

115TH CONGRESS  
2D SESSION

# H. R. 6463

To amend the Internal Revenue Code of 1986 to eliminate certain fuel excise taxes and impose a tax on greenhouse gas emissions to provide revenue for maintaining and building American infrastructure, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 23, 2018

Mr. CURBELO of Florida (for himself and Mr. FITZPATRICK) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Natural Resources, Education and the Workforce, Transportation and Infrastructure, Science, Space, and Technology, and Agriculture, 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

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## A BILL

To amend the Internal Revenue Code of 1986 to eliminate certain fuel excise taxes and impose a tax on greenhouse gas emissions to provide revenue for maintaining and building American infrastructure, and for other purposes.

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

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

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Modernizing America with Rebuilding to Kickstart the

1 Economy of the Twenty-first Century with a Historic In-  
 2 frastructure-Centered Expansion Act” or the “MARKET  
 3 CHOICE 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. Findings.

#### TITLE I—GREENHOUSE GAS EMISSIONS

Sec. 101. Treatment of greenhouse gas emissions.

#### TITLE II—DISTRIBUTION OF REVENUES FROM TAXATION OF GREENHOUSE GAS EMISSIONS

##### Subtitle A—Rebuilding Infrastructure and Solutions for the Environment Trust Fund

Sec. 201. Establishment of the RISE Trust Fund.  
 Sec. 202. Appropriations from the RISE Trust Fund.  
 Sec. 203. State grants.

##### Subtitle B—Certain Manufacturers Excise Taxes

Sec. 211. Repeal of Federal motor vehicle and aviation fuel taxes.

#### TITLE III—AMENDMENTS TO OTHER LAWS

##### Subtitle A—Amendments to Federal Environmental Statutes

Sec. 301. Amendments to the Clean Air Act.  
 Sec. 302. Frequent and chronic coastal flooding mitigation and adaptation in-  
 frastructure projects.

##### Subtitle B—Assistance to Displaced Workers in the Energy Sector

Sec. 321. Assistance to displaced workers in the energy sector.

#### TITLE IV—NATIONAL CLIMATE COMMISSION

Sec. 401. Establishment of Commission.  
 Sec. 402. Duties of Commission.  
 Sec. 403. Membership of Commission.  
 Sec. 404. Funding for the activities of the Commission.  
 Sec. 405. Power of the Commission.  
 Sec. 406. Staff of the Commission.

## 6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

1           (1) roads, bridges, airports, and urban trans-  
2           portation systems are essential to the economic and  
3           national security of the United States;

4           (2) there is a chronic shortfall in funding for  
5           the maintenance of highways, bridges, and other  
6           critical infrastructure;

7           (3) strategic investments in new infrastructure  
8           will allow for economic growth and dynamism in the  
9           twenty first century;

10          (4) there has been a marked increase in ex-  
11          treme weather events and the negative impacts of a  
12          changing climate are expected to worsen in every re-  
13          gion of the United States;

14          (5) if left unaddressed, the consequences of a  
15          changing climate have the potential to adversely im-  
16          pact the health of all Americans, harm the economy,  
17          and impose substantial costs on local, State, and  
18          Federal budgets;

19          (6) efforts to reduce climate risk should protect  
20          our Nation's economy, security, infrastructure, agri-  
21          culture, water supply, public health, and public safe-  
22          ty; and

23          (7) there is bipartisan support for pursuing ef-  
24          forts to reduce greenhouse gas emissions through

1 economically viable, broadly supported private and  
 2 public policies and solutions.

3 **TITLE I—GREENHOUSE GAS**  
 4 **EMISSIONS**

5 **SEC. 101. TREATMENT OF GREENHOUSE GAS EMISSIONS.**

6 (a) IN GENERAL.—The Internal Revenue Code of  
 7 1986 is amended by adding at the end the following:

8 **“Subtitle L—Greenhouse Gas**  
 9 **Emissions**

“PART 1. TAXATION OF GREENHOUSE GAS EMISSIONS.

“PART 2. TAX ADJUSTMENTS FOR IMPORTS AND EXPORTS OF GREENHOUSE  
 GAS INTENSIVE PRODUCTS.

10 **“PART 1—TAXATION OF GREENHOUSE GAS**  
 11 **EMISSIONS**

“Sec. 9901. Imposition of tax on combusted fossil fuel greenhouse gas emis-  
 sions.

“Sec. 9902. Imposition of tax on greenhouse gas emissions from certain indus-  
 trial processes.

“Sec. 9903. Imposition of tax on greenhouse gas emissions from certain prod-  
 uct uses.

“Sec. 9904. Calculation of taxable emissions.

“Sec. 9905. Credit for State payments.

“Sec. 9906. Penalties for nonpayment.

“Sec. 9907. Definitions.

12 **“SEC. 9901. IMPOSITION OF TAX ON COMBUSTED FOSSIL**  
 13 **FUEL GREENHOUSE GAS EMISSIONS.**

14 “(a) IN GENERAL.—There is hereby imposed a tax  
 15 on fossil fuels produced within, or imported into, the  
 16 United States.

17 “(b) RATE OF TAX.—

1           “(1) GREENHOUSE GASES THAT WOULD BE RE-  
2           LEASED IF THE FOSSIL FUEL WERE COMBUSTED.—  
3           The tax imposed by subsection (a) shall be the appli-  
4           cable amount per ton of carbon dioxide equivalent of  
5           all greenhouse gasses that would be released if the  
6           fossil fuel were combusted.

7           “(2) APPLICABLE AMOUNT OF CARBON DIOXIDE  
8           EQUIVALENT EMISSIONS.—For purposes of para-  
9           graph (1), the term ‘applicable amount’ means—

10                   “(A) for calendar year 2020, \$24 per met-  
11                   ric ton of carbon dioxide equivalent emissions,  
12                   and

13                   “(B) for each calendar year after 2020,  
14                   the tax rate shall be the sum of—

15                           “(i) the previous calendar year’s tax  
16                           rate, plus

17                           “(ii) the sum of—

18                                   “(I) 2 percentage points, plus

19                                   “(II) a percentage increase in the  
20                                   previous year’s tax rate equal to the  
21                                   increase in the Consumer Price Index  
22                                   for the previous calendar year.

23                   “(C) CONSUMER PRICE INDEX FOR ANY  
24                   CALENDAR YEAR.—For purposes of subpara-  
25                   graph (B), the Consumer Price Index for the

1 previous calendar year is the average of the  
2 Consumer Price Index for all-urban consumers  
3 published by the Department of Labor as of the  
4 close of the 12-month period ending on August  
5 31 of such calendar year. For purposes of the  
6 preceding sentence, the revision of the Con-  
7 sumer Price Index which is most consistent  
8 with the Consumer Price Index for calendar  
9 year 1986 shall be used.

10 “(3) RATE ADJUSTMENT BASED ON EMISSION  
11 LEVELS.—

12 “(A) REPORT.—Not later than March 30,  
13 2021, and annually thereafter, the Secretary  
14 and the Administrator shall jointly report the  
15 emissions during the calendar year ending on  
16 the preceding December 31 from sources sub-  
17 ject to taxation under this part. The report  
18 shall determine whether the cumulative amount  
19 of annual emissions reported for the period be-  
20 ginning in calendar year 2020 and through the  
21 end of the preceding calendar year were less  
22 than the emissions levels specified in the fol-  
23 lowing schedule:

1           “(i) The total emissions through cal-  
2           endar year 2020 are 5,177 million metric  
3           tons of carbon dioxide equivalent.

4           “(ii) The total emissions through cal-  
5           endar year 2021 are 10,353 million metric  
6           tons of carbon dioxide equivalent.

7           “(iii) The total emissions through cal-  
8           endar year 2022 are 15,472 million metric  
9           tons of carbon dioxide equivalent.

10          “(iv) The total emissions through cal-  
11          endar year 2023 are 20,532 million metric  
12          tons of carbon dioxide equivalent.

13          “(v) The total emissions through cal-  
14          endar year 2024 are 25,592 million metric  
15          tons of carbon dioxide equivalent.

