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.

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

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

(b) TABLE OF CONTENTS.—The table of contents of

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.

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.
(a) FINDINGS.—Congress finds that—

(1) from 1880 through 2015, global temperatures have increased by about 1.06 degrees Celsius;

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

(3) emissions of greenhouse gases and atmospheric concentrations of greenhouse gases continue to rise, which results in a continued warming trend;

(4) global warming already has a significant impact on the economy, including the farming, fishing, forestry, and recreation industries;

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

(6) low-income communities, communities of color, indigenous communities and other environmental justice communities in the United States are
inordinately exposed to pollution from fossil fuels, and climate impacts will be disproportionately felt by those communities;

(7) the world is facing a climate emergency;

(8) people in States and local communities across the United States are engaging in and winning the fight to mobilize to solve the climate crisis; and

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

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

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

(2) to implement solutions that acknowledge the intersections of environmental degradation that perpetuate racial, social, and economic inequities;

(3) to protect the lives of low-income and disadvantaged communities and invest in those communities;
(4) to empower communities to prepare for, and react to, the impacts of climate change that are already being experienced;

(5) to demonstrate to the international community a commitment by the Federal Government to aggressively reduce carbon pollution;

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

(7) to ensure universal access to clean and renewable energy for all homes and businesses in the United States.

(e) Statement of Policy.—It is the policy of the United States that—

(1) the United States should aggressively reduce carbon pollution as rapidly as practicable, and achieve 100 percent clean and renewable energy not later than 2050; and

(2) the Federal Government should do everything in its power—

(A) to protect public health and environment;

(B) to avoid the most dangerous impacts of climate change; and
(C) to promote a rapid, just, and equitable transition to a clean energy economy.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) CLIMATE FUND.—The term “Climate Fund” means the Climate Fund established by section 702(a).

(3) COUNCIL.—The term “Council” means the National Climate Change Council established by section 701(b).

(4) DISADVANTAGED COMMUNITY.—

(A) IN GENERAL.—The term “disadvantaged community” means a community that is disadvantaged based on geographic, public health, environmental hazard, or socioeconomic criteria.

(B) INCLUSIONS.—The term “disadvantaged community” includes—

(i) an area burdened by cumulative environmental pollution or other hazard that can lead to a negative public health effect;
(ii) an area with a concentration of people that—

(I) are low-income;

(II) have high unemployment;

(III) have a high rent burden;

(IV) have a low level of home ownership;

(V) have a low level of educational attainments; or

(VI) are members of groups that have historically experienced discrimination on the basis of race or ethnicity; and

(iii) an area that is vulnerable to the impact of climate change such as flooding, storm surges, and urban heat island effects.

(5) **Indian Tribe.**—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(6) **Low-Income Community.**—The term “low-income community” means a census or tribal block group in which not less than 50 percent of house-
holds have an annual income that is less than 80 percent of the greater of—

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

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

(7) RAIL.—

(A) IN GENERAL.—The term “rail” means any entity transporting goods or passengers operating on the general railroad system of transportation (as defined in Appendix A of part A of title 49, Code of Federal Regulations (or successor regulations)).

(B) EXCLUSION.—The term “rail” does not include rapid transit operations in an urban area not connected to the general railroad system of transportation (as defined in Appendix A of part 209 of title 49, Code of Federal Regulations (or successor regulations)).

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

(9) STATE.—The term “State” means—

(A) a State;
(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

and

(D) any other territory or possession of the United States.

(10) ZERO-EMISSION VEHICLE.—The term “zero-emission vehicle” means a vehicle that produces zero exhaust emissions of any criteria pollutant, precursor pollutant, or greenhouse gas in any mode of operation or condition, as determined by the Administrator.

TITLE I—CLEAN AND RENEWABLE ENERGY FOR ALL

SEC. 101. MAKING PUBLIC TRANSPORTATION AFFORDABLE AND ACCESSIBLE.

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

(b) GOALS.—The goals of the Program are—

(1) to facilitate affordable and accessible zero-emission vehicle-based public transportation;

(2) to establish regionally appropriate, interoperable models for zero-emission vehicle-based public transportation in diverse communities throughout the United States;
(3) to encourage the innovation and investment necessary to achieve mass market modes of zero-emission vehicle-based public transportation; and

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

(c) Competitive Grants.—

(1) In general.—The Secretary shall establish a competitive process to select communities for the Program to receive grants.

(2) Community selection criteria.—Not later than 150 days after the date of enactment of this Act, the Secretary shall publish a set of selection criteria for the grants competition that—

(A) shall prioritize communities that demonstrate affordable modes of access to zero-emission vehicle-based public transportation for disadvantaged communities;

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

(i) the combination of selected communities is diverse in population, population density, demographics, urban and
suburban composition, typical commuting
patterns, and climate;

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

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

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

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

(3) APPLICATIONS.—

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

(B) JOINT SPONSORSHIP.—
(i) **IN GENERAL.**—An application submitted under subparagraph (A) may be jointly sponsored by electric utilities, automobile manufacturers, technology providers, carsharing companies or organizations, third-party zero-emission vehicle service providers, nongovernmental organizations, or other appropriate entities.

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

(4) **SELECTION.**—Not later than 120 days after an application deadline has been established under subparagraph (A), the Secretary shall announce the names of the communities selected under this subsection.

(5) **COMMUNITY PLANS.**—Plans for the deployment of zero-emission vehicle-based public transportation shall include—

(A) a proposed level of cost sharing;
(B) documentation demonstrating a project involving relevant stakeholders, including—

(i) a list of stakeholders that includes—

(I) elected and appointed officials from each of the participating State, local, and tribal governments;

(II) all relevant generators and distributors of electricity;

(III) State utility regulatory authorities;

(IV) departments of public works and transportation;

(V) as appropriate, owners and operators of regional electric power distribution and transmission facilities; and

(VI) as appropriate, other existing community coalitions recognized by the Department of Energy;

(ii) evidence of the commitment of the stakeholders to participate in the project;

(iii) a clear description of the role and responsibilities of each stakeholder; and
(iv) a plan for continuing the engagement and participation of the stakeholders, as appropriate, throughout the implementation of the deployment plan;

(C) descriptions of incentives for economically disadvantaged residents in the community to ensure affordable access to zero-emission vehicle-based public transportation, in addition to any Federal incentives;

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

(E) a plan for monitoring and evaluating the implementation of the plan, including metrics for assessing the success of the deployment and an approach to updating the plan, as appropriate; and

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

(d) FUNDING.—The Secretary shall use to carry out this section not more than $30,000,000,000 for each fiscal year from the Climate Fund.
SEC. 102. MAKING SOLAR ENERGY AFFORDABLE AND ACCESSIBLE TO LOW-INCOME AND DISADVANTAGED FAMILIES.

(a) DEFINITIONS.—In this section:

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

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

(A) is owned by a subscriber organization;

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

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

(D) reserves not less than 25 percent of the quantity of electricity generated by the facility for households in low-income communities and disadvantaged communities that are subscribers to the facility.

(3) ELIGIBLE ENTITY.—

(A) IN GENERAL.—The term “eligible entity” means—

(i) a low-income household;
(ii) a household in a disadvantaged community;

(iii) a unit of State, territorial, or local government;

(iv) an Indian tribe;

(v) a Native Hawaiian community-based organization;

(vi) a rural area (as defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a))); and

(vii) any other national or regional entity that—

(I) deploys a safe, high-quality photovoltaic solar electricity generating facility for consumers under a model that maximizes energy savings to those consumers; and

(II) has experience, as determined by the Secretary, in the installation of solar systems using a job training or community volunteer-based installation model.
(B) LOAN PROGRAM.—With respect to a loan provided under this section, the term “eligible entity” means—

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

(ii) a private entity that—

(I) deploys a safe, high-quality photovoltaic solar electricity generating facility for consumers under a model that maximizes energy savings to those consumers; and

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

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

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

(B) reside in an owner-occupied home.

(5) LOW-INCOME HOUSEHOLD.—The term “low-income household” means a household with an income equal to 80 percent or less of the applicable
area median income, as defined for the applicable year by the Secretary of Housing and Urban Development.

(6) **Multi-family affordable housing.**—The term “multi-family affordable housing” means any federally subsidized affordable housing complex in which not less than 50 percent of the units are reserved for low-income households and households in disadvantaged communities.

(7) **Native Hawaiian community-based organization.**—The term “Native Hawaiian community-based organization” means any organization that is composed primarily of Native Hawaiians from a specific community and that assists in the social, cultural, and educational development of Native Hawaiians in that community.

(8) **Photovoltaic solar electricity generating facility.**—The term “photovoltaic solar electricity generating facility” means—

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

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

(i) onto the electric grid; or

(ii) into an energy storage device.
(9) Subscriber.—The term “subscriber” means an electricity consumer who—

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

(B) has identified 1 or more physical locations—

(i) to which the subscription will be attributed;

(ii) within the same electric utility service territory, or within the same geographical area, as the community solar facility, in accordance with applicable State and local law; and

(iii) that may change from time to time, subject to the condition that the physical location shall be within the geographical limits allowed for a subscriber of the applicable community solar facility; and

(C) confirms the status of the consumer as a low-income household, or a household in a disadvantaged community, for each applicable fiscal year.
(10) **Subscription.**—The term “subscription” means a share in the capacity, or a proportional interest in the solar electricity generation, of a community solar facility.

(11) **Underserved area.**—The term “underserved area” means—

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

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

(b) **Establishment of Loan and Grant Program.**—

(1) **In general.**—The Secretary shall establish a program under which the Secretary shall provide loans and grants to eligible entities for use in accordance with this section.

(2) **Funding.**—

(A) **In general.**—Subject to the availability of appropriations, the Secretary shall make grants and issue loans in accordance with this subsection.

(B) **Loans.**—Subject to subparagraph (D), not more than 50 percent of funds made available under subparagraph (A) for a fiscal
year shall be used to provide loans to eligible entities for—

(i) community solar facilities; or

(ii) multi-family affordable housing solar installations.

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

(i) to pay the upfront costs of photovoltaic solar electricity generating facilities installed on properties of grant-eligible households; or

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

(D) INCREASE IN LOAN AMOUNT.—Notwithstanding subparagraph (B), if the Secretary determines that more than 50 percent of the amounts described in that subparagraph are necessary for any of fiscal years 2018 through 2050 to provide loans to encourage innovative financing and installation models to reach underserved markets, the Secretary may use more
than 50 percent of those amounts to provide those loans.

(3) GOALS AND ACCOUNTABILITY.—

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

(i) the assistance provided under this subsection is used to facilitate and encourage innovative solar installation and financing models, under which the recipients develop and install photovoltaic solar electricity generating facilities that provide significant savings to low-income households and households in disadvantaged communities while providing job training or community engagement opportunities with respect to each solar system installed;

(ii) loan and grant recipients—

(I) install not less than 600 kilowatts of photovoltaic solar energy during the 2-year period ending on the date on which the loan or grant is provided to ensure consumer protection; 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;
(iv) the provision of assistance under this subsection establishes and fosters a partnership between the Federal Government and eligible entities, resulting in efficient development of solar installations with—

(I) minimal governmental intervention;

(II) limited governmental regulation; and

(III) significant involvement by nonprofit and private entities;

(v) solar projects installed using assistance provided under this subsection—

(I) shall include job training; and

(II) may include community participation in which job trainees and volunteers assist in the development of solar projects;

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

(I) areas with low photovoltaic penetration;

(II) rural areas;
(III) Indian tribal areas; and

(IV) other underserved areas, including Alaskan Native and Appalachian communities;

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

(viii) to the maximum extent practicable, solar installation activities for which assistance is provided under this section leverage, or connect grant-eligible households to, federally or locally subsidized weatherization and energy efficiency efforts that meet or exceed local energy efficiency standards.

(B) DETERMINATION.—If, at any time, the Secretary determines that any goal described in subparagraph (A) cannot be met by providing assistance in accordance with this subsection, the Secretary shall immediately submit to the appropriate committees of Congress a written notice of that determination, including any proposed changes necessary to achieve the goal.

(4) COMMUNITY SOLAR FACILITIES.—
(A) **In General.**—A community solar facility may use a loan provided under this subsection only to offset the costs of generation and provision of solar energy to low-income households, and households in disadvantaged communities, that are subscribers of the community solar facility.

(B) **Transfer and Assignment of Subscriptions.**—A subscription to a community solar facility that receives assistance under this subsection may be transferred or assigned by the subscriber to—

(i) any subscriber organization; or

(ii) any individual or entity who qualifies to be a subscriber to that community solar facility.

(C) **Treatment.**—

(i) **In General.**—No owner, operator, or subscriber of a community solar facility that receives assistance under this subsection shall be subject to regulation by the Federal Energy Regulatory Commission solely as a result of an interest in the community solar facility.
(ii) **Price of Subscription.**—The price paid for any subscription to a community solar facility shall not be subject to the regulation of any Federal department, agency, or commission.

(c) **National Competition.**—

(1) **In General.**—The Secretary shall select eligible entities to receive loans or grants under this section through a nationwide competitive process, to be established by the Secretary.

(2) **Applications.**—To be eligible to receive a loan or grant under this section, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(3) **Requirements.**—In selecting eligible entities to receive loans or grants under this section, the Secretary shall, at a minimum—

(A) require that the eligible entity—

(i) enter into a grant or loan agreement, as applicable, under subsection (d); and

(ii) has obtained financial commitments (or has demonstrated the capacity...
to obtain financial commitments) necessary

to comply with that agreement;

(B) ensure that loans and grants are pro-

vided, and amounts are used, in a manner that
results in geographical diversity throughout the
United States and within States, territories, and Indian tribal land among photovoltaic solar
electricity generating facilities installed using
the assistance provided under this section;

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

(i) geographical areas, throughout the
United States and within States, territ-
ories, and Indian tribal land, with—

(I) low photovoltaic solar pene-
tration; or

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

(ii) rural communities;

(iii) Indian tribes; and

(iv) other underserved areas, including
Appalachian and Alaska Native commu-
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
in which the solar systems will be developed;

(iii) to use the assistance in a manner that leverages other sources of funding (other than loans or grants under this section), including private or public funds, in developing the solar projects; and

(iv) to establish loan terms, if applicable, that maximize the benefit to the low-income households, and households in disadvantaged communities, receiving solar energy from the eligible entity;

(B) require the Secretary to rescind any amounts provided to the eligible entity that are not used during the 2-year period beginning on the date on which the amounts are initially distributed to the eligible entity, except in any case in which the eligible entity has demonstrated to the satisfaction of the Secretary that a longer period, not to exceed 3 years after the date of initial distribution, is necessary to deliver proposed services;

(C) with respect to a loan provided under this section, establish—
(i) an interest rate equal to the cost of funds to the Department of the Treasury for obligations of comparable maturity to the loan as of the date on which the loan agreement is entered into; and

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

(D) contain such other terms as the Secretary may require to ensure compliance with the requirements of this section.

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

(1) PHOTOVOLTAIC SOLAR EQUIPMENT AND INSTALLATION.—To pay the costs of—

(A) solar equipment, including only photovoltaic solar equipment and storage and all hardware or software components relating to safely producing, monitoring, and connecting
the system to the electric grid or onsite storage;
and

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

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

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

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

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

(A) to advise State and local entities re-
garding solar policy, regulatory, and program
design to continue and expand the work of the
entities in low-income communities and dis-
advantaged communities;
(B) to foster community outreach and education regarding the benefits of photovoltaic solar energy for low-income communities and disadvantaged communities; or

(C) to provide apprenticeship program opportunities registered and approved by—

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

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

(4) Administration.—To pay the administrative expenses of the eligible entity, including preproject feasibility efforts, in carrying out the duties of the Secretary associated with delivering proposed services, except that not more than 15 percent of the total amount of the assistance provided to the eligible entity under this section may be used for administrative expenses.

(f) Compliance.—

(1) Records and Audits.—During the period beginning on the date of initial distribution to an eligible entity of a loan or grant under this section and ending on the termination date of the loan or grant
under subsection (g), the eligible entity shall maintain such records and adopt such administrative practices as the Secretary may require to ensure compliance with the requirements of this section and the applicable loan or grant agreement.

(2) Determination by Secretary.—If the Secretary determines that an eligible entity that receives a grant or loan under this section has not, during the 2-year period beginning on the date of initial distribution to the eligible entity of the assistance (or such longer period as is established under subsection (d)(2)(B)), substantially fulfilled the obligations of the eligible entity under the applicable loan or grant agreement, the Secretary shall—

(A) rescind the balance of any funds distributed to, but not used by, the eligible entity under this section; and

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

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

(1) fully expended by the eligible entity; or
(2) returned to the Secretary.

(h) Regulations.—Not later than 90 days after the date of enactment of this Act, the Secretary shall promulgate such regulations as the Secretary determines to be necessary to carry out this section, to take effect on the date of promulgation.

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

SEC. 103. MAKING ENERGY EFFICIENCY RETROPTS AFFORDABLE AND ACCESSIBLE TO LOW-INCOME AND DISADVANTAGED FAMILIES.

(a) Weatherization Assistance Program.—Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended to read as follows:

“SEC. 422. FUNDING.

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

(b) Technical Correction.—Section 415 of the Energy Conservation and Production Act (42 U.S.C. 6865) is amended in subsections (d) and (e)(1)(A) by striking “section 422(b)” each place it appears and inserting “section 422”. 
SEC. 104. MAKING ELECTRICITY AFFORDABLE FOR LOW INCOME AND DISADVANTAGED FAMILIES.

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

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

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

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

SEC. 105. INCREASING SUSTAINABLE COMMUNITY DEVELOPMENT CAPACITY.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE COMMUNITY DEVELOPMENT ORGANIZATION.—The term “eligible community development organization” means—

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

(B) a community housing development organization (as defined in section 104 of the...
Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704));

(C) an Indian tribe;

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

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

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

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

(b) GRANTS TO NONPROFIT ORGANIZATIONS.—The Secretary may make grants to nonprofit organizations to provide training, education, support, or advice to an eligible community development organization or qualified youth service and conservation corps—

(1) to improve energy efficiency;

(2) to design strategies to maximize energy efficiency; and

(3) to promote—
(A) resource conservation and reuse;

(B) the installation or construction of renewable energy technologies or facilities, such as wind, wave, solar, and geothermal energy; and

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

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

(d) AWARD OF CONTRACTS.—Contracts for architectural or engineering services funded with amounts from grants made under this section shall be awarded in accordance with chapter 11 of title 40, United States Code.

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

SEC. 106. TRAINING WORKERS FOR JOBS IN CLEAN ENERGY.

(a) DEFINITIONS.—In this section:
(1) **Eligible Partnership.**—The term “eligible partnership” means a partnership that includes—

(A) not less than 1—

(i) local educational agency that is eligible for funding under section 131 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2351); or

(ii) area career and technical education school or educational service agency described in subsection (e) or (f) of such section;

(B) not less than 1 postsecondary institution eligible for funding under section 132 of such Act (20 U.S.C. 2352); and

(C) representatives of the community, including nonprofit organizations, business entities, labor organizations, or industry entities that have experience in fields described in subsection (b)(1).

(2) **Program of Study.**—The term “program of study” means a program of study for a field described in subsection (b)(1) that contains the information described in section 122(c)(1)(A) of the Carl

(b) Program Authorized.—

(1) In general.—The Secretary of Education is authorized to award grants, on a competitive basis, to eligible partnerships to enable the eligible partnerships to develop programs of study that are focused on emerging careers and jobs in the fields of clean energy, renewable energy, energy efficiency, climate change mitigation, and climate change adaptation.

(2) Consultation.—The Secretary of Education shall consult with the Secretary of Labor and the Secretary prior to the issuance of a solicitation for grant applications under this section.

(e) Application.—

(1) In general.—An eligible partnership seeking a grant under this section shall submit an application to the Secretary of Education at such time and in such manner as such Secretary may require.

(2) Contents.—Each application submitted under this subsection shall include—

(A) a description of the eligible partnership and the roles and responsibilities of each partner in the partnership, and a demonstration of
each partner’s capacity to support the program

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

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

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

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

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

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

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

(F) a description of the applied learning
that will be incorporated into the program of
study and how the applied learning will incor-
porate or reinforce academic learning;
(G) a description of how the proposed program of study will be delivered;

(H) a description of how the program of study will provide accessibility to students, especially economically disadvantaged, low-performing, urban, and rural students;

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

(J) a description of how the applicant proposes to consult or has consulted with a labor organization, labor management partnership, apprenticeship program, or joint apprenticeship and training program, that provides education and training in the field of study for which the applicant proposes to develop a curriculum.

(d) PRIORITY.—In awarding grants under this section, the Secretary of Education shall give priority to any application that proposes—

(1) to use innovative means to deliver the proposed program of study to students, educators, and instructors outside of the eligible partnership;
(2) to focus on low-performing students and special populations, as defined in section 3 of the
Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302);

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

(4) to provide a comprehensive plan to ensure that all students can complete programs of study supported by a grant under this section without borrowing Federal or private education loans.

(e) PEER REVIEW.—

(1) IN GENERAL.—The Secretary of Education shall convene a peer review process to review applications for grants under this section and to make recommendations regarding the selection of grantees.

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

(A) educators who have experience implementing curricula with comparable purposes; and

(B) business and industry experts in fields described in subsection (b)(1).
(f) Use of Funds.—An eligible partnership receiving a grant under this section shall use grant funds for the development, implementation, and dissemination of 1 or more programs of study in a career area related to a field described in subsection (b)(1).

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

SEC. 107. REQUIREMENTS FOR APPRENTICESHIP PROGRAMS AND EMPLOYMENT OF TARGETED WORKERS.

(a) Definitions.—In this section:

(1) Qualified Apprenticeship or Other Training Program.—The term “qualified apprenticeship or other training program” means—

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

(i) not later than 18 months after the date of enactment of this Act, not less than 50 percent of participating first-year
apprentices or trainees are projected to be targeted workers; and 

(ii) not later than 4 years after the date of enactment of this Act, not less than 30 percent of all apprentices or trainees are projected to be targeted workers; and 

(B) in any case in which the Secretary of Labor certifies that a qualified apprenticeship or other training program described in subparagraph (A) for a craft or trade classification of workers that a prospective contractor or sub-contractor intends to employ is not operated in the locality in which a project will be performed, an apprenticeship or other training program that is not an employee welfare benefit plan (as so defined) if the Secretary of Labor determines that the apprenticeship or other training program—

(i) is registered with the Office of Apprenticeship of the Department of Labor or a State apprenticeship agency recognized by the Office of Apprenticeship for Federal purposes; and
(ii) meets the requirements of sub-
paragraph (A).

(2) Targeted worker.—The term “targeted
worker” means an individual who—

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

(B) is—

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

(ii) a member of a family that re-
ceived an annual family income that, dur-
ing the 2-year period prior to employment
on the project or admission to the
preapprenticeship program, did not exceed
200 percent of the most recent annual
Federal Poverty Income Guidelines published by the Department of Health and Human Services, excluding—

(I) unemployment compensation;

(II) child support payments;

(III) cash payments under a Federal, State, or local income-based public assistance program; and

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

(iii) a member of a disadvantaged community.

(b) Preapprenticeship Requirements.—Each contractor and subcontractor on any contract for construction services for a project funded directly by, or assisted in whole or in part by or through, the Federal Government pursuant to this Act or an amendment made by this Act shall agree to provide not less than 1 percent of the contract amount to fund preapprenticeship programs that—

(1) demonstrate the ability to recruit, train, and prepare for admission to apprenticeship pro-
grams individuals who qualify as targeted workers; and

(2) arrange to provide individuals who successfully complete the preapprenticeship program to qualified apprenticeship or other training programs.

(c) QUALIFIED APPRENTICESHIP AND OTHER TRAINING PROGRAMS.—Each contractor and subcon-tractor that seeks to provide construction services on projects funded directly by, or assisted in whole or in part by or through, the Federal Government pursuant to this Act or an amendment made by this Act shall submit adequate assurances with the bid or proposal of the contractor or subcontractor that the contractor or subcontractor participates in a qualified apprenticeship or other training program for each craft or trade classification of worker that the contractor or subcontractor intends to em-

(d) EMPLOYMENT OF TARGETED WORKERS.—

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

(A) to the maximum extent practicable, en-

sure that not less than 15 percent of all hours
worked by newly hired laborers and mechanics
employed on the project be performed by tar-
geted workers; and

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

(2) Reliance on identification of tar-
geted workers.—For purposes of this subsection,
contractors and subcontractors may rely on the iden-
tification 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 indi-
individual who, because of lack of work in adversely af-
fected employment, has been totally or partially sepa-
arated from such employment, or has been threat-
ened to be totally or partially separated from such employment.

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

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

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

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

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

(D) a group of firms within a close geo-
graphic proximity, as determined by the Sec-
retary, for which a group of certified adversely
affected workers work.

(5) Certified adversely affected worker.—The term “certified adversely affected worker”
means an adversely affected worker covered by a
certification issued under section 213(a)(2).

(6) Certified or recognized labor organization.—The term “certified or recognized labor or-
ganization” means a labor organization that is cer-
tified or recognized under section 9 of the National
Labor Relations Act (29 U.S.C. 159) as the rep-
resentative of the workers involved.

(7) Energy industry.—The term “energy in-
dustry” means a commercial sector, as determined
by the Secretary, that—

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

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

(8) Partial separation.—The term “partial
separation” means, with respect to an individual
who has not been totally separated, that such indi-
vidual has experienced—
(A) a reduction in hours of work to 80 percent or less of the individual’s average weekly hours in adversely affected employment; and
(B) a reduction in wages to 80 percent or less of the individual’s average weekly wage in such adversely affected employment.

(9) PARTIALLY SEPARATED.—The term “partially separated” means, with respect to an individual who has not been totally separated, that such individual is experiencing partial separation.

(10) RAPID RESPONSE ACTIVITY.—The term “rapid response activity” has the meaning given the term in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3102) except that—
(A) a reference in such section to a State shall be considered to be a reference to the Secretary; and
(B) the reference in such section to funds shall be considered to be a reference to funds reserved by the Secretary under section 242(b)(1).

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

(12) THREATENED.—The term “threatened”, with respect to total or partial separation, means
that an individual is aware of imminent total or par-
tial separation from employment with an applicable
firm or with a company with which the applicable
firm is contracted to provide goods or services.

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

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

Subtitle A—Adjustment Assistance
Program

PART I—GROUP CERTIFICATION

SEC. 211. PETITIONS.

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

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

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

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

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

(2) verify the information included in the petition; and

(3) publish notice in the Federal Register and on the Web site of the Department of Labor that the Secretary has received such petition and has initiated an investigation into whether the group of workers shall be certified under section 213.

(c) HEARING.—

(1) IN GENERAL.—If an individual who submits a petition under subsection (a), or any other individual determined by the Secretary to have a substantial interest in the outcome of the decision of the Secretary regarding certification under section 213,
submits a request for a hearing in accordance with paragraph (2), the Secretary shall—

(A) provide for a public hearing; and

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

(2) SUBMISSION.—The request under paragraph (1) shall be submitted to the Secretary not later than 10 days after the date on which the Secretary publishes notice in the Federal Register under subsection (b)(3).

SEC. 212. GROUP ELIGIBILITY REQUIREMENTS.

