax im-
15 posed under this title, there is hereby imposed a tax equal
16 to 13 percent of the removal price of any taxable crude
17 oil or natural gas removed from the premises during any
18 taxable period.

19 **“(b) CREDIT FOR FEDERAL ROYALTIES PAID.—**

20 “(1) IN GENERAL.—There shall be allowed as a
21 credit against the tax imposed by subsection (a) with
22 respect to the production of any taxable crude oil or
23 natural gas an amount equal to the aggregate

1 amount of royalties paid under Federal law with re-
2 spect to such production.

3 “(2) LIMITATION.—The aggregate amount of
4 credits allowed under paragraph (1) to any taxpayer
5 for any taxable period shall not exceed the amount
6 of tax imposed by subsection (a) for such taxable pe-
7 riod.

8 “(c) TAX PAID BY PRODUCER.—The tax imposed by
9 this section shall be paid by the producer of the taxable
10 crude oil or natural gas.

11 **“SEC. 5902. TAXABLE CRUDE OIL OR NATURAL GAS AND RE-**
12 **MOVAL PRICE.**

13 “(a) TAXABLE CRUDE OIL OR NATURAL GAS.—For
14 purposes of this chapter, the term ‘taxable crude oil or
15 natural gas’ means crude oil or natural gas which is pro-
16 duced from Federal submerged lands on the outer Conti-
17 nental Shelf in the Gulf of Mexico pursuant to a lease
18 entered into with the United States which authorizes the
19 production.

20 “(b) REMOVAL PRICE.—For purposes of this chap-
21 ter—

22 “(1) IN GENERAL.—Except as otherwise pro-
23 vided in this subsection, the term ‘removal price’
24 means—

1 “(A) in the case of taxable crude oil, the
2 amount for which a barrel of such crude oil is
3 sold, and

4 “(B) in the case of taxable natural gas, the
5 amount per 1,000 cubic feet for which such
6 natural gas is sold.

7 “(2) SALES BETWEEN RELATED PERSONS.—In
8 the case of a sale between related persons, the re-
9 moval price shall not be less than the constructive
10 sales price for purposes of determining gross income
11 from the property under section 613.

12 “(3) OIL OR NATURAL GAS REMOVED FROM
13 PROPERTY BEFORE SALE.—If crude oil or natural
14 gas is removed from the property before it is sold,
15 the removal price shall be the constructive sales
16 price for purposes of determining gross income from
17 the property under section 613.

18 “(4) REFINING BEGUN ON PROPERTY.—If the
19 manufacture or conversion of crude oil into refined
20 products begins before such oil is removed from the
21 property—

22 “(A) such oil shall be treated as removed
23 on the day such manufacture or conversion be-
24 gins, and

1 “(B) the removal price shall be the con-
2 structive sales price for purposes of determining
3 gross income from the property under section
4 613.

5 “(5) PROPERTY.—The term ‘property’ has the
6 meaning given such term by section 614.

7 **“SEC. 5903. SPECIAL RULES AND DEFINITIONS.**

8 “(a) ADMINISTRATIVE REQUIREMENTS.—

9 “(1) WITHHOLDING AND DEPOSIT OF TAX.—
10 The Secretary shall provide for the withholding and
11 deposit of the tax imposed under section 5901 on a
12 quarterly basis.

13 “(2) RECORDS AND INFORMATION.—Each tax-
14 payer liable for tax under section 5901 shall keep
15 such records, make such returns, and furnish such
16 information (to the Secretary and to other persons
17 having an interest in the taxable crude oil or natural
18 gas) with respect to such oil as the Secretary may
19 by regulations prescribe.

20 “(3) TAXABLE PERIODS; RETURN OF TAX.—

21 “(A) TAXABLE PERIOD.—Except as pro-
22 vided by the Secretary, each calendar year shall
23 constitute a taxable period.

1 “(B) RETURNS.—The Secretary shall pro-
2 vide for the filing, and the time for filing, of the
3 return of the tax imposed under section 5901.

4 “(b) DEFINITIONS.—For purposes of this chapter—

5 “(1) PRODUCER.—The term ‘producer’ means
6 the holder of the economic interest with respect to
7 the crude oil or natural gas.

8 “(2) CRUDE OIL.—The term ‘crude oil’ includes
9 crude oil condensates and natural gasoline.

10 “(3) PREMISES AND CRUDE OIL PRODUCT.—
11 The terms ‘premises’ and ‘crude oil product’ have
12 the same meanings as when used for purposes of de-
13 termining gross income from the property under sec-
14 tion 613.

15 “(c) ADJUSTMENT OF REMOVAL PRICE.—In deter-
16 mining the removal price of oil or natural gas from a prop-
17 erty in the case of any transaction, the Secretary may ad-
18 just the removal price to reflect clearly the fair market
19 value of oil or natural gas removed.

20 “(d) REGULATIONS.—The Secretary shall prescribe
21 such regulations as may be necessary or appropriate to
22 carry out the purposes of this chapter.”.

23 (b) DEDUCTIBILITY OF TAX.—The first sentence of
24 section 164(a) of the Internal Revenue Code of 1986 is

1 amended by inserting after paragraph (4) the following
 2 new paragraph:

3 “(5) The tax imposed by section 5901(a) (after
 4 application of section 5901(b)) on the severance of
 5 crude oil or natural gas from the outer Continental
 6 Shelf in the Gulf of Mexico.”.

7 (c) CLERICAL AMENDMENT.—The table of chapters
 8 for subtitle E is amended by adding at the end the fol-
 9 lowing new item:

“CHAPTER 56. Tax on severance of crude oil and natural gas
 from the outer Continental Shelf in the Gulf of
 Mexico.”.

10 (d) EFFECTIVE DATE.—The amendments made by
 11 this section shall apply to crude oil or natural gas removed
 12 after December 31, 2017.

13 **SEC. 524. REPEAL OF CORPORATE INCOME TAX EXEMP-**
 14 **TION FOR PUBLICLY TRADED PARTNERSHIPS**
 15 **WITH QUALIFYING INCOME AND GAINS FROM**
 16 **ACTIVITIES RELATING TO FOSSIL FUELS.**

17 (a) IN GENERAL.—Section 7704(d)(1) of the Inter-
 18 nal Revenue Code of 1986 is amended—

- 19 (1) by striking subparagraph (E),
 20 (2) by redesignating subparagraphs (F) and
 21 (G) as subparagraphs (E) and (F), respectively, and
 22 (3) by striking the flush matter at the end.