16          “(vi) The total emissions through cal-  
17          endar year 2025 are 30,594 million metric  
18          tons of carbon dioxide equivalent.

19          “(vii) The total emissions through cal-  
20          endar year 2026 are 35,596 million metric  
21          tons of carbon dioxide equivalent.

22          “(viii) The total emissions through  
23          calendar year 2027 are 40,540 million  
24          metric tons of carbon dioxide equivalent.

1           “(ix) The total emissions through cal-  
2           endar year 2028 are 45,484 million metric  
3           tons of carbon dioxide equivalent.

4           “(x) The total emissions through cal-  
5           endar year 2029 are 50,370 million metric  
6           tons of carbon dioxide equivalent.

7           “(xi) The total emissions through cal-  
8           endar year 2030 are 55,255 million metric  
9           tons of carbon dioxide equivalent.

10          “(B) ADJUSTMENTS FOR REPORT PE-  
11          RIOD.—

12               “(i) IN GENERAL.—Not later than  
13               March 30, 2022, and every two years  
14               thereafter, the Secretary shall determine  
15               whether an adjustment is required in ac-  
16               cordance with clause (ii).

17               “(ii) PERIOD THROUGH 2030.—If the  
18               emission level reported under subpara-  
19               graph (A) for calendar year 2022, and  
20               every second calendar year thereafter  
21               through calendar year 2030, exceeds the  
22               level for such calendar year specified in  
23               clauses (i) through (xi) of subparagraph  
24               (A), then the applicable amount under  
25               paragraph (2) for the calendar year begin-



1           ning on the next January 1 following the  
2           determination in clause (i) shall, after the  
3           increase under paragraph (2) for such next  
4           calendar year, be increased by an addi-  
5           tional \$2 per metric ton.

6           “(c) BY WHOM PAID.—The tax imposed by sub-  
7           section (a) shall be paid by the owner of the fossil fuel  
8           at the point of taxation.

9           “(d) POINT OF TAXATION.—

10           “(1) For fossil fuels produced within the United  
11           States, the point of taxation shall be—

12           “(A) for coal, the mine mouth or, for  
13           washed coal, the exit from the coal preparation  
14           and processing plant,

15           “(B) for petroleum products, the exit point  
16           from the refinery, and

17           “(C) for natural gas, the exit from the gas  
18           processing plant or, for natural gas that is not  
19           treated at a gas processing plant, the point of  
20           sale to the person who combusts the gas or in-  
21           corporates it into a product that is not intended  
22           for combustion.

23           “(2) For any fossil fuel imported into the  
24           United States, the point of taxation shall be the  
25           point at which it first enters the United States.

1 “(e) EXEMPTIONS.—

2 “(1) EXEMPTION FOR NONCOMBUSTIVE  
3 USES.—

4 “(A) REFUND FOR REDUCTION OR ELIMI-  
5 NATION OF EMISSIONS.—Any manufacturer of a  
6 product that incorporates a fossil fuel that has  
7 been taxed under this section who can dem-  
8 onstrate to the Secretary that the fossil fuel has  
9 been transformed via the manufacture of the  
10 product so that the fossil fuel’s emissions will  
11 be reduced or eliminated over the product’s life-  
12 time shall be entitled to a refund of the tax  
13 paid under this section on the proportion of the  
14 emissions reduced thereby, as determined by  
15 the Secretary.

16 “(B) RULE.—The Secretary, in consulta-  
17 tion with the Administrator, shall establish by  
18 rule the criteria and process by which product  
19 manufacturers can demonstrate that the condi-  
20 tions in subparagraph (A) have been satisfied.

21 “(C) PUBLICATION OF REGULATIONS.—  
22 The Secretary shall publish the regulations re-  
23 quired by this subsection no later than one year  
24 prior to the start of the calendar year referred  
25 to in section 9901(b)(2)(A). The Secretary may

1 not collect the tax imposed by this section for  
2 any calendar year that begins less than one  
3 year after the regulations are published.

4 “(2) EXEMPTION FOR CARBON CAPTURE AND  
5 STORAGE.—

6 “(A) REFUND FOR SEQUESTERS.—Any  
7 person who sequesters greenhouse gas emissions  
8 resulting from the combustion of fossil fuel that  
9 has passed through a point of taxation shall be  
10 entitled to a refund of the tax imposed by this  
11 section. Emissions that are used for enhanced  
12 oil recovery shall be entitled for such refund  
13 provided that these emissions meet all of the  
14 criteria applicable to other emissions that qual-  
15 ify for such refund.

16 “(B) RULE.—The Secretary shall establish  
17 by rule the procedures by which to apply for  
18 such refunds and such refunds shall be paid  
19 within six months of the Secretary receiving an  
20 approvable application.

21 “(C) TIME OF REFUND.—The Secretary  
22 may not refund any amounts under this para-  
23 graph until such time as the Secretary has pub-  
24 lished the regulations described in section  
25 45Q(d)(2).

1 **“SEC. 9902. IMPOSITION OF TAX ON GREENHOUSE GAS**  
2 **EMISSIONS FROM CERTAIN INDUSTRIAL**  
3 **PROCESSES.**

4 “(a) IN GENERAL.—There is hereby imposed a tax  
5 on industrial process greenhouse gas emissions by certain  
6 source categories.

7 “(b) LIST OF SOURCE CATEGORIES.—

8 “(1) INITIAL LIST.—The Congress establishes  
9 for purposes of this section a list of source cat-  
10 egories subject to this section as follows:

11 “(A) Iron and steel production and met-  
12 allurgical coke production.

13 “(B) Underground coal mining.

14 “(C) Coal preparation and processing  
15 plants.

16 “(D) Refineries.

17 “(E) Cement production.

18 “(F) Petrochemical production.

19 “(G) Lime production.

20 “(H) Ammonia production.

21 “(I) Aluminum production.

22 “(J) Soda ash production.

23 “(K) Ferroalloy production.

24 “(L) Phosphoric acid production.

25 “(M) Glass production.

26 “(N) Zinc production.

1           “(O) Lead production.

2           “(P) Magnesium production and pro-  
3           cessing.

4           “(Q) Nitric acid production.

5           “(R) Adipic acid production.

6           “(S) Semiconductor manufacture.

7           “(T) Electrical transmission and distribu-  
8           tion.

9           “(2) REVISION OF THE LIST.—The Adminis-  
10          trator shall review the list of source categories estab-  
11          lished by this subsection not less than once every  
12          five years to determine if they should continue to be  
13          listed and publish the results of that review. The Ad-  
14          ministrator may, if appropriate, add any source cat-  
15          egories to this list by rule.

16          “(3) REMOVAL OF A SOURCE CATEGORY FROM  
17          THE LIST.—The Administrator may remove a source  
18          category from this list only if—

19                 “(A) the total emissions from the entire  
20                 source category which are taxable under this  
21                 section have been less than 250,000 metric tons  
22                 of carbon dioxide equivalent per year for each  
23                 of three consecutive years,

24                 “(B) the average emissions from facilities  
25                 in the source category which are taxable under

1 this section have been less than 25,000 metric  
2 tons of carbon dioxide equivalent per year for  
3 each of the years referred in subparagraph (A),  
4 and

5 “(C) the Administrator determines that  
6 there is no reasonable possibility that the total  
7 emissions from the entire source category which  
8 are taxable under this section will exceed  
9 250,000 metric tons per year of carbon dioxide  
10 equivalent within any of the five years following  
11 such determination.

12 “(4) ADDITION OF A SOURCE CATEGORY TO  
13 THE LIST.—The Administrator may add a source  
14 category to this list only if the Administrator deter-  
15 mines that—

16 “(A) the total emissions from the entire  
17 source category which are taxable under this  
18 section have been greater than 250,000 metric  
19 tons per year of carbon dioxide equivalent in  
20 any two years out of the preceding five years,

21 “(B) the average emissions from facilities  
22 in the source category which are taxable under  
23 this section have been greater than 25,000 met-  
24 ric tons per year of carbon dioxide equivalent in  
25 the years in which emissions from the entire

1 source category have been greater than 250,000  
2 tons per year, and

3 “(C) there is a reasonable possibility that  
4 the total emissions from the entire source cat-  
5 egory which are taxable under this section will  
6 be greater than 250,000 metric tons per year of  
7 carbon dioxide equivalent in any year within the  
8 next five years following such determination.