(a) CRITERIA.—

(1) IN GENERAL.—A group of workers shall be certified by the Secretary as eligible to apply for adjustment assistance pursuant to a petition filed under section 211, if the Secretary determines that—

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

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

(ii) workers who are totally or partially separated, or threatened to be totally or partially separated, due to the same local or regional circumstance; or
(iii) workers who are serviced by the same one-stop center described in section 121 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3151);

(B) such workers are workers who work in an industry that is a qualifying industry, as determined under paragraph (2);

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

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

(ii) the applicable firm has been closed, relocated, or acquired from another entity or foreign country; or

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

(E) the total or partial separation, threatened total or partial separation, or any of the
actions described in subparagraph (D), are directly attributable to—

(i) actions by the Federal Government;

(ii) the low cost of competing alternative forms of energy; or

(iii) other reasons as determined by the Secretary.

(2) QUALIFYING INDUSTRY.—

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

(B) SUBSEQUENT YEARS.—

(i) SYSTEM.—For any group filing a petition under section 211 on a date that is after the 5-year period described in subparagraph (A), the Secretary shall establish a system in accordance with this subparagraph for determining industries (in addition to the coal-related or coal-depend-
ent industry) to add as qualifying industries.

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

(I) an energy industry; and

(II) an industry for which the Secretary, in consultation with the Secretary of Commerce, has determined that, during the 5-year period preceding the determination of the Secretary under this subparagraph, not less than 20 percent of the workers in such industry are totally or partially separated or are threatened to become totally or partially separated.

(iii) TIMING.—On the date that is 5 years after the date of enactment of this Act, and each year thereafter, the Secretary, in consultation with the Secretary of Commerce, shall determine if any industry meets the qualifications under clause (ii) and add any such industry as a qualifying industry.
(C) Indefinitely Qualified.—Notwithstanding any other provision in this paragraph, an industry that is a qualifying industry, under subparagraph (A) or (B), shall indefinitely remain a qualifying industry.

(b) Basis for Secretary’s Determinations.—

(1) In general.—The Secretary shall, in determining whether to certify a group of workers under section 213, obtain from the workers, the applicable firm, or a customer of the applicable firm, information the Secretary determines to be necessary to make such certification, through questionnaires and in any other manner that the Secretary determines appropriate.

(2) Standards; criteria.—The Secretary shall establish—

(A) standards, including data requirements, to investigate petitions filed under section 211; and

(B) criteria for making determinations under section 213.

(3) Additional information.—The Secretary may seek additional information to determine whether to certify a group of workers—

(A) by contacting—
(i) officials or workers of the applicable firm;

(ii) officials of a certified or recognized labor organization or other duly authorized representative of the group of workers;

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

(iv) the Administrator, the Secretary, the Federal Energy Regulatory Commission, the Secretary of the Army (acting through the Chief of Engineers), the Secretary of the Interior, the United States Geological Survey, the Secretary of Agriculture, the Secretary of Commerce, or the Secretary of the Treasury, as applicable; and

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

(4) VERIFICATION OF INFORMATION.—

(A) CERTIFICATION.—The Secretary shall require the worker, applicable firm, or a customer of such firm to certify—
(i) all information obtained under paragraph (1) through questionnaires; and

(ii) all other information obtained under paragraph (1) from such worker, firm, or customer on which the Secretary relies in making a determination under section 213, unless the Secretary has a reasonable basis for determining that such information is accurate and complete without being certified.

(B) USE OF SUBPOENAS.—

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

(ii) EXCEPTION.—The requirement under clause (i) shall not apply if the worker, applicable firm, or customer of such firm demonstrates to the satisfaction of the Secretary that such worker, firm, or
customer will provide the information within a reasonable period of time.

(C) PROTECTION OF CONFIDENTIAL INFORMATION.—

(i) IN GENERAL.—The Secretary may not release information obtained under paragraph (1) that the Secretary considers to be confidential business information or personally identifiable information unless the worker, applicable firm, or customer whose information is at issue had notice, at the time of submission, that the information would be released by the Secretary, or such worker, applicable firm, or customer subsequently consents to the release of the information.

(ii) EXCEPTION.—Nothing in this subparagraph prohibits the Secretary from providing the confidential business information described in clause (i) to a court in camera or to another party under a protective order issued by a court.

SEC. 213. DETERMINATIONS AND CERTIFICATIONS.

(a) IN GENERAL.—As soon as practicable after the date on which a petition is filed under section 211 and,
subject to subsection (e), not later than 40 days after that
date, the Secretary shall—

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

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

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

(c) PUBLICATION.—

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

(2) LIMITATION ON PERSONAL INFORMATION.—
The publication under paragraph (1)—

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

(B) may include information regarding the
applicable firm.
(d) Termination of Certification.—Whenever the Secretary determines, with respect to any certification of eligibility of the workers of an applicable firm, that total or partial separations, or threatened total or partial separations, from such firm are no longer attributable to the factors described in subparagraph (E) of section 212(a)(1), the Secretary shall—

(1) terminate such certification; and

(2) promptly have notice of such termination, and the reasons for such termination, published in the Federal Register and on the Web site of the Department of Labor.

(e) Extension.—The Secretary may have an extension for completing the determination or issuance under subsection (a) if any individual fails to comply with the requirements for providing information under section 212(b).

SEC. 214. SUBPOENA POWER.

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

(b) Contumacy.—If a person refuses to obey a subpoena issued under subsection (a), a United States district
court within the jurisdiction of which the relevant proceeding under this title is conducted may, on petition by the Secretary, issue an order requiring compliance with such subpoena.

**SEC. 215. JUDICIAL REVIEW.**

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

**PART II—INDIVIDUAL APPLICATIONS; TERMINATION OF ASSISTANCE**

**SEC. 221. ADJUSTMENT ASSISTANCE.**

(a) **IN GENERAL.**—In accordance with this part, the Secretary shall award adjustment assistance for a calendar year to any individual who—

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

(2) is determined by the Secretary to be a certified adversely affected worker as of the date on which such individual submits the application; and

(3) meets all requirements under this section with respect to the applicable adjustment assistance option.
(b) Options.—For a calendar year, an individual may apply for adjustment assistance under not more than 1 of the following options:

(1) Option A.—Option A shall consist of adjustment assistance that is—

(A) federally funded unemployment compensation under part III, and the amendments made by such part;

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

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

(2) Option B.—Option B shall consist of adjustment assistance that is—

(A)(i) funding in an amount equal to the cost of attendance (as defined in section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll)), for a program of education or training of not more than 4 years at a public institution of higher education (as defined in section 102 of such Act (20 U.S.C. 1002)), subject to paragraph (4); or
(ii)(I) training services and appropriate career services under section 242;

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

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

(B) premium subsidy credits and cost sharing benefits for health insurance under section 241, and the amendments made by such section, and additional pension benefits under section 243, and the amendment made by such section.

(3) OPTION C.—Option C shall—

(A) be for an individual who is 62 years of age or older on the date on which such individual submits an application under subsection (a) and—

(i) retires from the adversely affected 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-

(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
under section 242, section 401 of the Higher Education Act of 1965 (20 U.S.C. 1070a), or any other Federal grant assistance program.

(e) Reapplication Process.—An individual who has received adjustment assistance for a calendar year shall reapply for such assistance for any subsequent calendar year subject to subsection (d).

(d) Limitations.—

(1) Option A.—An individual may receive adjustment assistance under subsection (b)(1) for not more than 3 years.

(2) Option B.—An individual may receive adjustment assistance under subsection (b)(2) for not more than 4 years.

(e) Flexibility in Options.—During a calendar year, an individual receiving adjustment assistance under an option under subsection (b) may terminate adjustment assistance under that option and apply to receive adjustment assistance under a different option under such subsection.

SEC. 222. TERMINATION OF ADJUSTMENT ASSISTANCE.

(a) Definition of Comparable Benefits.—In this section, the term “comparable benefits” means benefits that provide the individual with not less than 90 percent of the salary, pension benefits, and health care bene-
fits provided to the individual by the applicable firm imme-
diately prior to the individual becoming an adversely af-
ected worker.

(b) Notification of Comparable Benefits.—Not later than 60 days after obtaining comparable benefits, an individual receiving adjustment assistance shall notify the Secretary of such comparable benefits.

c) Termination.—Any adjustment assistance provided to an individual under this subtitle shall terminate not later than 60 days after the date on which such individual obtains comparable benefits.

PART III—FEDERALLY FUNDED UNEMPLOYMENT COMPENSATION

SEC. 231. TEMPORARY ADDITIONAL UNEMPLOYMENT COMPENSATION PROGRAM FOR CERTAIN ADVERSELY AFFECTED WORKERS.

(a) Federal-State Agreements.—Any State that desires to do so may enter into and participate in an agreement under this section with the Secretary. Any State that is a party to an agreement under this section may, upon providing 30 days’ written notice to the Sec-
retary, terminate such agreement.

(b) Provisions of Agreement.—

(1) In general.—Any agreement under sub-
section (a) shall provide that the State agency of the
State will make payments of temporary additional unemployment compensation to applicable individuals who—

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

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

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

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

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

(A) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment 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 any agreement under this section—

(i) the amount of temporary additional unemployment compensation that 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) subject to subparagraph (B), 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 temporary additional
unemployment compensation and the pay-
ment thereof, except—

(I) that an applicable individual
shall not be eligible for temporary ad-
ditional unemployment compensation
unless, in the base period with respect
to which such individual exhausted all
rights to regular compensation under
the State law, such individual had 20
weeks of full-time insured employment
or the equivalent in insured wages, as
determined under the provisions of
the State law implementing section
202(a)(5) of the Federal-State Ex-
tended Unemployment Compensation
Public Law 91–373); and

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

(iii) the maximum amount of tem-
porary additional unemployment compensa-
tion payable to any applicable individual is 156 weeks.

(B) Exception.—Under an agreement under this section, temporary additional unemployment compensation shall not be denied under subparagraph (A) to an applicable individual for any week by reason of a failure to accept an offer of, or apply for, work if the work does not provide for comparable benefits (as defined in section 222(c)).

(4) No New Benefit Year.—In determining the amount under paragraph (3), a State shall not establish a new benefit year with respect to applicable individuals.

(5) Coordination Rule.—Notwithstanding any other provision of Federal law (and if the State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of emergency unemployment compensation prior to temporary additional unemployment compensation to applicable individuals who otherwise meet the requirements of this section.

(6) Unauthorized Aliens Ineligible.—A State shall require as a condition of temporary additional unemployment compensation that each alien
who receives such compensation must be legally au-

thorized to work in the United States, as defined for

purposes of the Federal Unemployment Tax Act (26

U.S.C. 3301 et seq.). In determining whether an

alien meets the requirements of this subsection, a

State must follow the procedures provided in section

1137(d) of the Social Security Act (42 U.S.C.

1320b–7(d)).

(e) PAYMENTS TO STATES.—

(1) IN GENERAL.—

(A) FULL REIMBURSEMENT.—There shall

be paid to each State which has entered into an

agreement under this section an amount equal

to 100 percent of—

(i) the total amount of additional

weeks of temporary additional unemploy-

tment compensation paid to applicable indi-

viduals by the State pursuant to such

agreement; and

(ii) any additional administrative ex-

penses incurred by the State by reason of

such agreement (as determined by the Sec-

retary).

(B) TERMS OF PAYMENTS.—Sums payable

to any State by reason of such State’s having
an agreement under this section shall be payable, either in advance or by way of reimbursement (as determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this section for a period, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior period were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(2) CERTIFICATIONS.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this section.

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

(d) FRAUD AND OVERPAYMENTS.—

(1) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or
knowingly has failed, or caused another to fail, to
disclose a material fact, and as a result of such false
statement or representation or of such nondisclosure
such individual has received an amount of temporary
additional unemployment compensation to which
such individual was not entitled, such individual—

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

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

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

(A) the payment of such temporary addi-
tional unemployment compensation was without
fault on the part of any such individual; and
(B) such repayment would be contrary to equity and good conscience.

(3) RECOVERY BY STATE AGENCY.—

(A) IN GENERAL.—The State agency shall recover the amount to be repaid, or any part thereof, by deductions from any temporary additional unemployment compensation payable to such individual under this section or from any unemployment compensation payable to such individual under any State or Federal unemployment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individual received the payment of the temporary additional unemployment compensation to which the individual was not entitled, in accordance with the same procedures as apply to the recovery of overpayments of regular unemployment benefits paid by the State.

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

(4) **Review.**—Any determination by a State agency under this subsection shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

(e) **Applicability.**—

(1) **In General.**—An agreement entered into under this section shall apply to weeks of unemployment—

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

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

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

(f) **Definitions.**—In this section:

(1) **Applicable Individual.**—The term “applicable individual” means, with respect to a week of temporary additional unemployment compensation, an individual who—
(A) is a certified adversely affected worker
(as defined in section 202) for such week; and

(B) has been awarded adjustment assistance for option A under section 221(b) for such
week.

(2) EB PROGRAM DEFINITIONS.—The terms
“compensation”, “regular compensation”, “extended
compensation”, “benefit year”, “base period”,
“State”, “State agency”, “State law”, and “week”
have the respective meanings given such terms under
section 205 of the Federal-State Extended Unem-
3304 note).

SEC. 232. PERMANENT STATE REQUIREMENT FOR THE
PROVISION OF ADDITIONAL UNEMPLOYMENT
COMPENSATION FOR CERTAIN ADVERSELY
AFFECTED WORKERS.

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

(1) in section 3304(a)—

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

(B) by redesignating paragraph (19) as
paragraph (20); and
(C) by inserting after paragraph (18) the following new paragraph:

“(19) additional unemployment compensation for applicable individuals shall be payable as provided in section 3312; and”;

(2) by adding at the end the following:

“SEC. 3312. ADDITIONAL UNEMPLOYMENT COMPENSATION FOR CERTAIN ADVERSELY AFFECTED WORKERS.

“(a) ADDITIONAL UNEMPLOYMENT COMPENSATION.—

“(1) IN GENERAL.—

“(A) IN GENERAL.—For purposes of section 3304(a)(19), a State law shall provide that payment of additional unemployment compensation shall be made to applicable individuals who—

“(i) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year;

“(ii) have no rights to regular compensation with respect to a week under such law or any other State unemployment
compensation law or to compensation under any other Federal law;

“(iii) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

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

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

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

“(A) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employ-
ment or wages during such individual's base pe-

riod; or

“(B) such individual's rights to such com-
pensation 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 unem-
ployment compensation which shall be pay-
able 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-
ment compensation and the payment there-
of, except—

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

“(II) where otherwise incon-
sistent with the provisions of this sec-
tion or with the regulations or oper-
ating instructions of the Secretary of
Labor promulgated to carry out this
section; and
“(iii) the maximum amount of additional unemployment compensation payable to any applicable individual is 156 weeks.

“(B) Transition for applicable individuals receiving compensation under the temporary additional unemployment compensation program.—In the case of an applicable individual who received temporary additional unemployment compensation under section 231 of the Clean Energy Worker Just Transition Act for weeks ending prior to January 1, 2020—

“(i) the number of weeks described in subparagraph (A)(iii) shall be reduced by the number of weeks such individual received the temporary additional unemployment compensation under such section 231; and

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

“(4) No new benefit year.—In determining the amount under paragraph (3), a State shall not
establish a new benefit year with respect to applicable individuals.

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

“(6) UNAUTHORIZED ALIENS INELIGIBLE.—A State shall require as a condition of additional unemployment compensation that each alien who receives such compensation must be legally authorized to work in the United States, as defined for purposes of the Federal Unemployment Tax Act (26 U.S.C. 3301 et seq.). In determining whether an alien meets the requirements of this subsection, a State must follow the procedures provided in section 1137(d) of the Social Security Act (42 U.S.C. 1320b–7(d)).

“(b) PAYMENTS TO STATES.—

“(1) IN GENERAL.—
“(A) Full Reimbursement.—There shall be paid to each State an amount equal to 100 percent of—

“(i) the total amount of additional unemployment compensation paid to applicable individuals by the State pursuant to this section; and

“(ii) any additional administrative expenses incurred by the State by reason of this section (as determined by the Secretary of Labor).

“(B) Terms of Payments.—Sums payable to any State by reason of this section shall be payable, either in advance or by way of reimbursement (as determined by the Secretary of Labor), in such amounts as the Secretary of Labor estimates the State will be entitled to receive under this section for a period, reduced or increased, as the case may be, by any amount by which the Secretary of Labor finds that his estimates for any prior period were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the
Secretary of Labor and the State agency of the State involved.

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

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

“(c) FRAUD AND OVERPAYMENTS.—

“(1) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of additional unemployment compensation to which such individual was not entitled, such individual—

“(A) shall be ineligible for further additional unemployment compensation in accordance with the provisions of the applicable State unemployment compensation law relating to
fraud in connection with a claim for unemployment compensation; and

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

“(2) Repayment.—In the case of individuals who have received amounts of additional unemployment compensation to which they were not entitled, the State shall require such individuals to repay the amounts of such additional unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

“(A) the payment of such additional unemployment compensation was without fault on the part of any such individual; and

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

“(3) Recovery by State Agency.—

“(A) In General.—The State agency shall recover the amount to be repaid, or any part thereof, by deductions from any additional unemployment compensation payable to such individual under this section or from any unemployment compensation payable to such individual under any State or Federal unemploy-
ment compensation law administered by the State agency or under any other State or Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the additional unemployment compensation to which they were not entitled, in accordance with the same procedures as apply to the recovery of overpayments of regular unemployment benefits paid by the State.

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

“(4) REVIEW.—Any determination by a State agency under this subsection shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

“(d) DEFINITIONS.—In this section:
“(1) APPLICABLE INDIVIDUAL.—The term ‘applic- 
aplicable individual’ means, with respect to a week of 
additional unemployment compensation, an indi-
vidual who—
“(A) is a certified adversely affected work-
er (as defined in section 202 of the Clean En-
ergy Worker Just Transition Act) for such 
week; and 
“(B) has been awarded adjustment assist-
ance for option A under section 221(b)(1) of 
such Act for such week.
“(2) EB PROGRAM DEFINITIONS.—The terms 
‘compensation’, ‘regular compensation’, ‘extended 
‘State agency’, ‘State law’, and ‘week’ have the re-
spective meanings given such terms under section 
205 of the Federal-State Extended Unemployment 

(b) CLERICAL AMENDMENT.—The table of sections 
for chapter 23 of subtitle C of the Internal Revenue Code 
of 1986 is amended by adding at the end the following 
item:
“Sec. 3312. Additional unemployment compensation.”.

(e) EFFECTIVE DATE.—The amendments made by 
this section shall take effect on January 1, 2020, and shall
apply to weeks of unemployment ending on or after such date.

PART IV—OTHER BENEFITS AND SERVICES

SEC. 241. ELIGIBILITY FOR PREMIUM SUBSIDY CREDIT AND COST SHARING BENEFITS FOR HEALTH INSURANCE.

(a) Premium Subsidy Credit.—

(1) In general.—Paragraph (1) of section 36B(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(E) Special rule for certain certified adversely affected workers.—If—

“(i) a taxpayer has a household income which is not greater than 100 percent of an amount equal to the poverty line for a family of the size involved, and

“(ii) the taxpayer is a certified adversely affected worker under section 202 of the Clean Energy Worker Just Transition Act and has been awarded adjustment assistance under Option A, Option B, or Option C of section 211(b) of such Act,

the taxpayer shall, for purposes of the credit under this section, be treated as an applicable
taxpayer with a household income which is equal to 100 percent of the poverty line for a family of the size involved.”.

(2) Effective date.—The amendment made by this subsection shall apply to months beginning after December 31, 2017.

(b) Cost Sharing.—The second sentence of section 1402(b) of the Patient Protection and Affordable Care Act is amended by striking “section 36B(e)(1)(B)” and inserting “subparagraph (C) or (E) of section 36B(e)(1)”.

SEC. 242. TRAINING AND SUPPORT FOR EMPLOYMENT.

(a) Definitions.—In this section:

(1) Career services.—The term “career services” means services described in section 134(c)(2) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3174(c)(2)).

(2) Eligible adversely affected worker.—The term “eligible adversely affected worker” means a certified adversely affected worker who has been awarded adjustment assistance under section 221(b)(2).

(3) Suitable employment.—The term “suitable employment”, used with respect to an eligible adversely affected worker, means employment—
(A) at a wage that is not less than 90 per-
cent of the wage the worker received on the day
before the date described in section 213(b); and

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

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

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

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

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

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

(4) use the remainder of the portion to carry
out subsection (e).

(e) CAREER SERVICES AND TRAINING SERVICES.—

(1) FUNDING.—Each fiscal year, the Secretary
shall use the remainder described in subsection
(b)(4) to provide career services and training services to eligible adversely affected workers, or to contribute to the costs of the one-stop delivery system involved.

(2) TREATMENT OF FUNDS.—The Secretary shall treat the funds in that remainder as if the funds are part of the amount described in section 132(b)(2)(B) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3172(b)(2)(B)), except that—

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

(B) the funds in that remainder shall not be counted for purposes of applying section 132(b)(2)(B)(iii) or 133(b)(2)(B)(iii) of that Act (29 U.S.C. 3172(b)(2)(B)(iii), 3173(b)(2)(B)(iii)); and
(C) section 133(b)(4) of that Act (29 U.S.C. 3173(b)(4)) shall not apply to the funds in that remainder.

(d) **Job Search Allowances.**—

(1) **Job Search Allowance Authorized.**—

(A) **Distributions.**—

(i) **Initial Distribution.**—The Secretary shall establish procedures for an initial distribution to States of reserved funds described in subsection (b)(2) and available for a fiscal year. Such procedures may include the distribution of funds pursuant to requests submitted by States in need of such funds.

(ii) **Subsequent Distribution.**—

The Secretary shall establish procedures for the distribution to States of the reserved funds that remain available for the fiscal year after the initial distribution required under clause (i). Such procedures may include the distribution of funds pursuant to requests submitted by States in need of such funds.

(B) **State Use of Funds.**—Each State may use funds distributed to the State under
subparagraph (A) to allow an eligible adversely affected worker who has completed a program of training services or has received appropriate career services to file an application with the Secretary for payment of a job search allowance.

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

(i) Assist eligible adversely affected worker.—The allowance is paid to assist a worker described in subparagraph (B) in securing a job within the United States.

(ii) Local employment not available.—The Secretary determines that the worker cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.

(iii) Application.—The worker has filed an application for the allowance with the Secretary at such time and containing such information as the Secretary may determine.
(2) AMOUNT OF ALLOWANCE.—

(A) IN GENERAL.—Any allowance granted under paragraph (1) shall provide reimbursement to the worker of not more than 90 percent of the necessary job search expenses of the worker as prescribed by the Secretary in regulations.

(B) MAXIMUM ALLOWANCE.—Reimbursement under this paragraph may not exceed $1,250 for any worker.

(C) EXCEPTION.—Notwithstanding subparagraphs (A) and (B), a State may reimburse any worker described in paragraph (1)(B) for necessary expenses incurred by the worker in participating in a job search program approved by the Secretary.

d) RELOCATION ALLOWANCES.—

(1) RELOCATION ALLOWANCE AUTHORIZED.—

(A) DISTRIBUTIONS.—

(i) INITIAL DISTRIBUTION.—The Secretary shall establish procedures for an initial distribution to States of reserved funds described in subsection (b)(3) and available for a fiscal year. Such procedures may include the distribution of funds pursuant to
requests submitted by States in need of such funds.

(ii) Subsequent distribution.—
The Secretary shall establish procedures for the distribution to States of the reserved funds that remain available for the fiscal year after the initial distribution required under clause (i). Such procedures may include the distribution of funds pursuant to requests submitted by States in need of such funds.

(B) State use of funds.—Each State may use funds distributed to the State under subparagraph (A) to allow an eligible adversely affected worker to file an application for a relocation allowance with the Secretary, and the Secretary may grant the relocation allowance, subject to the terms and conditions of this subsection.

(2) Conditions for granting allowance.—
The relocation allowance may be granted if all of the following terms and conditions are met:

(A) Assist eligible adversely affected worker.—The relocation allowance will assist an eligible adversely affected worker
in relocating within the United States to receive
training services or for employment.

(B) LOCAL EMPLOYMENT NOT AVAILABLE.—The Secretary determines that the
worker cannot reasonably be expected to se-
cure—

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

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

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

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

(i) in the case of a worker relocating
to receive training services or for employ-
ment after receiving training services, ob-
tains approval from the Secretary for the
program of training services involved; or
(ii) in the case of a worker relocating for employment, has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which the worker wishes to relocate, or has obtained a bona fide offer of such employment.

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

(i) in the case of a worker relocating for employment or to receive training services, the later of—

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

(II) the 425th day after the date of the worker’s last total separation;

or

(ii) in the case of a worker relocating for employment after receiving training services, the date that is the 182d day after the date on which the worker concluded a program of training services approved by the Secretary under subparagraph (D)(i).
(3) AMOUNT OF ALLOWANCE.—Any relocation allowance granted to a worker under paragraph (1) shall include—

(A) not more than 90 percent of the reasonable and necessary expenses (including subsistence and transportation expenses at levels not exceeding those allowable as specified in regulations prescribed by the Secretary) incurred in transporting the worker, the worker's family, and household effects; and

(B) a lump sum equivalent to 3 times the worker's average weekly wage, up to a maximum payment of $1,250.

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

(A) in the case of a worker relocating for employment or to receive training services, the relocation occurs within 182 days after the filing of the application for relocation assistance; or

(B) in the case of a worker relocating for employment after receiving training services, the relocation occurs within 182 days after the conclusion of a program of training services ap-
proved by the Secretary under paragraph (2)(D)(i).

SEC. 243. ADDITIONAL PENSIONS BENEFITS.

(a) IN GENERAL.—In the case that, with respect to a certified adversely affected worker, the amount of pension plan benefits guaranteed under section 4022 or 4022A of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322, 1322a), subject to section 4022B of such Act (29 U.S.C. 1322b) is less than the amount of the nonforfeitable benefit to which such employee was entitled under the terms of the pension plan of the applicable firm immediately before the date of the insolvency of such applicable firm, the Pension Benefit Guaranty Corporation shall make payments to such certified adversely affected worker or to the multiemployer plan of the certified adversely affected worker, as applicable, on a monthly basis in an amount equal to—

(1) the excess of—

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

(B) the amount so guaranteed; and

(2) the payments otherwise made to such worker in accordance with section 4022 or 4022A of the Employee Retirement Income Security Act of 1974

(b) TRANSFERS FROM FUND.—Each fiscal quarter, the Secretary of Labor shall transfer from the Trust Fund established under section 251 to the fund established under subsection (i) of section 4005 of the Employee Retirement Income Security Act (29 U.S.C. 1305) (as added by subsection (c)), an amount equal to the aggregate payments that are expected to be made under subsection (a)(1) by the Pension Benefit Guaranty Corporation in the subsequent fiscal quarter. The Secretary of Labor may adjust the amounts so transferred for a fiscal quarter to account for any overpayment or underpayment so made in a previous fiscal quarter.

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

“(i) An eighth fund shall be established and credited with any amounts transferred in accordance with section 243(b) of the Clean Energy Worker Just Transition Act. Such amounts shall be made available to make payments 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
(B) for the administrative costs associated with carrying out subparagraph (A) and this section.

(2) Tax Credits and Incentives.—From time to time there shall be transferred from the Trust Fund to the general fund of the Treasury amounts equal to the decrease in revenues to the Treasury resulting from the amendments made by sections 241 and 261.