23 (b) CONFORMING AMENDMENT.—Section
 24 988(c)(1)(E)(iii)(III) of the Internal Revenue Code of

1 1986 is amended by striking “or (G)” and inserting “or
2 (F)”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

6 **TITLE VI—MAINTAINING** 7 **AMERICAN COMPETITIVENESS**

8 **SEC. 601. PURPOSES; DEFINITIONS.**

9 (a) PURPOSES.—The purposes of this title are—

10 (1) to ensure that the shift to a clean energy
11 economy in the United States is not eroded by the
12 transition to foreign countries of the manufacturing
13 of goods in energy-intensive industrial sectors;

14 (2) to ensure the competitiveness of United
15 States manufacturing and industry;

16 (3) to make trade a tool for the mitigation of
17 emissions, rather than the source of a substantial in-
18 crease, as determined by the National Climate
19 Change Council, in greenhouse gas emissions by in-
20 dustrial entities located in foreign countries caused
21 by an increased cost of production in the United
22 States resulting from the implementation of this
23 Act;

24 (4) to provide an incentive for high-emissions
25 foreign countries to strengthen the climate regula-

1 tions and address the greenhouse gas emissions of
2 those countries; and

3 (5) to prevent an increase in greenhouse gas
4 emissions from foreign countries as a result of direct
5 and indirect compliance costs incurred under this
6 title.

7 (b) DEFINITIONS.—In this title:

8 (1) CLIMATE DUTY.—The term “climate duty”
9 means a duty assessed by the United States on the
10 importation into the customs territory of the United
11 States of a covered good.

12 (2) COVERED GOOD.—The term “covered good”
13 means a good that is entered under a heading or
14 subheading of the Harmonized Tariff Schedule of
15 the United States that corresponds to the North
16 American Industrial Classification System code for
17 an eligible industrial sector, as established in the
18 concordance between North American Industrial
19 Classification System codes and the Harmonized
20 Tariff Schedule of the United States prepared by the
21 United States Census Bureau.

22 (3) ELIGIBLE INDUSTRIAL SECTOR.—The term
23 “eligible industrial sector” means an industrial sec-
24 tor in the United States that is subject to a climate
25 duty, as determined under section 602(a).

1 (4) ENERGY-INTENSIVE.—The term “energy-in-
2 tensive”, with respect to an industrial sector, means
3 that the industrial sector has an energy intensity of
4 not less than 5 percent, as calculated based on the
5 quotient obtained by dividing, as determined using
6 the average of the 3 most recent calendar years for
7 which data are available—

8 (A) the cost of the electricity and fuel pur-
9 chased by the industrial sector; by

10 (B) the total value of the sales of the in-
11 dustrial sector.

12 (5) INCREMENTAL COST.—The term “incre-
13 mental cost” means the increased cost of production
14 of a covered good due to compliance with applicable
15 energy and climate laws (including regulations) and
16 subsidies of—

17 (A) the United States; or

18 (B) a foreign country.

19 (6) INDUSTRIAL SECTOR.—

20 (A) IN GENERAL.—The term “industrial
21 sector” means any sector that—

22 (i) is in the manufacturing sector (as
23 defined in North American Industrial Clas-
24 sification System codes 31, 32, and 33); or

1 (ii) beneficiates or otherwise processes
 2 (including through agglomeration) a metal
 3 ore, including—

4 (I) iron or copper ore;

5 (II) soda ash; and

6 (III) phosphate.

7 (B) EXCLUSION.—The term “industrial
 8 sector” does not include any sector involving
 9 only the extraction of—

10 (i) a metal ore;

11 (ii) soda ash; or

12 (iii) phosphate.

13 (7) TRADE-INTENSIVE.—The term “trade-in-
 14 tensive”, with respect to an industrial sector, means
 15 that not less than 15 percent of domestic consump-
 16 tion from the industrial sector is a result of importa-
 17 tion, as calculated based on the quotient obtained by
 18 dividing, as determined using the average of the 3
 19 most recent calendar years for which data are avail-
 20 able—

21 (A) the value of the total imports of the in-
 22 dustrial sector; by

23 (B) the number equal to the sum of—

24 (i) the number equal to the difference
 25 between—

- 1 (I) the domestic production of
2 the industrial sector; and
3 (II) the exports of the industrial
4 sector; and
5 (ii) the value of the imports of the in-
6 dustrial sector.

7 **SEC. 602. LEVELING PLAYING FIELD FOR DOMESTIC MANU-**
8 **FACTURERS.**

9 (a) ELIGIBLE INDUSTRIAL SECTORS.—

10 (1) DESIGNATION.—Not later than 1 year after
11 the date of enactment of this Act, the Administrator,
12 by regulation, shall designate, in accordance with
13 paragraph (2) and with the advice of the Council,
14 each eligible industrial sector that is subject to a cli-
15 mate duty under this section.

16 (2) DETERMINATION.—An industrial sector
17 shall be an eligible industrial sector if the industrial
18 sector—

19 (A) is—

20 (i) energy-intensive; and

21 (ii) trade-intensive; or

22 (B) has an energy intensity of not less
23 than 20 percent, as determined by the Council,
24 based on the quotient obtained by dividing, as
25 determined using the average of the 3 most re-

cent calendar years for which data are available—

(i) the cost of electricity and fuel purchased by the industrial sector; by

(ii) the value of the sales of the industrial sector.

(3) PUBLICATION AND UPDATING OF LIST.—

Not later than 1 year after the date of enactment of this Act, and not less frequently than once every 3 years thereafter, the Administrator shall publish or update, as applicable, in the Federal Register a list of eligible industrial sectors designated under paragraph (1).