9 “(5) The Administrator may add a source cat-  
10 egory to the list that has previously been removed  
11 pursuant to paragraph (3) if the addition of the  
12 source category otherwise meets the requirements  
13 per paragraph (4).

14 “(c) RATE OF TAX.—The rate of tax shall be the  
15 same as the rate given in section 9901(b)(2).

16 “(d) BY WHOM PAID.—The tax imposed by sub-  
17 section (a) shall be paid by the owner or operator of the  
18 point of taxation.

19 “(e) POINT OF TAXATION.—The point of taxation  
20 shall be any facility in a source category which emits more  
21 than 25,000 metric tons of carbon dioxide equivalent sub-  
22 ject to taxation under this section in any calendar year.

1 **“SEC. 9903. IMPOSITION OF TAX ON GREENHOUSE GAS**  
2 **EMISSIONS FROM CERTAIN PRODUCT USES.**

3 “(a) IN GENERAL.—There is hereby imposed a tax  
4 on non-fossil-fuel-greenhouse-gas emissions by certain  
5 manufactured products when used for their intended pur-  
6 poses that are manufactured within or imported into, the  
7 United States.

8 “(b) LIST OF PRODUCTS.—

9 “(1) INITIAL LIST.—The Congress establishes  
10 for purposes of this section a list of products subject  
11 to this section as follows:

12 “(A) Fuel ethanol.

13 “(B) Industrial carbonates.

14 “(C) Carbon dioxide urea.

15 “(D) Soda ash.

16 “(E) Nitrous oxide.

17 “(F) Ozone depleting substances, but not  
18 if the United States has ratified the Kigali  
19 Amendment to the Montreal Protocol and is  
20 subject to Article 2J, paragraph 1 of the  
21 Amended Montreal Protocol.

22 “(G) Biodiesel.

23 “(H) Solid biomass fuels.

24 “(2) REVISION OF THE LIST.—The Adminis-  
25 trator shall review the list of products established by  
26 this subsection not less than once every five years to



1 determine if they should continue to be listed and  
2 publish the results of that review. The Administrator  
3 may, if appropriate, add any product to this list by  
4 rule.

5 “(3) REMOVAL OF A PRODUCT FROM THE  
6 LIST.—The Administrator may remove a product  
7 from this list only if—

8 “(A) the total emissions from all of the  
9 product used within the United States has been  
10 less than 250,000 metric tons per year of car-  
11 bon dioxide equivalent for each of three con-  
12 secutive years, and

13 “(B) the Administrator determines that  
14 there is no reasonable possibility that the total  
15 emissions from all of the product used in the  
16 United States will exceed 250,000 metric tons  
17 per year of carbon dioxide equivalent within any  
18 of the five years following such determination.

19 “(4) ADDITION OF A PRODUCT TO THE LIST.—  
20 The Administrator may add a product to this list  
21 only if the Administrator determines that—

22 “(A) the total emissions from all of the  
23 product used within the United States has been  
24 greater than 250,000 metric tons per year of

1 carbon dioxide equivalent in any two years out  
2 of the preceding five years, and

3 “(B) there is a reasonable possibility that  
4 the total emissions from all of the product used  
5 within the United States will be greater than  
6 250,000 metric tons per year of carbon dioxide  
7 equivalent in any year within the next five years  
8 following such determination.

9 “(5) The Secretary may add a product to the  
10 list that has previously been removed pursuant to  
11 paragraph (3) if the addition of the product other-  
12 wise meets the requirements of paragraph (4).

13 “(c) RATE OF TAX.—The rate of tax shall be the  
14 same as the rate given in section 9901(b)(2).

15 “(d) BY WHOM PAID.—The tax imposed by sub-  
16 section (a) shall be paid—

17 “(1) for products manufactured in the United  
18 States, by the owner or operator of the point of tax-  
19 ation, and

20 “(2) for products imported into the United  
21 States, by the owner of the product when it enters  
22 the United States.

23 “(e) POINT OF TAXATION.—The point of taxation  
24 shall be—

1           “(1) for products manufactured in the United  
2 States, the manufacturing facility,

3           “(2) for products imported into the United  
4 States, the point at which it first enters the United  
5 States, and

6           “(3) for domestically produced biomass fuel by  
7 a facility that emits from combusted biomass fuel  
8 more than 25,000 metric tons of carbon dioxide  
9 equivalent greenhouse gases in a year, the facility  
10 that combusts the biomass fuel.

11 **“SEC. 9904. CALCULATION OF TAXABLE EMISSIONS.**

12           “(a) HOW TO CALCULATE TAXABLE EMISSIONS.—  
13 In consultation with the Department of Energy, the Ad-  
14 ministrator shall establish by rule (and may, from time  
15 to time, revise) the method by which taxable emissions  
16 under this part shall be calculated.

17           “(b) CATEGORIES AND SUBCATEGORIES CONSID-  
18 ERED.—For purposes of calculating emissions taxable  
19 under—

20           “(1) section 9901, the Administrator shall de-  
21 termine by rule the amount of carbon dioxide equiv-  
22 alent that would be emitted if each fossil fuel were  
23 combusted, and the Administrator may establish by  
24 rule such subcategories of each fuel and the means

1 by which it is combusted as the Administrator deems  
2 appropriate,

3 “(2) section 9902, the Administrator may de-  
4 termine by rule such subcategories of any industrial  
5 process category listed in subsection 9902(b) as the  
6 Administrator deems appropriate, and

7 “(3) section 9903, for fuel ethanol, biodiesel,  
8 and solid biomass fuels the Administrator shall de-  
9 termine by rule the amount of carbon dioxide equiv-  
10 alent that would be emitted based on the lifecycle  
11 greenhouse gas emissions of the product, and the  
12 Administrator may determine by rule such subcat-  
13 egories of manufactured products listed in sub-  
14 section 9903(b) as the Administrator deems appro-  
15 priate.

16 “(c) METHODS.—Where greenhouse gas emissions  
17 subject to taxation under any section of this part are com-  
18 bined with greenhouse gas emissions subject to taxation  
19 under any other section of this part, the Administrator  
20 shall ensure, to the greatest degree possible, that the  
21 methods required to determine the emissions taxable  
22 under any section of this part do not include any emissions  
23 taxable under any other section of this part.

24 “(d) METHOD COST DIFFERENCES.—The Adminis-  
25 trator shall not require the use of any method to calculate

1 taxable emissions whereby the difference in cost of the  
2 method compared to the next cheapest alternative method  
3 is greater than the amount of the tax that would be paid  
4 on the additional emissions determined by the more expen-  
5 sive method.

6 “(e) PUBLICATION OF REGULATIONS.—The Adminis-  
7 trator shall publish the regulations required by this section  
8 no later than one year prior to the start of the calendar  
9 year referred to in section 9901(b)(2)(A). The Secretary  
10 may not collect the tax imposed by any section in this part  
11 for any calendar year that begins less than one year after  
12 the regulations applicable to each such section are pub-  
13 lished.

14 **“SEC. 9905. CREDIT FOR STATE PAYMENTS.**

15 “(a) CREDIT FOR PAYMENTS.—The Secretary shall  
16 allow any person who is required to make payment for  
17 greenhouse gas emissions under this part a credit for pay-  
18 ments made on those emissions required under any State  
19 law in the following manner:

20 “(1) For the year given in section 9901(b)(2),  
21 a credit equal to 100 percent of the amount paid  
22 pursuant to requirements of State law.

23 “(2) For the first year following the year used  
24 in paragraph (1), a credit equal to 80 percent of the  
25 amount paid pursuant to requirements of State law.

1           “(3) For the second year following the year  
2           used in paragraph (1), a credit equal to 60 percent  
3           of the amount paid pursuant to requirements of  
4           State law.

5           “(4) For the third year following the year used  
6           in paragraph (1), a credit equal to 40 percent of the  
7           amount paid to pursuant to requirements of State  
8           law.

