

115TH CONGRESS
1ST SESSION

H. R. 4209

To rebuild the Nation's infrastructure, provide a consumer rebate to the American people, assist coal country, reduce harmful pollution, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 1, 2017

Mr. LARSON of Connecticut (for himself, Ms. BARRAGÁN, Mr. BLUMENAUER, Mr. CAPUANO, Mr. CARBAJAL, Mr. CARSON of Indiana, Mr. COHEN, Mr. DEFAZIO, Mrs. DEMINGS, Mr. MICHAEL F. DOYLE of Pennsylvania, Mr. GALLEGOS, Mr. HASTINGS, Mr. HUFFMAN, Ms. NORTON, Mr. PAYNE, Ms. BLUNT ROCHESTER, and Ms. WILSON of Florida) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Transportation and Infrastructure, Energy and Commerce, Agriculture, Education and the Workforce, Natural Resources, and Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To rebuild the Nation's infrastructure, provide a consumer rebate to the American people, assist coal country, reduce harmful pollution, and for other purposes.

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

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

2 (a) SHORT TITLE.—This Act may be cited as the
3 “America Wins Act”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Tax on carbon dioxide content of certain substances.

Sec. 3. Energy Refund Program.

Sec. 4. Consumer tax rebate.

**6 SEC. 2. TAX ON CARBON DIOXIDE CONTENT OF CERTAIN
7 SUBSTANCES.**

8 (a) IN GENERAL.—Chapter 38 of the Internal Rev-
9 enue Code of 1986 (relating to environmental taxes) is
10 amended by adding at the end thereof the following new
11 subchapter:

“Subchapter E—Tax on Carbon Dioxide Content of Certain Substances

“Sec. 4691. Imposition of tax.

“Sec. 4692. Refunds or credits.

“Sec. 4693. Border adjustments.

"Sec. 4694. Definitions and special rules.

14 "SEC. 4691. IMPOSITION OF TAX.

15 "(a) IN GENERAL.—There is hereby imposed a tax
16 on any taxable carbon substance sold by the manufacturer,
17 producer, or importer thereof.

18 "(b) AMOUNT OF TAX —

19 “(1) IN GENERAL.—The amount of tax imposed
20 by subsection (a) on any taxable carbon substance
21 shall be the applicable amount per ton of carbon di-

1 oxide content of such substance, as determined by
2 the Secretary in consultation with the Secretary of
3 Energy.

4 “(2) FRACTIONAL PART OF TON.—In the case
5 of a fraction of a ton, the tax imposed by subsection
6 (a) shall be the same fraction of the amount of such
7 tax imposed on a whole ton.

8 “(3) APPLICABLE AMOUNT.—For purposes of
9 paragraph (1)—

10 “(A) IN GENERAL.—For calendar year
11 2019, the term ‘applicable amount’ means \$49.

12 “(B) ANNUAL ADJUSTMENTS GENERALLY.—In the case of any taxable year begin-
13 ning in a calendar year after 2019, the dol-
14 lar amount in subparagraph (A) shall be in-
15 creased by an amount equal to—

16 “(i) such dollar amount, multiplied by
17 “(ii) the cost-of-living adjustment de-
18 termined under section 1(f)(3) for the cal-
19 endar year in which the taxable year be-
20 gins, determined—

21 “(I) by substituting ‘calendar
22 year 2018’ for ‘calendar year 1992’ in
23 subparagraph (B) thereof, and

1 “(II) by substituting for the CPI
2 referred to section 1(f)(3)(A) the
3 amount that such CPI would have
4 been if the annual percentage increase
5 in CPI with respect to each year after
6 2019 had been 2 percentage points
7 greater.

8 “(c) SUBSTANCE TAXED ONLY ONCE.—No tax shall
9 be imposed by subsection (a) with respect to a taxable car-
10 bon substance if the person who would be liable for such
11 tax establishes that a prior tax imposed by such section
12 has been imposed with respect to such product.

13 “(d) EXEMPTION FOR EXPORTS.—

14 “(1) TAX-FREE SALES.—

15 “(A) IN GENERAL.—No tax shall be im-
16 posed under subsection (a) on the sale by the
17 manufacturer or producer of any taxable carbon
18 substance for export or for resale by the pur-
19 chaser to a second purchaser for export.

20 “(B) PROOF OF EXPORT REQUIRED.—

21 Rules similar to the rules of section 4221(b)
22 shall apply for purposes of subparagraph (A).

23 “(2) CREDIT OR REFUND WHERE TAX PAID.—

24 “(A) IN GENERAL.—Except as provided in
25 subparagraph (B), if—

1 “(i) tax under subsection (a) was paid
2 with respect to any taxable carbon sub-
3 stance, and

4 “(ii)(I) such substance was exported
5 by any person, or

6 “(II) such substance was used as a
7 material in the manufacture or production
8 of a taxable carbon substance which was
9 exported by any person and which, at the
10 time of export, was a taxable carbon sub-
11 stance,

12 credit or refund (without interest) of such tax
13 shall be allowed or made to the person who paid
14 such tax.

15 “(B) CONDITION TO ALLOWANCE.—No
16 credit or refund shall be allowed or made under
17 subparagraph (A) unless the person who paid
18 the tax establishes that he—

19 “(i) has repaid or agreed to repay the
20 amount of the tax to the person who ex-
21 ported the taxable carbon substance, or

22 “(ii) has obtained the written consent
23 of such exporter to the allowance of the
24 credit or the making of the refund.