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

SEC. 252. MODIFICATIONS TO RULES RELATING TO INVERTED CORPORATIONS.

(a) In General.—Subsection (b) of section 7874 of the Internal Revenue Code of 1986 is amended to read as follows:

“(b) Inverted Corporations Treated as Domestic Corporations.—

“(1) In General.—Notwithstanding section 7701(a)(4), a foreign corporation shall be treated for purposes of this title as a domestic corporation if—
“(A) such corporation would be a surrogate foreign corporation if subsection (a)(2) were applied by substituting ‘80 percent’ for ‘60 percent’, or

“(B) such corporation is an inverted domestic corporation.

“(2) INVERTED DOMESTIC CORPORATION.—For purposes of this subsection, a foreign corporation shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—

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

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

“(ii) substantially all of the assets of, or substantially all of the properties constituting a trade or business of, a domestic partnership, and

“(B) after the acquisition, either—

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

“(I) in the case of an acquisition with respect to a domestic corpora-
tion, by former shareholders of the
domestic corporation by reason of
holding stock in the domestic corpora-
tion, or
“(II) in the case of an acquisition
with respect to a domestic partner-
ship, by former partners of the do-
mestic partnership by reason of hold-
ing a capital or profits interest in the
domestic partnership, or
“(ii) the management and control of
the expanded affiliated group which in-
cludes the entity occurs, directly or indi-
rectly, 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 en-
tity has substantial business activities in the foreign
country in which or under the law of which the enti-
ty is created or organized when compared to the
total business activities of such expanded affiliated group. For purposes of subsection (a)(2)(B)(iii) and the preceding sentence, the term ‘substantial business activities’ shall have the meaning given such term under regulations in effect on May 8, 2014, except that the Secretary may issue regulations increasing the threshold percent in any of the tests under such regulations for determining if business activities constitute substantial business activities for purposes of this paragraph.

“(4) MANAGEMENT AND CONTROL.—For purposes of paragraph (2)(B)(ii)—

“(A) IN GENERAL.—The Secretary shall prescribe regulations for purposes of determining cases in which the management and control of an expanded affiliated group is to be treated as occurring, directly or indirectly, primarily within the United States. The regulations prescribed under the preceding sentence shall apply to periods after May 8, 2014.

“(B) EXECUTIVE OFFICERS AND SENIOR MANAGEMENT.—Such regulations shall provide that the management and control of an expanded affiliated group shall be treated as occurring, directly or indirectly, primarily within
the United States if substantially all of the exec-

tutive officers and senior management of the

developed affiliated group who exercise day-to-
day responsibility for making decisions involving

strategic, financial, and operational policies of

the expanded affiliated group are based or pri-

marily located within the United States. Indi-

viduals who in fact exercise such day-to-day re-

sponsibilities shall be treated as executive offi-

cers and senior management regardless of their

title.

“(5) SIGNIFICANT DOMESTIC BUSINESS ACTIVI-

TIES.—For purposes of paragraph (2)(B)(ii), an ex-

panded affiliated group has significant domestic

business activities if at least 25 percent of—

“(A) the employees of the group are based

in the United States,

“(B) the employee compensation incurred

by the group is incurred with respect to employ-

ees based in the United States,

“(C) the assets of the group are located in

the United States, or

“(D) the income of the group is derived in

the United States,
determined in the same manner as such determinations are made for purposes of determining substantial business activities under regulations referred to in paragraph (3) as in effect on May 8, 2014, but applied by treating all references in such regulations to ‘foreign country’ and ‘relevant foreign country’ as references to ‘the United States’. The Secretary may issue regulations decreasing the threshold percent in any of the tests under such regulations for determining if business activities constitute significant domestic business activities for purposes of this paragraph.”.

(b) CONFORMING AMENDMENTS.—

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

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

(A) in paragraph (2)—

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

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

(C) in paragraph (5), by striking “subsection (a)(2)(B)(ii)” and inserting “subsections (a)(2)(B)(ii) and (b)(2)(B)(i),” and

(D) in paragraph (6), by inserting “or inverted domestic corporation, as the case may be,” after “surrogate foreign corporation”.

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

PART VI—MISCELLANEOUS PROVISIONS

SEC. 261. CREDIT FOR HIRING UNEMPLOYED CERTIFIED ADVERSELY AFFECTED WORKERS.

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

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

(b) DEFINITION OF QUALIFIED ADVERSELY AFFECTED ENERGY INDUSTRY UNEMPLOYED WORKER.—
Subsection (d) of section 51 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(16) QUALIFIED ADVERSELY AFFECTED ENERGY INDUSTRY UNEMPLOYED WORKER.—The term ‘qualified adversely affected energy industry unemployed worker’ means any individual who—

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

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

“(i) having aggregate periods of unemployment during the 1-year period ending on the hiring date which equal or exceed 4 weeks (but less than 6 months), or

“(ii) having aggregate periods of unemployment during the 1-year period ending on the hiring date which equal or exceed 6 months.”.

(c) INCREASED CREDIT AMOUNT FOR LONG-TERM UNEMPLOYED WORKERS.—Section 51(b)(3) of the Internal Revenue Code of 1986 is amended—
(1) by striking “and” before “$24,000”, and
(2) by inserting “, and $14,000 per year in the case of any individual who is a qualified adversely affected energy industry unemployed worker by reason of subsection (d)(16)(B)(ii)” after “subsection (d)(3)(A)(ii)(II)”.

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

“(4) SPECIAL RULE FOR QUALIFIED ADVERSELY AFFECTED ENERGY INDUSTRY UNEMPLOYED WORKERS.—The term ‘qualified wages’ shall not include any wages paid to qualified adversely affected energy industry unemployed worker unless the position for which such worker is hired for is a comparable occupation as determined under section 222 of the Clean Energy Worker Just Transition Act.”.

(e) TERMINATION PROVISION NOT TO APPLY.—Paragraph (4) of section 51(e) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: “The preceding sentence shall not apply with respect to amounts paid or incurred to qualified adversely affected energy industry unemployed workers.”.
(f) **Effective Date.**—The amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2017.

**SEC. 262. ENFORCEMENT.**

(a) **Violations.**—It shall be a violation of this sub-title to for any person to—

1. make a false statement of a material fact knowing it to be false, or knowingly fail to disclose a material fact, for the purpose of obtaining or increasing for that person or for any other person any payment authorized to be furnished under this sub-title; or

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

(b) **Penalties.**—Any person who commits a violation under subsection (a) shall be imprisoned for not more than 1 year, fined under title 18, United States Code, or both.

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

(a) **General Information.**—The Secretary shall provide—

   (1) full information to workers about—
(A) the adjustment assistance available under this subtitle; and

(B) the petition and application procedures, and the appropriate filing dates, for such adjustment assistance;

(2) whatever assistance is necessary to enable groups of workers to prepare petitions or applications for such adjustment assistance;

(3) the applicable eligible agency, as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302), or any equivalent agency, and public or private agencies, institutions, and employers, as appropriate, with information of each certification issued under section 213 and of projections, if available, of the needs for training under section 242 as a result of such certification; and

(4) labor organizations and other community organizations with funding from the Trust Fund established under section 251, to conduct community outreach to educate adversely affected workers about such adjustment assistance.

(b) Written Notice to Individuals.—The Secretary shall provide written notice through the mail of the adjustment assistance available under this subtitle to each
worker whom the Secretary has reason to believe is covered by a certification under section 213—

(1) at the time such certification is made, if the worker was partially or totally separated, or threatened to become totally or partially separated, from the adversely affected employment before such certification, or

(2) at the time of the total or partial separation, or threatened total or partial separation, of the worker from the adversely affected employment, if paragraph (1) does not apply.

(c) Published Notice.—The Secretary shall publish notice of the adjustment assistance available under this subtitle to workers covered by each certification issued under section 213 in newspapers of general circulation in the areas in which such workers reside.

(d) Notification to Department of Commerce.—Not later than 60 days after the date of enactment of this Act, and each year thereafter, the Secretary shall prepare and submit a report to the Department of Commerce on the geographic location and sector implicated by each certification issued under section 213.
SEC. 264. AMENDMENT TO SURFACE MINING CONTROL AND RECLAMATION ACT OF 1977.

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

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

“(A) IN GENERAL.—Subject to”; and

(2) by adding at the end the following:

“(B) EXCESS AMOUNTS.—

“(i) IN GENERAL.—Subject to paragraph (3), and after all transfers referred to in subparagraph (A) and paragraph (1) have been made, any amounts remaining after the application of paragraph (3)(A) (without regard to this subparagraph) shall be transferred to the trustees of the 1974 UMWA Pension Plan and used solely to pay pension benefits required under such plan.

“(ii) 1974 UMWA PENSION PLAN.—

For purposes of this subparagraph, the term ‘1974 UMWA Pension Plan’ means a pension plan referred to in section 9701(a)(3) of the Internal Revenue Code of 1986 but without regard to whether
participation in such plan is limited to individuals who retired in 1976 and thereafter.”

SEC. 265. REGULATIONS.

The Secretary shall promulgate regulations to carry out this subtitle.

Subtitle B—Workplace Democracy Act

SEC. 271. SHORT TITLE.

This subtitle may be cited as the “Workplace Democracy for a Clean Energy Future”.

SEC. 272. STREAMLINING CERTIFICATION FOR LABOR ORGANIZATIONS.

(a) In General.—Section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) is amended by adding at the end the following:

“(6) Notwithstanding any other provision of this section, whenever a petition shall have been filed by an employee or group of employees or any individual or labor organization acting in their behalf alleging that a majority of employees in a unit appropriate for the purposes of collective bargaining wish to be represented by an individual or labor organization for such purposes, the Board shall investigate the petition. If the Board finds that a majority of the employees in a unit appropriate for bargaining has
signed valid authorizations designating the individual or labor organization specified in the petition as their bargaining representative and that no other individual or labor organization is currently certified or recognized as the exclusive representative of any of the employees in the unit, the Board shall not direct an election but shall certify the individual or labor organization as the representative described in subsection (a).

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

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

“(B) procedures to be used by the Board to establish the validity of signed authorizations designating bargaining representatives.”.

(b) CONFORMING AMENDMENTS.—

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

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

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

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

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

SEC. 273. FACILITATING INITIAL COLLECTIVE BARGAINING AGREEMENTS.

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

lowing:

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

“(1) Not later than 10 days after receiving a written request for collective bargaining from an indi-
vidual or labor organization that has been newly
organized or certified as a representative as defined
in section 9(a), or within such further period as the
parties agree upon, the parties shall meet and com-
mence to bargain collectively and shall make every
reasonable effort to conclude and sign a collective
bargaining agreement.

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

“(3) If after the expiration of the 30-day period
beginning on the date on which the request for me-
diation is made under paragraph (2), or such addi-
tional period as the parties may agree upon, the
Service is not able to bring the parties to agreement
by conciliation, the Service shall refer the dispute to
an arbitration board established in accordance with
such regulations as may be prescribed by the Serv-
ice. The arbitration panel shall render a decision settling the dispute and such decision shall be binding upon the parties for a period of 2 years, unless amended during such period by written consent of the parties.”.

Subtitle C—Community Need-Based Economic Transition Assistance Program

SEC. 281. COMMUNITY NEED-BASED ECONOMIC TRANSITION ASSISTANCE PROGRAM.

(a) Eligible County Defined.—In this subtitle, the term “eligible county” means a county or an Indian tribe eligible for assistance under this subtitle—

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

(2) that is certified by the Secretary under subsection (b).

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

(c) Notification.—After the Secretary certifies a county as an eligible county under this section, the Secretary shall provide notice of the certification—
(1) to the county government; or

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

(d) APPLICATION.—After the date on which the Secretary certifies a county under this section, the county may apply for a grant under each of subsections (a) through (c) of section 282 and each of subsections (a) through (e) of section 283.

SEC. 282. ECONOMIC DEVELOPMENT GRANT PROGRAMS.

(a) APPALACHIAN REGIONAL COMMISSION.—

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

(A) developing entrepreneurial ecosystems;

(B) facilitating access to capital investments and new markets; and

(C) addressing barriers relating to adequate water, sewer, and telecommunications infrastructure.
(2) REGULATIONS; GUIDANCE.—The Commission may issue such regulations and guidance to carry out this subsection as the Commission determines to be necessary.

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

(b) ECONOMIC DEVELOPMENT ADMINISTRATION.—

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

(A) advance and coordinate regional place-based innovation efforts for the Federal Government; and

(B) provide planning and coordination assistance to eligible counties and other Federal agencies to assist in economic development activities under this subtitle.

(2) REGULATIONS; GUIDANCE.—The Assistant Secretary may issue such regulations and guidance to carry out this subsection as the Assistant Secretary determines to be necessary.

(3) FUNDING.—The Assistant Secretary shall use to carry out this subsection not more than
$10,000,000 for each of fiscal years 2016 through 2025 from the Climate Fund.

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

(1) IN GENERAL.—The Director of the Office of Surface Mining Reclamation and Enforcement (referred to in this subsection as the “Director”) shall award grants to eligible counties for activities relating to the reclamation of abandoned coal mine land sites and associated polluted waters.

(2) PURPOSE.—The purpose of the grant program under this subsection is to promote sustainable redevelopment in eligible counties.

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

(A) the unemployment rate in the eligible county;

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

(C) whether, in the determination of the Director, reclamation activities to promote economic development would assist the eligible county.
(4) REGULATIONS; GUIDANCE.—In consultation with States, Indian tribes, and other stakeholders, the Director may issue such regulations and guidance to carry out this subsection as the Director determines to be necessary.

(5) FUNDING.—The Director shall use to carry out this subsection not more than $250,000,000 for each of fiscal years 2016 through 2025 from the Climate Fund.

(d) SMALL BUSINESS ADMINISTRATION.—

(1) IN GENERAL.—The Administrator of the Small Business Administration shall award grants to members of disadvantaged communities to support entrepreneurial opportunities, such as starting or expanding small businesses or nonprofit organizations that—

(A) promote improvements in energy efficiency;

(B) design strategies to maximize energy efficiency; and

(C) promote—

(i) resource conservation and reuse;

(ii) the installation or construction of 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
under section 1452(a) of the Safe Drinking Water Act (42 U.S.C. 300j–12(a)).

(b) Water Infrastructure Finance and Innovation.—The Administrator shall provide to eligible counties long-term, low-interest loans for large water infrastructure projects that are not eligible for funding from a State revolving loan fund, in accordance with the Water Infrastructure Finance and Innovation Act of 2014 (33 U.S.C. 3901 et seq.).

(c) Broadband Initiatives Program.—The Secretary of Agriculture shall provide to eligible counties loans and loan guarantees under the broadband initiatives program established under title VI of the Rural Electrification Act of 1936 (7 U.S.C. 950bb et seq.) to expand the access to, and quality of, broadband service across the rural United States.

(d) Broadband Technology Opportunities Program.—The Assistant Secretary of Commerce for Communications and Information shall award to eligible counties grants for purposes of the Broadband Technology Opportunities Program established under section 6001(a) of the American Recovery and Reinvestment Act of 2009 (47 U.S.C. 1305(a)), including providing access to, and improving, broadband service to underserved areas of the United States.
(c) **Electric Grid Infrastructure.**—The Secretary shall award to eligible counties grants for expenses necessary for—

(1) electricity delivery and energy reliability activities to modernize the electric grid, including activities relating to—

(A) demand-responsive equipment;

(B) enhanced security and reliability of energy infrastructure;

(C) energy storage research, development, demonstration, and deployment;

(D) facilitating recovery from disruptions to the energy supply; and

(E) high-voltage transmission lines to bring utility-scale hydro, wind, solar, and geothermal generation to demand centers; and

(2) implementation of the programs authorized under title XIII of the Energy Independence and Security Act of 2007 (42 U.S.C. 17381 et seq.).

(f) **Grant and Loan Selection and Management.**—

(1) In general.—In carrying out this section, the Secretary of the Treasury, in consultation with the Assistant Secretary of Commerce for Economic Development and State and local workforce develop-
ment boards established under sections 101 and 107 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111, 3122), shall determine the percentage of funds made available to allocate to each agency carrying out a loan or grant program under subsections (a) through (e).

(2) SELECTION.—To the maximum extent practicable, in selecting grant and loan applicants under this section, the heads of the agencies carrying out the grant and loan programs shall consult and coordinate with the Assistant Secretary of Commerce for Economic Development.

(g) FUNDING.—There shall be used to carry out this section from the Climate Fund $7,000,000,000 for the period of fiscal years 2016 through 2025.

TITLE III—GREENING THE GRID
Subtitle A—Fossil Fuel Phaseout

SEC. 301. FOSSIL FUEL PHASEOUT.

(a) IN GENERAL.—Title VI of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended by adding at the end the following:

“SEC. 610. FOSSIL FUEL PHASEOUT.

“(a) DEFINITIONS.—In this section:
“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of the Environmental Protection Agency.

“(2) BASE QUANTITY OF ELECTRICITY.—The term ‘base quantity of electricity’ means the total quantity of electric energy sold by a retail electric supplier, expressed in terms of megawatt hours, to electric customers for purposes other than resale during the most recent calendar year for which information is available.

“(3) FOSSIL FUEL ENERGY.—The term ‘fossil fuel energy’ means electric energy generated, in whole or in part, by a fossil fuel resource.

“(4) FOSSIL FUEL ENERGY CREDIT.—The term ‘fossil fuel energy credit’ means a credit issued under subsection (f) that represents 1 megawatt hour of fossil fuel energy.

“(5) FOSSIL FUEL RESOURCE.—The term ‘fossil fuel resource’ means coal, oil, gas, oil shale, or tar sands.

“(6) RETAIL ELECTRIC SUPPLIER.—

“(A) IN GENERAL.—The term ‘retail electric supplier’ means an entity that sold not less than 1,000 megawatt hours of electric energy to
electric consumers for purposes other than resale during the preceding calendar year.

“(B) INCLUSION.—The term ‘retail electric supplier’ includes an entity that generates not less than 1,000 megawatt hours of electric energy for use by the entity.

“(7) RETIRE.—The term ‘retire’, with respect to a fossil fuel energy credit, means to disqualify the fossil fuel energy credit for any subsequent use under this section, including sale, transfer, exchange, or submission in satisfaction of a compliance obligation.

“(b) COMPLIANCE.—For calendar year 2022 and each calendar year thereafter, each retail electric supplier shall meet the requirements of subsections (c) and (d) by submitting to the Administrator, not later than April 1 of the following calendar year, as applicable—

“(1) for a retail electric supplier that exceeds the maximum allowable percentage of fossil fuel energy generation for the applicable calendar year, as determined under subsection (c), a quantity of fossil fuel energy credits sufficient to offset that excess, as determined and certified by the Administrator; or

“(2) for a retail electric supplier that does not exceed the maximum allowable percentage of fossil
fuel energy generation for the applicable calendar year, as determined under subsection (c), a certification of that compliance, as the Administrator determines to be appropriate.

“(c) Maximum Allowable Annual Percentage of Fossil Fuel Energy Sales.—For calendar years 2022 through 2050, in annual increments, the maximum annual percentage of the base quantity of electricity of a retail electric supplier that may be generated from fossil fuel resources, or otherwise credited towards the percentage requirement pursuant to subsection (e), shall be the applicable percentage specified in the following table:

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Percentage</th>
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“(d) REQUIREMENT FOR 2050 AND THEREAFTER.—
For calendar year 2050 and each calendar year thereafter, a retail electric supplier shall not generate or sell any fossil fuel energy.

“(e) FOSSIL FUEL ENERGY CREDITS.—
“(1) IN GENERAL.—A retail electric supplier may satisfy the requirements of subsection (b) through the submission of fossil fuel energy credits—

“(A) issued to the retail electric supplier under subsection (f); or

“(B) obtained by purchase, transfer, or exchange under subsection (g), subject to any emissions adjustment under subsection (f)(3)(B).

“(2) LIMITATION.—A fossil fuel energy credit may be counted toward compliance with subsection (b) only once.

“(f) ISSUANCE OF FOSSIL FUEL ENERGY CREDITS.—
“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Administrator shall establish by rule a program—

“(A) to verify and issue fossil fuel energy credits to retail electric suppliers;

“(B) to track the sale, transfer, exchange, carry over, and retirement of fossil fuel energy credits; and

“(C) to enforce the requirements of this section.

“(2) APPLICATION.—

“(A) IN GENERAL.—To continue selling or generating fossil fuel energy as a retail electric supplier, or otherwise to be issued fossil fuel energy credits, a retail electric supplier shall submit to the Administrator an application for the issuance of fossil fuel energy credits.

“(B) CONTENTS.—The application under subparagraph (A) shall indicate—

“(i) the quantity of electric energy sold to electric consumers, expressed in megawatt hours of electric energy, for purposes other than resale during the preceding calendar year;

“(ii) if applicable—
“(I) the total quantity of electric energy generated by the retail electric supplier for use by the retail electric supplier;

“(II) the type and quantity of each energy resource that is used to produce any energy sold to electric consumers or used by the retail electric supplier; and

“(III) the location at which the fossil fuel energy will be produced; and

“(iii) any other information the Administrator determines to be appropriate.

“(3) QUANTITY OF FOSSIL FUEL ENERGY CREDITS.—

“(A) IN GENERAL.—Subject to subparagraphs (B) through (D), the Administrator shall issue a quantity of fossil fuel energy credits for a calendar year that is equal to the amount by which fossil fuel energy sales have been reduced during the period beginning on January 1, 2000, and ending on December 31 of the preceding calendar year.
“(B) MAXIMUM QUANTITY.—On approval of an application under paragraph (2), the maximum quantity of fossil fuel energy credits that may be issued by the Administrator to any retail electric supplier for a calendar year shall be equal to a quantity of fossil fuel energy credits equal to the difference between—

“(i) the maximum annual percentage of fossil fuel energy sales, expressed in megawatt hours, for the applicable calendar year; and

“(ii) the actual quantity, expressed in megawatt hours, of fossil fuel energy sold by the retail electric supplier during the applicable calendar year.

“(C) EMISSIONS ADJUSTMENT.—

“(i) IN GENERAL.—The Administrator may adjust the calculation of the actual quantity of fossil fuel energy generation by setting standard emissions factors based on the lifecycle greenhouse gas emissions of specific types of fossil fuel energy-generating facilities.
“(ii) Lifecycle Emissions of Non-Fossil Energy Resources.—The Administrator shall—

“(I) evaluate the lifecycle emissions of non-fossil energy resources, including upstream emissions such as greenhouse gas emissions associated with mining; and

“(II) reduce any allocation of credits on the basis of that lifecycle evaluation.

“(D) Limitation.—

“(i) In general.—This paragraph applies only to retail electric suppliers that do not sell or generate fossil fuel energy in excess of the maximum allowable annual percentage of fossil fuel energy generation for the applicable calendar year, as determined under subsection (c).

“(ii) Prohibition.—The Administrator may not issue a fossil fuel energy credit for a calendar year to any retail electric supplier that exceeds the maximum allowable annual percentage of fossil fuel energy sales for that calendar year.
“(4) **Credit Banking.**—A fossil fuel energy credit for any calendar year that is not submitted to comply with the maximum allowable percentage of fossil fuel energy requirement of subsection (c) for that calendar year may be carried forward for use in accordance with this section within the next 5 years, but not later than 2049.

“(g) **Fossil Fuel Energy Credit Trading.**—

“(1) **In general.**—A fossil fuel energy credit for any calendar year before 2050 that is not submitted to comply with the maximum allowable percentage of fossil fuel energy requirement of subsection (c) for that calendar year may be sold, transferred, or exchanged by the retail electric supplier to which the fossil fuel energy credit is issued or by any other retail electric supplier that acquires the fossil fuel energy credit.

“(2) **Limitations.**—

“(A) **In general.**—The sale, transfer, or exchange of fossil fuel energy credits may only occur between retail electric suppliers.

“(B) **Rights.**—A retail electric supplier shall be the only entity that may obtain legal rights to a fossil fuel energy credit.
“(C) HOTSPOTS.—The Administrator shall—

“(i) evaluate trading to determine if trading results in the unsafe concentration of pollution in any area to any population; and

“(ii) if any unsafe concentration of pollution is identified, halt the sale of credits to entities—

“(I) within the identified area; or

“(II) that purchase electricity from a facility that would exacerbate pollution in the identified area, as determined by the Administrator.

“(3) DELEGATION.—The Administrator may delegate to an appropriate market-making entity the administration of a national tradeable fossil fuel energy credit market for purposes of creating a transparent national market for the sale or trade of fossil fuel energy credits.

“(h) FOSSIL FUEL ENERGY CREDIT RETIREMENT.—

“(1) IN GENERAL.—Any retail electric supplier that obtains legal rights to a fossil fuel energy credit may retire the fossil fuel energy credit in any calendar year.
“(2) USE OF RETIRED FOSSIL FUEL ENERGY CREDIT.—A fossil fuel energy credit retired under paragraph (1) may not be used for compliance with subsection (b) in—

“(A) the calendar year in which the fossil fuel energy credit is retired; or

“(B) any subsequent calendar year.

“(i) INFORMATION COLLECTION.—The Administrator may collect the information necessary to verify and audit—

“(1) the annual fossil fuel energy sales or generation of any retail electric supplier;

“(2) a fossil fuel energy credit submitted by a retail electric supplier pursuant to subsection (b)(1);

“(3) the validity of a fossil fuel energy credit submitted for compliance by a retail electric supplier to the Administrator; and

“(4) the quantity of electricity sales of all retail electric suppliers.

“(j) STATE PROGRAMS.—

“(1) IN GENERAL.—Nothing in this section diminishes any authority of a State or political subdivision of a State—

“(A) to adopt or enforce any law (including regulations) respecting electricity; or
“(B) to regulate an electric utility.

“(2) COMPLIANCE WITH SECTION.—No law or regulation of a State or political subdivision of a State shall relieve any electric utility from compliance with any requirement otherwise applicable under this section.

“(k) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Administrator shall promulgate regulations to implement this section.

“(l) ENFORCEMENT.—

“(1) CIVIL PENALTY.—

“(A) IN GENERAL.—A retail electric supplier that fails to comply with subsection (b) shall be liable for a civil penalty, assessed by the Administrator, in an amount that is equal to twice the average value of the aggregate quantity of fossil fuel energy credits that the retail electric supplier failed to submit in violation of that subsection, as determined by the Administrator.

“(B) ENFORCEMENT.—The Administrator shall assess any civil penalty under subparagraph (A).

“(C) DEPOSIT.—With respect to any civil penalty paid to the Administrator pursuant to
subparagraph (A), the Administrator shall de-
posit the amount in the Climate Fund estab-
lished by section 702(a) of the 100 by ’50 Act.
“(2) INJUNCTION.—After calendar year 2050,
the Administrator may issue an injunction on the
purchase or generation of fossil fuel energy by a re-
tail electric supplier.”.

(b) TABLE OF CONTENTS AMENDMENT.—The table
of contents of the Public Utility Regulatory Policies Act
of 1978 (16 U.S.C. prec. 2601) is amended by adding at
the end of the items relating to title VI the following:

“Sec. 609. Rural and remote communities electrification grants.
“Sec. 610. Fossil fuel phaseout.”.

Subtitle B—Enhancing Grid Reliability

SEC. 311. ENHANCING GRID RELIABILITY.