9           “(5) For the fourth year following the year  
10          used in paragraph (1), a credit equal to 20 percent  
11          of the amount paid pursuant to requirements of  
12          State law.

13          “(b) NO CREDIT.—For all years following the year  
14          used in paragraph (5), no credit shall be allowed.

15          **“SEC. 9906. PENALTIES FOR NONPAYMENT.**

16          “Any person who fails to comply with the require-  
17          ments of section 9901, 9902, or 9903 shall be liable for  
18          payment to the Secretary, without demand, of a penalty  
19          in the amount equal to 3 times the applicable amount  
20          specified by those sections for the same tax year as the  
21          year in which the person failed to comply with such re-  
22          quirements.

23          **“SEC. 9907. DEFINITIONS.**

24          “Unless otherwise provided, the definitions provided  
25          herein are applicable to all provisions of this subtitle.

1           “(1) ADMINISTRATOR.—The term ‘Adminis-  
2           trator’ means the Administrator of the Environ-  
3           mental Protection Agency.

4           “(2) CARBON DIOXIDE EQUIVALENT.—The  
5           term ‘carbon dioxide equivalent’ means the number  
6           of metric tons of CO<sub>2</sub> emissions with the same glob-  
7           al warming potential over a 100-year period as one  
8           metric ton of another greenhouse gas.

9           “(3) COAL.—The term ‘coal’ means any of the  
10          recognized classifications and ranks of coal, includ-  
11          ing anthracite, bituminous, semibituminous, subbitu-  
12          minous, lignite and peat.

13          “(4) COAL PREPARATION AND PROCESSING  
14          PLANT.—The term ‘coal preparation and processing  
15          plant’ means any facility (excluding underground  
16          mining operations) which prepares coal by one or  
17          more of the following processes: breaking, crushing,  
18          screening, wet or dry cleaning, and thermal drying.

19          “(5) ENHANCED OIL RECOVERY.—The term  
20          ‘enhanced oil recovery’ has the meaning defined at  
21          section 1.193–1(b)(2) of title 26, Code of Federal  
22          Regulations.

23          “(6) FACILITY.—The term ‘facility’ means any  
24          physical property, plant, building, structure, source,  
25          or stationary equipment located on one or more con-

1 tiguous or adjacent properties in actual physical con-  
2 tact or separated solely by a public roadway or other  
3 public right-of-way and under common ownership or  
4 common control, that emits or may emit any green-  
5 house gas.

6 “(7) FOSSIL FUEL.—The term ‘fossil fuel’  
7 means coal, petroleum products, or natural gas.

8 “(8) GREENHOUSE GAS.—The term ‘greenhouse  
9 gas’ means carbon dioxide, nitrous oxide, methane,  
10 hydrofluorocarbons, perfluorocarbons, and sulfur  
11 hexafluoride.

12 “(9) GREENHOUSE GAS EFFECTS.—The term  
13 ‘greenhouse gas effects’ means the adverse effects of  
14 greenhouse gasses on health or welfare caused by  
15 the greenhouse gas’s heat-trapping potential or its  
16 effect on ocean acidification.

17 “(10) LIFECYCLE GREENHOUSE GAS EMIS-  
18 SIONS.—The term ‘lifecycle greenhouse gas emis-  
19 sions’ has the meaning given that term in section  
20 211 of the Clear Air Act (42 U.S.C. 7545(o)(1)(H)).

21 “(11) NATURAL GAS.—The term ‘natural gas’  
22 means any fuel consisting in whole or in part of nat-  
23 ural gas, including components of natural gas such  
24 as methane and ethane; liquid petroleum gas; syn-  
25 thetic gas derived from coal, petroleum, or natural



1 gas liquids; or any mixture of natural gas and syn-  
2 thetic gas.

3 “(12) PETROLEUM PRODUCTS.—The term ‘pe-  
4 troleum products’ means unfinished oils, liquefied  
5 petroleum gases, pentanes plus, aviation gasoline,  
6 motor gasoline, naphtha-type jet fuel, kerosene-type  
7 jet fuel, kerosene, distillate fuel oil, residual fuel oil,  
8 petrochemical feedstocks, special naphthas, lubri-  
9 cants, waxes, petroleum coke, asphalt, road oil, still  
10 gas, and miscellaneous products obtained from the  
11 processing of crude oil (including lease condensate),  
12 natural gas, and other hydrocarbon compounds. The  
13 term does not include natural gas, liquefied natural  
14 gas, biofuels, methanol, and other nonpetroleum  
15 fuels.

16 “(13) PUBLISH.—The term ‘publish’ means  
17 publication in the Federal Register.

18 “(14) REFINERY.—The term ‘refinery’ means  
19 any facility engaged in producing gasoline, kerosene,  
20 distillate fuel oils, residual fuel oils, lubricants, or  
21 other products through distillation of petroleum or  
22 through redistillation, cracking or reforming of un-  
23 finished petroleum derivatives.

1           “(15) OWNER.—The term ‘owner’ with respect  
2 to any fossil fuel means any person who has legal  
3 title to the fossil fuel.

4           “(16) OWNER OR OPERATOR.—The term ‘owner  
5 or operator’ with respect to any fossil fuel means  
6 any person who has legal title to the fossil fuel.

7           “(17) SEQUESTERS.—The term ‘sequesters’  
8 means the permanent storage of carbon dioxide or  
9 other greenhouse gas such that it does not escape  
10 into the atmosphere, and is in compliance with the  
11 regulations issued pursuant to section 45Q(d)(2).

12           “(18) SOLID BIOMASS.—The term ‘solid bio-  
13 mass’ means nonfossilized and biodegradable organic  
14 material originating from plants, animals or micro-  
15 organisms, including products, byproducts, residues  
16 and waste from agriculture, forestry and related in-  
17 dustries as well as the nonfossilized and biodegrad-  
18 able organic fractions of industrial and municipal  
19 wastes, but does not include gases and liquids recov-  
20 ered from the decomposition of nonfossilized and  
21 biodegradable organic material.

22           “(19) SOURCE CATEGORY.—The term ‘source  
23 category’ means any category or subcategory regu-  
24 lated under Part 60 of title 40, Code of Federal

1 Regulations, or Part 90 of title 40, Code of Federal  
2 Regulations.

3 **“PART 2—TAX ADJUSTMENTS FOR IMPORTS AND**  
4 **EXPORTS OF GREENHOUSE GAS INTENSIVE**  
5 **PRODUCTS**

“Sec. 9911. Purposes.

“Sec. 9912. Definitions.

“Sec. 9913. Notification of foreign countries.

“Sec. 9914. Border tax adjustment rate.

6 **“SEC. 9911. PURPOSES.**

7 “(a) PURPOSES OF PART.—The purposes of this part  
8 are—

9 “(1) to promote a strong global effort to signifi-  
10 cantly reduce greenhouse gas emissions, and

11 “(2) to prevent carbon leakage.

12 “(b) ADDITIONAL PURPOSES OF PART.—The pur-  
13 poses of this part are additionally—

14 “(1) to provide a rebate to exporters in domes-  
15 tic eligible industrial sectors for the greenhouse gas  
16 emission costs of the owners and operators incurred  
17 under this title, but not for costs associated with  
18 other related or unrelated market dynamics,

19 “(2) to ensure that imports from other coun-  
20 tries, and, in particular, fast-growing developing  
21 countries, do not enjoy competitive advantages be-  
22 cause of the carbon tax liability of domestic manu-  
23 facturers, and therefore increase their emissions,

1           “(3) to encourage foreign countries to take sub-  
2           stantial action with respect to their greenhouse gas  
3           emissions, and

4           “(4) to ensure that the measures described in  
5           this subpart are designed and implemented in a  
6           manner consistent with applicable international  
7           agreements to which the United States is a party.

8   **“SEC. 9912. DEFINITIONS.**

9           “In this part:

10           “(1) CARBON LEAKAGE.—The term ‘carbon  
11           leakage’ means any substantial increase (as deter-  
12           mined by the Secretary) in greenhouse gas emissions  
13           by entities located in other countries caused by a  
14           cost of production increase in the United States re-  
15           sulting from implementation of this title.