1 “(C) REFUNDS DIRECTLY TO EX-
2 PORTER.—The Secretary shall provide, in regu-
3 lations, the circumstances under which a credit
4 or refund (without interest) of the tax under
5 subsection (a) shall be allowed or made to the
6 person who exported the taxable carbon sub-
7 stance, where—

8 “(i) the person who paid the tax
9 waives his claim to the amount of such
10 credit or refund, and

11 “(ii) the person exporting the taxable
12 carbon substance provides such informa-
13 tion as the Secretary may require in such
14 regulations.

15 **“SEC. 4692. REFUNDS OR CREDITS.**

16 “(a) SEQUESTERED CARBON.—Under regulations
17 prescribed by the Secretary, if—

18 “(1) a person uses a taxable carbon substance
19 as a feedstock so that the carbon associated with
20 such substance will not be emitted, or

21 “(2) a person captures and sequesters the car-
22 bon in a taxable carbon substance,

23 then an amount equal to the amount of tax in effect under
24 section 4691(b) with respect to such substance for the cal-
25 endar year in which such use begins shall be allowed as

1 a credit or refund (without interest) to such person in the
2 same manner as if it were an overpayment of tax imposed
3 by section 4691.

4 “(b) PREVIOUSLY TAXED CARBON SUBSTANCES
5 USED TO MAKE ANOTHER TAXABLE CARBON SUB-
6 STANCE.—Under regulations prescribed by the Secretary,
7 if—

8 “(1) a tax under section 4691 was paid with re-
9 spect to any taxable carbon substance, and

10 “(2) such substance was used by any person in
11 the manufacture or production of any other sub-
12 stance which is a taxable carbon substance,

13 then an amount equal to the tax so paid shall be allowed
14 as a credit or refund (without interest) to such person in
15 the same manner as if it were an overpayment of tax im-
16 posed by section 4691(a). In any case to which this para-
17 graph applies, the amount of any such credit or refund
18 shall not exceed the amount of tax imposed by section
19 4691(a) on the other taxable fuel manufactured or pro-
20 duced (or which would have been imposed by such sub-
21 section on such other fuel but for section 4691(c)).

22 **“SEC. 4693. BORDER ADJUSTMENTS.**

23 “(a) IMPORTS.—The Secretary shall impose a carbon
24 equivalency fee on imports of carbon-intensive goods that

1 shall be equivalent to the cost that domestic producers of
2 comparable carbon-intensive goods incur as a result of—

3 “(1) taxes paid by manufacturers, producers,
4 and importers of taxable carbon substances under
5 this section, and

6 “(2) carbon equivalency fees paid by importers
7 of carbon intensive goods used in the production of
8 the comparable carbon intensive goods in question.

9 “(b) EXPORTS.—Notwithstanding the limitations of
10 section 4692, the Secretary shall allow as a credit or re-
11 fund (without interest) to the exporter of a carbon-inten-
12 sive good produced in the United States in the same man-
13 ner as if it were an overpayment of tax imposed by section
14 4691 an amount equivalent to the cost that domestic pro-
15 ducers of such carbon intensive goods incur as a result
16 of—

17 “(1) taxes paid by manufacturers, producers,
18 and importers of taxable carbon substances under
19 this section, and

20 “(2) carbon equivalency fees paid by importers
21 of carbon intensive goods used in the production of
22 the comparable carbon intensive goods in question.

23 “(c) EXPIRATION.—This section shall cease to have
24 effect at such time as and to the extent that—

1 “(1)(A) an international agreement requiring
2 countries that emit greenhouse gases and produce
3 carbon intensive goods for international markets to
4 adopt equivalent measures comes into effect, or

5 “(B) the country of export has implemented
6 equivalent measures, and

7 “(2) the actions provided for by subsections (a)
8 and (b) are no longer appropriate.

9 **“SEC. 4694. DEFINITIONS AND SPECIAL RULES.**

10 “(a) **DEFINITIONS.**—For purposes of this sub-
11 chapter—

12 “(1) **TAXABLE CARBON SUBSTANCE.**—The term
13 ‘taxable carbon substance’ means—

14 “(A) coal (including lignite and peat),

15 “(B) petroleum and any petroleum product
16 (as defined in section 4612(a)(3)), and

17 “(C) natural gas,

18 which is extracted, manufactured, or produced in the
19 United States or entered into the United States for
20 consumption, use, or warehousing.

21 “(2) **UNITED STATES.**—The term ‘United
22 States’ has the meaning given such term by section
23 4612(a)(4).

1 “(3) IMPORTER.—The term ‘importer’ means
2 the person entering the taxable carbon substance for
3 consumption, use, or warehousing.

4 “(4) TON.—The term ‘ton’ means metric tons.
5 In the case of any taxable carbon substance which
6 is a gas, the term ‘ton’ means the amount of such
7 gas in cubic feet which is the equivalent of a metric
8 ton on a molecular weight basis.

9 “(5) CARBON-INTENSIVE GOOD.—The term
10 ‘carbon-intensive good’ means a good that (as identi-
11 fied by the Secretary by rule)—

12 “(A) is a primary product, or
13 “(B) is a manufactured item in which one
14 or more primary products are inputs and the
15 cost of production of which in the United States
16 is significantly increased by this subchapter.