(a) ENERGY STORAGE AND DISPATCHABLE ENERGY
GRANT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary shall es-
establish a competitive grant program for utility-scale
demonstration projects for energy storage and
dispatchable concentrated solar thermal, geothermal,
and ocean power energy technologies, or other
emerging dispatchable technologies, as identified by
the Secretary.
(2) **FEDERAL COST SHARE.**—The Secretary may provide a grant under this subsection in an amount that is equal to not more than 20 percent of the total costs incurred in connection with the development, construction, acquisition of components for, or engineering of a demonstration project referred to in paragraph (1).

(3) **NO OWNERSHIP INTEREST.**—The United States shall hold no equity or other ownership interest in a qualified advanced electric transmission manufacturing plant or qualified advanced electric transmission property for which funds are provided under this subsection.

(4) **FUNDING.**—The Secretary shall use to carry out this subsection not more than $10,000,000,000 for each fiscal year from the Climate Fund.

(b) **INTERSTATE COMPETITIVE RENEWABLE ENERGY ZONES.**—The Federal Power Act is amended by inserting after section 216 (16 U.S.C. 824p) the following:

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“SEC. 216A. INTERSTATE COMPETITIVE RENEWABLE ENERGY ZONES.

“(a) PURPOSES.—The purposes of this section are—

“(1) to provide greater certainty for—
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“(A) renewable energy project developers
by encouraging preconstruction capacity com-
mitments by transmitting utilities; and
“(B) transmitting utilities by encouraging
preconstruction financial commitments from
project developers; and
“(2) to expedite transmission and renewable en-
ergy generation projects through Federal permitting
processes.
“(b) DEFINITIONS.—In this section:
“(1) COMMISSION.—The term ‘Commission’
means the Federal Energy Regulatory Commission.
“(2) RENEWABLE ENERGY PROJECT DEVEL-
OPER.—The term ‘renewable energy project devel-
oper’ means an entity that is responsible for siting
renewable energy generation projects, as identified
by the Commission.
“(3) SECRETARY.—The term ‘Secretary’ means
the Secretary of Energy.
“(4) ZONE.—The term ‘zone’ means an inter-
state competitive renewable energy zone established
under subsection (c)(1).
“(c) RENEWABLE ENERGY ZONES.—
“(1) ESTABLISHMENT.—Not later than 180
days after the date of conclusion of the consultation
required under paragraph (2), after providing public
notice and an opportunity to comment, the Commis-
sion, in coordination with the Secretary, shall estab-
lish zones, to be known as ‘interstate competitive re-
newable energy zones’, in accordance with the pur-
poses described in subsection (a)—

“(A) to expedite—

“(i) the construction of interstate
transmission facilities; and

“(ii) transmission facilities crossing 2
or more grid interconnections; and

“(B) to facilitate the deployment of renew-
able energy resources in areas in which renew-
able energy resources and suitable land areas
are sufficient to develop generating capacity.

“(2) CONSULTATION.—During the 2-year pe-
period beginning on the date of enactment of this sec-
tion, the Commission, in coordination with the Sec-
retary and the heads of other relevant Federal agen-
cies, shall carry out appropriate consultation with
States and Indian tribes (or any entity designated
by a State or Indian tribe), Federal power mar-
keting agencies, Transmission Organizations, trans-
mitting utilities, and renewable energy project devel-
opers with respect to identifying appropriate locations for zones—

“(A) in accordance with the purposes described in paragraph (1);

“(B) taking into consideration reliability, congestion, cybersecurity, environmental impact, and cost effectiveness; and

“(C) in a manner that ensures that the processing and permitting of renewable energy facilities and transmission facilities comply with applicable requirements of Federal law.

“(3) IDENTIFICATION OF GRID-PLANNING ENTITIES.—Not later than 90 days after the date of conclusion of the consultation required under paragraph (2), any entity described in that paragraph that intends to support the purposes described in subsection (a) in the grid planning activities of the entity shall submit to the Commission a notice of that intent.

“(d) PRECONSTRUCTION COMMITMENTS.—Not later than 90 days after the date of establishment of the zones under subsection (c)(1), the Commission, in coordination with each relevant grid-planning entity identified under subsection (c)(3), shall solicit participation of, and con-
vene, interested stakeholders within each zone for purposes of—

“(1) construction planning; and
“(2) encouraging—
“(A) financial commitments by renewable energy project developers to transmitting utilities; and
“(B) commitments of transmission access by transmitting utilities to renewable energy project developers.

“(e) CONSTRUCTION PLANNING.—Not later than 180 days after the date of establishment of the zones under subsection (c)(1), the Commission, in coordination with each relevant grid-planning entity identified under subsection (c)(3), shall develop a plan for each zone relating to construction of the transmission capacity necessary to deliver to electric customers, in a manner that is most beneficial and cost-effective to the customers, the renewable electricity generation capacity within the zone.

“(f) COORDINATION WITH STATE AND REGIONAL PLANNING PROCESSES.—The Commission shall provide support for, and may participate as requested in, State and regional grid planning processes that, as determined by the Commission, will expedite the construction of intra-
state transmission lines to facilitate the deployment of renewable energy resources.”.

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.

(a) Permanent Extension for Certain Facilities.—Section 45(d) of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (4), by striking “and which” and all that follows through the period and inserting the following: “and, in the case of a facility using solar energy, which is placed in service before January 1, 2006.”,

(2) in paragraph (6), by striking “and the construction of which begins before January 1, 2017”,

(3) in paragraph (7), by striking “and the construction of which begins before January 1, 2017”,

(4) in paragraph (9)(A)—
(A) in clause (i), by striking “and before January 1, 2017”, and

(B) in clause (ii), by striking “and the construction of which begins before January 1, 2017”, and

(5) in paragraph (11)(B), by striking “and the construction of which begins before January 1, 2017”.

(b) Extension for Wind Facilities.—

(1) IN GENERAL.—Section 45(d)(1) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2020” and inserting “January 1, 2034”.

(2) MODIFICATION OF PHASEOUT.—Paragraph (5) of section 45(b) of such Code is amended—

(A) by striking “and” at the end of subparagraph (B),

(B) by striking “January 1, 2020, 60 percent.” in subparagraph (C) and inserting “January 1, 2031, 60 percent, and”, and

(C) by adding at the end the following new subparagraph:

“(D) in the case of any facility the construction of which begins after December 31,
2030, and before January 1, 2034, 80 per-
cent.”.

(c) EXTENSION OF ELECTION TO TREAT QUALIFIED
FACILITIES OTHER THAN BIOMASS FACILITIES AS EN-
ERGY PROPERTY.—

(1) IN GENERAL.—Section 48(a)(5)(C) of the
Internal Revenue Code of 1986 is amended—

(A) by striking “and the construction of
which begins before January 1, 2017 (January
1, 2020, in the case of any facility which is de-
scribed in paragraph (1) of section 45(d))” in
clause (ii), and

(B) by adding at the end the following new
flush sentence:

“Such term shall not include any facility de-
scribed in section 45(d)(1) the construction of
which begins after December 31, 2033.”.

(2) EXCLUSION OF BIOMASS FACILITIES.—
Clause (i) of section 48(a)(5)(C) of such Code is
amended by striking “(2), (3),”.

(3) MODIFICATION OF PHASEOUT PERCENTAGE
FOR WIND FACILITIES.—Subparagraph (E) of sec-
tion 48(a)(5) of such Code is amended—

(A) by striking “and” at the end of clause
(ii),
(B) by striking “January 1, 2020, 60 per-
cent.” in clause (iii) and inserting “January 1,
2031, 60 percent, and”, and

(C) by adding at the end the following new
clause:

“(d) in the case of any facility the
construction of which begins after Decem-
ber 31, 2030, and before January 1, 2034,
80 percent.”.

(d) EFFECTIVE DATES.—The amendments made by
this section shall take effect on January 1, 2017.

SEC. 322. EXTENSION AND MODIFICATION OF ENERGY
CREDIT.

(a) PERMANENT EXTENSION FOR CERTAIN PROP-
ERTY.—Section 48 of the Internal Revenue Code of 1986
is amended—

(1) in subsection (a)(3)(A)—

(A) in clause (ii), by striking “but only
with respect to periods ending before January
1, 2017”, and

(B) in clause (vii), by striking “, but only
with respect to periods ending before January
1, 2017”, and

(2) in subsection (c)—
(A) in paragraph (1), by striking subpara-
graph (D),

(B) in paragraph (2), by striking subpara-
graph (D),

(C) in paragraph (3)(A), by inserting
“and” at the end of clause (ii), by striking “, and” at the end of clause (iii) and inserting a period, and by striking clause (iv), and

(D) in paragraph (4), by striking subpara-
graph (C).

(b) SOLAR ENERGY PROPERTY.—

(1) EXTENSION.—Section 48(a)(2)(A)(i)(II) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2022” and inserting “January 1, 2034”.

(2) MODIFICATION OF PHASEOUT.—Subpara-
graph (A) of section 48(a)(6) of the Internal Rev-
venue Code of 1986 is amended—

(A) by striking “and” at the end of clause

(i),

(B) by striking “January 1, 2022, 22 per-
cent.” in clause (ii) and inserting “January 1, 2030, 22 percent”, and

(C) by adding at the end the following new
clauses:
“(i) in the case of any facility the construction of which begins after December 31, 2030, and before January 1, 2032, 18 percent, and

“(ii) in the case of any facility the construction of which begins after December 31, 2031, and before January 1, 2034, 14 percent.”.

(e) Extension of 30-Percent Investment Credit for Offshore Wind Energy Facilities.—

(1) IN GENERAL.—

(A) IN GENERAL.—Clause (i) of section 48(a)(2)(A) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subclause (IV) and by adding at the end the following new subclause:

“(V) qualified offshore wind energy property, and”.

(B) QUALIFIED OFFSHORE WIND ENERGY PROPERTY DEFINED.—Subsection (e) of section 48 of such Code is amended by adding at the end the following new paragraph:

“(5) QUALIFIED OFFSHORE WIND ENERGY PROPERTY.—
“(A) IN GENERAL.—The term ‘qualified offshore wind energy property’ means property which is part of a qualified offshore wind facility.

“(B) QUALIFIED OFFSHORE WIND FACILITY.—For purposes of subparagraph (A), the term ‘qualified offshore wind facility’ means any facility which—

“(i) uses wind to generate electricity,

and

“(ii) is located in—

“(I) the inland navigable waters of the United States, including the Great Lakes, or

“(II) the coastal waters of the United States, including the territorial seas of the United States, the exclusive economic zone of the United States, and the outer Continental Shelf of the United States.”.

(C) CONFORMING AMENDMENT.—Subparagraph (A) of section 48(a)(3) of such Code is amended by striking “or” at the end of clause (vi), by inserting “or” at the end of clause (vii),
and by adding at the end the following new clause:

“(viii) qualified offshore wind energy property.”.

(D) COORDINATION WITH CREDIT FOR OTHER WIND FACILITIES.—Section 48(a)(5)(C) of such Code is amended by adding at the end the following new sentence:

“Such term shall not include any facility which is a qualified offshore wind facility (as defined in subsection (c)(5)).”.

(d) LIMITATION ON CREDIT FOR ONSHORE WIND FACILITIES.—Subparagraph (A) of section 48(a)(5) of the Internal Revenue Code of 1986 is amended to read as follows:

“(E) LIMITATION FOR ONSHORE WIND FACILITIES.—In the case of a qualified investment credit facility described in section 45(d)(1), the credit otherwise determined under the section with respect to qualified property which is part of such facility shall not exceed an amount equal to $200 for each kilowatt hour of capacity of such facility.”.

(c) CREDIT FOR QUALIFIED ELECTRICAL TRANSMISSION PROPERTY.—
(1) IN GENERAL.—Section 48(a)(3)(A) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(viii) qualified electrical transmission property.”.

(2) QUALIFIED ELECTRICAL TRANSMISSION PROPERTY.—Section 48(c) of the Internal Revenue Code of 1986, as amended by subsection (c), is amended by adding at the end the following new paragraph:

“(6) QUALIFIED ELECTRICAL TRANSMISSION PROPERTY.—The term ‘qualified electrical transmission property’ means an interstate electrical transmission system, including technologies listed in section 1223 of the Energy Policy Act of 2005, which is capable of carrying or transmitting at least 69 kilovolts.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service in taxable year beginning after the date of the enactment of this Act.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2016, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the
day before the date of the enactment of the Revenue Recon-

SEC. 323. PERMANENT EXTENSION OF QUALIFYING AD-
ANCED ENERGY PROJECT CREDIT.

(a) IN GENERAL.—Section 48C(d)(1)(B) of the In-
ternal Revenue Code of 1986 is amended—

(1) by inserting “in any calendar year” after
“allocated under the program”, and

(2) by striking “$2,300,000,000” and inserting
“$1,000,000,000”.

(b) CONFORMING AMENDMENTS.—

(1) Section 48C(d)(2)(A) of such Code is
amended by striking “during the 2-year period be-
inning on the date the Secretary establishes the
program under paragraph (1)”.

(2) Section 48C(d)(4) of such Code is amended
by striking subparagraphs (A) and (B) and inserting
the following:

“(A) REVIEW.—Not later than 4 years
after the close of any calendar year for which
allocations were made under this section, the
Secretary shall review the credits allocated
under this section for such calendar year.

“(B) REDISTRIBUTION.—The Secretary
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.
(b) Grant Amount.—

(1) In General.—The amount of the grant under subsection (a) with respect to any specified energy property shall be the applicable percentage of the basis of such property.

(2) Applicable Percentage.—For purposes of paragraph (1), the term “applicable percentage” means—

(A) 30 percent in the case of any property described in paragraphs (1) through (4) of subsection (d), and

(B) 10 percent in the case of any other property.

(3) Limitations.—In the case of property described in paragraph (1), (2), (3), (6), or (7) of subsection (d), the amount of any grant under this section with respect to such property shall not exceed the limitation described in section 48(a)(5)(E), 48(a)(6), 48(c)(1)(B), 48(c)(2)(B), or 48(c)(3)(B) of the Internal Revenue Code of 1986, respectively, with respect to such property.

(c) Time for Payment of Grant.—The Secretary of the Treasury shall make payment of any grant under subsection (a) during the 60-day period beginning on the later of—
(1) the date of the application for such grant, or

(2) the date the specified energy property for which the grant is being made is placed in service.

(d) SPECIFIED ENERGY PROPERTY.—For purposes of this section, the term “specified energy property” means any of the following:

(1) QUALIFIED FACILITIES.—Any qualified property (as defined in section 48(a)(5)(D) of the Internal Revenue Code of 1986) which is part of a qualified facility (within the meaning of section 45 of such Code) described in paragraph (1), (4), (6), (7), (9), or (11) of section 45(d) of such Code.

(2) QUALIFIED FUEL CELL PROPERTY.—Any qualified fuel cell property (as defined in section 48(c)(1) of such Code).

(3) SOLAR PROPERTY.—Any property described in clause (i) or (ii) of section 48(a)(3)(A) of such Code.

(4) QUALIFIED SMALL WIND ENERGY PROPERTY.—Any qualified small wind energy property (as defined in section 48(c)(4) of such Code).

(5) GEOTHERMAL PROPERTY.—Any property described in clause (iii) of section 48(a)(3)(A) of such Code.
(6) Qualified microturbine property.—Any qualified microturbine property (as defined in section 48(c)(2) of such Code).

(7) Combined heat and power system property.—Any combined heat and power system property (as defined in section 48(c)(3) of such Code).

(8) Geothermal heat pump property.—Any property described in clause (vii) of section 48(a)(3)(A) of such Code.

Such term shall not include any property unless depreciation (or amortization in lieu of depreciation) is allowable with respect to such property.

(e) Application of certain rules.—In making grants under this section, the Secretary of the Treasury shall apply rules similar to the rules of section 50 of the Internal Revenue Code of 1986 (other than subsection (b)(3) thereof). In applying such rules, if the property is disposed of, or otherwise ceases to be specified energy property, the Secretary of the Treasury shall provide for the recapture of the appropriate percentage of the grant amount in such manner as the Secretary of the Treasury determines appropriate.

(f) Eligible entity.—For purposes of this section, the term "eligible entity" means any organization de-
scribed in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.

(g) DEFINITIONS.—Terms used in this section which are also used in section 45 or 48 of the Internal Revenue Code of 1986 shall have the same meaning for purposes of this section as when used in such section 45 or 48. Any reference in this section to the Secretary of the Treasury shall be treated as including the Secretary’s delegate.

(h) APPROPRIATIONS.—There is hereby appropriated to the Secretary of the Treasury such sums as may be necessary to carry out this section.

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

SEC. 326. PERMANENT EXTENSION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

(a) IN GENERAL.—Section 179D of the Internal Revenue Code of 1986 is amended by striking subsection (h).

(b) UPDATE OF STANDARD.—

(1) IN GENERAL.—Section 179D of the Internal Revenue Code of 1986 is amended by striking "Standard 90.1-2007" each place it appears and inserting "the applicable ASHRAE standard".
(2) Applicable ASHRAE standard.—Section 179D(e)(2) of such Code is amended to read as follows:

“(2) Applicable ASHRAE standard.—The term ‘applicable ASHRAE standard’ means—

“(A) Standard 90.1–2013 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America, or

“(B) in the case of any subsequent standard adopted by the American Society of Heating, Refrigerating, and Air Conditioning Engineers which supersedes the standard described in subparagraph (A), such subsequent standard.”.

(e) Effective date.—The amendments made by this section shall apply to property placed in service after December 31, 2016.

SEC. 327. PERMANENT EXTENSION OF NEW ENERGY EFFICIENT HOME CREDIT.

(a) In general.—Section 45L of the Internal Revenue Code of 1986 is amended by striking subsection (g).

(b) Update of standard.—

(1) In general.—Section 45L of the Internal Revenue Code of 1986 is amended by striking “the
standards of chapter 4 of the 2006 International
Energy Conservation Code, as such Code (including
supplements) is in effect on January 1, 2006” each
place it appears and inserting “the applicable stand-
dards”.

(2) APPLICABLE STANDARDS.—Section 45L of
such Code, as amended by subsection (a), is amend-
ed by adding at the end the following new sub-
section:

“(g) APPLICABLE STANDARDS.—For purposes of this
section, the term ‘applicable standards’ means, with re-
spect to any dwelling unit, the standards in effect for resi-
dential building energy efficiency under the International
Energy Conservation Code on the first day of the taxable
year in which construction for the dwelling unit com-
menced.”.

(c) EFFECTIVE DATE.—The amendments made by
this section shall apply to homes acquired after December
31, 2016.

SEC. 328. PERMANENT EXTENSION AND REFUNDABILITY
OF CREDIT FOR NONBUSINESS ENERGY
PROPERTY.

(a) PERMANENT EXTENSION.—Section 25C of the
Internal Revenue Code of 1986 is amended by striking
subsection (g).
(b) Update of Standards.—

(1) Qualified energy efficiency improvements.—

(A) In General.—Section 25C(c)(2)(C) of the Internal Revenue Code of 1986 is amended by striking “the prescriptive criteria for such component established by the 2009 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the enactment of the American Recovery and Reinvestment Tax Act of 2009” and inserting “the applicable IECC standards”.

(B) Applicable IECC Standards.—Section 25C(c) of such Code is amended by adding at the end the following new paragraph:

“(5) Applicable IECC Standards.—For purposes of this section, the term ‘applicable IECC standards’ means, with respect to any building envelope component, the prescriptive criteria for such component in effect under the International Energy Conservation Code on the first day of the taxable year for which the credit is allowed.”.

(2) Energy efficient property.—

(A) Heat pumps and air conditioners.—
(i) IN GENERAL.—Section 25C(d)(3) of the Internal Revenue Code of 1986 is amended by striking “the Consortium for Energy Efficiency, as in effect on January 1, 2009” each place it appears and inserting “the applicable CEE standards”.

(ii) APPLICABLE CEE STANDARDS.—Section 25C(d) of such Code is amended by adding at the end the following new paragraph:

“(7) APPLICABLE CEE STANDARDS.—For purposes of this section, the term ‘applicable CEE standards’ means, with respect to any property, the standards established by the Consortium for Energy Efficiency that are in effect for such property on the first day of the taxable year for which the credit is allowed.”.

(B) OTHER ENERGY EFFICIENT BUILDING PROPERTY.—Paragraph (3) of section 25C(d) of such Code is amended—

(i) in subparagraph (A), by inserting “and meets Energy Star program certification requirements as of the first day of the taxable year in which the property placed in service” after “procedure”,

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(ii) in subparagraph (C), by inserting

“and meets Energy Star program certification requirements as of the first day of the taxable year in which the property placed in service” after “90 percent”, and

(iii) in subparagraph (E)—

(I) by striking “and which” and inserting “which”, and

(II) by inserting “, and which meets Energy Star program certification requirements as of the first day of the taxable year in which the property placed in service” after “75 percent”.

(C) FURNACES AND HOT WATER BOILERS.—Paragraph (4) of section 25C(d) of such Code is amended by inserting “and meets Energy Star program certification requirements as of the first day of the taxable year in which the property placed in service” after “95”.

(D) ADVANCED MAIN AIR CIRCULATING FANS.—Paragraph (5) of section 25C(d) of such Code is amended—

(i) by striking “and which” and inserting “, which”, and
(ii) by inserting “, and which meets Energy Star program certification requirements as of the first day of the taxable year in which the property placed in service” after “test procedures”).

(c) CREDIT MADE REFUNDABLE.—

(1) CREDIT MOVED TO SUBPART RELATING TO REFUNDABLE CREDITS.—The Internal Revenue Code of 1986 is amended—

(A) by redesignating section 25C as section 36C, and

(B) by moving section 36C (as amended by subsections (a) and (b) and as redesignated by subparagraph (A)) from subpart A of part IV of subchapter A of chapter 1 to the location immediately before section 37 in subpart C of part IV of subchapter A of chapter 1.

(2) CONFORMING AMENDMENTS.—

(A) Section 1016(a)(33) of such Code is amended—

(i) by striking “section 25C(f)” and inserting “section 36C(f)”, and

(ii) by striking “under section 25C” and inserting “under section 36C”.

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(B) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 25C.

(C) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting “36C,” after “36B,”.

(D) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 36B the following new item:

“36C. Nonbusiness energy property.”.

(d) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2016.

SEC. 329. PERMANENT EXTENSION, MODIFICATION, AND REFUNDABILITY OF CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.

(a) Permanent Extension.—Section 25D of the Internal Revenue Code of 1986 is amended by striking subsection (h).

(b) Maintenance of Phaseout Percentage for Certain Solar Property.—Paragraph (3) of section 25D(g) of the Internal Revenue Code of 1986 is amended by striking “and before January 1, 2022,”.
(c) Credit Allowed for Energy Storage Property.—

(1) In general.—Section 25D(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(6) 30 percent of the qualified energy storage property expenditures made by the taxpayer during the taxable year.”.

(2) Qualified energy storage property expenditures.—Section 25D(d) of such Code is amended by adding at the end the following new paragraph:

“(6) Qualified energy storage property expenditure.—The term ‘qualified energy storage property expenditure’ means an expenditure for property—

“(A) which is—

“(i) located in a dwelling unit located in the United States and used by the taxpayer as a residence,

“(ii) directly connected to the electrical grid, and

“(iii) designed to receive electrical energy, to store such energy, and—
“(I) to convert such energy to electricity and deliver such electricity for sale, or
“(II) to use such energy to provide improved reliability or economic benefits to the grid, or
“(B) which is—
“(i) part of a dwelling unit located in the United States which is—
“(I) connected to the electrical grid, and
“(II) used by the taxpayer as a residence,
“(ii) connected to—
“(I) qualified solar electric property, or
“(II) qualified small wind energy property, and
“(iii) designed to receive electrical energy, store such energy, and to convert such energy to electricity for use by the taxpayer.”.

(d) CREDIT MADE REFUNDABLE.—
1. **Credit moved to subpart relating to refundable credits.**—The Internal Revenue Code of 1986 is amended—

   (A) by redesignating section 25D as section 36D, and

   (B) by moving section 36D (as amended by subsections (a) and (b) and as redesignated by subparagraph (A)) from subpart A of part IV of subchapter A of chapter 1 to the location immediately before section 37 in subpart C of part IV of subchapter A of chapter 1 (as amended by section 323).

2. **Conforming amendments.**—

   (A) Section 36C(e)(1) of the Internal Revenue Code of 1986 (as redesignated by section 323) is amended by striking “25D(e)” and inserting “36D(e)”.

   (B) Section 45(d)(1) of such Code is amended by striking “section 25D” and inserting “section 36D”.

   (C) Section 1016(a)(34) of such Code is amended—

   (i) by striking “section 25D(f)” and inserting “section 36D(f)”, and
(ii) by striking “under section 25D” and inserting “under section 36D”.

(D) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 25D.

(E) Paragraph (2) of section 1324(b) of title 31, United States Code, as amended by this Act, is amended by inserting “36D,” after “36C,”.

(F) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986, as amended by this Act, is amended by inserting after the item relating to section 36C the following new item:

“36D. Residential energy efficient property.”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2016.

TITLE IV—ELECTRIFYING THE ENERGY ECONOMY

Subtitle A—General Provisions

SEC. 401. NATIONAL ZERO-EMISSION VEHICLE STANDARD.

(a) NATIONAL ZERO-EMISSION VEHICLE STANDARD.—Part A of title II of the Clean Air Act (42 U.S.C.
7521 et seq.) is amended by adding at the end the fol-
lowing:

“SEC. 220. NATIONAL ZERO-EMISSION VEHICLE STANDARD.

“(a) DEFINITIONS.—In this section:

“(1) BASE QUANTITY OF NEW MOTOR VEHICLE
SALES.—The term ‘base quantity of new motor vehi-
cle sales’ means the total quantity of new motor ve-
hicles sold by a vehicle manufacturer during the
most recent calendar year.

“(2) HYBRID ELECTRIC VEHICLE.—The term
‘hybrid electric vehicle’ means a new qualified hybrid
motor vehicle (as defined in section 30B(d)(3) of the
Internal Revenue Code of 1986).

“(3) RETIRE.—The term ‘retire’, with respect
to a zero-emission vehicle credit, means to disqualify
the zero-emission vehicle credit for any subsequent
use under this section, including sale, transfer, ex-
change, or submission in satisfaction of a compliance
obligation.

“(4) VEHICLE MANUFACTURER.—

“(A) IN GENERAL.—The term ‘vehicle
manufacturer’ means an entity that—

“(i) engaged in the manufacturing of
new motor vehicles; and
“(ii) sold not fewer than 100 new motor vehicles to ultimate purchasers, either directly or through an affiliate, such as a dealer.

“(B) EXCLUSIONS.—The term ‘vehicle manufacturer’ does not include—

“(i) a motor vehicle parts supplier; or

“(ii) a dealer.

“(5) ZERO-EMISSION VEHICLE.—The term ‘zero-emission vehicle’ means a motor vehicle that produces zero exhaust emissions of any criteria pollutant, precursor pollutant, or greenhouse gas in any mode of operation or condition, as determined by the Administrator.