(b) REGULATIONS.—

(1) IN GENERAL.—The President, in consultation with the Administrator, with the concurrence of the Council and the Commissioner of U.S. Customs and Border Protection, shall promulgate regulations that—

(A) establish—

(i) a list of countries from which the United States imports covered goods;

(ii) a methodology for calculating—

(I) the incremental cost of producing covered goods in—

1 (aa) the United States; and

2 (bb) each foreign country in-

3 cluded on the list under clause

4 (i); and

5 (II) subject to subsection

6 (c)(3)(A), the amount of the climate

7 duty to be imposed on imports of cov-

8 ered goods from each eligible indus-

9 trial sector;

10 (iii) a list of the climate duties to be

11 applied to imports from each eligible indus-

12 trial sector, as determined in accordance

13 with the methodology under clause (ii)(II);

14 and

15 (iv) procedures to prevent circumven-

16 tion of the climate duty for a covered good

17 that is manufactured or processed in more

18 than 1 foreign country;

19 (B) subject to subsection (c)(3)(B), require

20 the payment of an appropriate climate duty for

21 the importation into the customs territory of

22 the United States of covered goods; and

23 (C) describe the procedures to be applied

24 by U.S. Customs and Border Protection relat-

25 ing to the declaration and entry of covered

1 goods into the customs territory of the United
2 States.

3 (2) REVISIONS.—Not less frequently than once
4 every 3 years, the President, with the advice of the
5 Council, shall publish in the Federal Register revised
6 incremental cost calculations for the United States
7 and foreign countries, to be determined in accord-
8 ance with paragraph (1)(A)(ii)(I), as necessary to
9 account for any modifications during the preceding
10 3 calendar years to applicable climate- and energy-
11 related laws (including regulations).

12 (c) IMPOSITION OF CLIMATE DUTY ON IMPORTED
13 COVERED GOODS.—

14 (1) IN GENERAL.—The owner or operator of an
15 entity that imports a covered good shall pay to the
16 Commissioner of U.S. Customs and Border Protec-
17 tion the climate duty required under subsection (b)
18 with respect to the applicable eligible industrial sec-
19 tor.

20 (2) WAIVERS.—

21 (A) PETITION.—The owner or operator of
22 an entity that imports a covered good may sub-
23 mit to the President a petition for a waiver of
24 the climate duty required for the covered good
25 under this subsection.

1 (B) APPROVAL.—The President shall pro-
2 vide to an owner or operator the waiver re-
3 quested in a petition submitted under subpara-
4 graph (A), if the owner or operator dem-
5 onstrates to the satisfaction of the President
6 that the covered good imported by the owner or
7 operator has an energy intensity or trade inten-
8 sity, as calculated in accordance with paragraph
9 (5) or (8), respectively, of section 601(b), equal
10 to less than the energy intensity or trade inten-
11 sity calculated for the overall eligible industrial
12 sector in which the covered good is classified.

13 (3) LIMITATIONS.—

14 (A) MAXIMUM AMOUNT.—A climate duty
15 imposed on the importation of a covered good
16 pursuant to this subsection shall not exceed an
17 amount equal to the incremental cost of domes-
18 tic production of the covered good, as deter-
19 mined in accordance with subsection
20 (b)(1)(A)(ii)(I).

21 (B) EXEMPTED FOREIGN COUNTRIES.—A
22 product that originates from a foreign country
23 that meets any of the following criteria shall be
24 exempt from a climate duty under this sub-
25 section:

1 (i) The United Nations has identified
2 the country as among the least developed
3 of developing countries.

4 (ii) The country has been determined
5 to be responsible for less than 0.5 percent
6 of total global greenhouse gas emissions.

7 (iii) The country has been determined
8 to be responsible for less than 5 percent of
9 United States imports for an eligible in-
10 dustrial sector.

11 (iv) The country is a party to an
12 international agreement to which the
13 United States is also a party that includes
14 a nationally enforceable and economywide
15 greenhouse gas emissions reduction com-
16 mitment for that country, which is at least
17 as stringent as the commitment of the
18 United States.

19 (v) The country is party to a multilat-
20 eral or bilateral emissions reduction agree-
21 ment to which the United States is also a
22 party relating to an applicable eligible in-
23 dustrial sector.

24 (vi) The country has an annual energy
25 intensity, as calculated in accordance with

1 section 601(b)(5), for an eligible industrial
2 sector that is not greater than the energy
3 intensity for the eligible industrial sector in
4 the United States during the most recent
5 3-calendar-year period for which data are
6 available.

7 **SEC. 603. MAKING AMERICAN MANUFACTURING ENERGY**
8 **EFFICIENT.**

9 (a) DEFINITIONS.—In this section:

10 (1) ELIGIBLE ENTITY.—The term “eligible enti-
11 ty” means an energy-intensive manufacturer that—

12 (A) is a nongovernmental entity; and

13 (B) is headquartered in the United States.

14 (2) ENERGY-INTENSIVE MANUFACTURER.—

15 (A) IN GENERAL.—The term “energy-in-
16 tensive manufacturer” means a private entity
17 operating in an industrial sector that uses an
18 onsite fossil fuel heating system in a manufac-
19 turing process.

20 (B) INCLUSIONS.—The term “energy-in-
21 tensive manufacturer” includes an entity de-
22 scribed in subparagraph (A) that—

23 (i) manufactures steel or cement;

24 (ii) is a pulp or paper mill; or

1 (iii) operates in an energy-intensive
2 industrial sector.

3 (3) FOSSIL FUEL HEATING SYSTEM.—The term
4 “fossil fuel heating system” means a boiler, furnace,
5 hot water heater, or forced air system that uses coal,
6 oil, natural gas, propane, or any other fossil fuel, as
7 determined by the Secretary.

8 (4) PROGRAM.—The term “Program” means
9 the energy-efficient manufacturing program estab-
10 lished under subsection (b)(1).

11 (b) ENERGY EFFICIENT MANUFACTURING PRO-
12 GRAM.—

13 (1) ESTABLISHMENT.—The Secretary shall es-
14 tablish program, to be known as an “energy-efficient
15 manufacturing program”.

16 (2) COMPETITIVE GRANTS.—

17 (A) IN GENERAL.—In carrying out the
18 Program, the Secretary shall provide grants, on
19 a competitive basis, to eligible entities to imple-
20 ment energy efficiency improvements at facili-
21 ties in the United States.