17 “(6) PRIMARY PRODUCT.—The term ‘primary
18 product’ means—

19 “(A) iron, steel, steel mill products (includ-
20 ing pipe and tube), aluminum, cement, glass
21 (including flat, container, and specialty glass
22 and fiberglass), pulp, paper, chemicals, or in-
23 dustrial ceramics, and

24 “(B) any other manufactured product that
25 the Secretary determines—

1 “(i) is sold for purposes of further
2 manufacture, and

3 “(ii) generates, in the course of the
4 manufacture of the product, direct and in-
5 direct carbon-dioxide emissions that are
6 comparable (on an emissions-per-dollar of
7 output basis) to emissions generated in the
8 manufacture or production of primary
9 products identified in subparagraph (A).

10 “(7) EQUIVALENT MEASURE.—The term ‘equiv-
11 alent measure’ means a tax or other regulatory re-
12 quirement that imposes a cost on manufacturers of
13 carbon intensive goods located outside the United
14 States approximately equal to the cost imposed by
15 section 4691 on manufacturers of comparable car-
16 bon intensive goods located in the United States.

17 “(b) USE TREATED AS SALE.—If any person manu-
18 factures, produces, or imports any taxable carbon sub-
19 stance and uses such substance, then such person shall
20 be liable for tax under section 4691 in the same manner
21 as if such substance were sold by such person.

22 “(c) SPECIAL RULES FOR INVENTORY EX-
23 CHANGES.—

24 “(1) IN GENERAL.—Except as provided in this
25 paragraph, in any case in which a manufacturer,

1 producer, or importer of a taxable carbon substance
2 exchanges such substance as part of an inventory ex-
3 change with another person—

4 “(A) such exchange shall not be treated as
5 a sale, and

6 “(B) such other person shall, for purposes
7 of section 4691, be treated as the manufac-
8 turer, producer, or importer of such substance.

9 “(2) REGISTRATION REQUIREMENT.—Para-
10 graph (1) shall not apply to any inventory exchange
11 unless—

12 “(A) both parties are registered with the
13 Secretary as manufacturers, producers, or im-
14 porters of taxable carbon substances, and

15 “(B) the person receiving the taxable car-
16 bon substance has, at such time as the Sec-
17 retary may prescribe, notified the manufac-
18 turer, producer, or importer of such person’s
19 registration number and the internal revenue
20 district in which such person is registered.

21 “(3) INVENTORY EXCHANGE.—For purposes of
22 this subsection, the term ‘inventory exchange’ means
23 any exchange in which 2 persons exchange property
24 which is, in the hands of each person, property de-
25 scribed in section 1221(a)(1).

1 “(d) REGULATIONS.—The Secretary shall prescribe
2 such regulations as may be necessary to carry out the pur-
3 poses of this subchapter.”.

4 (b) ESTABLISHMENT OF BUILD AMERICA TRUST
5 FUND.—Subchapter A of chapter 98 of such Code (relat-
6 ing to trust fund code) is amended by adding at the end
7 the following:

8 **“SEC. 9512. BUILD AMERICA TRUST FUND.**

9 “(a) CREATION OF TRUST FUND.—There is estab-
10 lished in the Treasury of the United States a trust fund
11 to be known as the ‘Build America Trust Fund’ (referred
12 to in this section as the ‘Trust Fund’), consisting of such
13 amounts as may be appropriated or credited to the Trust
14 Fund as provided in this section or section 9602(b).

15 “(b) TRANSFERS TO TRUST FUND.—There is hereby
16 appropriated to the Trust Fund an amount equivalent to
17 the increase in revenues received in the Treasury as the
18 result of the tax imposed under section 4691.

19 “(c) DISTRIBUTION OF AMOUNTS IN TRUST FUND.—
20 Amounts in the Trust Fund equivalent to the taxes re-
21 ceived in the Treasury under section 4691 for a calendar
22 year shall be available without further appropriation, as
23 follows:

1 “(1) First, the following amounts for each of
2 fiscal years 2019 through 2028, to be allocated as
3 follows:

4 “(A) HIGHWAYS AND TRANSIT.—

5 “(i) the sum of \$50,000,000,000 plus
6 the highway and transit shortfall amount,
7 which shall be transferred to the Highway
8 Trust Fund with 80 percent allocated to
9 the Highway Account (as defined in sec-
10 tion 9503(e)(5)(B)) and 20 percent allo-
11 cated to the Mass Transit Account.

12 “(ii) \$5,000,000,000 shall be available
13 to the Secretary of Transportation for pro-
14 viding assistance under the National Infra-
15 structure Investment program, as de-
16 scribed under the heading ‘Department of
17 Transportation—Office of the Secretary—
18 National Infrastructure Investments’ in
19 title I of division L of Public Law 114–113
20 (129 Stat. 2835).

21 “(B) AVIATION.—\$3,000,000,000 shall be
22 available to be transferred to the Airport and
23 Airway Trust Fund, of which—

24 “(i) \$1,620,000,000 shall be available
25 to the Secretary of Transportation for

1 making grants for airport planning and
2 airport development under section 47104
3 of title 49, United States Code, and

4 “(ii) \$1,380,000,000 shall be available
5 to the Administrator of the Federal Avia-
6 tion Administration for acquiring, estab-
7 lishing, and improving air navigation facili-
8 ties under section 44502(a)(1)(A) of title
9 49, United States Code.

10 “(C) PASSENGER RAIL.—

11 “(i) \$2,000,000,000 shall be available
12 to the Secretary of Transportation for de-
13 posit in the Northeast Corridor account de-
14 scribed in section 24317 of title 49, United
15 States Code, for the uses described in sub-
16 section (d)(1) (B), (C), (E), and (F) of
17 such section.