16           “(2) BORDER TAX ADJUSTMENT.—The term  
17           ‘border tax adjustment’ means the levying of a tax  
18           on imported covered goods equivalent to the amount  
19           of tax paid pursuant to part 1 of this subtitle in the  
20           manufacture of comparable domestic manufactured  
21           goods, and the rebating of the tax paid pursuant to  
22           part 1 of this subtitle that has been paid on covered  
23           goods exported from the United States.

24           “(3) BORDER TAX ADJUSTMENT RATE.—The  
25           term ‘border tax adjustment rate’ means the amount

1 of tax that would be paid on a covered good pro-  
2 duced in the United States in the current year.

3 “(4) COMMISSIONER.—The term ‘Commis-  
4 sioner’ means the Commissioner of United States  
5 Customs and Border Protection.

6 “(5) COVERED GOOD.—The term ‘covered good’  
7 means a good that is—

8 “(A) entered under a heading or sub-  
9 heading of the Harmonized Tariff Schedule of  
10 the United States that corresponds to the  
11 NAICS code for an eligible industrial sector, as  
12 established in the concordance between NAICS  
13 codes and the Harmonized Tariff Schedule of  
14 the United States prepared by the United  
15 States Census Bureau, or

16 “(B) a manufactured item for consump-  
17 tion.

18 “(6) ELIGIBLE INDUSTRIAL SECTOR.—The  
19 term ‘eligible industrial sector’ means an industrial  
20 sector determined by the Secretary under section  
21 9913.

22 “(7) INDUSTRIAL SECTOR.—The term ‘indus-  
23 trial sector’ means any sector that—

24 “(A) is in the manufacturing sector (as de-  
25 fined in NAICS codes 31, 32, and 33), or

1           “(B) is part of, or an entire, sector that  
2           beneficiates or otherwise processes (including  
3           agglomeration) metal ores, including iron and  
4           copper ores, soda ash, and phosphate. The term  
5           ‘industrial sector’ does not include any part of  
6           a sector that extracts fossil fuels, metal ores,  
7           soda ash, or phosphate.

8           “(8) MANUFACTURED ITEM FOR CONSUMP-  
9           TION.—The term ‘manufactured item for consump-  
10          tion’ means any good—

11           “(A) that includes in substantial quantities  
12           one or more goods like the goods produced by  
13           an eligible industrial sector, and

14           “(B) for which the Secretary has deter-  
15           mined, with the concurrence of the Commis-  
16           sioner, that the application of the border tax  
17           adjustment program pursuant to this part is  
18           technically and administratively feasible and ap-  
19           propriate to achieve the purposes of this part,  
20           taking into account the greenhouse gas inten-  
21           sity, and where appropriate the trade intensity,  
22           of the industrial sector that produces the good,  
23           as measured consistent with section 9913 and  
24           the ability of the producers to recover cost in-

1 creases in the marketplace and other appro-  
2 priate factors.

3 “(9) NAICS.—The term ‘NAICS’ means the  
4 North American Industrial Classification System of  
5 2002.

6 “(10) OUTPUT.—The term ‘output’ means the  
7 total tonnage or other standard unit of production  
8 (as determined by the Secretary) produced by an en-  
9 tity in an industrial sector.

10 **“SEC. 9913. NOTIFICATION OF FOREIGN COUNTRIES.**

11 “(a) IN GENERAL.—As soon as practicable after the  
12 date of the enactment of the Modernizing America with  
13 Rebuilding to Kickstart the Economy of the Twenty-first  
14 Century with a Historic Infrastructure-Centered Expan-  
15 sion Act, the President shall notify each foreign country—

16 “(1) requesting the foreign country to take ap-  
17 propriate measures to limit the greenhouse gas emis-  
18 sions of the foreign country, and

19 “(2) indicating that a border tax adjustment  
20 may apply to covered goods imported into and ex-  
21 ported from the United States.

22 “(b) LISTS.—

23 “(1) IN GENERAL.—Not later than 1 year after  
24 the date of the enactment of the Modernizing Amer-  
25 ica with Rebuilding to Kickstart the Economy of the

1 Twenty-first Century with a Historic Infrastructure-  
2 Centered Expansion Act, the Secretary shall promul-  
3 gate a rule designating, based on the criteria under  
4 subsection (c)(2), industrial sectors where covered  
5 products are liable for the border tax adjustment.

6 “(2) CONTENT.—The list shall include the  
7 amount of the border tax adjustment rate for each  
8 covered good in the following calendar year pursuant  
9 to section 9914.

10 “(3) SUBSEQUENT LISTS.—Not later than Jan-  
11 uary 31 of each calendar year after the calendar  
12 year in which the Modernizing America with Re-  
13 building to Kickstart the Economy of the Twenty-  
14 first Century with a Historic Infrastructure-Cen-  
15 tered Expansion Act is enacted, the Secretary shall  
16 publish in the Federal Register an updated version  
17 of the list published under paragraph (1).

18 “(c) ELIGIBLE INDUSTRIAL SECTORS.—

19 “(1) PRESUMPTIVELY ELIGIBLE INDUSTRIAL  
20 SECTORS.—

21 “(A) ELIGIBILITY CRITERIA.—

22 “(i) IN GENERAL.—

23 “(I) Imported covered goods are  
24 liable under this part if they are pro-  
25 duced in the United States in an in-



1 industrial sector that is included in a 6-  
2 digit classification of the NAICS that  
3 meets the criteria in both clauses (ii)  
4 and (iii).

5 “(II) Exported covered goods are  
6 eligible under this part if they are  
7 produced in the United States in an  
8 industrial sector that is included in a  
9 6-digit classification of the NAICS  
10 that meets the criteria in clause (ii).

11 “(ii) GREENHOUSE GAS INTENSITY.—  
12 As determined by the Secretary, an indus-  
13 trial sector meets the criteria of this clause  
14 if the United States industrial sector has a  
15 greenhouse gas intensity of at least 5 per-  
16 cent, calculated by dividing—

17 “(I) the number of metric tons of  
18 carbon dioxide equivalent greenhouse  
19 gas emissions (including direct emis-  
20 sions from fuel combustion, process  
21 emissions, and indirect emissions from  
22 the generation of electricity used to  
23 produce the output of the sector) of  
24 the sector based on data described in  
25 subparagraph (C), multiplied by the

1 applicable rate in section 9901(b)(2),  
2 by

3 “(II) the value of the shipments  
4 of the sector, based on data described  
5 in subparagraph (C).

6 “(iii) TRADE INTENSITY.—As deter-  
7 mined by the Secretary, an industrial sec-  
8 tor meets the criteria of this clause if the  
9 industrial sector has a trade intensity of at  
10 least 15 percent, calculated by dividing—

11 “(I) the value of the total im-  
12 ports and exports of the sector, by

13 “(II) the value of the shipments  
14 plus the value of imports of the sec-  
15 tor, based on data described in sub-  
16 paragraph (C).

17 “(B) METAL AND PHOSPHATE PRODUC-  
18 TION CLASSIFIED UNDER MORE THAN ONE  
19 NAICS CODE.—For purposes of this section, the  
20 Secretary shall—

21 “(i) aggregate data for the  
22 beneficiation or other processing (including  
23 agglomeration) of metal ores, including  
24 iron and copper ores, soda ash, or phos-  
25 phate with subsequent steps in the process

1 of metal and phosphate manufacturing, re-  
2 gardless of the NAICS code under which  
3 the activity is classified, and

4 “(ii) aggregate data for the manufac-  
5 turing of steel with the manufacturing of  
6 steel pipe and tube made from purchased  
7 steel in a nonintegrated process.

8 “(C) DATA SOURCES.—

9 “(i) VALUE OF SHIPMENTS.—

10 “(I) IN GENERAL.—The Sec-  
11 retary shall determine the value of  
12 shipments under this subsection from  
13 data from the United States Census  
14 Annual Survey of Manufacturers.

15 “(II) AVERAGE DATA AVAIL-  
16 ABLE.—The Secretary shall use the  
17 average of data from the most recent  
18 3 years for which the data are avail-  
19 able.