“(b) COMPLIANCE.—For calendar year 2030 and each calendar year thereafter, each vehicle manufacturer shall meet the requirements of subsections (c) and (d) by submitting to the Administrator, not later than April 1 of the following calendar year, as applicable—

“(1) for a vehicle manufacturer that fails to meet the minimum required percentage of new zero-emission vehicle sales for the applicable calendar year, as determined under subsection (c), a quantity of zero-emission vehicle credits sufficient to offset that excess, as determined by the Administrator; or
“(2) for a vehicle manufacturer that meets or exceeds the minimum required percentage of new zero-emission vehicle sales for the applicable calendar year, as determined under subsection (c), a certification of that compliance, as the Administrator determines to be appropriate.

“(c) MINIMUM REQUIRED ANNUAL PERCENTAGE OF NEW ZERO-EMISSION VEHICLE SALES.—For calendar years 2030 through 2040, in annual increments, the minimum annual percentage of the base quantity of new motor vehicle sales of a vehicle manufacturer that shall be zero-emission vehicles, or otherwise credited towards the percentage requirement pursuant to subsection (e), shall be the applicable percentage specified in the following table:

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2030</td>
<td>50.0</td>
</tr>
<tr>
<td>2031</td>
<td>55.0</td>
</tr>
<tr>
<td>2032</td>
<td>60.0</td>
</tr>
<tr>
<td>2033</td>
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<tr>
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<tr>
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<td>90.0</td>
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<tr>
<td>2039</td>
<td>95.0</td>
</tr>
<tr>
<td>2040</td>
<td>100.0</td>
</tr>
</tbody>
</table>

“(d) REQUIREMENT FOR 2040 AND THEREAFTER.—For calendar year 2040 and each calendar year thereafter,
a vehicle manufacturer shall sell only zero-emission vehicles.

“(e) ZERO-EMISSION VEHICLE CREDITS.—

“(1) IN GENERAL.—A vehicle manufacturer may satisfy the requirements of subsection (b) through the submission of zero-emission vehicle credits—

“(A) issued to the vehicle manufacturer under subsection (f); or

“(B) obtained by purchase, transfer, or exchange under subsection (g).

“(2) LIMITATION.—A zero-emission vehicle credit may be counted toward compliance with subsection (b) only once.

“(f) ISSUANCE OF ZERO-EMISSION VEHICLE CREDITS.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Administrator shall establish by rule a program—

“(A) to verify and issue zero-emission vehicle credits to vehicle manufacturers;

“(B) to track the sale, transfer, exchange, carry over, and retirement of zero-emission vehicle credits; and
“(C) to enforce the requirements of this section.

“(2) APPLICATION.—

“(A) IN GENERAL.—A vehicle manufacturer that sold, either directly or through an affiliate, such as a dealer, a new zero-emission vehicle or a hybrid electric vehicle in the United States may apply to the Administrator for the issuance of a zero-emission vehicle credit.

“(B) ELIGIBILITY.—To be eligible for the issuance of a zero-emission vehicle credit, a vehicle manufacturer shall demonstrate to the Administrator that the vehicle manufacturer sold 1 or more zero-emission vehicles or hybrid electric vehicles in the previous calendar year.

“(C) CONTENTS.—The application shall indicate—

“(i) the type of zero-emission vehicle or hybrid electric vehicle that was sold;

“(ii) the State in which the zero-emission vehicle or hybrid electric vehicle was sold; and

“(iii) any other information determined to be appropriate by the Administrator.
“(D) AGGREGATION.—An application for a zero-emission vehicle credit under subparagraph (A) may aggregate information on all zero-emission vehicles and hybrid electric vehicles sold by the vehicle manufacturer in the applicable calendar year.

“(3) QUANTITY OF ZERO-EMISSION VEHICLE CREDITS.—

“(A) ZERO-EMISSION VEHICLES.—The Administrator shall issue to a vehicle manufacturer the application under paragraph (2) of which is approved 1 zero-emission vehicle credit for each zero-emission vehicle sold in the United States.

“(B) HYBRID ELECTRIC VEHICLES.—For a hybrid electric vehicle sold by a vehicle manufacturer the application under paragraph (2) of which is approved, the Administrator shall issue a partial zero-emission vehicle credit based on the estimated proportion of the mileage driven on the battery of the hybrid electric vehicle, as determined by the Administrator.

“(C) FUEL-EFFICIENT VEHICLES.—The Administrator may issue a partial zero-emission vehicle credit for a motor vehicle that consumes
less gasoline, as compared to comparable motor vehicles (as identified by the Administrator), based on the estimated proportion of fuel savings, determined by the Administrator.

“(D) CREDIT BANKING.—A zero-emission vehicle credit issued for any calendar year that is not submitted to comply with the minimum annual percentage of new zero-emission vehicles requirement of subsection (c) during that calendar year may be carried forward for use pursuant to subsection (b)(1) within the next 5 years, but not later than 2040.

“(g) ZERO-EMISSION VEHICLE CREDIT TRADING.—

“(1) IN GENERAL.—A zero-emission vehicle credit for any calendar year before 2040 that is not submitted to the Administrator to comply with the minimum annual percentage of new zero-emission vehicles requirement of subsection (c) for that calendar year may be sold, transferred, or exchanged by the vehicle manufacturer to which the credit is issued or by any other entity that acquires the zero-emission vehicle credit.

“(2) DELEGATION.—The Administrator may delegate to an appropriate market-making entity the administration of a national tradeable zero-emission
vehicle credit market for purposes of creating a
transparent national market for the sale or trade of
zero-emission vehicle credits.

“(h) ZERO-EMISSION VEHICLE CREDIT RETIRE-
MENT.—

“(1) IN GENERAL.—Any entity that obtains
legal rights to a zero-emission vehicle credit may re-
tire the zero-emission vehicle credit in any calendar
year.

“(2) USE OF RETIRED ZERO-EMISSION VEHICLE
CREDIT.—A zero-emission vehicle credit retired
under paragraph (1) may not be used for compliance
with subsection (b) in—

“(A) the calendar year in which the zero-
emission vehicle credit is retired; or

“(B) any subsequent calendar year.

“(i) INFORMATION COLLECTION.—The Adminis-
trator may collect the information necessary to verify and
audit—

“(1) the annual sales of motor vehicles of any
vehicle manufacturer;

“(2) a zero-emission vehicle credit submitted by
a vehicle manufacturer pursuant to subsection
(b)(1);
“(3) the validity of a zero-emission vehicle credit submitted for compliance by a vehicle manufacturer to the Administrator; and

“(4) the quantity of motor vehicle sales in the United States of all vehicle manufacturers.

“(j) STATE PROGRAMS.—

“(1) IN GENERAL.—Nothing in this section diminishes any authority of a State or political subdivision of a State to adopt or enforce any law (including regulations) relating to motor vehicles.

“(2) COMPLIANCE WITH SECTION.—No law or regulation of a State or political subdivision of a State shall relieve any vehicle manufacturer from compliance with any requirement otherwise applicable under this section.

“(k) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Administrator shall promulgate regulations to implement this section.

“(l) ENFORCEMENT.—

“(1) CIVIL PENALTY.—

“(A) IN GENERAL.—A vehicle manufacturer that fails to comply with subsection (b) shall be liable for a civil penalty, assessed by the Administrator, in an amount that is equal to twice the average value of the aggregate...
quantity of zero-emission vehicle credits that
the vehicle manufacturer failed to submit in vio-
lation of that subsection, as determined by the
Administrator.

“(B) ENFORCEMENT.—The Administrator
shall assess any civil penalty under subpara-
graph (A).

“(C) DEPOSIT.—With respect to any civil
penalty paid to the Administrator pursuant to
subparagraph (A), the Administrator shall de-
posit the amount in the Climate Fund estab-
lished by section 702(a) of the 100 by ’50 Act.

“(2) INJUNCTION.—After calendar year 2040,
the Administrator may issue an injunction on the
manufacture of any motor vehicles other than zero-
emission vehicles by a vehicle manufacturer.”.

(b) TABLE OF CONTENTS AMENDMENT.—The table
of contents of the Clean Air Act (42 U.S.C. prec. 7401)
is amended by adding at the end of the items relating to
part A of title II the following:

“Sec. 220. Zero-emission vehicle standard.”.

SEC. 402. CARBON FEE FOR AVIATION, MARITIME TRANS-
PORTATION, AND RAIL.

(a) DEFINITIONS.—In this section:

(1) CARBON FEE.—The term “carbon fee”
means the carbon fee imposed under subsection (b).
(2) **Carbon Polluting Substance.**—The term “carbon polluting substance” means coal (including lignite and peat), petroleum and any petroleum product, or natural gas that, when combusted or otherwise used, will release greenhouse gas emissions.

(3) **Commercial Aviation.**—The term “commercial aviation” means any aircraft operation involving the transportation of passengers, cargo, or mail for hire.

(4) **Maritime Transportation.**—The term “maritime transportation” means the shipment of goods, cargo, and people by sea and other waterways.

(b) **Carbon Fee.**—The Secretary of the Treasury, in consultation with the Council, shall impose a carbon fee, in accordance with this section, on any owner or operator of an entity within the eligible sectors listed in subsection (d) to transition those sectors away from fossil fuel usage.

(c) **Amount.**—

(1) **In General.**—The amount of the carbon fee shall be assessed per ton of carbon dioxide equivalent (including carbon dioxide equivalent content of
methane) of the carbon polluting substance used as fuel, as determined by the Council.

(2) FRACTIONAL PART OF TON.—In the case of a fraction of a ton of a carbon polluting substance, the carbon fee shall be the same fraction of the amount of the fee imposed on a whole ton of the carbon polluting substance.

(3) APPLICABLE AMOUNT.—For purposes of this subsection, the amount of the carbon fee shall be not less than the social cost of carbon, as determined by the Administrator.

(d) ELIGIBLE SECTORS.—An owner or operator of an entity shall be subject to a carbon fee if the entity is a part of—

(1) commercial aviation;

(2) maritime transportation; or

(3) rail.

(e) USE OF COLLECTED CARBON FEE.—Funds collected under this section shall be used, as determined by the Council, to establish or fund programs, including those established under section 406, to assist eligible sectors described in subsection (d) with transitioning away from fossil fuel usage.
SEC. 403. ACCELERATING THE DEPLOYMENT OF ZERO-EMISSION VEHICLES IN COMMUNITIES.

(a) DEFINITIONS.—In this section:

(1) CHARGING INFRASTRUCTURE.—The term “charging infrastructure” means any property (not including a building) used for the recharging of a zero-emission vehicle, including electrical panel upgrades, wiring, conduits, trenching, pedestals, and related equipment.

(2) DEPLOYMENT COMMUNITY.—The term “deployment community” means a community selected by the Secretary to be part of the Program.

(3) FEDERAL-AID SYSTEM OF HIGHWAYS.—The term “Federal-aid system of highways” means the National Highway System described in section 103 of title 23, United States Code.

(4) PROGRAM.—The term “Program” means the zero-emission vehicle deployment community program established under subsection (b)(1).

(b) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a zero-emission vehicle deployment communities program.

(2) EXISTING ACTIVITIES.—In carrying out the Program, the Secretary shall coordinate and supplement, not supplant, any ongoing zero-emission vehic-
cle deployment activities under section 131 of the
Energy Independence and Security Act of 2007 (42

(3) DEPLOYMENT.—

(A) IN GENERAL.—The Secretary shall es-
  tablish a competitive process to select deploy-
  ment communities for the Program.

(B) ELIGIBLE ENTITIES.—In selecting
  participants for the Program, the Secretary
  shall only consider applications submitted by
  State, tribal, or local government entities (or
  groups of State, tribal, or local government en-
  tities).

(C) SELECTION.—Not later than 1 year
  after the date of enactment of this Act and not
  later than 1 year after the date on which any
  subsequent amounts are appropriated for the
  Program, the Secretary shall select the deploy-
  ment communities under this paragraph.

(c) GOALS.—The goals of the Program are—

(1) to facilitate the rapid deployment of zero-
  emission vehicles in various regions and regulatory
  environments, including—
(A) the deployment of 1,000,000 zero-emission vehicles in the deployment communities selected under subsection (d)(2);

(B) the near-term achievement of significant market penetration in deployment communities; and

(C) supporting the achievement of significant market penetration nationally;

(2) to establish regionally appropriate, interoperable models for the rapid deployment of zero-emission vehicles nationally, including regionally appropriate approaches for the cost-effective deployment of a sufficient quantity of single-family and multifamily residential, workplace, and publicly available charging infrastructure or zero-emission vehicle-refueling infrastructure;

(3) to increase consumer knowledge and acceptance of, and exposure to, zero-emission vehicles;

(4) to encourage the innovation and investment necessary to achieve mass market deployment of zero-emission vehicles;

(5) to demonstrate the integration of zero-emission vehicles into electricity distribution systems and the larger electric grid while maintaining or improv-
ing grid system performance, security, and reli-
ability;

(6) to demonstrate protocols and communica-
tion standards that facilitate vehicle integration into
the grid and provide seamless charging for con-
sumers traveling through multiple utility distribution
systems;

(7) to investigate differences among deployment
communities and to develop best practices for imple-
menting vehicle electrification in various commu-
nities, including best practices for planning for and
facilitating the construction of residential, work-
place, and publicly available infrastructure to sup-
port zero-emission vehicles;

(8) to collect comprehensive data on the pur-
chase and use of zero-emission vehicles, including
charging or refueling profile data at unit and aggre-
gate levels, to inform best practices for rapidly de-
ploying zero-emission vehicles in other locations, in-
cluding for the installation of charging infrastruc-
ture or zero-emission vehicle-refueling infrastructure;

(9) to reduce and displace petroleum use and
reduce greenhouse gas emissions by accelerating the
deployment of zero-emission vehicles in the United
States; and
(10) to increase domestic manufacturing capacity and commercialization in a manner that will establish the United States as a world leader in zero-emission vehicle technologies.

(d) DEPLOYMENT COMMUNITY SELECTION CRITERIA.—

(1) IN GENERAL.—The Secretary shall ensure, to the maximum extent practicable, that selected deployment communities serve as models of deployment for various communities across the United States.

(2) SELECTION.—In selecting communities under this section, the Secretary—

(A) shall ensure, to the maximum extent practicable, that—

(i) the combination of selected communities is diverse in population, population density, demographics, urban and suburban composition, typical commuting patterns, climate, and type of utility (including investor-owned, publicly owned, cooperatively owned, distribution-only, and vertically integrated utilities);

(ii) the combination of selected communities is diverse in geographical dis-
tribution, and at least 1 deployment com-
munity is located in each Petroleum Ad-
ministration for Defense District;

(iii) at least 1 deployment community
selected has a population of less than
500,000;

(iv) grants are of a sufficient amount
such that each deployment community will
achieve significant market penetration,
particularly into the mainstream consumer
market; and

(v) the deployment communities are
representative of other communities across
the United States;

(B) is encouraged to select a combination
of deployment communities that includes mul-
tiple models or approaches for deploying zero-
emission vehicles that the Secretary believes are
reasonably likely to be effective, including mul-
tiple approaches to the deployment of charging
infrastructure or zero-emission vehicle-refueling
infrastructure;

(C) shall prioritize deployment commu-
nities that demonstrate affordable modes of ac-
cess to zero-emission vehicles for low-income communities and disadvantaged communities;

(D) in addition to the criteria described in subparagraph (A), may give preference to applicants proposing a greater non-Federal cost share; and

(E) when considering deployment community plans, shall take into account previous Department of Energy and other Federal investments to ensure that the maximum domestic benefit from Federal investments is realized.

(3) CRITERIA.—

(A) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, and not later than 90 days after the date on which any subsequent amounts are appropriated for the Program, the Secretary shall publish criteria for the selection of deployment communities that include requirements that applications be submitted by a State, tribal, or local government entity (or groups of State, tribal, or local government entities).

(B) APPLICATION REQUIREMENTS.—The criteria published by the Secretary under sub-
paragraph (A) shall include application require-
ments that, at a minimum, include—

(i) achievable goals and methodologies

for—

(I) the number of zero-emission

vehicles to be deployed in the commu-
nity;

(II) the expected percentage of

light-duty vehicle sales that would be

sales of zero-emission vehicles;

(III) the adoption of zero-emis-
sion vehicles (including medium- or

heavy-duty vehicles) in private and

public fleets during the 3-year dura-
tion of the Program; and

(IV) a method to generate rev-

enue to maintain the infrastructure

investments made by the Program

after the termination of the Program;

(ii) data that demonstrate that—

(I) the public is likely to embrace

zero-emission vehicles, which may in-
clude—

(aa) the quantity of zero-

emission vehicles purchased;
the number of individuals on a waiting list to purchase a zero-emission vehicle;

(projections of the quantity of zero-emission vehicles supplied to dealers; and

(any assessment of the quantity of charging infrastructure or zero-emission vehicle-refueling infrastructure installed or for which permits have been issued; and

(automobile manufacturers and dealers will be able to provide and service the targeted number of zero-emission vehicles in the community for the duration of the program;

(clearly defined geographical boundaries of the proposed deployment area;

(a community deployment plan for the deployment of zero-emission vehicles, charging infrastructure or zero-emission vehicle-refueling infrastructure, and services in the community;
(v) assurances that a majority of the vehicle deployments anticipated in the plan will be personal vehicles authorized to travel on the Federal-aid system of highways, and secondarily, private or public sector zero-emission fleet vehicles, but may also include—

(I) private or public sector zero-emission fleet vehicles;

(II) medium- and heavy-duty zero-emission vehicles; and

(III) any other zero-emission vehicle authorized to travel on the Federal-aid system of highways; and

(vi) any other merit-based criteria, as determined by the Secretary.

(4) Community Deployment Plans.—Plans for the deployment of zero-emission vehicles shall include—

(A) a proposed level of cost sharing in accordance with subsection (e)(2)(C);

(B) documentation demonstrating a deployment community project involving relevant stakeholders, including—
(i) a list of stakeholders that includes—

(I) elected and appointed officials from each of the participating State, local, and tribal governments;

(II) all relevant generators and distributors of electricity;

(III) State utility regulatory authorities;

(IV) departments of public works and transportation;

(V) owners and operators of property that will be essential to the deployment of a sufficient level of publicly available charging infrastructure or zero-emission vehicle-refueling infrastructure (including privately owned parking lots or structures and commercial entities with public access locations);

(VI) zero-emission vehicle manufacturers or retailers;

(VII) third-party providers of residential, workplace, private, and publicly available charging infrastruc-


ture or zero-emission vehicle-refueling infrastructure or services;

(VIII) owners of any major fleet that will participate in the applicable deployment community project;

(IX) as appropriate, owners and operators of regional electric power distribution and transmission facilities; and

(X) as appropriate, other existing deployment community coalitions recognized by the Department of Energy;

(ii) evidence of the commitment of the stakeholders to participate in the project;

(iii) a clear description of the role and responsibilities of each stakeholder; and

(iv) a plan for continuing the engagement and participation of the stakeholders, as appropriate, throughout the implementation of the deployment plan;

(C) a description of the number of zero-emission vehicles anticipated to be zero-emission personal vehicles and the number of zero-emission vehicles anticipated to be privately owned fleet or public fleet vehicles;
(D) a plan for deploying residential, workplace, private, and publicly available charging infrastructure or zero-emission vehicle-refueling infrastructure, including—

(i) an assessment of the number of consumers who will have access to private residential charging infrastructure or zero-emission vehicle-refueling infrastructure in single-family or multifamily residences;

(ii) options for accommodating zero-emission vehicle owners who are not able to charge vehicles at their place of residence;

(iii) an assessment of the number of consumers who will have access to workplace charging infrastructure or zero-emission vehicle-refueling infrastructure;

(iv) a plan for ensuring that the charging infrastructure or zero-emission vehicle be able to send and receive the information needed to interact with the grid and be compatible with smart grid technologies to the extent feasible;

(v) an estimate of the number and distribution of publicly and privately owned
charging or refueling stations that will be publicly or commercially available;

(vi) an estimate of the quantity of charging infrastructure or zero-emission vehicle-refueling infrastructure that will be privately funded or located on private property; and

(vii) a description of equipment to be deployed, including assurances that, to the maximum extent practicable, equipment to be deployed will meet open, nonproprietary standards for connecting to zero-emission vehicles that—

(I) are commonly accepted by industry at the time the equipment is being acquired; or

(II) meet the standards developed by the Director of the National Institute of Standards and Technology under section 1305 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17385);

(E) 1 or more plans for effective marketing of and consumer education relating to
zero-emission vehicles, charging or refueling services, and charging infrastructure;

(F) descriptions of updated building codes (or a plan to update building codes before or during the grant period) to include charging infrastructure or dedicated circuits for charging infrastructure, as appropriate, in new construction and major renovations;

(G) descriptions of updated construction permitting or inspection processes (or a plan to update construction permitting or inspection processes) to allow for expedited installation of charging infrastructure or zero-emission vehicle-refueling infrastructure for purchasers of zero-emission vehicles, including a permitting process that allows a vehicle purchaser to have charging infrastructure or zero-emission vehicle-refueling infrastructure installed in a timely manner;

(H) descriptions of updated zoning, parking rules, or other local ordinances as are necessary to facilitate the installation of publicly available charging infrastructure or zero-emission vehicle-refueling infrastructure and to allow for access to publicly available charging
infrastructure or zero-emission vehicle-refueling infrastructure, as appropriate;

(I) descriptions of incentives for residents in a deployment community who purchase and register a new zero-emission vehicle, in addition to any Federal incentives, including—

(i) a rebate of part of the purchase price of the zero-emission vehicle;

(ii) reductions in sales taxes or registration fees;

(iii) rebates or reductions in the costs of permitting, purchasing, or installing home zero-emission vehicle charging infrastructure or zero-emission vehicle-refueling infrastructure; and

(iv) rebates or reductions in State or local toll road access charges;

(J) additional consumer benefits, such as preferred parking spaces or single-rider access to high-occupancy vehicle lanes for zero-emission vehicles;

(K) a proposed plan for making necessary utility and grid upgrades, including economically sound and cybersecure information tech-
ology upgrades and employee training, and a
plan for recovering the cost of the upgrades;

(L) a description of utility, grid operator,
or (if appropriate) competitive charging service
providers, policies, and plans for accommo-
dating the deployment of zero-emission vehicles,
including—

(i) rate structures or competitive
charging or refueling service provisions and
billing protocols for the charging or refuel-
ing of zero-emission vehicles;

(ii) analysis of potential impacts to
the grid;

(iii) plans for using information tech-
nology or third-party aggregators—

(I) to minimize the effects of
charging on peak loads;

(II) to enhance reliability; and

(III) to provide other grid bene-
fits; and

(iv) plans for working with smart grid
technologies or third-party aggregators for
the purposes of smart charging and for al-
lowing 2-way communication;
(M) a plan for a sustainable business model that will ensure cost effective maintenance, operation, and expansion of the charging infrastructure or zero-emission vehicle-refueling infrastructure and charging or refueling services;

(N) a deployment timeline;

(O) a plan for monitoring and evaluating the implementation of the plan, including metrics for assessing the success of the deployment and an approach to updating the plan, as appropriate; and

(P) a description of the manner in which any grant funds applied for under subsection (e) will be used and the proposed local cost share for the funds.

(e) APPLICATIONS AND GRANTS.—

(1) APPLICATIONS.—

(A) IN GENERAL.—Not later than 150 days after the date of publication by the Secretary of selection criteria described in subsection (d)(3), any State, tribal, or local government, or group of State, tribal, or local governments may apply to the Secretary to become a deployment community.
(B) Joint Sponsorship.—

(i) In General.—An application submitted under subparagraph (A) may be jointly sponsored by electric utilities, automobile manufacturers, technology providers, carsharing companies or organizations, third-party zero-emission vehicle service providers, or other appropriate entities.

(ii) Disbursement of Grants.—A grant provided under this subsection shall only be disbursed to a State, tribal, or local government, or group of State, tribal, or local governments, regardless of whether the application is jointly sponsored under clause (i).

(2) Grants.—

(A) In General.—In each application, the applicant may request up to $250,000,000 in financial assistance from the Secretary to fund projects in the deployment community.

(B) Use of Funds.—Funds provided through a grant under this paragraph may be used to help implement the plan for the deploy-
ment of zero-emission vehicles included in the application, including—

(i) reducing the cost and increasing the consumer adoption of zero-emission vehicles through incentives as described in subsection (d)(4)(I);

(ii) planning for and installing charging infrastructure or zero-emission vehicle-refueling infrastructure, including offering additional incentives as described in subsection (d)(4)(I);

(iii) updating building codes, zoning or parking rules, or permitting or inspection processes as described in subparagraphs (F), (G), and (H) of subsection (d)(4);

(iv) workforce training, including training of permitting officials;

(v) public education and marketing described in the proposed marketing plan;

(vi) supplementing (and not supplanting) the number of zero-emission vehicles that are purchased by State, local, and tribal governments; and
(vii) necessary utility and grid up-
grades 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 re-
quirement 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 fund-
ed by a grant under this paragraph be
provided by a non-Federal source.

(iii) REDUCTION.—The Secretary may
reduce or eliminate the cost-sharing re-
quirement 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—
(I) may include allowable costs in accordance with the applicable cost principles, including—

(aa) cash;

(bb) personnel costs;

(cc) the value of a service, other resource, or third party in-kind contribution determined in accordance with the applicable circular of the Office of Management and Budget;

(dd) indirect costs or facilities and administrative costs; or

(ee) any funds received under the power program of the Tennessee Valley Authority or any Power Marketing Administration (except to the extent that such funds are made available under an annual appropriations Act);

(II) shall include contributions made by State, tribal, or local government entities and private entities; and

(III) shall not include—
(aa) revenues or royalties from the prospective operation of an activity beyond the time considered in the grant;

(bb) proceeds from the prospective sale of an asset of an activity; or

(cc) other appropriated Federal funds.

(v) Repayment of Federal share.—The Secretary shall not require repayment of the Federal share of a cost-shared activity under this section as a condition of providing a grant.

(vi) Title to property.—The Secretary may vest title or other property interests acquired under projects funded under this Act in any entity, including the United States.

(D) Other Federal assistance.—The Secretary shall consider the receipt of other Federal funds received by the applicant in determining the cost share of the applicant.

(3) Selection.—Not later than 120 days after an application deadline has been established under
paragraph (1), the Secretary shall announce the
names of the deployment communities selected under
this subsection.

(f) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall—

(A) determine what data will be required
to be collected by participants in deployment
communities and submitted to the Department
of Energy to allow for analysis of the deploy-
ment communities;

(B) provide for the protection of consumer
privacy, as appropriate; and

(C) develop metrics to evaluate the per-
formance of the deployment communities.

(2) PROVISION OF DATA.—As a condition of
participation in the Program, a deployment commu-
nity shall provide any data identified by the Sec-
retary under paragraph (1).

(3) REPORTS.—

(A) INTERIM REPORT.—Not later than 3
years after the date of enactment of this Act,
the Secretary shall submit to Congress an in-
terim report that contains—

(i) a description of the status of—
(I) the deployment communities
and the implementation of the deploy-
ment plan of each deployment commu-
nity;

(II) the rate of vehicle manufac-
turing deployment and market pene-
tration of zero-emission vehicles; and

(III) the deployment of residen-
tial and publicly available infrastruc-
ture;

(ii) a description of the challenges ex-
perienced and lessons learned from the
Program to date, including the activities
described in clause (i); and

(iii) an analysis of the data collected
under this subsection.