18 “(ii) \$1,500,000,000 shall be available
19 to the Secretary of Transportation for
20 making grants for rail infrastructure and
21 safety improvements under section 24407
22 of title 49, United States Code.

23 “(iii) \$500,000,000 shall be available
24 to the Secretary of Transportation for
25 making grants for state of good repair

1 under section 24911 of title 49, United
2 States Code.

3 “(iv) \$1,000,000,000 shall be avail-
4 able to the Secretary of Transportation for
5 deposit in the National Network account
6 described in section 24317 of title 49,
7 United States Code, for the uses described
8 in subsection (d)(2)(B).

9 “(D) HARBORS, WATERWAYS, FLOOD PRO-
10 TECTION, DAMS.—

11 “(i) \$3,000,000,000 shall be available
12 to the Secretary of the Army for expenses
13 necessary for the construction of river and
14 harbor, flood and storm damage reduction,
15 shore protection, aquatic ecosystem res-
16 toration, and related projects authorized by
17 law or for conducting detailed studies, and
18 plans and specifications, of such projects
19 (including those involving participation by
20 States, local governments, or private
21 groups) authorized or made eligible for se-
22 lection by law (but such detailed studies,
23 and plans and specifications, shall not con-
24 stitute a commitment of the Federal Gov-

“(ii) 3,000,000,000 shall be available to the Secretary of the Army for expenses necessary for the operation, maintenance, and care of existing river and harbor, flood and storm damage reduction, aquatic ecosystem restoration, and related projects authorized by law; providing security for infrastructure owned or operated by the Corps, including administrative buildings and laboratories; maintaining harbor channels provided by a State, municipality, or other public agency that serve essential navigation needs of general commerce, where authorized by law; surveying and charting northern and northwestern lakes and connecting waters; clearing and straightening channels; and removing obstructions to navigation, to remain available until expended.

22 “(E) CLEAN WATER.—

1 tion grants for the Clean Water State Re-
2 volving Funds under title VI of the Fed-
3 eral Water Pollution Control Act (33
4 U.S.C. 1381 et seq.).

5 “(ii) \$2,350,000,000 shall be available
6 to the Administrator of the Environmental
7 Protection Agency for making capitaliza-
8 tion grants for the Drinking Water State
9 Revolving Funds under section 1452 of the
10 Safe Drinking Water Act (42 U.S.C. 300j–
11 12).

12 “(iii) \$80,000,000 shall be available
13 to the Secretary of the Army and the Ad-
14 ministrator of the Environmental Protec-
15 tion Agency for providing assistance under
16 section 5023 of the Water Infrastructure
17 Finance and Innovation Act of 2014 (33
18 U.S.C. 3902).

19 “(F) USDA WATER AND WASTE DISPOSAL
20 PROGRAMS.—

1 “(ii) \$490,000 shall be available to
2 the Secretary of Agriculture for guaranteed
3 loans for water or waste disposal fa-
4 cilities under section 306(a)(24) of the
5 Consolidated Farm and Rural Develop-
6 ment Act.

7 “(iii) \$885,000,000 shall be available
8 to the Secretary of Agriculture to carry out
9 section 306(a)(2) of the Consolidated
10 Farm and Rural Development Act.

11 “(G) BROADBAND DEPLOYMENT.—
12 \$3,000,000,000 shall be available to the Assistant
13 Secretary of Commerce for Communications
14 and Information to carry out a program to ex-
15 pand access to broadband to communities
16 throughout the United States, with an emphasis
17 on communities unserved by broadband.

18 “(2) Second, \$5,000,000,000 for each fiscal
19 year 2019 through 2028 shall be available for assistance
20 to workers and communities reliant on industries
21 that primarily produce taxable carbon substances
22 or carbon-intensive goods, as determined by
23 the Secretary in consultation with the Secretary of
24 Labor, including for—

1 “(A) worker retraining, pension benefits,
2 and health benefits,
3 “(B) abandoned mine reclamation,
4 “(C) development of carbon capture, utili-
5 zation, and storage technologies, and
6 “(D) other assistance the Secretary deter-
7 mines appropriate.

8 “(3) Third, for calendar year 2019 and each
9 calendar year thereafter, 12.5 percent of the amount
10 in the Trust Fund equivalent to the taxes received
11 in the Treasury under section 4691 shall be avail-
12 able for the Energy Refund Program.

13 “(4) Fourth, the amount remaining after the
14 application of paragraphs (1), (2), and (3) shall be
15 available for paying the consumer tax rebate.

16 “(d) DEFINITIONS.—For purposes of this section—
17 “(1) The term ‘highway and transit shortfall
18 amount’ means the amount determined by the Sec-
19 retary to be equal to the excess of—

20 “(A) the sum of the obligations of the
21 United States specified in section 9503(c)(1)
22 plus the amounts to be expended under section
23 9503(e)(3), over

24 “(B) the amounts available in the Highway
25 Trust Fund to meet those obligations and ex-

1 penditures (determined without regard to this
2 paragraph or section 9503(f)(5)).

3 “(2) The terms ‘taxable carbon substance’ and
4 ‘carbon-intensive goods’ have the meanings given
5 such terms by section 4694.