20 “(III) AVERAGE DATA NOT  
21 AVAILABLE.—If data described in sub-  
22 clause (II) are unavailable, the Sec-  
23 retary shall make a determination  
24 based on—

1                   “(aa) data from the most  
2                   detailed industrial classification  
3                   level of the Manufacturing En-  
4                   ergy Consumption Survey of the  
5                   Energy Information Administra-  
6                   tion, and

7                   “(bb) data from the most re-  
8                   cent Economic Census of the  
9                   United States.

10                   “(IV) DATA NOT AVAILABLE FOR  
11                   SECTOR.—If data from the Manufac-  
12                   turing Energy Consumption Survey or  
13                   Economic Census are unavailable for  
14                   any sector at the 6-digit classification  
15                   level in the NAICS, the Secretary may  
16                   use available Manufacturing Energy  
17                   Consumption Survey or Economic  
18                   Census data pertaining to a broader  
19                   industrial category classified in the  
20                   NAICS.

21                   “(V) DATA NOT AVAILABLE FOR  
22                   PROCESSING.—If data relating to the  
23                   beneficiation or other processing (in-  
24                   cluding agglomeration) of metal ores  
25                   (including iron and copper ores, soda

1 ash, or phosphate) are not available  
2 from the specified data sources, the  
3 Secretary—

4 “(aa) shall use the best  
5 available Federal or State gov-  
6 ernment data, and

7 “(bb) may use, to the extent  
8 necessary, representative data  
9 submitted by entities that per-  
10 form the beneficiation or other  
11 processing (including agglomer-  
12 ation), in making a determina-  
13 tion.

14 “(ii) IMPORTS AND EXPORTS.—

15 “(I) IN GENERAL.—The Sec-  
16 retary shall base the value of imports  
17 and exports under this subsection on  
18 United States International Trade  
19 Commission data.

20 “(II) AVERAGE DATA AVAIL-  
21 ABLE.—The Secretary shall use the  
22 average of data from the three most  
23 recent years for which the data are  
24 available.

1                   “(III) AVERAGE DATA NOT  
2 AVAILABLE.—If data from the United  
3 States International Trade Commis-  
4 sion are unavailable for any sector at  
5 the 6-digit classification level in the  
6 NAICS, the Secretary may use United  
7 States International Trade Commis-  
8 sion data pertaining to a broader in-  
9 dustrial category classified in the  
10 NAICS.

11                   “(iii) PERCENTAGES.—The Secretary  
12 shall round the greenhouse gas intensity  
13 and trade intensity percentages under sub-  
14 paragraph (A) to the nearest whole num-  
15 ber.

16                   “(iv) GREENHOUSE GAS EMISSION  
17 CALCULATIONS.—When calculating the  
18 metric tons of carbon dioxide equivalent  
19 greenhouse gas emissions for each sector  
20 under subparagraph (A)(ii)(I), the Sec-  
21 retary—

22                   “(I) shall use the best available  
23 data from the three most recent years  
24 for which the data are available, and

1                   “(II) may, to the extent nec-  
2                   essary with respect to a sector, use  
3                   economic and engineering models and  
4                   the best available information on tech-  
5                   nology performance levels for the sec-  
6                   tor.

7                   “(2) ADMINISTRATIVE DETERMINATION OF AD-  
8                   DITIONAL ELIGIBLE INDUSTRIAL SECTORS.—

9                   “(A) UPDATED TRADE INTENSITY DATA.—  
10                  The Secretary shall designate as liable for car-  
11                  bon tax payments on imported products under  
12                  this part an industrial sector that—

13                         “(i) met the greenhouse gas intensity  
14                         criteria in paragraph (1)(A)(ii) as of the  
15                         date of promulgation of the rule under  
16                         paragraph (1), and

17                         “(ii) meets the trade intensity criteria  
18                         established under paragraph (1)(A)(iii),  
19                         using data sources described in paragraph  
20                         (1)(C) from any year after the passage of  
21                         this Act.

22                   “(B) INDIVIDUAL SHOWING PETITION.—

23                         “(i) PETITION.—In addition to des-  
24                         ignation under subparagraph (A), the  
25                         owner or operator of an entity or a group

1 of entities that collectively produce not less  
2 than 80 percent of the average annual  
3 value of shipments from within the sector  
4 of the group consistent with subclause (I),  
5 that manufacture similar products in an  
6 industrial sector may petition the Sec-  
7 retary to designate as eligible industrial  
8 sectors under this part an entity or a  
9 group of entities that—

10 “(I) represent a sector using a  
11 standard product classification, and

12 “(II) meet the respective import  
13 and/or export eligibility criteria in  
14 paragraph (1)(A)(i).

15 “(ii) DATA.—In making a determina-  
16 tion under this subparagraph, the Sec-  
17 retary shall consider—

18 “(I) data submitted by the peti-  
19 tioner,

20 “(II) data solicited by the Sec-  
21 retary from other entities in the sec-  
22 tor, and

23 “(III) data specified in para-  
24 graph (1)(C).



1                   “(iii) BASIS OF SUBSECTOR DETER-  
2                   MINATION.—

3                   “(I) IN GENERAL.—Except as  
4                   provided in subclause (II), the Sec-  
5                   retary shall determine an entity or  
6                   group of entities to be a subsector of  
7                   a 6-digit section of the NAICS code  
8                   based only on the products manufac-  
9                   tured and not the industrial process  
10                  by which the products are manufac-  
11                  tured.

12                  “(II) TYPE OF MATERIAL.—The  
13                  Secretary may determine an entity or  
14                  group of entities that manufacture a  
15                  product from primarily virgin material  
16                  to be a separate subsector from an-  
17                  other entity or group of entities that  
18                  manufacture the same product pri-  
19                  marily from recycled material.

20                  “(iv) USE OF MOST RECENT DATA.—  
21                  In determining whether to designate a sec-  
22                  tor or subsector as an eligible industrial  
23                  sector under this subparagraph, the Sec-  
24                  retary shall use the most recent data avail-  
25                  able from the sources described in para-

1 graph (1)(C), rather than the data from  
2 the years specified in paragraph (1)(C), to  
3 determine the trade intensity of the sector  
4 or subsector, but only for determining the  
5 trade intensity.

6 “(v) FINAL ACTION.—The Secretary  
7 shall take final action on a petition de-  
8 scribed in this subparagraph not later than  
9 180 days after the date the completed peti-  
10 tion is received by the Secretary.

11 “(3) CESSATION OF QUALIFYING ACTIVITIES.—

12 If, as determined by the Secretary, an industrial sec-  
13 tor or a covered good within the sector is no longer  
14 liable to be designated under this section, the Com-  
15 missioner shall cease to apply the border tax adjust-  
16 ment on the relevant covered goods with effect from  
17 January 1 of the following year.

18 **“SEC. 9914. BORDER TAX ADJUSTMENT RATE.**

19 “(a) ESTABLISHMENT.—The Secretary, with the con-  
20 currence of the Commissioner, shall promulgate regula-  
21 tions—

22 “(1) establishing the products which are liable  
23 for, and requiring payment of, the border tax adjust-  
24 ment rate,

1           “(2) establishing a general methodology for cal-  
2           culating the level of the border tax adjustment rate  
3           that a domestic importer of any covered good must  
4           submit and the rebate that an exporter will receive,

5           “(3) establishing an administrative process  
6           whereby any determination by the Secretary under  
7           this subsection may be appealed,

8           “(4) exempting from this section products that  
9           originate from—

10           “(A) any country that the United Nations  
11           has identified as among the least developed of  
12           developing countries, or

13           “(B) any country that the President has  
14           determined to be responsible for less than 0.5  
15           percent of total global greenhouse gas emissions  
16           and less than 5 percent of global production in  
17           the eligible industrial sector,

18           “(5) specifying the procedures that the Com-  
19           missioner will apply for the declaration and entry of  
20           covered goods with respect to the eligible industrial  
21           sector into the customs territory of the United  
22           States, and

23           “(6) establishing procedures that prevent cir-  
24           cumvention of the carbon tax liability for covered

1 goods that are manufactured or processed in more  
2 than one foreign country.