(B) FINAL REPORT.—On completion of the
Program, the Secretary shall submit to Con-
gress a final report that contains—

(i) updates on the information de-
scribed in subparagraph (A);

(ii) a description of the successes and
failures of the Program;
(iii) recommendations on whether to promote further deployment of zero-emission vehicles; and

(iv) if additional deployment communities are recommended, information on—

(I) the number of additional deployment communities that should be selected;

(II) the manner in which criteria for selection should be updated;

(III) the manner in which incentive structures for deployment should be changed; and

(IV) whether other forms of on-board energy storage for zero-emission vehicles should be included.

(g) PROPRIETARY INFORMATION.—The Secretary shall, as appropriate, provide for the protection of proprietary information and intellectual property rights in carrying out the Program.

(h) FUNDING.—The Secretary shall use to carry out this section not more than $12,500,000,000 for each fiscal year from the Climate Fund.
SEC. 404. ACCELERATING THE DEPLOYMENT OF ZERO-EMISSION VEHICLE FLEETS.

(a) Establishment.—The Secretary shall establish a zero-emission vehicle private fleet upgrade program (referred to in this section as the “Program”).

(b) Competitive Grants.—

(1) In general.—The Secretary shall establish a competitive process to select zero-emission vehicle fleets for the Program to receive grants.

(2) Eligible Entities.—In selecting participants for the Program under paragraph (1), the Secretary shall only consider applications (including joint applications) submitted by companies that—

(A) are private, nongovernmental entities;

(B) are headquartered in the United States; and

(C) plan to purchase, or enter into contracts for hire, not fewer than 100 zero-emission vehicles.

(3) Selection Criteria.—Not later than 120 days after the date of enactment of this Act, the Secretary shall publish a set of selection criteria for the grant competition that includes—

(A) offering the highest cost-share relative to the value of the Federal grant offered under the Program;
(B) to the maximum extent practicable, serving as a model of deployment for other private companies across the United States; and

(C) meeting other criteria considered appropriate by the Secretary.

(4) APPLICATIONS AND GRANTS.—

(A) IN GENERAL.—Not later than 120 days after the date of publication by the Secretary of the selection criteria described in paragraph (3), any company 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 through a grant under this subsection may be used—

(I) to purchase zero-emission vehicles;

(II) to plan for and install zero-emission vehicle charging or refueling infrastructure; and
(III) to carry out other activities considered appropriate by the Secretary.

(iii) Cost Sharing.—

(I) In general.—A grant provided under this subsection shall be subject to a minimum non-Federal cost-sharing requirement of 80 percent.

(II) Non-Federal Sources.—

The Secretary shall determine the appropriate cost share for each selected applicant.

(III) Reduction.—The Secretary may reduce or eliminate the cost-sharing requirement described in subclause (I), as the Secretary determines to be necessary.

(IV) Repayment of Federal Share.—The Secretary shall not require repayment of the Federal share of a cost-shared activity under this section as a condition of providing a grant.
(V) TITLE TO PROPERTY.—The receipt of Federal funds under this section shall not prohibit the purchaser of a vehicle, equipment, or other property from retaining sole, permanent title to the vehicle, equipment, or property at the conclusion of the Program.

(iv) OTHER FEDERAL ASSISTANCE.—The Secretary shall consider the receipt of other Federal funds by the applicant in determining the cost share of the applicant.

(C) SELECTION.—Not later than 120 days after the application deadline established under subparagraph (A), the Secretary shall announce the names of the applicants selected to receive grants under this section.

(5) REPORTING REQUIREMENTS.—

(A) IN GENERAL.—The Secretary shall—

(i) determine what data will be required to be collected by participants in the Program and submitted to the Secretary to permit analysis of the Program; and
(ii) develop metrics to determine the
success of the deployment communities.

(B) PROVISION OF DATA.—As a condition
of participation in the Program, an applicant
shall provide any data determined by the Sec-
retary under subparagraph (A).

(C) PROPRIETARY INFORMATION.—In car-
rying out this paragraph, the Secretary shall, as
appropriate, provide for the protection of pro-
prietary information and intellectual property
rights.

(c) FUNDING.—The Secretary shall use to carry out
this section not more than $12,500,000,000 for each fiscal
year from the Climate Fund.

SEC. 405. DECARBONIZING AMERICA’S HIGHWAYS.

(a) DEFINITIONS.—In this section:

(1) ALTERNATIVE FUEL ROUTE.—The term
“alternative fuel route” means a highway corridor
that has been designated under section 151(a) of
title 23, United States Code.

(2) DECARBONIZATION.—The term
“decarbonization” means reducing and eliminating
the use of fossil fuels such as coal, oil, or natural
gas.
(3) National Highway System.—The term “National Highway System” has the meaning given the term in section 101 of title 23, United States Code.

(4) Program.—The term “Program” means the national highway decarbonization program established under subsection (b).

(5) Secretary.—The term “Secretary” means the Secretary of Transportation.

(b) Establishment.—The Secretary shall establish a national highway decarbonization program.

(c) Goals.—The goals of the Program are—

(1) to accelerate the deployment of alternative fuel and charging infrastructure along the National Highway System;

(2) to reduce and displace fossil fuel use and greenhouse gas emissions due to vehicles traveling on the National Highway System; and

(3) to encourage the innovation and investment necessary for zero-emissions vehicles to travel long distances.

(d) Competitive Grants.—

(1) In general.—The Secretary shall establish a competitive process to select projects that lead to the decarbonization of the National Highway System
and alternative fuel routes through research, development, and deployment of the infrastructure and technologies necessary to support long-distance travel of zero-emissions vehicles.

(2) ELIGIBLE ENTITIES.—In selecting participants for the Program under paragraph (1), the Secretary shall only consider applications (including joint applications) submitted by entities that—

(A) are private nongovernmental entities; and

(B) are headquartered in the United States.

(3) SELECTION CRITERIA.—Not later than 120 days after the date of enactment of this Act, the Secretary shall publish a set of selection criteria for the grant competition that includes—

(A) offering the highest cost-share relative to the value of the Federal grant offered under the Program;

(B) to the maximum extent practicable, serving as a model of deployment for other private entities across the United States; and

(C) such other criteria as the Secretary determines to be appropriate.

(4) APPLICATIONS AND GRANTS.—
(A) IN GENERAL.—Not later than 120 days after the date of publication by the Secretary of the selection criteria described in paragraph (3), any eligible entity under 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 $50,000,000.

(ii) USE OF FUNDS.—Funds provided by a grant under this subsection may be used—

(I) to deploy technologies and infrastructure that support long-distance travel of zero-emissions vehicles, including—

(aa) battery-charging stations;

(bb) battery-swap facilities;

(cc) hydrogen refueling stations;

(dd) catenary systems; and
(ee) second-generation advanced biofuels refueling stations; and

(II) to carry such other activities as the Secretary determines to be appropriate.

(iii) COST SHARING.—

(I) IN GENERAL.—A grant provided under this subsection shall be subject to a minimum non-Federal cost-sharing requirement of 80 percent.

(II) NON-FEDERAL SOURCES.—The Secretary shall determine the appropriate cost share for each selected applicant.

(III) REDUCTION.—The Secretary may reduce or eliminate the cost-sharing requirement described in subclause (I), as the Secretary determines to be necessary.

(IV) REPAYMENT OF FEDERAL SHARE.—The Secretary shall not require repayment of the Federal share of a cost-shared activity under this
section as a condition of providing a grant.

(5) Reporting requirements.—

(A) In general.—The Secretary shall—

(i) determine what data will be required to be collected by participants in the Program and submitted to the Secretary to permit analysis of the Program; and

(ii) develop metrics to determine the success of the deployment communities.

(B) Provision of data.—As a condition of participation in the Program, an applicant shall provide any data determined by the Secretary under subparagraph (A).

(C) Proprietary information.—In carrying out this paragraph, the Secretary shall, as appropriate, provide for the protection of proprietary information and intellectual property rights.

(e) Funding.—The Secretary shall use to carry out this section not more than $2,000,000,000 for each fiscal year from the Climate Fund.
SEC. 406. ACCELERATING THE DEPLOYMENT OF ZERO-EMISSION AVIATION, RAIL, AND MARITIME TRANSPORTATION.

(a) Definitions.—In this section:

(1) Commercial Aviation.—The term “commercial aviation” means any aircraft operation involving the transportation of passengers, cargo, or mail for hire.

(2) Maritime Transportation.—The term “maritime transportation” means the shipment of goods, cargo, and people by sea and other waterways.

(3) Program.—The term “Program” means the national grant program established under subsection (b).

(4) Secretary.—The term “Secretary” means the Secretary of Transportation.

(b) Establishment.—The Secretary shall establish a national grant program to promote and accelerate the elimination of fossil fuel usage for the commercial aviation, maritime transportation, and rail sectors.

(c) Goals.—The goals of the Program are—

(1) to accelerate the development and deployment of low carbon fuels and alternative fuel technologies for aircraft, ships, and rail;
(2) to reduce and displace fossil fuel use and greenhouse gas emissions due to the commercial aviation, maritime transportation and rail sectors; and

(3) to encourage the innovation and investment necessary for reaching the purpose of this section described in subsection (d)(1) by 2050.

(d) COMPETITIVE GRANTS.—

(1) IN GENERAL.—The Secretary shall establish a competitive process to select projects that lead to the reduction of fossil fuels use in the commercial aviation, maritime transportation, and rail sectors.

(2) ELIGIBLE ENTITIES.—In selecting participants for the Program under paragraph (1), the Secretary shall only consider an application (including a joint application) submitted by an applicant that is—

(A) a private, nongovernmental entity that is headquartered in the United States;

(B) a State;

(C) a group of States;

(D) an Interstate Compact;

(E) a public agency established by 1 or more States; or

(F) an Indian tribe or tribal organization.
(3) SELECTION CRITERIA.—Not later than 120 days after the date of enactment of this Act, the Secretary shall publish a set of selection criteria for the grant competition that includes—

(A) offering the highest cost-share relative to the value of the Federal grant offered under the Program;

(B) to the maximum extent practicable, serving as a model of research, development, and deployment for other private entities across the United States; and

(C) meeting such other criteria as the Secretary determines to be appropriate.

(4) APPLICATIONS AND GRANTS.—

(A) IN GENERAL.—Not later than 120 days after the date of publication by the Secretary 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 $100,000,000.
(ii) USE OF FUNDS.—Funds provided by a grant under this subsection may be used—

(I) primarily to deploy zero emissions and alternative fuel technologies for commercial aviation, maritime transportation, and rail including—

(aa) electrification;

(bb) hydrogen fuel cells;

(cc) second-generation advanced biofuels; and

(dd) fuel efficiency; and

(II) to carry out other activities considered appropriate by the Secretary.

(iii) COST SHARING.—

(I) IN GENERAL.—A grant provided under this subsection shall be subject to a minimum non-Federal cost-sharing requirement of 80 percent.

(II) NON-FEDERAL SOURCES.—The Secretary shall determine the appropriate cost share for each selected applicant.
(III) Reduction.—The Secretary may reduce or eliminate the cost-sharing requirement described in subclause (I), as the Secretary determines to be necessary.

(IV) Repayment of Federal share.—The Secretary shall not require repayment of the Federal share of a cost-shared activity under this section as a condition of providing a grant.

(5) Reporting Requirements.—

(A) In general.—The Secretary shall—

(i) determine what data will be required to be collected by participants in the Program and submitted to the Secretary to permit analysis of the Program; and

(ii) develop metrics to determine the success of the deployment communities.

(B) Provision of data.—As a condition of participation in the Program, an applicant shall provide any data determined by the Secretary under subparagraph (A).
(C) PROPRIETARY INFORMATION.—In carrying out this paragraph, the Secretary shall, as appropriate, provide for the protection of proprietary information and intellectual property rights.

(e) FUNDING.—The Secretary shall use to carry out the Program—

(1) climate fees imposed under section 402; and

(2) not more than $12,000,000,000 for each fiscal year from the Climate Fund.

SEC. 407. ACCELERATING THE DEPLOYMENT OF ZERO-EMISSION RESIDENTIAL AND COMMERCIAL HEATING.

(a) DEFINITIONS.—In this section:

(1) FOSSIL FUEL HEATING SYSTEM.—The term “fossil fuel heating system” means any boiler, furnace, hot water heater, or forced air system that uses coal, oil, natural gas, propane, or any other fossil fuel, as determined by the Secretary.

(2) PROGRAM.—The term “Program” means the zero-emission residential and commercial heating program established under subsection (b).

(3) RETAIL ELECTRIC SUPPLIER.—The term “retail electric supplier” means an entity that sold 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,
and not later than 90 days after the date on
which any subsequent amounts are made avail-
able for the Program, the Secretary shall pub-
lish criteria for the selection of applicants, in-
cluding criteria prioritizing applications—

(i) with the highest non-Federal cost
share relative to the value of the Federal
grant offered under the Program;

(ii) that deliver the most rapid reduc-
tions in emissions due to fossil fuel heating
energy; and

(iii) that meet other criteria consid-
ered appropriate by the Secretary.

(B) APPLICATION REQUIREMENTS.—The
applications submitted by eligible entities under
paragraph (2) shall describe how selection cri-
teria under subparagraph (A) are met, includ-
ing a description of—

(i) the non-Federal cost-share; and

(ii) the manner in which the applicant
will measure and verify the planned energy
savings.

(4) APPLICATIONS AND GRANTS.—

(A) IN GENERAL.—Not later than 120
days after the date of publication by the Sec-
Secretary 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.
(iii) Cost sharing.—

(I) In general.—A grant provided under this subsection to a private, for-profit entity shall be subject to a minimum non-Federal cost-sharing requirement of 50 percent.

(II) Non-federal sources.—The Secretary shall determine the appropriate cost share for each selected applicant.

(III) Reduction.—The Secretary may reduce or eliminate the cost-sharing requirement described in subclause (I), as the Secretary determines to be necessary.

(IV) Repayment of federal share.—The Secretary shall not require repayment of the Federal share of a cost-shared activity under this section as a condition of providing a grant.

(iv) Other federal assistance.—The Secretary shall consider the receipt of other Federal funds by the applicant in determining the cost share of the applicant.
(C) Selection.—Not later than 120 days after the application deadline established under subparagraph (A), the Secretary shall announce the applicants selected to receive grants under this section.

(5) Reporting requirements.—

(A) In general.—The Secretary shall determine what data will be required to be collected by participants in the Program and submitted to the Secretary to permit analysis of the Program.

(B) Provision of data.—As a condition of participation in the Program, an applicant shall provide any data determined by the Secretary under subparagraph (A).

(C) Proprietary information.—In carrying out this paragraph, the Secretary shall, as appropriate, provide for the protection of proprietary information and intellectual property rights.

(6) Additional authorities.—To ensure the transition to 100 percent clean and renewable energy by 2050, starting in 2035, the Secretary, in consultation with the Council, shall have the authority to set standards for residential and commercial
heating systems that eliminate fossil fuel emissions by 2050.

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

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.

(a) REPEAL OF PHASEOUT.—Section 30D of the Internal Revenue Code of 1986 is amended by striking subsection (e).

(b) EXTENSION FOR 2-WHEELED VEHICLES.—Subparagraph (E) of section 30D(g)(3) of the Internal Revenue Code of 1986 is amended to read as follows:

“(E) is acquired—

“(i) in the case of a vehicle that has 2 wheels, after December 31, 2014, and

“(ii) in the case of a vehicle that has 3 wheels, after December 31, 2017.”.

(e) INCREASE IN DOLLAR LIMITATION FOR BATTERY CAPACITY.—Paragraph (3) of section 30D(b) of the Inter-
(d) **PERSONAL CREDIT MADE REFUNDABLE.**—

(1) **IN GENERAL.**—Section 30D(c)(2) of the Internal Revenue Code of 1986 is amended by striking “subpart A” and inserting “subpart C”.

(2) **TECHNICAL AMENDMENT.**—Paragraph (2) of section 1324(b) of title 31, United States Code, as amended by this Act, is amended by inserting “30D(c)(2),” after “36D,.”

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to vehicles acquired after December 31, 2016.

**SEC. 412. PERMANENT EXTENSION OF CREDIT FOR HYBRID MEDIUM- AND HEAVY-DUTY TRUCKS.**

(a) **IN GENERAL.**—Section 30B(k) of the Internal Revenue Code of 1986 is amended—

(1) by striking “after” in the matter before paragraph (1),

(2) by inserting “after” before “December” each place it appears, and

(3) in paragraph (3), by inserting “and before the date of the enactment of the Energy Policy Modernization Act of 2017” after “December 31, 2009,”.
(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property purchased after the date of the enactment of this Act.

SEC. 413. EXTENSION OF SECOND GENERATION BIOFUEL PRODUCER CREDIT.

(a) IN GENERAL.—Clause (i) of section 40(b)(6)(J) of the Internal Revenue Code of 1986 is amended by striking “January 1, 2017” and inserting “January 1, 2025”.

(b) EFFECTIVE DATE.—The amendment made by this subsection shall apply to qualified second generation biofuel production after December 31, 2016.

SEC. 414. EXTENSION OF SPECIAL ALLOWANCE FOR SECOND GENERATION BIOFUEL PLANT PROPERTY.

(a) IN GENERAL.—Subparagraph (D) of section 168(l)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

“(D) the construction of which begins before January 1, 2025.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2016.
SEC. 415. EXTENSION AND MODIFICATION OF THE ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) IN GENERAL.—Section 30C of the Internal Revenue Code of 1986 is amended—

(1) by amending subsection (c) to read as follows:

“(c) QUALIFIED ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.—For purposes of this section, the term ‘qualified alternative fuel vehicle refueling property’ means any of the following:

“(1) A pump or blender pump that is capable of dispensing a fuel mixture that is at least 50 percent ethanol.

“(2) A pump or blender pump that is capable of dispensing a fuel mixture that is at least 50 percent biodiesel or renewable diesel.

“(3) A pump that is capable of dispensing a biofuel and petroleum blend, at least 50 percent of which is a renewable fuel (as defined in section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1))).

“(4) A direct current electric charging station with a power rating of at least 40 kilowatts.

“(5) An alternating current electric charging station with a voltage rating between 208 volts and
240 volts and a power rating between 2.5 kilowatts and 20 kilowatts.

“(6) Hydrogen fuel-cell refilling infrastructure.

“(7) Any other infrastructure that the Administrator may prescribe by regulation that is capable of dispensing a fuel that is not less than a 50-percent mixture of a renewable fuel (as defined in section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1))).”

(2) in subsection (e)—

(A) by striking paragraphs (5) through (7), and

(B) by inserting after paragraph (4) the following new paragraph:

“(5) RECAPTURE RULES.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.”, and

(3) by amending subsection (g) to read as follows:

“(g) TERMINATION.—This section shall not apply to any property placed in service after December 31, 2024.”.
(4) Effective date.—The amendments made by this section shall apply to property placed in service after December 31, 2016.

TITLE V—ENDING NEW FOSSIL FUEL INVESTMENTS

Subtitle A—Ending New Fossil Fuel Investments

SEC. 501. MORATORIUM ON NEW MAJOR FOSSIL FUEL PROJECTS.

(a) Definitions.—In this section:

(1) Fossil fuel energy.—The term “fossil fuel energy” means electric energy generated, in whole or in part, by a fossil fuel resource.

(2) Fossil fuel resource.—

(A) In general.—The term “fossil fuel resource” means all forms of coal, oil, and gas.

(B) Inclusions.—The term “fossil fuel resource” includes—

(i) bitumen from oil sands;

(ii) kerogen from oil shale;

(iii) liquids manufactured from coal;

(iv) coal bed methane;

(v) methane hydrates;

(vi) light oil derived from shale or other formations;
(vii) natural gas liquids; and

(viii) all conventionally and unconventionally produced hydrocarbons.

(3) Gathering Line.—The term "gathering line" has the meaning given the term in section 195.2 of title 49, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(4) Interstate Pipeline.—The term "interstate pipeline" has the meaning given the term in section 195.2 of title 49, Code of Federal Regulations (as in effect on the date of enactment of this Act).

(b) Moratorium.—Subject to subsection (e), beginning on January 1, 2021, there shall be a moratorium on Federal permit approval for—

(1) any new electric generating facility that generates fossil fuel energy through the combustion of any fossil fuel resource;

(2) any new gathering line or interstate pipeline for the transport of any fossil fuel resource that—

(A) crosses Federal land or navigable water; or

(B) requires the use of eminent domain on private property;
(3) any maintenance activity relating to an existing gathering line or interstate pipeline for the transport of a fossil fuel resource that expands the carrying capacity of the gathering line or interstate pipeline by more than 5 percent;

(4) any new import or export terminal for fossil fuel resources;

(5) any maintenance activity relating to an existing import or export terminal for a fossil fuel resource that expands the import or export capacity for a fossil fuel resource; and

(6) any new refinery of a fossil fuel resource.

(e) Enforcement.—The Administrator may seek an injunction on the construction of any facility described in subsection (b) that begins on or after January 1, 2021.

(d) Federal Permits.—The Administrator, in coordination with the head of the applicable Federal agency, shall deny any application submitted to the head of that Federal agency on or after January 1, 2021, for a permit for any facility described in subsection (b).

(e) Exemption.—During the period beginning on January 1, 2021, and ending on December 31, 2029, any entity seeking to construct a new electric generating facility that generates fossil fuel energy through the combustion of natural gas may submit to the Administrator an
application for a waiver of the moratorium under this section, including a demonstration by the entity that—

(1) the electricity will primarily be used to balance nonfossil fuel resources; and

(2) nonfossil fuel resources will not be available to maintain reliability while achieving compliance with the applicable requirements of section 220 of the Clean Air Act (42 U.S.C. 7401 et seq.) (as added by section 401(a)).

(f) Tribal Consultation.—

(1) In general.—If an application for routing or siting approval, or permit or right-of-way was granted, approved, or issued on or after February 8, 2017, for any facility described in subsection (b) without the consultation required under Executive Order 13175 (25 U.S.C. 5301 note; relating to tribal consultation), or without the informed and express consent of the applicable Indian tribe, the Administrator or appropriate agency head shall order an immediate suspension of any preconstruction, construction, or any other activity within, on, under, or through the approved route or right-of-way or permitted area.

(2) Duration.—The suspension described in paragraph (1) shall remain in full force and effect
until conclusion of the appropriate administrative proceeding.

(g) **EMINENT DOMAIN.**—Any application, permit, or right-of-way granted or issued for any facility described in subsection (b) that, on or after February 8, 2017, triggers the use of eminent domain shall be null and void.

**SEC. 502. ENDING FOSSIL FUEL SUBSIDIES.**

(a) **FOSSIL FUEL.**—In this section, the term “fossil fuel” means coal, petroleum, natural gas, or any derivative of coal, petroleum, or natural gas that is used for fuel.

(b) **ROYALTY RELIEF.**—

1. **OUTER CONTINENTAL SHELF LANDS ACT.**—Section 8(a)(3) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)) is amended—
   - (A) by striking subparagraph (B); and
   - (B) by redesignating subparagraph (C) as subparagraph (B).

2. **ENERGY POLICY ACT OF 2005.**—
   - (A) **INCENTIVES FOR NATURAL GAS PRODUCTION FROM DEEP WELLS IN THE SHALLOW WATERS OF THE GULF OF MEXICO.**—Section 344 of the Energy Policy Act of 2005 (42 U.S.C. 15904) is repealed.
(B) DEEP WATER PRODUCTION.—Section 345 of the Energy Policy Act of 2005 (42 U.S.C. 15905) is repealed.

(3) FUTURE PROVISIONS.—Notwithstanding any other provision of law (including regulations), royalty relief shall not be permitted under a lease issued under section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337).

(e) ROYALTIES UNDER MINERAL LEASING ACT.—

(1) COAL LEASES.—Section 7(a) of the Mineral Leasing Act (30 U.S.C. 207(a)) is amended in the fourth sentence by striking “12½ per centum” and inserting “18¾ percent”.

(2) LEASES ON LAND ON WHICH OIL OR NATURAL GAS IS DISCOVERED.—Section 14 of the Mineral Leasing Act (30 U.S.C. 223) is amended in the fourth sentence by striking “12½ per centum” and inserting “18¾ percent”.

(3) LEASES ON LAND KNOWN OR BELIEVED TO CONTAIN OIL OR NATURAL GAS.—Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended—

(A) in subsection (b)—

(i) in paragraph (1)(A), in the fifth sentence, by striking “12.5 percent” and inserting “18¾ percent”; and
(ii) in paragraph (2)(A)(ii), by striking “12½ per centum” and inserting “18¾ percent”;  
  
(B) in subsection (c)(1), in the second sentence, by striking “12.5 percent” and inserting “18¾ percent”;  
  
(C) in subsection (l), by striking “12½ per centum” each place it appears and inserting “18¾ percent”; and  
  
(D) in subsection (n)(1)(C), by striking “12½ per centum” and inserting “18¾ percent”.  

(d) ELIMINATION OF INTEREST PAYMENTS FOR ROYALTY OVERPAYMENTS.—Section 111 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1721) is amended by adding at the end the following:

“(k) PAYMENT OF INTEREST.—Interest shall not be paid on any overpayment.”.

(e) OFFSHORE FACILITATES AND PIPELINE OPERATORS.—Section 1004(a) of the Oil Pollution Act of 1990 (33 U.S.C. 2704(a)) is amended—

(1) in paragraph (3), by striking “plus $75,000,000; and” and inserting “and the liability of the responsible party under section 1002;”;  

(2) in paragraph (4)—
(A) by inserting “(except an onshore pipeline transporting diluted bitumen, bituminous mixtures, or any oil manufactured from bitumen)” after “for any onshore facility”; and

(B) by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(5) for any onshore facility transporting diluted bitumen, bituminous mixtures, or any oil manufactured from bitumen, the liability of the responsible party under section 1002.”.

(f) LIMITATION ON INTERNATIONAL FINANCIAL INSTITUTION FUNDING OF FOSSIL FUEL PROJECTS.—

(1) RESCISSION OF FUNDS.—Except as provided in paragraph (3), effective on the date of enactment of this Act, there are rescinded all unobligated balances of amounts made available by the United States—

(A) to the International Bank for Reconstruction and Development and the International Development Association (collectively known as the “World Bank”) or any other international financial institution (as defined in section 1701(c)(2) of the International Finan-
cial Institutions Act (22 U.S.C. 262r(e)(2));
and
(B) to carry out any project that supports
the construction of new fossil-fueled power
plants.

(2) LIMITATION ON USE OF FUTURE FUNDS.—
Except as provided in paragraph (3), and notwith-
standing any other provision of law, any amounts
made available by the United States to the World
Bank or any other international financial institution
on or after the date of enactment of this Act may
not be used to carry out any project that facilitates
additional consumption or production of fossil-fuel
based energy.

(3) EXCEPTION.—Paragraphs (1) and (2) shall
not apply to a fossil-fueled power plant project lo-
cated in a least developed country (as that term is
defined by the United Nations) if—

(A) no other economically feasible alter-
native exists; and

(B) the project uses the most efficient
technology available.

(g) INCENTIVES FOR INNOVATIVE TECHNOLOGIES.—

(1) IN GENERAL.—Section 1703 of the Energy
Policy Act of 2005 (42 U.S.C. 16513) is amended—
(A) in subsection (b)—

(i) by striking paragraph (2);

(ii) by redesignating paragraphs (3) through (9) as paragraphs (2) through (8), respectively; and

(iii) by striking paragraph (10);

(B) by striking subsection (c); and

(C) by redesignating subsections (d) and (e) as subsections (e) and (d), respectively.