6 “(e) QUALIFICATIONS BASED SELECTION FOR AR-
7 CHITECTURAL AND ENGINEERING CONTRACTS.—

8 “(1) IN GENERAL.—Subject to paragraph (2),
9 as a condition on the receipt of funds pursuant to
10 this section of an amount greater than \$1,000,000,
11 a non-Federal sponsor that receives the funds shall
12 require that each contract and subcontract for pro-
13 gram management, construction management, plan-
14 ning studies, feasibility studies, architectural serv-
15 ices, preliminary engineering, design, engineering,
16 surveying, mapping, and related services entered
17 into using any of such funds be awarded in the same
18 manner as a contract for architectural and engineer-
19 ing services is awarded under—

20 “(A) chapter 11 of title 40, United States
21 Code, or

22 “(B) an equivalent qualifications-based re-
23 quirement prescribed by the relevant State.

24 “(2) NO PROPRIETARY INTEREST.—A contract
25 awarded in accordance with paragraph (1) shall not

1 be considered to confer a proprietary interest upon
2 the United States.

3 “(f) ADMINISTRATIVE PROVISIONS.—Amounts dis-
4 tributed from the Trust Fund for a program or activity
5 under subsection (c) shall—

6 “(1) be in addition to other amounts appro-
7 priated for the program or activity, and
8 “(2) remain available until expended.”.

9 (c) CLERICAL AMENDMENTS.—

10 (1) The table of subchapters for chapter 38 of
11 such Code is amended by adding at the end thereof
12 the following new item:

“SUBCHAPTER E. TAX ON CARBON DIOXIDE CONTENT OF CERTAIN
SUBSTANCES”.

13 (2) The table of sections for subchapter A of
14 chapter 98 of such Code is amended by adding at
15 the end the following:

“Sec. 9512. Build America Trust Fund.”.

16 (d) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2018.

19 **SEC. 3. ENERGY REFUND PROGRAM.**

20 (a) IN GENERAL.—The Secretary of the Treasury, in
21 consultation with the Secretary of Health and Human
22 Services, the Commissioner of Social Security, and the
23 Secretary of Agriculture, shall formulate and administer

1 the program provided for in this section, which shall be
2 known as the “Energy Refund Program”, and under
3 which eligible households are provided an energy refund.

4 (b) ELIGIBILITY OF HOUSEHOLDS TO RECEIVE EN-
5 ERGY REFUND.—Each eligible household shall be entitled
6 to receive monthly cash payments under this section in
7 an amount equal to the monthly energy refund amount
8 determined under subsection (d).

9 (c) ELIGIBILITY.—

10 (1) ELIGIBLE HOUSEHOLDS.—A household
11 shall be considered to be an eligible household for
12 purposes of this section if—

13 (A) the aggregate gross income of all tax-
14 payers in the household does not exceed 150
15 percent of the poverty line;

16 (B) the State agency for the State in
17 which the household is located determines that
18 the household is participating in—

19 (i) the supplemental nutrition assist-
20 ance program;

21 (ii) the Food Distribution Program on
22 Indian Reservations authorized by section
23 4(b) of the Food and Nutrition Act of
24 2008 (7 U.S.C. 2013(b)); or

(C) the household consists of a single individual or a married couple, and—

(II) meets the income requirements described in section 1860D-14(a)(1) or (a)(2) of the Social Security Act (42 U.S.C. 1395w-114(a)(1) or (a)(2)); or

1 fully residing in the United States. The Secretary
2 shall establish procedures to ensure that other indi-
3 viduals do not receive such refunds and are not
4 taken into account in determining the amount of
5 such refunds.

6 (3) NATIONAL STANDARDS.—The Secretary of
7 the Treasury, in consultation with the Secretary of
8 Agriculture, shall establish uniform national stand-
9 ards of eligibility ensuring that States may co-ad-
10 minister the Energy Refund Program with the sup-
11 plemental nutrition assistance program in accord-
12 ance with the provisions of this section. No State
13 agency shall impose any other standard or require-
14 ment as a condition of eligibility or refund receipt
15 under the program. Assistance in the Energy Re-
16 fund Program shall be furnished promptly to all eli-
17 gible households who make application for such par-
18 ticipation or are already enrolled in any program re-
19 ferred to in paragraph (1).

20 (d) MONTHLY ENERGY REFUND AMOUNT.—

21 (1) ESTIMATED ANNUAL REFUND.—Not later
22 than August 31 of each relevant fiscal year, the Sec-
23 retary of the Treasury, in consultation with the En-
24 ergy Information Administration, shall estimate,
25 pursuant to a method that is appropriate for such

1 purposes, the annual total loss in purchasing power
2 that will result from the America Wins Act in the
3 next fiscal year for households of each size with
4 gross income equal to 150 percent of the poverty
5 line, based on the tax imposed under section 4691
6 of the Internal Revenue Code of 1986, excluding the
7 amount of the increase in households' energy con-
8 sumption that is financed by higher cost of living ad-
9 justments to Federal benefits that result from in-
10 creased carbon costs by reason of such tax.

11 (2) MONTHLY ENERGY REFUND.—Subject to
12 paragraph (3) and subsection (c)(2), the amount of
13 the monthly energy refund for an eligible household
14 under this section shall be—

15 (A) if the household has 1, 2, 3, or 4 mem-
16 bers, $\frac{1}{12}$ of the amount estimated under para-
17 graph (1) for such fiscal year for a household
18 of the same size, rounded to the nearest whole
19 dollar amount; or

20 (B) if the household has 5 or more mem-
21 bers, $\frac{1}{12}$ of the arithmetic mean value of the
22 amounts estimated under paragraph (1) for
23 such fiscal year for households with 5 or more
24 members, rounded to the nearest whole dollar
25 amount.