3 “(b) PRESIDENTIAL DISCRETION.—The President  
4 may elect not to levy the border tax adjustment for an  
5 eligible industrial sector or for specific products within  
6 that sector if the President determines and certifies to  
7 Congress that the program would not be in the national  
8 interest, economic interest or environmental interest of the  
9 United States.”.

10 (b) CLERICAL AMENDMENT.—The table of subtitles  
11 for the Internal Revenue Code of 1986 is amended by add-  
12 ing at the end the following new item:

“Subtitle L. Greenhouse Gas Emissions.”.

13 (c) EFFECTIVE DATE.—The amendments made by  
14 this section shall apply to emissions after December 31,  
15 2019.

16 **TITLE II—DISTRIBUTION OF**  
17 **REVENUES FROM TAXATION**  
18 **OF GREENHOUSE GAS EMIS-**  
19 **SIONS**

20 **Subtitle A—Rebuilding Infrastruc-**  
21 **ture and Solutions for the Envi-**  
22 **ronment Trust Fund**

23 **SEC. 201. ESTABLISHMENT OF THE RISE TRUST FUND.**

24 There is hereby created in the Treasury of the United  
25 States a trust fund to be known as the “Rebuilding Infra-

1 structure and Solutions for the Environment Trust Fund”  
2 (hereafter in this Act referred to as the “RISE Trust  
3 Fund”), consisting of amounts paid into the Treasury pur-  
4 suant to subtitle L of the Internal Revenue Code of 1986  
5 (as added by title I of this Act), and 75 percent of such  
6 amounts are hereby appropriated and transferred to the  
7 RISE Trust Fund.

8 **SEC. 202. APPROPRIATIONS FROM THE RISE TRUST FUND.**

9 (a) IN GENERAL.—Amounts in the RISE Trust  
10 Fund for a fiscal year shall be available, as provided by  
11 appropriation Acts, as follows:

12 (1) 70 percent for each of the fiscal years 2021  
13 through 2030 to the Federal Highway Trust Fund.

14 (2) 1.5 percent for each of the fiscal years 2021  
15 through 2030 for the weatherization program devel-  
16 oped under part A of title IV of the Energy Con-  
17 servation and Production Act (42 U.S.C. 6861 et  
18 seq.).

19 (3) 3 percent for each of the fiscal years 2021  
20 through 2030 for assistance for displaced energy  
21 workers under section 321.

22 (4) 2.5 percent for each of the fiscal years 2021  
23 through 2030 to the Airport and Airway Trust Fund  
24 under section 9502 of the Internal Revenue Code of  
25 1986.

1           (5) 0.1 percent for each of the fiscal years 2021  
2 through 2030 to the Leaking Underground Storage  
3 Trust Fund under section 9508 of the Internal Rev-  
4 enue Code of 1986.

5           (6) 2 percent for each of the fiscal years 2021  
6 through 2030 to the Abandoned Mine Reclamation  
7 Fund under section 401 of the Surface Mining Con-  
8 trol and Reclamation Act of 1977 (30 U.S.C. 1231).

9           (7) 5 percent for each of the fiscal years 2021  
10 through 2030 for frequent and chronic coastal flood-  
11 ing mitigation and adaptation infrastructure projects  
12 under section 318 of the Coastal Zone Management  
13 Act of 1972 (16 U.S.C. 1451 et seq.).

14           (8) 0.5 percent for each of the fiscal years 2021  
15 through 2030 for Advanced Research Projects Agen-  
16 cy-Energy under section 5012 of the America COM-  
17 PETES Act (42 U.S.C. 16538).

18           (9) 0.7 percent for each of the fiscal years 2021  
19 through 2030 for the Carbon Capture Research and  
20 Development Program of the National Energy Tech-  
21 nology Laboratory, Office of Fossil Energy, Depart-  
22 ment of Energy.

23           (10) 0.5 percent for each of the fiscal years  
24 2021 through 2030 for assistance for Carbon Stor-  
25 age DOE Fossil Energy Research, Development, and

1 Demonstration Program Areas, Coal Program Area  
2 (Carbon Storage).

3 (11) 0.5 percent for each of the fiscal years  
4 2021 through 2030 for assistance to the National  
5 Energy Technology Laboratory of the Office of Fos-  
6 sil Energy for the research and development of Di-  
7 rect Air Capture technologies.

8 (12) 0.5 percent for each of the fiscal years  
9 2021 through 2030 for research and development re-  
10 lating to energy storage by battery through the Of-  
11 fice of Electricity Delivery and Energy Reliability,  
12 Department of Energy.

13 (13) 10 percent for each of the fiscal years  
14 2021 through 2030 for State grants under section  
15 203.

16 (14) 0.1 percent for each of the fiscal years  
17 2021 through 2030 to the Reforestation Trust Fund  
18 (16 U.S.C. 1606a).

19 (15) 0.1 percent for each of the fiscal years  
20 2021 through 2030 for assistance through coopera-  
21 tive agreements to decrease the environmental im-  
22 pact of energy-related activities pursuant to section  
23 931 of the Energy Policy Act of 2005 (42 U.S.C.  
24 16231).

1           (16) 2.5 percent for each of the fiscal years  
2           2021 through 2030 for the environmental quality in-  
3           centives program under chapter 4 of subtitle D of  
4           title XII of the Food Security Act of 1985 (16  
5           U.S.C. 3839 aa et. seq.) for payments to producers  
6           to implement practices that promote improvements  
7           identified in subparagraphs (A) and (C) of section  
8           1240B(d)(3) of such Act (16 U.S.C. 3839aa–2).

9           (17) 0.5 percent for each of fiscal years 2021  
10          through 2030 for the regional conservation partner-  
11          ship program under section 1271 of the Food Secu-  
12          rity Act of 1985 (16 U.S.C. 3871) for eligible activi-  
13          ties on eligible land through partnership agreements  
14          with eligible partners and contracts with producers  
15          that address one of the following goals:

16                   (A) Soil health.

17                   (B) Nutrient management.

18                   (C) Forest restoration.

19                   (D) Reduction of methane emissions.

20                   (E) Other related activities that the Sec-  
21          retary determines will help achieve conservation  
22          benefits and increase carbon sequestration or  
23          reduce greenhouse gas emissions.

24          (b) DIRECT AIR CAPTURE.—For purposes of sub-  
25          section (a)(11), the term “direct air capture” refers to



1 equipment that captures carbon dioxide directly from the  
2 ambient air. Such term shall not include any equipment  
3 which captures carbon dioxide which is deliberately re-  
4 leased from naturally occurring subsurface springs or  
5 using natural photosynthesis.

6 (c) CONFORMING AMENDMENTS.—

7 (1) LEAKING UNDERGROUND STORAGE TANK  
8 TRUST FUND.—Section 9508(b) of the Internal Rev-  
9 enue Code of 1986 is amended by striking “and” at  
10 the end of paragraph (3), by striking the period at  
11 the end of paragraph (4) and inserting “, and”, and  
12 by inserting after paragraph (4) the following:

13 “(5) amounts transferred under section  
14 202(a)(5) of the Modernizing America with Rebuild-  
15 ing to Kickstart the Economy of the Twenty-first  
16 Century with a Historic Infrastructure-Centered Ex-  
17 pansion Act.”.

18 (2) REFORESTATION TRUST FUND.—

19 (A) SOURCE OF FUNDS.—Section 303(a)  
20 of the Act of October 14, 1980 (16 U.S.C.  
21 1606a(a)) is amended by striking “subsection  
22 (b)(1)” and inserting “paragraph (1) or (4) of  
23 subsection (b)”.

1 (B) SPECIAL RULE RELATING TO LIMITA-  
2 TION.—Section 303(b) of the Act of October  
3 14, 1980 (16 U.S.C. 1606a(b)) is amended—

4 (i) in paragraph (2) by inserting  
5 “under paragraph (1)” after “transfer”,  
6 and

7 (ii) by adding at the end the fol-  
8 lowing:

9 “(4) Not later than 9 months after the enact-  
10 ment of the Modernizing America with Rebuilding to  
11 Kickstart the Economy of the Twenty-first Century  
12 with a Historic Infrastructure-Centered Expansion  
13 Act, the Secretary shall transfer to the Trust Fund  
14 the amounts made available under section  
15 202(a)(13) of such Act.”.