22 (B) SELECTION CRITERIA.—Not later than
23 120 days after the date of enactment of this
24 Act, and not later than 90 days after the date
25 on which any subsequent amounts are appro-

1 priated to carry out the Program, the Secretary
2 shall publish criteria for the selection of eligible
3 entities to receive grants under the Program,
4 including criteria prioritizing the applications
5 submitted under subparagraph (C) based on—

6 (i) the non-Federal cost-share, relative
7 to the value of the grant;

8 (ii) the rapidity of the achievement of
9 reductions in emissions due to the replace-
10 ment of a fossil fuel heating system as de-
11 scribed in subparagraph (F)(i);

12 (iii) the ability to use the energy effi-
13 ciency improvements funded by the grant
14 as a model of deployment of zero-emission
15 heating technologies across the United
16 States; and

17 (iv) such other achievements as the
18 Secretary considers to be appropriate.

19 (C) APPLICATIONS.—

20 (i) IN GENERAL.—To be eligible to re-
21 ceive a grant under this paragraph, an eli-
22 gible entity or consortium of eligible enti-
23 ties shall submit to the Secretary an appli-
24 cation or joint application, respectively, in
25 accordance with clause (ii), by not later

1 than 120 days after the date of publication
2 by the Secretary of the selection criteria
3 under subparagraph (B).

4 (ii) INCLUSIONS.—An application sub-
5 mitted under this subparagraph shall in-
6 clude a description of the means by
7 which—

8 (I) the eligible entity or consor-
9 tium, as applicable, will—

10 (aa) achieve compliance with
11 any applicable selection criteria
12 under subparagraph (B); and

13 (bb) measure and verify pro-
14 posed energy savings; and

15 (II) to the maximum extent prac-
16 ticable, the energy efficiency improve-
17 ments proposed to be achieved using
18 the grant could be used as a model of
19 deployment for other manufacturers
20 across the United States.

21 (D) SELECTION.—Not later than 120 days
22 after the deadline described in subparagraph
23 (C)(i), the Secretary shall select eligible entities
24 to receive grants under the Program.

1 (E) MAXIMUM AMOUNT.—The amount of a
2 grant provided under the Program shall not ex-
3 ceed \$100,000,000.

4 (F) USE OF FUNDS.—An eligible entity or
5 consortium, as applicable, shall use a grant pro-
6 vided under the Program—

7 (i) to replace a fossil fuel heating sys-
8 tem with—

9 (I) a zero-emission heating sys-
10 tem; or

11 (II) a heating system that is at
12 least 50 percent more energy efficient;
13 or

14 (ii) to make energy efficiency improve-
15 ments that reduce the total electricity
16 usage of each applicable eligible entity by
17 not less than 10 percent.

18 (3) COST SHARING.—

19 (A) IN GENERAL.—The non-Federal share
20 of the cost of each activity carried out using a
21 grant provided under the Program shall be—

22 (i) determined by the Secretary, tak-
23 ing into consideration the receipt of any
24 other Federal funds by the applicable eligi-
25 ble entity; but

1 (ii) not less than 20 percent.

2 (B) NO REPAYMENT OF FEDERAL
3 SHARE.—The Secretary shall not require repay-
4 ment of the Federal share of an activity carried
5 out using a grant provided under the Program
6 as a condition of providing the grant.

7 (4) REPORTS.—

8 (A) IN GENERAL.—For purposes of ana-
9 lyzing the Program, the Secretary shall deter-
10 mine the data required to be submitted to the
11 Secretary by eligible entities as a condition of
12 receiving grants under the Program.

13 (B) PROPRIETARY INFORMATION.—In car-
14 rying out this paragraph, the Secretary shall
15 provide appropriate protections for—

16 (i) proprietary information; and

17 (ii) intellectual property rights.

18 (c) FUNDING.—The Secretary shall use to carry out
19 this section not more than \$2,000,000,000 for each fiscal
20 year from the Climate Fund.

21 **TITLE VII—MOBILIZING** 22 **AMERICAN RESOURCES**

23 **SEC. 701. NATIONAL CLIMATE CHANGE COUNCIL.**

24 (a) DEFINITION OF FOSSIL FUEL.—In this section,
25 the term “fossil fuel” has the meaning given the term

1 “fossil fuel resource” in section 610(a) of the Public Util-
2 ity Regulatory Policies Act of 1978.

3 (b) ESTABLISHMENT.—There is established in the
4 Executive Office of the President a council, to be known
5 as the “National Climate Change Council”, to coordinate
6 all activities and programs of the Federal Government re-
7 lating to the transition from fossil fuels by January 1,
8 2050.

9 (c) MEMBERSHIP.—The membership of the Council
10 shall consist of—

11 (1) the Secretary;

12 (2) the Secretary of Education;

13 (3) the Secretary of Housing and Urban Devel-
14 opment;

15 (4) the Secretary of Labor;

16 (5) the Secretary of Transportation;

17 (6) the Secretary of the Treasury;

18 (7) the Administrator;

19 (8) the Chair of the Council on Environmental
20 Quality;

21 (9) the Director of the National Economic
22 Council; and

23 (10) the Director of the Office of Science and
24 Technology Policy.

25 (d) DUTIES.—

1 (1) 2050 PLANS.—

2 (A) IN GENERAL.—The Council shall de-
3 velop plans to ensure that each sector in the
4 United States that combusts fossil fuels transi-
5 tions away from fossil fuel emissions by Janu-
6 ary 1, 2050, in accordance with this subsection.

7 (B) PROPOSED PLANS.—Not later than 1
8 year after the date of enactment of this Act, the
9 Council shall—

10 (i) identify each sector in the United
11 States economy that combusts fossil fuels;
12 and

13 (ii) publish in the Federal Register a
14 proposed plan to transition that sector
15 away from fossil fuels.

16 (C) FINAL PLANS.—Not later than 2 years
17 after the date of enactment of this Act, the
18 Council shall publish in the Federal Register
19 the final plan developed under this paragraph
20 for each sector.

21 (D) REQUIREMENTS.—

22 (i) USE OF EXISTING AUTHORITIES.—
23 The Council shall—

24 (I) to the maximum extent prac-
25 ticable, use existing authorities to exe-

1 cute each plan developed under this
2 paragraph; and

3 (II) identify any new statutory
4 authority necessary to execute each
5 plan.