10 (e) DELIVERY MECHANISM.—

22 (2) STANDARDS.—The standards described
23 under paragraph (1) shall—

1 (B) provide energy refund recipients with
2 choices, as appropriate, for delivery and receipt
3 of refunds;

4 (C) ensure ease of use and access to re-
5 funds, including a prohibition on any fees
6 charged for withdrawals or other related serv-
7 ices;

8 (D) protect, in a cost-effective manner,
9 against improper access to energy refunds;

10 (E) ensure interoperability of the Energy
11 Refund Program between States and permit
12 monitoring and investigations by authorized law
13 enforcement agencies; and

14 (F) include such standards, as determined
15 appropriate by the Secretary of the Treasury,
16 to protect applicant and recipient households
17 from fraud and abuse and promote effective
18 and efficient administration of Energy Refund
19 Program.

20 (f) ADMINISTRATION.—

21 (1) IN GENERAL.—The State agency of each
22 participating State shall assume responsibility for
23 the certification of applicant households and for the
24 issuance of refunds and the control and account-
25 ability thereof.

1 (2) ADMINISTRATIVE COSTS.—Subject to such
2 standards as determined appropriate by the Sec-
3 retary of the Treasury, the Secretary shall reimburse
4 each State agency for 100 percent of administrative
5 costs.

6 (3) PROCEDURES.—Under standards estab-
7 lished by the Secretary of the Treasury, the State
8 agency shall establish procedures governing the ad-
9 ministration of the Energy Refund Program that the
10 State agency determines best serve households in the
11 State, including households with special needs, such
12 as households with elderly or disabled members,
13 households in rural areas, homeless individuals, and
14 households residing on reservations (as defined in
15 section 4 of the Indian Child Welfare Act of 1978
16 (25 U.S.C. 1903) and section 3 of the Indian Fi-
17 nancing Act of 1974 (25 U.S.C. 1452)). In carrying
18 out this paragraph, a State agency shall—

19 (A) provide timely, accurate, and fair serv-
20 ice to applicants for, and participants in, the
21 Energy Refund Program;

22 (B) permit an applicant household to apply
23 to participate in the program at the time that
24 the household first contacts the State agency
25 and consider an application that contains the

1 name, address, and signature of the applicant
2 to be sufficient to constitute an application for
3 participation;

4 (C) screen any applicant household for the
5 supplemental nutrition assistance program, the
6 State's medical assistance program under sec-
7 tion XIX of the Social Security Act, the Chil-
8 dren's Health Insurance Program under section
9 XXI of such Act, and a State program that
10 provides basic assistance under a State pro-
11 gram funded under title IV of such Act or with
12 qualified State expenditures as defined in sec-
13 tion 409(a)(7) of such Act for eligibility for the
14 Energy Refund Program and, if eligible, enroll
15 such applicant household in the Energy Refund
16 Program;

17 (D) complete certification of and provide a
18 refund to any eligible household not later than
19 30 days following its filing of an application;

20 (E) use appropriate bilingual personnel
21 and materials in the administration of the pro-
22 gram in those portions of the State in which a
23 substantial number of members of low income
24 households speak a language other than
25 English; and

(F) utilize State agency personnel who are employed in accordance with the current standards for a merit system of personnel administration or any standards later prescribed by the Office of Personnel Management pursuant to section 208 of the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728) modifying or superseding such standards relating to the establishment and maintenance of personnel standards on a merit basis to make all tentative and final determinations of eligibility and ineligibility.

1 rity, the Railroad Retirement Board, and the
2 Secretary of Veterans Affairs, that—

(i) one or more of such entities are able to determine the gross income of such beneficiaries for purposes of determining eligibility for the energy refund;

(ii) such entities are able to coordinate to ensure that such beneficiaries do not receive multiple energy refunds; and

21 (5) REGULATIONS.—

1 appropriate for the effective and efficient ad-
2 ministration of the Energy Refund Program,
3 and shall promulgate all such regulations in ac-
4 cordance with the procedures set forth in sec-
5 tion 553 of title 5, United States Code.

6 (B) CERTAIN PROCEDURES.—Without re-
7 gard to section 553 of title 5 of such Code, the
8 Secretary of the Treasury may by rule promul-
9 gate as final, to be effective until not later than
10 2 years after the date of the enactment of the
11 America Wins Act, any procedures that are
12 substantially the same as the procedures gov-
13 erning the supplemental nutrition assistance
14 program in section 273.2, 273.12, or 273.15 of
15 title 7, Code of Federal Regulations.

16 (C) Notwithstanding paragraphs (2) and
17 (3) of subsection (i), the Secretary of the
18 Treasury shall promulgate regulations requiring
19 streamlined eligibility determinations for some
20 or all households which include individuals re-
21 ceiving medical assistance under a State plan
22 approved under title XIX or XXI of the Social
23 Security Act or individuals receiving premium
24 credits for the purchase of qualified health in-
25 surance coverage pursuant to section 36B of

1 the Internal Revenue Code of 1986. The regula-
2 tions shall institute procedures whereby the
3 gross income and family size information used
4 for determining eligibility under such provisions
5 serve as the basis for determining eligibility for
6 the Energy Refund Program.

7 (D) EXCEPTION FOR QUARTERLY PROVI-
8 SION OF BENEFITS.—Notwithstanding any
9 other provision of this section, the Secretary of
10 the Treasury may authorize States to provide
11 benefits under this section on a quarterly basis
12 if the Secretary determines that the amount of
13 the benefits that would be provided on a month-
14 ly basis to households is insufficient to be effi-
15 ciently paid on a monthly basis in light of the
16 administrative expenses of the Energy Refund
17 Program.