(2) CONFORMING AMENDMENT.—Section 1704 of the Energy Policy Act of 2005 (42 U.S.C. 16514) is amended—

(A) by striking the section designation and heading and all that follows through “There are” in subsection (a) and inserting the following:

“SEC. 1704. AUTHORIZATION OF APPROPRIATIONS.

“There are”; and

(B) by striking subsection (b).

(h) RURAL UTILITY SERVICE LOAN GUARANTEES.—Notwithstanding any other provision of law, the Secretary of Agriculture may not make a loan under title III of the Rural Electrification Act of 1936 (7 U.S.C. 931 et seq.) to an applicant for the purpose of carrying out any project that will use fossil fuel.
(i) Limitation on Funds to the Overseas Private Investment Corporation or the Export-Import Bank of the United States for Financing Projects, Transactions, or Other Activities That Support Fossil Fuel.—

(1) Rescission of Funds.—Except as provided in paragraph (3), effective on the date of enactment of this Act, there are rescinded all unobligated balances of amounts made available to the Overseas Private Investment Corporation or the Export-Import Bank of the United States to carry out any project, transaction, or other activity that supports the production or use of fossil fuels.

(2) Limitation on Use of Future Funds.—Except as provided in paragraph (3), and notwithstanding any other provision of law, any amounts made available to the Overseas Private Investment Corporation or the Export-Import Bank of the United States on or after the date of enactment of this Act may not be used to carry out any project, transaction, or other activity that facilitates additional consumption or production of fossil-fuel based energy.

(3) Exception.—Paragraphs (1) and (2) shall not apply to a fossil-fueled power plant project lo-
cated in a least developed country (as that term is defined by the United Nations) if—

(A) no other economically feasible alternative exists; and

(B) the project uses the most efficient technology available.

(j) TRANSPORTATION FUNDS FOR GRANTS, LOANS, LOAN GUARANTEES, AND OTHER DIRECT ASSISTANCE.—

Notwithstanding any other provision of law, any amounts made available to the Department of Transportation may not be used to award any grant, loan, loan guarantee, or provide any other direct assistance to any rail or port project that transports fossil fuel.

(k) POWDER RIVER BASIN.—

(1) DESIGNATION OF THE POWDER RIVER BASIN AS A COAL PRODUCING REGION.—Not later than 90 days after the date of enactment of this Act, the Director of the Bureau of Land Management shall designate the Powder River Basin as a coal producing region.

(2) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director of the Bureau of Land Management shall submit to Congress a report that includes—
(A) a study of the fair market value and the amount of royalties paid on coal leases in the Powder River Basin compared to other national and international coal markets; and

(B) any policy recommendations to capture the future market value of the coal leases in the Powder River Basin.

(l) REPORTS.—

(1) DEFINITION OF FOSSIL FUEL PRODUCTION SUBSIDY.—In this subsection, the term “subsidy for fossil fuel production” means any direct funding, tax treatment or incentive, risk-reduction benefit, financing assistance or guarantee, royalty relief, or other provision that provides a financial benefit to a fossil fuel company for the production of fossil fuels.

(2) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Treasury, in coordination with the Secretary, shall submit to Congress a report detailing each Federal law (including regulations), other than those amended by this Act, as in effect on the date on which the report is submitted, that includes a subsidy for fossil-fuel production.

(3) REPORT ON MODIFIED RECOVERY PERIOD.—
(A) In general.—Not later than 1 year after the date of enactment of this Act, the Secretary, in coordination with the Commissioner of Internal Revenue, shall submit to Congress a report on the applicable recovery period under the accelerated cost recovery system provided in section 168 of the Internal Revenue Code of 1986 for each type of property involved in fossil fuel production, including pipelines, power generation property, refineries, and drilling equipment, to determine if any assets are receiving a subsidy for fossil fuel production.

(B) Elimination of subsidy.—In the case of any type of property that the Commissioner of Internal Revenue determines is receiving a subsidy for fossil fuel production under such section 168, for property placed in service in taxable years beginning after the date of such determination, such section 168 shall not apply. The preceding sentence shall not apply to any property with respect to a taxable year unless such determination is published before the 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 RELATING 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)."
“(7) Section 469(e)(3) (relating to working interests in oil and natural gas property).

“(8) Section 613A (relating to limitations on percentage depletion in case of oil and natural gas wells).

“(9) Section 617 (relating to deduction and recapture of certain mining exploration expenditures).

“(b) PROVISIONS RELATING TO PROPERTY.—The following provisions shall not apply to property placed in service after the date of the enactment of this section:

“(1) Subparagraph (C)(iii) of section 168(e)(3) (relating to classification of certain property).

“(2) Section 169 (relating to amortization of pollution control facilities) with respect to any atmospheric pollution control facility.

“(c) PROVISIONS RELATING TO COSTS AND EXPENSES.—The following provisions shall not apply to costs or expenses paid or incurred after the date of the enactment of this section:

“(1) Section 179B (relating to deduction for capital costs incurred in complying with Environmental Protection Agency sulfur regulations).

“(2) Section 263(c) (relating to intangible drilling and development costs) with respect to costs in the case of oil and natural gas wells.
“(3) Section 468 (relating to special rules for mining and solid waste reclamation and closing costs).

“(d) 5-YEAR CARRYBACK FOR MARGINAL OIL AND NATURAL GAS WELL PRODUCTION CREDIT.—Section 39(a)(3) (relating to 5-year carryback for marginal oil and natural gas well production credit) shall not apply to credits determined in taxable years beginning after the date of the enactment of this section.

“(e) CREDIT FOR CARBON DIOXIDE SEQUESTRATION.—Section 45Q (relating to credit for carbon dioxide sequestration) shall not apply to carbon dioxide captured after the date of the enactment of this section.

“(f) ALLOCATED CREDITS.—No new credits shall be certified under section 48A (relating to qualifying advanced coal project credit) or section 48B (relating to qualifying gasification project credit) after the date of the enactment of this section.

“(g) ARBITRAGE BONDS.—Section 148(b)(4) (relating to safe harbor for prepaid natural gas) shall not apply to obligations issued after the date of the enactment of this section.”.

(b) CONFORMING AMENDMENT.—The table of sections for subchapter C of chapter 90 is amended by adding at the end the following new item:

“Sec. 7875. Termination of certain provisions.”.
SEC. 512. UNIFORM 7-YEAR AMORTIZATION FOR GEOLOGICAL AND GEOPHYSICAL EXPENDITURES.

(a) In General.—Section 167(h) of the Internal Revenue Code of 1986 is amended—

(1) by striking “24-month period” each place it appears in paragraphs (1) and (4) and inserting “7-year period”, and

(2) by striking paragraph (5).

(b) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 513. NATURAL GAS GATHERING LINES TREATED AS 15-YEAR PROPERTY.

(a) In General.—Subparagraph (E) of section 168(e)(3) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of clause (viii), by striking the period at the end of clause (ix) and inserting “, and”, and by adding at the end the following new clause:

“(x) any natural gas gathering line the original use of which commences with the taxpayer after the date of the enactment of this clause.”.

(b) Alternative System.—The table contained in section 168(g)(3)(B) of the Internal Revenue Code of
1986 is amended by inserting after the item relating to subparagraph (E)(ix) the following new item:

“(E)(x) .................................................................................................... 22”.

(c) CONFORMING AMENDMENT.—Clause (iv) of section 168(e)(3)(C) of the Internal Revenue Code of 1986 is amended by inserting “and on or before the date of the enactment of subparagraph (E)(x)” after “April 11, 2005”.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to property placed in service on and after the date of the enactment of this Act.

(2) EXCEPTION.—The amendments made by this section shall not apply to any property with respect to which the taxpayer or a related party has entered into a binding contract for the construction thereof on or before the date of the enactment of this Act, or, in the case of self-constructed property, has started construction on or before such date.

SEC. 514. REPEAL OF DOMESTIC MANUFACTURING DEDUCTION FOR HARD MINERAL MINING.

(a) IN GENERAL.—Subparagraph (B) of section 199(c)(4) of the Internal Revenue Code of 1986 is amended by striking “or” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “, or”, and by adding at the end the following new clause:
“(iv) the mining of any hard mineral.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 515. LIMITATION ON DEDUCTION FOR INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION OF OIL, NATURAL GAS, OR PRIMARY PRODUCTS THEREOF.

(a) DENIAL OF DEDUCTION.—Paragraph (4) of section 199(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(E) SPECIAL RULE FOR OIL, NATURAL GAS, AND COAL INCOME.—The term ‘domestic production gross receipts’ shall not include gross receipts from the production, refining, processing, transportation, or distribution of oil, natural gas, or coal, or any primary product (within the meaning of subsection (d)(9)) thereof.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.
SEC. 516. TERMINATION OF LAST-IN, FIRST-OUT METHOD
OF INVENTORY FOR OIL, NATURAL GAS, AND
COAL COMPANIES.

(a) IN GENERAL.—Section 472 of the Internal Rev-

enue Code of 1986 is amended by adding at the end the

following new subsection:

“(h) TERMINATION FOR OIL, NATURAL GAS, AND

COAL COMPANIES.—Subsection (a) shall not apply to any
taxpayer that is in the trade or business of the production,
refining, processing, transportation, or distribution of oil,
natural gas, or coal for any taxable year beginning after
the date of enactment of this subsection.”.

(b) ADDITIONAL TERMINATION.—Section 473 of the

Internal Revenue Code of 1986 is amended by adding at
the end the following new subsection:

“(h) TERMINATION FOR OIL, NATURAL GAS, AND

COAL COMPANIES.—This section shall not apply to any
taxpayer that is in the trade or business of the production,
refining, processing, transportation, or distribution of oil,
natural gas, or coal for any taxable year beginning after
the date of enactment of this subsection.”.

(c) EFFECTIVE DATE.—The amendments made by
this section shall apply to taxable years beginning after
the date of enactment of this Act.
SEC. 517. REPEAL OF PERCENTAGE DEPLETION FOR COAL

AND HARD MINERAL FOSSIL FUELS.

(a) IN GENERAL.—Section 613 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(f) TERMINATION WITH RESPECT TO COAL AND HARD MINERAL FOSSIL FUELS.—In the case of coal, lignite, and oil shale (other than oil shale described in subsection (b)(5)), the allowance for depletion shall be computed without reference to this section for any taxable year beginning after the date of the enactment of this subsection.”.

(b) CONFORMING AMENDMENTS.—

(1) COAL AND LIGNITE.—Section 613(b)(4) of the Internal Revenue Code of 1986 is amended by striking “coal, lignite,”.

(2) OIL SHALE.—Section 613(b)(2) of such Code is amended to read as follows:

“(2) 15 PERCENT.—If, from deposits in the United States, gold, silver, copper, and iron ore.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.
SEC. 518. TERMINATION OF CAPITAL GAINS TREATMENT FOR ROYALTIES FROM COAL.

(a) In General.—Subsection (c) of section 631 of the Internal Revenue Code of 1986 is amended—

(1) by striking “coal (including lignite), or iron ore” and inserting “iron ore”,

(2) by striking “coal or iron ore” each place it appears and inserting “iron ore”,

(3) by striking “iron ore or coal” each place it appears and inserting “iron ore”, and

(4) by striking “COAL OR” in the heading.

(b) Conforming Amendment.—The heading of section 631 of the Internal Revenue Code of 1986 is amended by striking “, COAL,”.

(c) Effective Date.—The amendments made by this section shall apply to dispositions after the date of the enactment of this Act.

SEC. 519. MODIFICATIONS OF FOREIGN TAX CREDIT RULES APPLICABLE TO OIL, NATURAL GAS, AND COAL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.

(a) In General.—Section 901 of the Internal Revenue Code of 1986 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:
“(n) Special Rules Relating to Oil, Natural Gas, and Coal Companies Which Are Dual Capacity Taxpayers.—

“(1) General rule.—Notwithstanding any other provision of this chapter, any amount paid or accrued to a foreign country or possession of the United States for any period by a dual capacity taxpayer which is in the trade or business of the production, refining, processing, transportation, or distribution of oil, natural gas, or coal shall not be considered a tax—

“(A) if, for such period, the foreign country or possession does not impose a generally applicable income tax, or

“(B) to the extent such amount exceeds the amount (determined in accordance with regulations) which—

“(i) is paid by such dual capacity taxpayer pursuant to the generally applicable income tax imposed by the country or possession, or

“(ii) would be paid if the generally applicable income tax imposed by the country or possession were applicable to such dual capacity taxpayer.
Nothing in this paragraph shall be construed to imply the proper treatment of any such amount not in excess of the amount determined under subparagraph (B).

“(2) Dual capacity taxpayer.—For purposes of this subsection, the term ‘dual capacity taxpayer’ means, with respect to any foreign country or possession of the United States, a person who—

“(A) is subject to a levy of such country or possession, and

“(B) receives (or will receive) directly or indirectly a specific economic benefit (as determined in accordance with regulations) from such country or possession.

“(3) Generally applicable income tax.—For purposes of this subsection—

“(A) In general.—The term ‘generally applicable income tax’ means an income tax (or a series of income taxes) which is generally imposed under the laws of a foreign country or possession on income derived from the conduct of a trade or business within such country or possession.
“(B) Exceptions.—Such term shall not include a tax unless it has substantial application, by its terms and in practice, to—

“(i) persons who are not dual capacity taxpayers, and

“(ii) persons who are citizens or residents of the foreign country or possession.”.

(b) Effective Date.—

(1) In General.—The amendments made by this section shall apply to taxes paid or accrued in taxable years beginning after the date of the enactment of this Act.

(2) Contrary Treaty Obligations Upheld.—The amendments made by this section shall not apply to the extent contrary to any treaty obligation of the United States.

SEC. 520. INCREASE IN OIL SPILL LIABILITY TRUST FUND FINANCING RATE.

(a) In General.—Subparagraph (B) of section 4611(c)(2) of the Internal Revenue Code of 1986 is amended—

(1) by striking “and” at the end of clause (i),

(2) in clause (ii)—
(A) by inserting “and before January 1, 2018,” after “December 31, 2016,”, and

(B) by striking the period and inserting “, and”, and

(3) by adding at the end the following new clause:

“(iii) in the case of crude oil received or petroleum products entered after December 31, 2017, 10 cents a barrel.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to crude oil received and petroleum products entered after the date of the enactment of this Act.

SEC. 521. APPLICATION OF CERTAIN ENVIRONMENTAL TAXES TO SYNTHETIC CRUDE OIL.

(a) IN GENERAL.—Paragraph (1) of section 4612(a) of the Internal Revenue Code of 1986 is amended to read as follows:

“(1) CRUDE OIL.—

“(A) IN GENERAL.—The term ‘crude oil’ includes crude oil condensates, natural gasoline, and synthetic crude oil.

“(B) SYNTHETIC CRUDE OIL.—For purposes of subparagraph (A), the term ‘synthetic crude oil’ means any bitumen and bituminous
mixtures, any oil manufactured from bitumen
and bituminous mixtures, and any liquid fuel
manufactured from coal.”.

(b) EFFECTIVE DATE.—The amendment made by
this section shall apply to oil and petroleum products re-
ceived or entered during calendar quarters beginning more
than 60 days after the date of the enactment of this Act.

SEC. 522. DENIAL OF DEDUCTION FOR REMOVAL COSTS
AND DAMAGES FOR CERTAIN OIL SPILLS.

(a) IN GENERAL.—Part IX of subchapter B of chap-
ter 1 of the Internal Revenue Code of 1986 is amended
by adding at the end the following new section:

“SEC. 280I. EXPENSES FOR REMOVAL COSTS AND DAMAGES
RELATING TO CERTAIN OIL SPILL LIABILITY.

“No deduction shall be allowed under this chapter for
any amount paid or incurred with respect to any costs or
damages for which the taxpayer is liable under section
1002 of the Oil Pollution Act of 1990 (33 U.S.C. 2702).”.

(b) CLERICAL AMENDMENT.—The table of sections
for part IX of subchapter B of chapter 1 of such Code
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.”.

(c) EFFECTIVE DATE.—The amendments made by
this section shall apply with respect to any liability arising
in taxable years ending after the date of the enactment of this Act.

SEC. 523. TAX ON CRUDE OIL AND NATURAL GAS PRODUCED FROM THE OUTER CONTINENTAL SHELF IN THE GULF OF MEXICO.

(a) IN GENERAL.—Subtitle E of the Internal Revenue Code of 1986 is amended by adding at the end the following new chapter:

“CHAPTER 56—TAX ON SEVERANCE OF CRUDE OIL AND NATURAL GAS FROM THE OUTER CONTINENTAL SHELF IN THE GULF OF MEXICO

“SEC. 5901. IMPOSITION OF TAX.

“(a) IN GENERAL.—In addition to any other tax imposed under this title, there is hereby imposed a tax equal to 13 percent of the removal price of any taxable crude oil or natural gas removed from the premises during any taxable period.

“(b) CREDIT FOR FEDERAL ROYALTIES PAID.—

“(1) IN GENERAL.—There shall be allowed as a credit against the tax imposed by subsection (a) with respect to the production of any taxable crude oil or natural gas an amount equal to the aggregate
amount of royalties paid under Federal law with respect to such production.

“(2) LIMITATION.—The aggregate amount of credits allowed under paragraph (1) to any taxpayer for any taxable period shall not exceed the amount of tax imposed by subsection (a) for such taxable period.

“(c) TAX PAID BY PRODUCER.—The tax imposed by this section shall be paid by the producer of the taxable crude oil or natural gas.

“SEC. 5902. TAXABLE CRUDE OIL OR NATURAL GAS AND REMOVAL PRICE.

“(a) TAXABLE CRUDE OIL OR NATURAL GAS.—For purposes of this chapter, the term ‘taxable crude oil or natural gas’ means crude oil or natural gas which is produced from Federal submerged lands on the outer Continental Shelf in the Gulf of Mexico pursuant to a lease entered into with the United States which authorizes the production.

“(b) REMOVAL PRICE.—For purposes of this chapter—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the term ‘removal price’ means—
“(A) in the case of taxable crude oil, the amount for which a barrel of such crude oil is sold, and

“(B) in the case of taxable natural gas, the amount per 1,000 cubic feet for which such natural gas is sold.

“(2) Sales between related persons.—In the case of a sale between related persons, the removal price shall not be less than the constructive sales price for purposes of determining gross income from the property under section 613.

“(3) Oil or natural gas removed from property before sale.—If crude oil or natural gas is removed from the property before it is sold, the removal price shall be the constructive sales price for purposes of determining gross income from the property under section 613.

“(4) Refining begun on property.—If the manufacture or conversion of crude oil into refined products begins before such oil is removed from the property—

“(A) such oil shall be treated as removed on the day such manufacture or conversion begins, and
“(B) the removal price shall be the constructive sales price for purposes of determining gross income from the property under section 613.

“(5) PROPERTY.—The term ‘property’ has the meaning given such term by section 614.

“SEC. 5903. SPECIAL RULES AND DEFINITIONS.

“(a) ADMINISTRATIVE REQUIREMENTS.—

“(1) WITHHOLDING AND DEPOSIT OF TAX.— The Secretary shall provide for the withholding and deposit of the tax imposed under section 5901 on a quarterly basis.

“(2) RECORDS AND INFORMATION.—Each taxpayer liable for tax under section 5901 shall keep such records, make such returns, and furnish such information (to the Secretary and to other persons having an interest in the taxable crude oil or natural gas) with respect to such oil as the Secretary may by regulations prescribe.

“(3) TAXABLE PERIODS; RETURN OF TAX.—

“(A) TAXABLE PERIOD.—Except as provided by the Secretary, each calendar year shall constitute a taxable period.
“(B) RETURNS.—The Secretary shall pro-
vide for the filing, and the time for filing, of the
return of the tax imposed under section 5901.

“(b) DEFINITIONS.—For purposes of this chapter—

“(1) PRODUCER.—The term ‘producer’ means
the holder of the economic interest with respect to
the crude oil or natural gas.

“(2) CRUDE OIL.—The term ‘crude oil’ includes
crude oil condensates and natural gasoline.

“(3) PREMISES AND CRUDE OIL PRODUCT.—
The terms ‘premises’ and ‘crude oil product’ have
the same meanings as when used for purposes of de-
termining gross income from the property under sec-
tion 613.

“(c) ADJUSTMENT OF REMOVAL PRICE.—In deter-
mining the removal price of oil or natural gas from a prop-
erty in the case of any transaction, the Secretary may ad-
just the removal price to reflect clearly the fair market
value of oil or natural gas removed.

“(d) REGULATIONS.—The Secretary shall prescribe
such regulations as may be necessary or appropriate to
carry out the purposes of this chapter.”.

(b) DEDUCTIBILITY OF TAX.—The first sentence of
section 164(a) of the Internal Revenue Code of 1986 is
amended by inserting after paragraph (4) the following new paragraph:

“(5) The tax imposed by section 5901(a) (after application of section 5901(b)) on the severance of crude oil or natural gas from the outer Continental Shelf in the Gulf of Mexico.”.

(e) Clerical Amendment.—The table of chapters for subtitle E is amended by adding at the end the following new item:

“CHAPTER 56. Tax on severance of crude oil and natural gas from the outer Continental Shelf in the Gulf of Mexico.”.

(d) Effective Date.—The amendments made by this section shall apply to crude oil or natural gas removed after December 31, 2017.

SEC. 524. REPEAL OF CORPORATE INCOME TAX EXEMPTION FOR PUBLICLY TRADED PARTNERSHIPS WITH QUALIFYING INCOME AND GAINS FROM ACTIVITIES RELATING TO FOSSIL FUELS.

(a) In General.—Section 7704(d)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking subparagraph (E),

(2) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively, and

(3) by striking the flush matter at the end.

(b) Conforming Amendment.—Section 988(c)(1)(E)(iii)(III) of the Internal Revenue Code of
1986 is amended by striking “or (G)” and inserting “or (F)”.

(c) **Effective Date.**—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**TITLE VI—MAINTAINING AMERICAN COMPETITIVENESS**

**SEC. 601. PURPOSES; DEFINITIONS.**

(a) **purposes.**—The purposes of this title are—

(1) to ensure that the shift to a clean energy economy in the United States is not eroded by the transition to foreign countries of the manufacturing of goods in energy-intensive industrial sectors;

(2) to ensure the competitiveness of United States manufacturing and industry;

(3) to make trade a tool for the mitigation of emissions, rather than the source of a substantial increase, as determined by the National Climate Change Council, in greenhouse gas emissions by industrial entities located in foreign countries caused by an increased cost of production in the United States resulting from the implementation of this Act;

(4) to provide an incentive for high-emissions foreign countries to strengthen the climate regula-
tions and address the greenhouse gas emissions of those countries; and

(5) to prevent an increase in greenhouse gas emissions from foreign countries as a result of direct and indirect compliance costs incurred under this title.

(b) DEFINITIONS.—In this title:

(1) CLIMATE DUTY.—The term “climate duty” means a duty assessed by the United States on the importation into the customs territory of the United States of a covered good.

(2) COVERED GOOD.—The term “covered good” means a good that is entered under a heading or subheading of the Harmonized Tariff Schedule of the United States that corresponds to the North American Industrial Classification System code for an eligible industrial sector, as established in the concordance between North American Industrial Classification System codes and the Harmonized Tariff Schedule of the United States prepared by the United States Census Bureau.

(3) ELIGIBLE INDUSTRIAL SECTOR.—The term “eligible industrial sector” means an industrial sector in the United States that is subject to a climate duty, as determined under section 602(a).
(4) **Energy-intensive.**—The term “energy-intensive”, with respect to an industrial sector, means that the industrial sector has an energy intensity of not less than 5 percent, as calculated based on the quotient obtained by dividing, as determined using the average of the 3 most recent calendar years for which data are available—

(A) the cost of the electricity and fuel purchased by the industrial sector; by

(B) the total value of the sales of the industrial sector.

(5) **Incremental cost.**—The term “incremental cost” means the increased cost of production of a covered good due to compliance with applicable energy and climate laws (including regulations) and subsidies of—

(A) the United States; or

(B) a foreign country.

(6) **Industrial sector.**—

(A) **In general.**—The term “industrial sector” means any sector that—

(i) is in the manufacturing sector (as defined in North American Industrial Classification System codes 31, 32, and 33); or
(ii) beneficiates or otherwise processes
(including through agglomeration) a metal
ore, including—

(I) iron or copper ore;

(II) soda ash; and

(III) phosphate.

(B) EXCLUSION.—The term “industrial sector” does not include any sector involving
only the extraction of—

(i) a metal ore;

(ii) soda ash; or

(iii) phosphate.

(7) TRADE-INTENSIVE.—The term “trade-intensive”, with respect to an industrial sector, means
that not less than 15 percent of domestic consumption from the industrial sector is a result of importation,
as calculated based on the quotient obtained by dividing, as determined using the average of the 3
most recent calendar years for which data are available—

(A) the value of the total imports of the industrial sector; by

(B) the number equal to the sum of—

(i) the number equal to the difference between—
(I) the domestic production of
the industrial sector; and

(II) the exports of the industrial
sector; and

(ii) the value of the imports of the in-
dustrial sector.

SEC. 602. LEVELING PLAYING FIELD FOR DOMESTIC MANU-
FACTURERS.

(a) Eligible Industrial Sectors.—

(1) Designation.—Not later than 1 year after
the date of enactment of this Act, the Administrator,
by regulation, shall designate, in accordance with
paragraph (2) and with the advice of the Council,
each eligible industrial sector that is subject to a cli-
mate duty under this section.

(2) Determination.—An industrial sector
shall be an eligible industrial sector if the industrial
sector—

(A) is—

(i) energy-intensive; and

(ii) trade-intensive; or

(B) has an energy intensity of not less
than 20 percent, as determined by the Council,
based on the quotient obtained by dividing, as
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—
(aa) the United States; and

(bb) each foreign country included on the list under clause (i); and

(II) subject to subsection (c)(3)(A), the amount of the climate duty to be imposed on imports of covered goods from each eligible industrial sector;

(iii) a list of the climate duties to be applied to imports from each eligible industrial sector, as determined in accordance with the methodology under clause (ii)(II); and

(iv) procedures to prevent circumvention of the climate duty for a covered good that is manufactured or processed in more than 1 foreign country;

(B) subject to subsection (c)(3)(B), require the payment of an appropriate climate duty for the importation into the customs territory of the United States of covered goods; and

(C) describe the procedures to be applied by U.S. Customs and Border Protection relating to the declaration and entry of covered goods;
goods into the customs territory of the United States.

(2) REVISIONS.—Not less frequently than once every 3 years, the President, with the advice of the Council, shall publish in the Federal Register revised incremental cost calculations for the United States and foreign countries, to be determined in accordance with paragraph (1)(A)(ii)(I), as necessary to account for any modifications during the preceding 3 calendar years to applicable climate- and energy-related laws (including regulations).

(c) IMPOSITION OF CLIMATE DUTY ON IMPORTED COVERED GOODS.—

(1) IN GENERAL.—The owner or operator of an entity that imports a covered good shall pay to the Commissioner of U.S. Customs and Border Protection the climate duty required under subsection (b) with respect to the applicable eligible industrial sector.