6 (ii) PUBLIC COMMENT.—The Council
7 shall provide notice and an opportunity for
8 public comment for a period of not less
9 than 90 days for each plan developed
10 under this paragraph.

11 (2) SUBMISSION TO CONGRESS.—Not later than
12 60 days after the date of publication of a final plan
13 under paragraph (1)(C) with respect to which the
14 Council identifies under paragraph (1)(D)(i)(II) a
15 new statutory authority necessary to execute the
16 plan, the Council shall submit to Congress draft leg-
17 islative text for that new authority.

18 (3) 5-YEAR REVIEWS.—Not less frequently than
19 once every 5 years, the Council shall review and up-
20 date, as necessary, each plan developed under this
21 subsection, taking into consideration—

22 (A) new market conditions;

23 (B) advances in technology; and

24 (C) such other factors as the Council de-
25 termines to be appropriate.

1 (4) 2040 REVIEW.—Not later than January 1,
2 2040, the Council shall—

3 (A) identify any sector that is not expected
4 to achieve compliance with the targets estab-
5 lished for the sector in an applicable plan under
6 this subsection by December 31, 2040; and

7 (B) establish a program to reduce emis-
8 sions from that sector through investment in
9 international clean and renewable energy
10 projects.

11 (e) NEW GRANT PROGRAM AUTHORITY.—

12 (1) IN GENERAL.—The Council may establish
13 such new programs as the Council determines to be
14 appropriate to provide grants for not more than 20
15 percent of the costs incurred in connection with the
16 acquisition of components for, or the development,
17 construction, or engineering of, activities and pro-
18 grams described in a plan developed under sub-
19 section (d).

20 (2) FUNDING.—The Council may use to carry
21 out this subsection such amounts in the Climate
22 Fund as are not otherwise expended to carry out
23 this Act and the amendments made by this Act.

24 (f) CARBON FEES.—If, in conducting the 2040 re-
25 view under subsection (d)(4) for any sector (other than

1 sectors covered under section 101 and title II), the Council
2 determines that new authority is necessary to meet a tar-
3 get established under subsection (d), the Secretary of the
4 Treasury may, in consultation with the Council, assess the
5 fees necessary to meet the target under subsection (d).

6 **SEC. 702. CLIMATE FUND; CLIMATE BONDS.**

7 (a) CLIMATE FUND.—

8 (1) ESTABLISHMENT.—There is established in
9 the Treasury of the United States a fund, to be
10 known as the “Climate Fund”.

11 (2) RESPONSIBILITY OF SECRETARY.—The Sec-
12 retary of the Treasury (or a designee) (referred to
13 in this section as the “Secretary”) shall take such
14 actions as the Secretary determines to be necessary
15 to assist in implementing the establishment of the
16 Climate Fund in accordance with this Act.

17 (3) USE OF FUNDS.—

18 (A) IN GENERAL.—Any amounts deposited
19 in the Climate Fund shall only be used to carry
20 out this Act and the amendments made by this
21 Act.

22 (B) ALLOCATION.—Not later than the date
23 that is 14 days before the first day of each ap-
24 plicable fiscal year, the Council shall make a de-
25 termination regarding the allocation of funds

1 pursuant to subparagraph (A) for the following
2 fiscal year.

3 (C) MINIMUM ALLOCATION.—For each fis-
4 cal year, at least 40 percent of the funds depos-
5 ited in the Climate Fund shall be used to carry
6 out title I, the amendments made by title I, and
7 section 704.

8 (b) CLIMATE BONDS.—

9 (1) INITIAL CAPITALIZATION.—During the 1-
10 year period beginning on the date of enactment of
11 this Act, the Secretary shall issue climate bonds in
12 an amount not to exceed \$150,000,000,000 on the
13 credit of the United States, the proceeds of which
14 shall be deposited in the Climate Fund.

15 (2) FUTURE CAPITALIZATION.—After the expi-
16 ration of the 1-year period described in paragraph
17 (1), the Secretary may issue additional climate
18 bonds on the credit of the United States in excess
19 of the limitation established under that paragraph,
20 in an amount not to exceed \$150,000,000,000 for
21 each fiscal year.

22 (c) INTEREST.—A climate bond shall bear interest at
23 the rate the Secretary sets for Treasury bonds.

24 (d) PROMOTION.—

1 (1) IN GENERAL.—The Secretary shall take
2 such actions, independently and in conjunction with
3 financial institutions offering climate bonds, to pro-
4 mote the purchase of climate bonds, including cam-
5 paigns describing the financial and social benefits of
6 purchasing climate bonds.

7 (2) PROMOTIONAL ACTIVITIES.—The pro-
8 motional activities under paragraph (1) may include
9 advertisements, pamphlets, or other promotional ma-
10 terials—

11 (A) in periodicals;

12 (B) on billboards and other outdoor
13 venues;

14 (C) on television;

15 (D) on radio;

16 (E) on the Internet;

17 (F) within financial institutions that offer
18 climate bonds; or

19 (G) any other venues or outlets the Sec-
20 retary may identify.

21 (3) LIMITATION.—There are authorized to be
22 appropriated for the promotional activities under
23 this subsection not more than—

1 (A) \$10,000,000 for the first fiscal year
2 beginning after the date of enactment of this
3 Act; and

4 (B) \$2,000,000 for each fiscal year there-
5 after.

6 (e) FAIR WORKING WAGES AND DAVIS-BACON COM-
7 PLIANCE.—

8 (1) IN GENERAL.—All laborers and mechanics
9 employed on projects funded directly by or assisted
10 in whole or in part by the Climate Fund under this
11 Act shall be paid wages at rates not less than those
12 prevailing on projects of a character similar in the
13 locality as determined by the Secretary of Labor in
14 accordance with subchapter IV of chapter 31 of part
15 A of subtitle II of title 40, United States Code (com-
16 monly referred to as the “Davis-Bacon Act”).

17 (2) AUTHORITY.—With respect to the labor
18 standards specified in this subsection, the Secretary
19 of Labor shall have the authority and functions set
20 forth in Reorganization Plan Numbered 14 of 1950
21 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of
22 title 40, United States Code.