18 (g) TREATMENT.—The value of the refund provided
19 under this section shall not be considered income or re-
20 sources for any purpose under any Federal, State, or local
21 laws, including, but not limited to, laws relating to an in-
22 come tax, or public assistance programs (including, but
23 not limited to, health care, cash aid, child care, nutrition
24 programs, and housing assistance) and no participating
25 State or political subdivision thereof shall decrease any as-

1 instance otherwise provided an individual or individuals be-
2 cause of the receipt of a refund under this section.

3 (h) PROGRAM INTEGRITY.—For purposes of ensuring
4 program integrity and complying with the requirements of
5 the Improper Payment Information Act of 2002, the Sec-
6 retary of the Treasury shall, to the maximum extent pos-
7 sible, rely on and coordinate with the quality control sam-
8 ple and review procedures of paragraphs (2), (3), (4), and
9 (5) of section 16(e) of the Food and Nutrition Act of 2008
10 (7 U.S.C. 2025(c)).

11 (i) DEFINITIONS AND SPECIAL RULES.—

12 (1) ELECTRONIC BENEFIT TRANSFER SYS-
13 TEM.—The term “electronic benefit transfer system”
14 means a system by which household benefits or re-
15 funds defined under subsection (e) are issued from
16 and stored in a central databank via electronic ben-
17 efit transfer cards.

18 (2) GROSS INCOME.—The term “gross income”
19 means the gross income of a household that is deter-
20 mined in accordance with standards and procedures
21 established under section 5 of the Food and Nutri-
22 tion Act of 2008 (7 U.S.C. 2014) and its imple-
23 menting regulations.

24 (3) HOUSEHOLD.—

17 (4) POVERTY LINE.—The term “poverty line”
18 has the meaning given the term in section 673(2) of
19 the Community Services Block Grant Act (42 U.S.C.
20 9902(2)), including any revision required by that
21 section.

22 (5) STATE.—The term “State” means the 50
23 States, the District of Columbia, the Commonwealth
24 of Puerto Rico, American Samoa, the United States

1 Virgin Islands, Guam, and the Commonwealth of the
2 Northern Mariana Islands.

3 (6) STATE AGENCY.—The term “State agency”
4 means an agency of State government, including the
5 local offices thereof, that has responsibility for ad-
6 ministration of the one or more federally aided pub-
7 lic assistance programs within the State, and in
8 those States where such assistance programs are op-
9 erated on a decentralized basis, the term shall in-
10 clude the counterpart local agencies administering
11 such programs.

12 (7) SUPPLEMENTAL NUTRITION ASSISTANCE
13 PROGRAM.—The term “supplemental nutrition as-
14 sistance program” means the supplemental nutrition
15 assistance program as defined in section 3 of the
16 Food and Nutrition Act of 2008 (7 U.S.C. 2012).

17 (8) OTHER TERMS.—Other terms not defined in
18 this section shall have the same meaning as such
19 terms have in the Supplemental Nutrition Assistance
20 Program unless the Secretary of the Treasury finds
21 for good cause that application of a particular defi-
22 nition would be detrimental to the purposes of the
23 Energy Refund Program.

1 **SEC. 4. CONSUMER TAX REBATE.**

2 (a) IN GENERAL.—Subpart C of part IV of sub-
3 chapter A of chapter 1 of the Internal Revenue Code of
4 1986 is amended by inserting after section 36B the fol-
5 lowing new section:

6 **“SEC. 36C. WORKING FAMILIES RELIEF.**

7 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
8 gible taxpayer, there shall be allowed as a credit against
9 the tax imposed by this subtitle for the taxable year an
10 amount equal to the working families relief amount.

11 “(b) LIMITATION BASED ON HOUSEHOLD INCOME.—

12 “(1) IN GENERAL.—The amount allowable as a
13 credit under subsection (a) (determined without re-
14 gard to this subsection) for the taxable year shall be
15 reduced (but not below zero) by 0.05 percent for
16 every \$10 by which the taxpayer’s household income
17 for the taxable year exceeds the credit cap amount
18 for the calendar year in which such taxable year be-
19 gins.

20 “(2) CREDIT CAP AMOUNT.—The credit cap
21 mount for any calendar year is the amount which is
22 equal to 350 percent of the poverty line (within the
23 meaning of section 2110(c)(5) of the Social Security
24 Act) for the size of the family involved for such cal-
25 endar year.

1 “(3) ROUNDING.—Solely for purposes of para-
2 graph (1), if the eligible taxpayer’s adjusted gross
3 income or the credit cap amount is not a multiple
4 of \$10, such amount shall be rounded to the next
5 highest multiple of \$10.

6 “(c) COORDINATION WITH ENERGY REFUND RE-
7 CEIVED THROUGH STATE HUMAN SERVICE AGENCIES.—

8 “(1) IN GENERAL.—In any taxable year in
9 which a taxpayer or the taxpayer’s spouse receives
10 an energy refund under section 3 of the America
11 Wins Act, the amount described in subsection (a)
12 shall be reduced by the energy refund amount re-
13 ceived in that taxable year.

14 “(2) INFORMATION.—The Secretary shall pro-
15 mulgate regulations that instruct States on how to
16 inform adult individuals who receive an energy re-
17 fund under section 3 of the America Wins Act the
18 refund amount the individuals received and how
19 such information shall be provided to the Internal
20 Revenue Service.