(2) WAIVERS.—

(A) PETITION.—The owner or operator of an entity that imports a covered good may submit to the President a petition for a waiver of the climate duty required for the covered good under this subsection.
(B) APPROVAL.—The President shall provide to an owner or operator the waiver requested in a petition submitted under subparagraph (A), if the owner or operator demonstrates to the satisfaction of the President that the covered good imported by the owner or operator has an energy intensity or trade intensity, as calculated in accordance with paragraph (5) or (8), respectively, of section 601(b), equal to less than the energy intensity or trade intensity calculated for the overall eligible industrial sector in which the covered good is classified.

(3) LIMITATIONS.—

(A) MAXIMUM AMOUNT.—A climate duty imposed on the importation of a covered good pursuant to this subsection shall not exceed an amount equal to the incremental cost of domestic production of the covered good, as determined in accordance with subsection (b)(1)(A)(ii)(I).

(B) EXEMPTED FOREIGN COUNTRIES.—A product that originates from a foreign country that meets any of the following criteria shall be exempt from a climate duty under this subsection:
(i) The United Nations has identified the country as among the least developed of developing countries.

(ii) The country has been determined to be responsible for less than 0.5 percent of total global greenhouse gas emissions.

(iii) The country has been determined to be responsible for less than 5 percent of United States imports for an eligible industrial sector.

(iv) The country is a party to an international agreement to which the United States is also a party that includes a nationally enforceable and economywide greenhouse gas emissions reduction commitment for that country, which is at least as stringent as the commitment of the United States.

(v) The country is party to a multilateral or bilateral emissions reduction agreement to which the United States is also a party relating to an applicable eligible industrial sector.

(vi) The country has an annual energy intensity, as calculated in accordance with
section 601(b)(5), for an eligible industrial sector that is not greater than the energy intensity for the eligible industrial sector in the United States during the most recent 3-calendar-year period for which data are available.

SEC. 603. MAKING AMERICAN MANUFACTURING ENERGY EFFICIENT.

(a) Definitions.—In this section:

(1) Eligible entity.—The term “eligible entity” means an energy-intensive manufacturer that—

(A) is a nongovernmental entity; and

(B) is headquartered in the United States.

(2) Energy-intensive manufacturer.—

(A) In general.—The term “energy-intensive manufacturer” means a private entity operating in an industrial sector that uses an onsite fossil fuel heating system in a manufacturing process.

(B) Inclusions.—The term “energy-intensive manufacturer” includes an entity described in subparagraph (A) that—

(i) manufactures steel or cement;

(ii) is a pulp or paper mill; or
(iii) operates in an energy-intensive industrial sector.

(3) FOSSIL FUEL HEATING SYSTEM.—The term “fossil fuel heating system” means a boiler, furnace, hot water heater, or forced air system that uses coal, oil, natural gas, propane, or any other fossil fuel, as determined by the Secretary.

(4) PROGRAM.—The term “Program” means the energy-efficient manufacturing program established under subsection (b)(1).

(b) ENERGY EFFICIENT MANUFACTURING PROGRAM.—

(1) ESTABLISHMENT.—The Secretary shall establish program, to be known as an “energy-efficient manufacturing program”.

(2) COMPETITIVE GRANTS.—

(A) IN GENERAL.—In carrying out the Program, the Secretary shall provide grants, on a competitive basis, to eligible entities to implement energy efficiency improvements at facilities in the United States.

(B) SELECTION CRITERIA.—Not later than 120 days after the date of enactment of this Act, and not later than 90 days after the date on which any subsequent amounts are appro-
appropriated to carry out the Program, the Secretary shall publish criteria for the selection of eligible entities to receive grants under the Program, including criteria prioritizing the applications submitted under subparagraph (C) based on—

(i) the non-Federal cost-share, relative to the value of the grant;

(ii) the rapidity of the achievement of reductions in emissions due to the replacement of a fossil fuel heating system as described in subparagraph (F)(i);

(iii) the ability to use the energy efficiency improvements funded by the grant as a model of deployment of zero-emission heating technologies across the United States; and

(iv) such other achievements as the Secretary considers to be appropriate.

(C) APPLICATIONS.—

(i) IN GENERAL.—To be eligible to receive a grant under this paragraph, an eligible entity or consortium of eligible entities shall submit to the Secretary an application or joint application, respectively, in accordance with clause (ii), by not later
than 120 days after the date of publication by the Secretary of the selection criteria under subparagraph (B).

(ii) INCLUSIONS.—An application submitted under this subparagraph shall include a description of the means by which—

(I) the eligible entity or consortium, as applicable, will—

(aa) achieve compliance with any applicable selection criteria under subparagraph (B); and

(bb) measure and verify proposed energy savings; and

(II) to the maximum extent practicable, the energy efficiency improvements proposed to be achieved using the grant could be used as a model of deployment for other manufacturers across the United States.

(D) SELECTION.—Not later than 120 days after the deadline described in subparagraph (C)(i), the Secretary shall select eligible entities to receive grants under the Program.
(E) **MAXIMUM AMOUNT.**—The amount of a grant provided under the Program shall not exceed $100,000,000.

(F) **USE OF FUNDS.**—An eligible entity or consortium, as applicable, shall use a grant provided under the Program—

(i) to replace a fossil fuel heating system with—

(I) a zero-emission heating system; or

(II) a heating system that is at least 50 percent more energy efficient; or

(ii) to make energy efficiency improvements that reduce the total electricity usage of each applicable eligible entity by not less than 10 percent.

(3) **COST SHARING.**—

(A) **IN GENERAL.**—The non-Federal share of the cost of each activity carried out using a grant provided under the Program shall be—

(i) determined by the Secretary, taking into consideration the receipt of any other Federal funds by the applicable eligible entity; but
(ii) not less than 20 percent.

(B) No repayment of Federal share.—The Secretary shall not require repayment of the Federal share of an activity carried out using a grant provided under the Program as a condition of providing the grant.

(4) Reports.—

(A) In general.—For purposes of analyzing the Program, the Secretary shall determine the data required to be submitted to the Secretary by eligible entities as a condition of receiving grants under the Program.

(B) Proprietary information.—In carrying out this paragraph, the Secretary shall provide appropriate protections for—

(i) proprietary information; and

(ii) intellectual property rights.

(c) Funding.—The Secretary shall use to carry out this section not more than $2,000,000,000 for each fiscal year from the Climate Fund.

TITLE VII—MOBILIZING AMERICAN RESOURCES

SEC. 701. NATIONAL CLIMATE CHANGE COUNCIL.

(a) Definition of Fossil Fuel.—In this section, the term “fossil fuel” has the meaning given the term
“fossil fuel resource” in section 610(a) of the Public Utility Regulatory Policies Act of 1978.

(b) ESTABLISHMENT.—There is established in the Executive Office of the President a council, to be known as the “National Climate Change Council”, to coordinate all activities and programs of the Federal Government relating to the transition from fossil fuels by January 1, 2050.

(e) MEMBERSHIP.—The membership of the Council shall consist of—

(1) the Secretary;

(2) the Secretary of Education;

(3) the Secretary of Housing and Urban Development;

(4) the Secretary of Labor;

(5) the Secretary of Transportation;

(6) the Secretary of the Treasury;

(7) the Administrator;

(8) the Chair of the Council on Environmental Quality;

(9) the Director of the National Economic Council; and

(10) the Director of the Office of Science and Technology Policy.

(d) DUTIES.—
(1) 2050 PLANS.—

(A) IN GENERAL.—The Council shall develop plans to ensure that each sector in the United States that combuts fossil fuels transitions away from fossil fuel emissions by January 1, 2050, in accordance with this subsection.

(B) PROPOSED PLANS.—Not later than 1 year after the date of enactment of this Act, the Council shall—

(i) identify each sector in the United States economy that combuts fossil fuels; and

(ii) publish in the Federal Register a proposed plan to transition that sector away from fossil fuels.

(C) FINAL PLANS.—Not later than 2 years after the date of enactment of this Act, the Council shall publish in the Federal Register the final plan developed under this paragraph for each sector.

(D) REQUIREMENTS.—

(i) USE OF EXISTING AUTHORITIES.—

The Council shall—

(I) to the maximum extent practicable, use existing authorities to exe-
cute each plan developed under this paragraph; and

(II) identify any new statutory authority necessary to execute each plan.

(ii) Public comment.—The Council shall provide notice and an opportunity for public comment for a period of not less than 90 days for each plan developed under this paragraph.

(2) Submission to Congress.—Not later than 60 days after the date of publication of a final plan under paragraph (1)(C) with respect to which the Council identifies under paragraph (1)(D)(i)(II) a new statutory authority necessary to execute the plan, the Council shall submit to Congress draft legislative text for that new authority.

(3) 5-year reviews.—Not less frequently than once every 5 years, the Council shall review and update, as necessary, each plan developed under this subsection, taking into consideration—

(A) new market conditions;

(B) advances in technology; and

(C) such other factors as the Council determines to be appropriate.
(4) **2040 REVIEW.**—Not later than January 1, 2040, the Council shall—

(A) identify any sector that is not expected to achieve compliance with the targets established for the sector in an applicable plan under this subsection by December 31, 2040; and

(B) establish a program to reduce emissions from that sector through investment in international clean and renewable energy projects.

(e) **NEW GRANT PROGRAM AUTHORITY.**—

(1) **IN GENERAL.**—The Council may establish such new programs as the Council determines to be appropriate to provide grants for not more than 20 percent of the costs incurred in connection with the acquisition of components for, or the development, construction, or engineering of, activities and programs described in a plan developed under subsection (d).

(2) **FUNDING.**—The Council may use to carry out this subsection such amounts in the Climate Fund as are not otherwise expended to carry out this Act and the amendments made by this Act.

(f) **CARBON FEES.**—If, in conducting the 2040 review under subsection (d)(4) for any sector (other than
sectors covered under section 101 and title II), the Council determines that new authority is necessary to meet a target established under subsection (d), the Secretary of the Treasury may, in consultation with the Council, assess the fees necessary to meet the target under subsection (d).

SEC. 702. CLIMATE FUND; CLIMATE BONDS.

(a) CLIMATE FUND.—

(1) Establishment.—There is established in the Treasury of the United States a fund, to be known as the “Climate Fund”.

(2) Responsibility of Secretary.—The Secretary of the Treasury (or a designee) (referred to in this section as the “Secretary”) shall take such actions as the Secretary determines to be necessary to assist in implementing the establishment of the Climate Fund in accordance with this Act.

(3) Use of Funds.—

(A) In general.—Any amounts deposited in the Climate Fund shall only be used to carry out this Act and the amendments made by this Act.

(B) Allocation.—Not later than the date that is 14 days before the first day of each applicable fiscal year, the Council shall make a determination regarding the allocation of funds
pursuant to subparagraph (A) for the following fiscal year.

(C) MINIMUM ALLOCATION.—For each fiscal year, at least 40 percent of the funds deposited in the Climate Fund shall be used to carry out title I, the amendments made by title I, and section 704.

(b) CLIMATE BONDS.—

(1) INITIAL CAPITALIZATION.—During the 1-year period beginning on the date of enactment of this Act, the Secretary shall issue climate bonds in an amount not to exceed $150,000,000,000 on the credit of the United States, the proceeds of which shall be deposited in the Climate Fund.

(2) FUTURE CAPITALIZATION.—After the expiration of the 1-year period described in paragraph (1), the Secretary may issue additional climate bonds on the credit of the United States in excess of the limitation established under that paragraph, in an amount not to exceed $150,000,000,000 for each fiscal year.

(c) INTEREST.—A climate bond shall bear interest at the rate the Secretary sets for Treasury bonds.

(d) PROMOTION.—
(1) **IN GENERAL.**—The Secretary shall take such actions, independently and in conjunction with financial institutions offering climate bonds, to promote the purchase of climate bonds, including campaigns describing the financial and social benefits of purchasing climate bonds.

(2) **PROMOTIONAL ACTIVITIES.**—The promotional activities under paragraph (1) may include advertisements, pamphlets, or other promotional materials—

(A) in periodicals;

(B) on billboards and other outdoor venues;

(C) on television;

(D) on radio;

(E) on the Internet;

(F) within financial institutions that offer climate bonds; or

(G) any other venues or outlets the Secretary may identify.

(3) **LIMITATION.**—There are authorized to be appropriated for the promotional activities under this subsection not more than—
(A) $10,000,000 for the first fiscal year beginning after the date of enactment of this Act; and

(B) $2,000,000 for each fiscal year thereafter.

(e) FAIR WORKING WAGES AND DAVIS-BACON COMPLIANCE.—

(1) IN GENERAL.—All laborers and mechanics employed on projects funded directly by or assisted in whole or in part by the Climate Fund under this Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of part A of subtitle II of title 40, United States Code (commonly referred to as the “Davis-Bacon Act”).

(2) AUTHORITY.—With respect to the labor standards specified in this subsection, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40, United States Code.

SEC. 703. ACCELERATING 100 PERCENT LOCALLY.

(a) ESTABLISHMENT OF GRANT PROGRAM.—
(1) IN GENERAL.—The Secretary shall establish a program under which the Secretary shall provide grants, on a competitive basis, to units of tribal and local government or consortia of those units to plan and implement a transition to 100-percent clean and renewable energy.

(2) GOALS.—The goals of the program under this subsection are—

(A) to facilitate the rapid transition to 100-percent clean and renewable energy at the municipal and regional levels throughout the United States by providing—

(i) planning grants to support necessary activities to transition to 100-percent clean and renewable energy; and

(ii) implementation grants for communities that—

(I) have completed the planning process; and

(II) are ready to begin implementing 100-percent clean and renewable energy plans;

(B) to encourage the adoption of clean and renewable energy resources at the local and regional levels, while increasing the access that
low-income communities and disadvantaged communities have to the many benefits of clean energy, most notably—

(i) improved environmental quality;
(ii) healthier living conditions; and
(iii) lower energy costs;

(C) to increase knowledge and acceptance of, and exposure to, clean and renewable energy practices for consumers, businesses, and local elected officials and planning staff;

(D) to encourage the innovation and investment necessary to achieve large-scale deployment of clean and renewable energy;

(E) to investigate differences in energy use among communities and develop best practices for transitioning to clean and renewable energy in various communities and regions throughout the United States; and

(F) to reduce and displace petroleum use and reduce greenhouse gas emissions by accelerating the transition to clean and renewable energy at the local and regional levels in the United States.

(b) APPLICATIONS.—
(1) IN GENERAL.—To be eligible to receive a grant under this subsection, a unit of tribal or local government, or a consortium of 1 or more such units, shall submit to the Secretary an application in such manner and containing such information as the Secretary determines to be appropriate, by not later than 150 days after the date of publication by the Secretary of selection criteria under subsection (e)(3).

(2) JOINT SPONSORSHIP.—

(A) IN GENERAL.—Subject to subparagraph (B), an application submitted under paragraph (1) may be jointly sponsored by—

(i) electric utilities;

(ii) clean energy equipment manufacturers;

(iii) technology providers; or

(iv) such other entities as the Secretary determines to be appropriate.

(B) DISBURSEMENT OF GRANTS.—A grant provided under this section shall only be disbursed to a unit of tribal or local government, or a consortium of those units, regardless of whether the application is jointly sponsored under subparagraph (A).
(c) Selection.—

(1) In General.—Not later than 1 year after the date of enactment of this Act, and not later than 1 year after the date on which any subsequent amounts are made available to carry out this section, the Secretary shall select the units of tribal or local government and consortia of those units to receive grants under this section, taking into consideration the factors and criteria described in paragraphs (2) and (3).

(2) Factors for Consideration.—In selecting units of government and consortia to receive grants under this subsection, the Secretary—

(A) shall ensure, to the maximum extent practicable, that—

(i) the combination of selected units is diverse with respect to—

(I) population, population density, and demographics;

(II) urban and suburban composition;

(III) typical commuting patterns;

(IV) climate;

(V) geographical distribution; and
(VI) applicable types of utilities
(including investor-owned, publicly
owned, cooperatively owned, distribution-only, and vertically integrated
utilities); and
(ii) at least 1 unit of government se-
lected serves a population of less than
500,000;
(B) in addition to the factors described in
subparagraph (A), may give preference to appli-
cants proposing a greater non-Federal cost-
share;
(C) shall prioritize the provision of grants
for communities that demonstrate affordable
modes of transitioning to clean and renewable
energy for residents of low-income communities
and disadvantaged communities; and
(D) shall take into consideration previous
investments by the Department of Energy and
other Federal departments and agencies to en-
sure that the maximum domestic benefit from
Federal investments is realized.
(3) SELECTION CRITERIA.—
(A) IN GENERAL.—Not later than 120
days after the date of enactment of this Act,
and not later than 90 days after the date on
which any subsequent amounts are made avail-
able to carry out this section, the Secretary
shall publish criteria for the selection of units
of tribal and local government to receive grants
under this section.

(B) Application Requirements.—The
criteria published by the Secretary under sub-
paragraph (A) shall include the following appli-
cation requirements:

(i) A proposed level of cost sharing, in
according with subsection (f)(2).

(ii) A description of the relevant
stakeholders that the applicant will involve,
including—

(I) elected and appointed offi-
cials;

(II) all relevant generators and
distributors of electricity;

(III) State utility regulatory au-
thorities;

(IV) departments of public works
and affordable housing;

(V) community groups or individ-
uals that can provide expertise regard-
ing environmental justice consider-
ations;

(VI) entities representing low-in-
come communities and disadvantaged
communities; and

(VII) third-party providers of re-
newable energy and energy efficiency
services.

(iii) A cost proposal describing funds
that would be used to support and ensure
the participation of community groups
from all economic levels in stakeholder
meetings.

(iv) A description of the means by
which the planning process will take into
consideration the needs of environmental
justice populations, low-income commu-
nities, and disadvantaged communities.

(v) For planning grants, a proposed
schedule for the planning process.

(vi) For implementation grants—

(I) a proposed implementation
schedule;

(II) a description of—
(aa) the role that energy efficiency improvements will play in the implementation process;

(bb) any technical assistance the applicant will seek as part of the implementation process;

(cc) updated construction permitting or inspection processes (or a plan to update construction permitting or inspection processes) to allow for expedited installation of renewable energy equipment;

(dd) the means by which local women-owned, minority-owned, or veteran-owned businesses will be involved in the implementation process; and

(ee) any workforce development and professional development activities that will be incorporated into the implementation process;

(III) a proposed plan for—
(aa) making necessary utility and grid upgrades, including a plan for recovering the cost of the upgrades; and

(bb) monitoring and evaluating the implementation of the applicable plan, including metrics for assessing the success of implementation and an approach to updating the plan, as appropriate; and

(IV) such other merit-based criteria as the Secretary determines to be appropriate.

(d) MAXIMUM AMOUNT.—The amount of a grant provided under this section shall not exceed $1,000,000.

(e) USE OF FUNDS.—A recipient of a grant provided under this section shall use the grant to design or implement a plan for transition by the community served by the recipient to 100-percent clean and renewable energy.

(f) COST SHARING.—

(1) IN GENERAL.—The non-Federal share of the cost of each activity carried out using a grant provided under this section—
(A) shall be determined by the Secretary in accordance with paragraph (2), taking into consideration the receipt of any other Federal funds by the applicant;

(B) shall be not less than 60 percent; and

(C) may be reduced or eliminated by the Secretary, as the Secretary determines to be necessary.

(2) CALCULATION OF AMOUNT.—In calculating the amount of the non-Federal share under this section, the Secretary—

(A) may include allowable costs in accordance with applicable cost principles, including—

(i) cash;

(ii) personnel costs;

(iii) the value of a service, other resource, or third-party in-kind contribution determined in accordance with the applicable circular of the Office of Management and Budget;

(iv) indirect costs or facilities and administrative costs; or

(v) any funds received under the power program of the Tennessee Valley Authority or any Power Marketing Admin-
istration (except to the extent that such funds are made available under an annual appropriations Act); (B) shall include contributions made by State, tribal, or local government entities and private entities; and (C) shall not include— (i) revenues or royalties from the prospective operation of an activity beyond the period covered by the grant; or (ii) proceeds from the prospective sale of an asset of an activity. (3) NO REPAYMENT OF FEDERAL SHARE.—The Secretary shall not require repayment of the Federal share of an activity carried out using a grant provided under this section as a condition of providing the grant. (g) REPORTS.— (1) IN GENERAL.—For purposes of analyzing the grant program under this section, the Secretary shall— (A) determine the data required to be submitted to the Secretary by grant recipients as a condition of receiving grants; and
(B) develop metrics to evaluate the performance of the grant recipients.

(2) PRIVACY PROTECTIONS.—In carrying out this subsection, the Secretary shall provide appropriate protections for consumer privacy.

(h) FUNDING.—The Secretary shall use to carry out this section not more than $1,000,000,000 for each fiscal year from the Climate Fund.

SEC. 704. CLIMATE JUSTICE RESILIENCY.

(a) DEFINITIONS.—In this section:

(1) CLIMATE IMPACTS.—

(A) IN GENERAL.—The term “climate impacts” means the damage to the health of human and natural environments, habitats, and the economy caused by factors such as erratic climate and weather extremes due to excess carbon pollution in the atmosphere.

(B) INCLUSIONS.—The term “climate impacts” includes—

(i) the increased frequency of—

(I) extreme weather, such as hurricanes, tornadoes, and snowstorms;

(II) floods;

(III) wildfires;

(IV) droughts;
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(V) disease; and

(VI) heatwaves;

(ii) sea level rise;

(iii) ocean acidification; and

(iv) altered—

(I) ecosystems and habitats; and

(II) soil health and crop availability.

(2) CLIMATE JUSTICE RESILIENCY PROJECT.—

The term “climate justice resiliency project” means a project, plan, fund, or other proposal to mitigate climate impacts on a climate resiliency hotspot community.

(3) CLIMATE RESILIENCY HOTSPOT COMMUNITY.—The term “climate resiliency hotspot community” means a community that is—

(A) likely to experience climate impacts;

(B) traditionally unable to afford the management or mitigation of climate impacts; and

(C) likely to receive a high score in the report described in subsection (i).

(4) ELIGIBLE ENTITY.—The term “eligible entity” means—

(A) a State;

(B) an Indian tribe;
(C) a territory;
(D) a municipality;
(E) a county;
(F) a locality;
(G) a native Hawaiian community; and
(H) a nonprofit community organization.

(b) ESTABLISHMENT.—The Administrator, in consultation with the Council, shall establish a Climate Justice Resiliency Grant Program to provide block grants to eligible entities to promote climate justice resiliency projects described in subsection (g).

(c) ENVIRONMENTAL JUSTICE STUDY.—

(1) IN GENERAL.—To facilitate administration of grants under this section, not later than 1 year after the date of enactment of this Act, the Council shall conduct a county-by-county or equivalent regional or tribal environmental justice study to identify climate resiliency hotspot communities.

(2) REQUIREMENTS.—The study described in paragraph (1)—

(A) shall be conducted in consultation with—

(i) climate resiliency hotspot communities; and
(ii) communities that are likely to receive a high score in the report described in subsection (i);

(B) shall identify localities based on geographical proximity to climate impacts, socio-economic, public health, and environmental hazard criteria; and

(C) may include an area—

(i) that is disproportionately affected by climate impacts or other hazards that lead to negative public health effects, exposure, or environmental degradation;

(ii) with a concentration of individuals who have—

(I) a low income;

(II) high unemployment;

(III) a low level of homeownership;

(IV) a high rent burden;

(V) a low level of educational attainment; or

(VI) a disproportionate health burden; or

(iii) with a climate-sensitive population.
(d) Eligibility for Grant Funds.—

(1) In General.—To be eligible to receive a grant under this section, an eligible entity shall submit to the Council a plan for a climate justice resiliency investment for not less than 5 years that describes climate justice resiliency projects prioritized based on the study carried out under subsection (e).

(2) Contents.—The multiyear plan described in paragraph (1) shall include—

(A) a description of—

(i) the proposed climate justice resiliency project; and

(ii) the climate resiliency hotspot communities intended to benefit from the proposed climate justice resiliency project;

(B) the expected climate resiliency improvement benefits; and

(C) a funding level request.

(e) Application Process.—The Council shall establish application requirements for participation in the Climate Justice Resiliency Grant Program established under subsection (b).

(f) Grant Funds.—The Administrator, in consultation with the Council, shall award to eligible entities grant
funds commensurate with the duration and scope of the
proposed climate justice resiliency project.

(g) CLIMATE JUSTICE RESILIENCY PROJECTS.—

(1) IN GENERAL.—Subject to paragraph (2), an
eligible entity may use grant funds made available
under this section to carry out a climate justice re-
siliency project, including—

(A) a project related to—

(i) climate impact disaster adaptation

and planning;

(ii) wetland restoration;

(iii) mine reclamation;

(iv) a seawall, levee, or other coastal

flood mitigation effort;

(v) the development of—

(I) a community evacuation plan;

(II) resources for safe and com-

plete evacuation;

(III) a community plan for re-

turning after an evacuation; or

(IV) a plan for funding for the

relocation of Indian tribes in the event

of a climate impact disaster;

(vi) brownfields redevelopment;

(vii) rural water and waste disposal;
(viii) lead and asbestos hazard reduction in homes with high flood, hurricane, or sea level rise exposure risk;

(ix) flood and wildfire mapping, planning, and adaptation;

(x) public transportation;

(xi) vehicle traffic emissions exposure reduction;

(xii) a road or bridge that facilitates disaster evacuation;

(xiii) a local food cooperative or market;

(xiv) public sewage;

(xv) broadband Internet;

(xvi) a microgrid;

(xvii) air conditioning units for low-income housing; or

(xviii) emergency communication infrastructure;

(B) a fund established to assist evacuees to return home after an evacuation; or

(C) a disaster loan.

(2) EXCLUSIONS.—An eligible entity shall not use funds made available under this section to carry out an activity relating to—
(A) the generation of electricity;

(B) carbon capture or sequestration; or

(C) a highway.

(h) COST-SHARING REQUIREMENT.—The Council—

(1) shall require eligible entities that receive
funds under this section to enter into a cost-sharing
agreement for, at a minimum, 20 percent of the
total cost of the proposed climate justice resiliency
project; and

(2) may, at the discretion of the Council, waive
the cost-sharing requirement described in paragraph
(1).

(i) REPORT TO CONGRESS.—Not later than 180 days
after the date of enactment of this Act, the Council shall
submit to the appropriate committees of Congress a report
that describes—

(1) in detail the manner in which this section
will be carried out; and

(2) the results of the study required under sub-
section (c), including a score for each locality stud-
ied based on the level of climate impacts experienced
by the locality.

(j) REGULATIONS.—The Administrator, in consulta-
tion with the Council, may promulgate regulations to carry
out this section.
(k) **FUNDING.**—The Administrator shall use to carry out this section from the Climate Fund not more than—

(1) $2,000,000,000 for the first fiscal year beginning after the date of enactment of this Act through fiscal year 2030; and

(2) $10,000,000 for each fiscal year thereafter.

**TITLE VIII—MISCELLANEOUS**

**SEC. 801. TAX AMENDMENTS REVIEW.**

Not later than December 31, 2035, the Secretary, in consultation with the Secretary of the Treasury, shall—

(1) review the amendments to the Internal Revenue Code of 1986 made by this Act to determine if the amendments are effective and should continue; and

(2) report to Congress any recommended modifications to the amendments.