23 **SEC. 703. ACCELERATING 100 PERCENT LOCALLY.**

24 (a) ESTABLISHMENT OF GRANT PROGRAM.—

1 (1) IN GENERAL.—The Secretary shall establish
2 a program under which the Secretary shall provide
3 grants, on a competitive basis, to units of tribal and
4 local government or consortia of those units to plan
5 and implement a transition to 100-percent clean and
6 renewable energy.

7 (2) GOALS.—The goals of the program under
8 this subsection are—

9 (A) to facilitate the rapid transition to
10 100-percent clean and renewable energy at the
11 municipal and regional levels throughout the
12 United States by providing—

13 (i) planning grants to support nec-
14 essary activities to transition to 100-per-
15 cent clean and renewable energy; and

16 (ii) implementation grants for commu-
17 nities that—

18 (I) have completed the planning
19 process; and

20 (II) are ready to begin imple-
21 menting 100-percent clean and renew-
22 able energy plans;

23 (B) to encourage the adoption of clean and
24 renewable energy resources at the local and re-
25 gional levels, while increasing the access that

1 low-income communities and disadvantaged
2 communities have to the many benefits of clean
3 energy, most notably—

4 (i) improved environmental quality;

5 (ii) healthier living conditions; and

6 (iii) lower energy costs;

7 (C) to increase knowledge and acceptance
8 of, and exposure to, clean and renewable energy
9 practices for consumers, businesses, and local
10 elected officials and planning staff;

11 (D) to encourage the innovation and in-
12 vestment necessary to achieve large-scale de-
13 ployment of clean and renewable energy;

14 (E) to investigate differences in energy use
15 among communities and develop best practices
16 for transitioning to clean and renewable energy
17 in various communities and regions throughout
18 the United States; and

19 (F) to reduce and displace petroleum use
20 and reduce greenhouse gas emissions by accel-
21 erating the transition to clean and renewable
22 energy at the local and regional levels in the
23 United States.

24 (b) APPLICATIONS.—

1 (1) IN GENERAL.—To be eligible to receive a
2 grant under this subsection, a unit of tribal or local
3 government, or a consortium of 1 or more such
4 units, shall submit to the Secretary an application in
5 such manner and containing such information as the
6 Secretary determines to be appropriate, by not later
7 than 150 days after the date of publication by the
8 Secretary of selection criteria under subsection
9 (c)(3).

10 (2) JOINT SPONSORSHIP.—

11 (A) IN GENERAL.—Subject to subpara-
12 graph (B), an application submitted under
13 paragraph (1) may be jointly sponsored by—

14 (i) electric utilities;

15 (ii) clean energy equipment manufac-
16 turers;

17 (iii) technology providers; or

18 (iv) such other entities as the Sec-
19 retary determines to be appropriate.

20 (B) DISBURSEMENT OF GRANTS.—A grant
21 provided under this section shall only be dis-
22 bursed to a unit of tribal or local government,
23 or a consortium of those units, regardless of
24 whether the application is jointly sponsored
25 under subparagraph (A).

1 (c) SELECTION.—

2 (1) IN GENERAL.—Not later than 1 year after
3 the date of enactment of this Act, and not later than
4 1 year after the date on which any subsequent
5 amounts are made available to carry out this section,
6 the Secretary shall select the units of tribal or local
7 government and consortia of those units to receive
8 grants under this section, taking into consideration
9 the factors and criteria described in paragraphs (2)
10 and (3).

11 (2) FACTORS FOR CONSIDERATION.—In select-
12 ing units of government and consortia to receive
13 grants under this subsection, the Secretary—

14 (A) shall ensure, to the maximum extent
15 practicable, that—

16 (i) the combination of selected units is
17 diverse with respect to—

18 (I) population, population den-
19 sity, and demographics;

20 (II) urban and suburban com-
21 position;

22 (III) typical commuting patterns;

23 (IV) climate;

24 (V) geographical distribution;

25 and

1 (VI) applicable types of utilities
2 (including investor-owned, publicly
3 owned, cooperatively owned, distribu-
4 tion-only, and vertically integrated
5 utilities); and

6 (ii) at least 1 unit of government se-
7 lected serves a population of less than
8 500,000;

9 (B) in addition to the factors described in
10 subparagraph (A), may give preference to appli-
11 cants proposing a greater non-Federal cost-
12 share;

13 (C) shall prioritize the provision of grants
14 for communities that demonstrate affordable
15 modes of transitioning to clean and renewable
16 energy for residents of low-income communities
17 and disadvantaged communities; and

18 (D) shall take into consideration previous
19 investments by the Department of Energy and
20 other Federal departments and agencies to en-
21 sure that the maximum domestic benefit from
22 Federal investments is realized.

23 (3) SELECTION CRITERIA.—

24 (A) IN GENERAL.—Not later than 120
25 days after the date of enactment of this Act,

1 and not later than 90 days after the date on
2 which any subsequent amounts are made avail-
3 able to carry out this section, the Secretary
4 shall publish criteria for the selection of units
5 of tribal and local government to receive grants
6 under this section.

7 (B) APPLICATION REQUIREMENTS.—The
8 criteria published by the Secretary under sub-
9 paragraph (A) shall include the following appli-
10 cation requirements:

11 (i) A proposed level of cost sharing, in
12 accordance with subsection (f)(2).

13 (ii) A description of the relevant
14 stakeholders that the applicant will involve,
15 including—

16 (I) elected and appointed offi-
17 cials;

18 (II) all relevant generators and
19 distributors of electricity;

20 (III) State utility regulatory au-
21 thorities;

22 (IV) departments of public works
23 and affordable housing;

24 (V) community groups or individ-
25 uals that can provide expertise regard-

1 ing environmental justice consider-
2 ations;

3 (VI) entities representing low-in-
4 come communities and disadvantaged
5 communities; and

6 (VII) third-party providers of re-
7 newable energy and energy efficiency
8 services.

9 (iii) A cost proposal describing funds
10 that would be used to support and ensure
11 the participation of community groups
12 from all economic levels in stakeholder
13 meetings.

14 (iv) A description of the means by
15 which the planning process will take into
16 consideration the needs of environmental
17 justice populations, low-income commu-
18 nities, and disadvantaged communities.

19 (v) For planning grants, a proposed
20 schedule for the planning process.