21 “(3) SYSTEM TO HANDLE INQUIRIES.—The
22 Secretary shall establish a telephone and online sys-
23 tem that allows an individual to inquire about the
24 refund amount the individual received.

1 “(4) ADJUSTMENT OF ENERGY REFUND
2 AMOUNT.—In the case of an individual who does not
3 report the refund amount that was provided under
4 section 3 of the America Wins Act or recorded an
5 incorrect number of refund amount, the Secretary
6 shall adjust the energy refund under such section
7 based on the information received from States. Such
8 reduction shall only be made if the Secretary has
9 made a determination that the information meets a
10 sufficient standard for accuracy.

11 “(d) WORKING FAMILIES RELIEF AMOUNT.—For
12 purposes of this section—

13 “(1) IN GENERAL.—The working families relief
14 amount with respect to any eligible taxpayer for any
15 taxable year is an amount equal to—

16 “(A) the relief amount for the calendar
17 year in which such taxable year begins, multi-
18 plied by

19 “(B) the scale factor applicable to the eli-
20 gible taxpayer’s family size.

21 “(2) RELIEF AMOUNT.—

22 “(A) IN GENERAL.—The relief amount
23 with respect to any calendar year is the amount
24 which will provide that the aggregate credits al-
25 lowed under this section with respect to all eli-

1 gible taxpayers for taxable years beginning in
2 such calendar year equal the amount which is
3 provided in section 9512(c)(4) for such calendar
4 year.

5 “(B) SECRETARIAL DETERMINATION.—

6 The relief amount for each calendar year shall
7 be determined by the Secretary based on the ex-
8 pected revenues from section 9512(c)(4) for
9 each such calendar year.

10 “(C) ADJUSTMENT OF RELIEF
11 AMOUNTS.—If, after the close of any calendar
12 year, the Secretary determines that the amount
13 of the aggregate credits allowed under this sec-
14 tion with respect to all eligible taxpayers for
15 taxable years beginning in such calendar year
16 differed significantly from the amount equal to
17 the funding provided by section 9512(c)(4) for
18 such calendar year, the Secretary may adjust
19 the relief amount for the immediately suc-
20 ceeding calendar year either up or down in
21 order to account for such difference.

22 “(3) SCALE FACTOR.—The scale factor with re-
23 spect to any eligible taxpayer for any taxable year
24 shall be determined in accordance with the following
25 table:

If the taxpayer's family size for the taxable year is:	The scale factor is:
1	1.00
2	1.35
3	1.69
4	2.04
5 or more	2.38.

1 “(e) ELIGIBLE TAXPAYER.—For purposes of this sec-
2 tion—

3 “(1) IN GENERAL.—The term ‘eligible taxpayer’
4 means any individual other than—

5 “(A) any individual with respect to whom
6 a deduction under section 151 is allowable to
7 another taxpayer for a taxable year beginning
8 in the calendar year in which the individual’s
9 taxable year begins,

10 “(B) any nonresident alien individual, or
11 “(C) an estate or trust.

12 “(2) IDENTIFICATION NUMBER REQUIRE-
13 MENT.—Such term shall not include any individual
14 who—

15 “(A) in the case of a return that is not a
16 joint return, does not include the social security
17 number of the individual, and

18 “(B) in the case of joint return, does not
19 include the social security number of at least
20 one of the taxpayers on such return.

1 For purposes of the preceding sentence, the social
2 security number shall not include a TIN issued by
3 the Internal Revenue Service.

4 “(f) HOUSEHOLD INCOME.—The term ‘household in-
5 come’ means, with respect to any eligible taxpayer, an
6 amount equal to the sum of—

7 “(1) the adjusted gross income of the taxpayer,
8 plus

9 “(2) the aggregate adjusted gross incomes of all
10 other individuals who are taken into account in de-
11 termining the taxpayer’s family size under sub-
12 section (g) and who were required to file a return
13 of the tax imposed by section 1 for the taxable year.

14 “(g) FAMILY SIZE.—

15 “(1) IN GENERAL.—The family size with re-
16 spect to any taxpayer shall be equal to the number
17 of individuals for whom the taxpayer is allowed a de-
18 duction under section 151 for the taxable year.

19 “(2) IDENTIFICATION NUMBER REQUIRE-
20 MENT.—The family size determined under para-
21 graph (1) shall not include any individual (including
22 the taxpayer) whose social security account number
23 is not included on the return of tax for the taxable
24 year.

1 “(h) TREATMENT.—The value of the credit provided
2 under this section shall not be considered income or re-
3 sources for any purpose under any Federal, State, or local
4 law (including a law relating to an income tax or public
5 assistance program (including health care, cash aid, child
6 care, nutrition programs, and housing assistance)) and no
7 participating State or political subdivision of a State shall
8 decrease any assistance otherwise provided one or more
9 individuals because of the receipt of a credit under this
10 section.”.

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 6211 of the Internal Revenue Code
13 of 1986 is amended by inserting “36C,” before
14 “53(e)”.

15 (2) Paragraph (2) of section 1324(b) of title
16 31, United States Code, is amended by inserting
17 “36C,” after “36B.”.

18 (c) CLERICAL AMENDMENT.—The table of sections
19 for subpart C of part IV of subchapter A of chapter 1
20 of the Internal Revenue Code of 1986 is amended by in-
21 serting after the item relating to section 36B the following
22 new item:

“Sec. 36C. Working families relief.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2018.