21 (vi) For implementation grants—

22 (I) a proposed implementation
23 schedule;

24 (II) a description of—

- 1 (aa) the role that energy ef-
2 ficiency improvements will play in
3 the implementation process;
- 4 (bb) any technical assistance
5 the applicant will seek as part of
6 the implementation process;
- 7 (cc) updated construction
8 permitting or inspection proc-
9 esses (or a plan to update con-
10 struction permitting or inspection
11 processes) to allow for expedited
12 installation of renewable energy
13 equipment;
- 14 (dd) the means by which
15 local women-owned, minority-
16 owned, or veteran-owned busi-
17 nesses will be involved in the im-
18 plementation process; and
- 19 (ee) any workforce develop-
20 ment and professional develop-
21 ment activities that will be incor-
22 porated into the implementation
23 process;
- 24 (III) a proposed plan for—

1 (aa) making necessary util-
2 ity and grid upgrades, including
3 a plan for recovering the cost of
4 the upgrades; and

5 (bb) monitoring and evalu-
6 ating the implementation of the
7 applicable plan, including metrics
8 for assessing the success of im-
9 plementation and an approach to
10 updating the plan, as appro-
11 priate; and

12 (IV) such other merit-based cri-
13 teria as the Secretary determines to
14 be appropriate.

15 (d) MAXIMUM AMOUNT.—The amount of a grant pro-
16 vided under this section shall not exceed \$1,000,000.

17 (e) USE OF FUNDS.—A recipient of a grant provided
18 under this section shall use the grant to design or imple-
19 ment a plan for transition by the community served by
20 the recipient to 100-percent clean and renewable energy.

21 (f) COST SHARING.—

22 (1) IN GENERAL.—The non-Federal share of
23 the cost of each activity carried out using a grant
24 provided under this section—

1 (A) shall be determined by the Secretary in
2 accordance with paragraph (2), taking into con-
3 sideration the receipt of any other Federal
4 funds by the applicant;

5 (B) shall be not less than 60 percent; and

6 (C) may be reduced or eliminated by the
7 Secretary, as the Secretary determines to be
8 necessary.

9 (2) CALCULATION OF AMOUNT.—In calculating
10 the amount of the non-Federal share under this sec-
11 tion, the Secretary—

12 (A) may include allowable costs in accord-
13 ance with applicable cost principles, including—

14 (i) cash;

15 (ii) personnel costs;

16 (iii) the value of a service, other re-
17 source, or third-party in-kind contribution
18 determined in accordance with the applica-
19 ble circular of the Office of Management
20 and Budget;

21 (iv) indirect costs or facilities and ad-
22 ministrative costs; or

23 (v) any funds received under the
24 power program of the Tennessee Valley
25 Authority or any Power Marketing Admin-

1 istration (except to the extent that such
2 funds are made available under an annual
3 appropriations Act);

4 (B) shall include contributions made by
5 State, tribal, or local government entities and
6 private entities; and

7 (C) shall not include—

8 (i) revenues or royalties from the pro-
9 spective operation of an activity beyond the
10 period covered by the grant; or

11 (ii) proceeds from the prospective sale
12 of an asset of an activity.

13 (3) NO REPAYMENT OF FEDERAL SHARE.—The
14 Secretary shall not require repayment of the Federal
15 share of an activity carried out using a grant pro-
16 vided under this section as a condition of providing
17 the grant.

18 (g) REPORTS.—

19 (1) IN GENERAL.—For purposes of analyzing
20 the grant program under this section, the Secretary
21 shall—

22 (A) determine the data required to be sub-
23 mitted to the Secretary by grant recipients as
24 a condition of receiving grants; and

1 (B) develop metrics to evaluate the per-
 2 formance of the grant recipients.

3 (2) PRIVACY PROTECTIONS.—In carrying out
 4 this subsection, the Secretary shall provide appro-
 5 priate protections for consumer privacy.

6 (h) FUNDING.—The Secretary shall use to carry out
 7 this section not more than \$1,000,000,000 for each fiscal
 8 year from the Climate Fund.

9 **SEC. 704. CLIMATE JUSTICE RESILIENCY.**

10 (a) DEFINITIONS.—In this section:

11 (1) CLIMATE IMPACTS.—

12 (A) IN GENERAL.—The term “climate im-
 13 pacts” means the damage to the health of
 14 human and natural environments, habitats, and
 15 the economy caused by factors such as erratic
 16 climate and weather extremes due to excess car-
 17 bon pollution in the atmosphere.

18 (B) INCLUSIONS.—The term “climate im-
 19 pacts” includes—

20 (i) the increased frequency of—

21 (I) extreme weather, such as hur-
 22 ricanes, tornadoes, and snowstorms;

23 (II) floods;

24 (III) wildfires;

25 (IV) droughts;

1 (V) disease; and

2 (VI) heatwaves;

3 (ii) sea level rise;

4 (iii) ocean acidification; and

5 (iv) altered—

6 (I) ecosystems and habitats; and

7 (II) soil health and crop avail-
8 ability.

9 (2) CLIMATE JUSTICE RESILIENCY PROJECT.—

10 The term “climate justice resiliency project” means
11 a project, plan, fund, or other proposal to mitigate
12 climate impacts on a climate resiliency hotspot com-
13 munity.

14 (3) CLIMATE RESILIENCY HOTSPOT COMMU-
15 NITY.—The term “climate resiliency hotspot commu-
16 nity” means a community that is—

17 (A) likely to experience climate impacts;

18 (B) traditionally unable to afford the man-
19 agement or mitigation of climate impacts; and

20 (C) likely to receive a high score in the re-
21 port described in subsection (i).

22 (4) ELIGIBLE ENTITY.—The term “eligible enti-
23 ty” means—

24 (A) a State;

25 (B) an Indian tribe;

- 1 (C) a territory;
- 2 (D) a municipality;
- 3 (E) a county;
- 4 (F) a locality;
- 5 (G) a native Hawaiian community; and
- 6 (H) a nonprofit community organization.

7 (b) ESTABLISHMENT.—The Administrator, in con-
 8 sultation with the Council, shall establish a Climate Jus-
 9 tice Resiliency Grant Program to provide block grants to
 10 eligible entities to promote climate justice resiliency
 11 projects described in subsection (g).

12 (c) ENVIRONMENTAL JUSTICE STUDY.—

13 (1) IN GENERAL.—To facilitate administration
 14 of grants under this section, not later than 1 year
 15 after the date of enactment of this Act, the Council
 16 shall conduct a county-by-county or equivalent re-
 17 gional or tribal environmental justice study to iden-
 18 tify climate resiliency hotspot communities.

19 (2) REQUIREMENTS.—The study described in
 20 paragraph (1)—

21 (A) shall be conducted in consultation
 22 with—

23 (i) climate resiliency hotspot commu-
 24 nities; and

1 (ii) communities that are likely to re-
2 ceive a high score in the report described
3 in subsection (i);

4 (B) shall identify localities based on geo-
5 graphical proximity to climate impacts, socio-
6 economic, public health, and environmental haz-
7 ard criteria; and

8 (C) may include an area—

9 (i) that is disproportionately affected
10 by climate impacts or other hazards that
11 lead to negative public health effects, expo-
12 sure, or environmental degradation;

13 (ii) with a concentration of individuals
14 who have—

15 (I) a low income;

16 (II) high unemployment;

17 (III) a low level of homeownership;
18 ship;

19 (IV) a high rent burden;

20 (V) a low level of educational at-
21 tainment; or

22 (VI) a disproportionate health
23 burden; or

24 (iii) with a climate-sensitive popu-
25 lation.

1 (d) ELIGIBILITY FOR GRANT FUNDS.—

2 (1) IN GENERAL.—To be eligible to receive a
3 grant under this section, an eligible entity shall sub-
4 mit to the Council a plan for a climate justice resil-
5 iency investment for not less than 5 years that de-
6 scribes climate justice resiliency projects prioritized
7 based on the study carried out under subsection (c).

8 (2) CONTENTS.—The multiyear plan described
9 in paragraph (1) shall include—

10 (A) a description of—

11 (i) the proposed climate justice resil-
12 iency project; and

13 (ii) the climate resiliency hotspot com-
14 munities intended to benefit from the pro-
15 posed climate justice resiliency project;

16 (B) the expected climate resiliency im-
17 provement benefits; and

18 (C) a funding level request.

19 (e) APPLICATION PROCESS.—The Council shall es-
20 tablish application requirements for participation in the
21 Climate Justice Resiliency Grant Program established
22 under subsection (b).

23 (f) GRANT FUNDS.—The Administrator, in consulta-
24 tion with the Council, shall award to eligible entities grant

1 funds commensurate with the duration and scope of the
2 proposed climate justice resiliency project.

3 (g) CLIMATE JUSTICE RESILIENCY PROJECTS.—

4 (1) IN GENERAL.—Subject to paragraph (2), an
5 eligible entity may use grant funds made available
6 under this section to carry out a climate justice re-
7 siliency project, including—

8 (A) a project related to—

9 (i) climate impact disaster adaptation
10 and planning;

11 (ii) wetland restoration;

12 (iii) mine reclamation;

13 (iv) a seawall, levee, or other coastal
14 flood mitigation effort;

15 (v) the development of—

16 (I) a community evacuation plan;

17 (II) resources for safe and com-
18 plete evacuation;

19 (III) a community plan for re-
20 turning after an evacuation; or

21 (IV) a plan for funding for the
22 relocation of Indian tribes in the event
23 of a climate impact disaster;

24 (vi) brownfields redevelopment;

25 (vii) rural water and waste disposal;

1 (viii) lead and asbestos hazard reduc-
 2 tion in homes with high flood, hurricane,
 3 or sea level rise exposure risk;

4 (ix) flood and wildfire mapping, plan-
 5 ning, and adaptation;

6 (x) public transportation;

7 (xi) vehicle traffic emissions exposure
 8 reduction;

9 (xii) a road or bridge that facilitates
 10 disaster evacuation;

11 (xiii) a local food cooperative or mar-
 12 ket;

13 (xiv) public sewage;

14 (xv) broadband Internet;

15 (xvi) a microgrid;

16 (xvii) air conditioning units for low-in-
 17 come housing; or

18 (xviii) emergency communication in-
 19 frastructure;

20 (B) a fund established to assist evacuees to
 21 return home after an evacuation; or

22 (C) a disaster loan.

23 (2) EXCLUSIONS.—An eligible entity shall not
 24 use funds made available under this section to carry
 25 out an activity relating to—

1 (A) the generation of electricity;

2 (B) carbon capture or sequestration; or

3 (C) a highway.

4 (h) COST-SHARING REQUIREMENT.—The Council—

5 (1) shall require eligible entities that receive
6 funds under this section to enter into a cost-sharing
7 agreement for, at a minimum, 20 percent of the
8 total cost of the proposed climate justice resiliency
9 project; and

10 (2) may, at the discretion of the Council, waive
11 the cost-sharing requirement described in paragraph
12 (1).

13 (i) REPORT TO CONGRESS.—Not later than 180 days
14 after the date of enactment of this Act, the Council shall
15 submit to the appropriate committees of Congress a report
16 that describes—

17 (1) in detail the manner in which this section
18 will be carried out; and

19 (2) the results of the study required under sub-
20 section (c), including a score for each locality stud-
21 ied based on the level of climate impacts experienced
22 by the locality.

23 (j) REGULATIONS.—The Administrator, in consulta-
24 tion with the Council, may promulgate regulations to carry
25 out this section.

1 (k) FUNDING.—The Administrator shall use to carry
2 out this section from the Climate Fund not more than—

3 (1) \$2,000,000,000 for the first fiscal year be-
4 ginning after the date of enactment of this Act
5 through fiscal year 2030; and

6 (2) \$10,000,000 for each fiscal year thereafter.

7 **TITLE VIII—MISCELLANEOUS**

8 **SEC. 801. TAX AMENDMENTS REVIEW.**

9 Not later than December 31, 2035, the Secretary, in
10 consultation with the Secretary of the Treasury, shall—

11 (1) review the amendments to the Internal Rev-
12 enue Code of 1986 made by this Act to determine
13 if the amendments are effective and should continue;
14 and

15 (2) report to Congress any recommended modi-
16 fications to the amendments.

○