16 **SEC. 203. STATE GRANTS.**

17 (a) IN GENERAL.—From amounts made available  
18 under section 202(a)(12), the Secretary shall make a  
19 monthly grant to each State (hereafter in this section re-  
20 ferred to as “State grant”) on the condition that the State  
21 makes distributions to eligible low-income households from  
22 the State grant.

23 (b) ELIGIBLE FAMILIES.—A household shall be con-  
24 sidered to be an eligible household for purposes of this  
25 section if—

1           (1) except as provided in subsection (d)(4), the  
2 gross income of the household does not exceed 150  
3 percent of the poverty line;

4           (2) the appropriate State agency for the State  
5 in which the household is located determines that  
6 the household is participating in—

7                   (A) the Supplemental Nutrition Assistance  
8 Program authorized by the Food and Nutrition  
9 Act of 2008 (7 U.S.C. 2011 et seq.);

10                   (B) the Food Distribution Program on In-  
11 dian Reservations authorized by section 4(b) of  
12 such Act (7 U.S.C. 2013(b)); or

13                   (C) the program for nutrition assistance in  
14 Puerto Rico or American Samoa under section  
15 19 of such Act (7 U.S.C. 2028);

16           (3) the household consists of a single individual  
17 or a married couple, and—

18                   (A) receives the subsidy described in sec-  
19 tion 1860D–14 of the Social Security Act (42  
20 U.S.C. 1395w–114); or

21                   (B)(i) participates in the program under  
22 title XVIII of the Social Security Act; and

23                   (ii) meets the income requirements de-  
24 scribed in section 1860D–14(a)(1) or (a)(2) of

1 the Social Security Act (42 U.S.C. 1395w–  
2 114(a)(1) or (a)(2)); or

3 (4) the household consists of a single individual  
4 or a married couple, and receives benefits under the  
5 supplemental security income program under title  
6 XVI of the Social Security Act (42 U.S.C. 1381–  
7 1383f).

8 (c) AMOUNT.—The Secretary, in consultation with  
9 the Secretary of Energy and the Administrator of the En-  
10 vironmental Protection Agency, shall determine the  
11 amount of each State grant based on the percentage of  
12 total United States energy-related greenhouse gas emis-  
13 sions attributable to electricity, natural gas, gasoline, die-  
14 sel, and fuel ethanol sold in each State during the pre-  
15 ceding calendar year.

16 (d) RULE RELATING TO PROCESS.—Not later than  
17 1 year after the enactment of this Act, the Secretary shall  
18 establish by rule a date in each year by which each State  
19 shall notify the Secretary that the State intends to dis-  
20 tribute the State Grant for the following year. The Sec-  
21 retary shall transfer the State Grant to each State only  
22 upon the State demonstrating to the Secretary’s satisfac-  
23 tion that the State intends to distribute the State Grant  
24 in accordance with this section.

1 (e) STATE.—For the purposes of this section, the  
 2 term “State” includes the District of Columbia and any  
 3 territory of possession of the United States.

4 **Subtitle B—Certain Manufacturers**  
 5 **Excise Taxes**

6 **SEC. 211. REPEAL OF FEDERAL MOTOR VEHICLE AND AVIA-**  
 7 **TION FUEL TAXES.**

8 (a) IN GENERAL.—Subpart A of part III of sub-  
 9 chapter A of chapter 32 of the Internal Revenue Code of  
 10 1986 is hereby repealed.

11 (b) EFFECTIVE DATE.—The repeal made by sub-  
 12 section (a) shall apply to transactions after December 31,  
 13 2019.

14 **TITLE III—AMENDMENTS TO**  
 15 **OTHER LAWS**

16 **Subtitle A—Amendments to**  
 17 **Federal Environmental Statutes**

18 **SEC. 301. AMENDMENTS TO THE CLEAN AIR ACT.**

19 (a) IN GENERAL.—Title III of the Clean Air Act (42  
 20 U.S.C. 7601) is amended by adding at the end the fol-  
 21 lowing:

22 **“SEC. 330. MORATORIUM AGAINST CERTAIN REGULATIONS**  
 23 **BASED ON GREENHOUSE GAS EFFECTS.**

24 “(a) FUELS.—Unless specifically authorized in sec-  
 25 tion 202, 211, 213, 231, or this section, after a fossil fuel

1 has passed through a point of taxation as provided in sec-  
2 tion 9901(d) of the Internal Revenue Code of 1986, sub-  
3 ject to subsection (g), the Administrator shall not finalize  
4 or enforce any rule limiting the emission of greenhouse  
5 gases from the combustion of that fuel under this Act (or  
6 impose any requirement on any State to limit such emis-  
7 sion) on the basis of the emission’s greenhouse gas effects.

8 “(b) EMISSIONS.—Unless specifically authorized in  
9 section 202, 211, 213, 231, or this section, if emission  
10 of any greenhouse gas is subject to taxation pursuant to  
11 any of sections 9902 through 9903 of the Internal Rev-  
12 enue Code of 1986, the Administrator shall not finalize  
13 or enforce any rule limiting such emission under this Act  
14 (or impose any requirement on any State to limit such  
15 emission) on the basis of the emission’s greenhouse gas  
16 effects.

17 “(c) AUTHORIZED REGULATION.—Notwithstanding  
18 subsections (a) and (b), nothing in this section limits the  
19 Administrator’s authority pursuant to any other provision  
20 of this Act—

21 “(1) to limit the emission of any greenhouse  
22 gas because of any adverse impact on health or wel-  
23 fare other than its greenhouse gas effects;

24 “(2) in limiting emissions as described in para-  
25 graph (1), to consider the collateral benefits of lim-

1       iting the emissions because of greenhouse gas ef-  
2       fects;

3               “(3) to limit the emission of any other pollutant  
4       that is not a greenhouse gas that the Administrator  
5       determines by rule has heat-trapping properties; or

6               “(4) to take any action with respect to any  
7       greenhouse gas other than limiting its emission, in-  
8       cluding—

9               “(A) monitoring, reporting, and record-  
10       keeping requirements;

11              “(B) conducting or supporting investiga-  
12       tions; and

13              “(C) information collection.

14       “(d) EXCEPTION FOR CERTAIN GREENHOUSE GAS  
15       EMISSIONS.—Notwithstanding subsections (a) and (b),  
16       nothing in this section limits the Administrator’s authority  
17       to regulate greenhouse gas emissions from—

18              “(1) facilities that are subject to—

19                “(A) subparts 0000 or 0000a of part  
20       60 of title 40, Code of Federal Regulations, as  
21       in effect on January 1, 2018, or

22                “(B) would be subject to either subpart  
23       0000 or subpart 0000a if those subparts ap-  
24       plied to such facilities regardless of the date on

1           which construction, modification or reconstruc-  
2           tion commenced, and

3           “(2) POTW Treatment Plants (as defined in  
4           section 403.3(r) of title 40, Code of Federal Regula-  
5           tions).

6           “(e) DEFINITIONS.—In this section, the terms  
7 ‘greenhouse gas’ and ‘greenhouse gas effects’ have the  
8 meanings given to those terms in section 9907 of the In-  
9 ternal Revenue Code of 1986.

10          “(f) MORATORIUM EXPIRATION.—The moratoria on  
11 the Administrator finalizing or enforcing rules limiting the  
12 emission of greenhouse gases in sections 330(a), 330(b),  
13 and 211(c)(5) of this Act shall expire on January 1, 2033.

14          “(g) EXCEPTIONS.—

15               “(1) 2024.—Notwithstanding subsections (a)  
16 and (b) and section 211(c)(5) of this Act, if the Ad-  
17 ministrator determines by March 30, 2025, pursuant  
18 to the report required by section 9901(b)(3)(A) of  
19 the Internal Revenue Code of 1986, that total green-  
20 house gas emissions subject to taxation under sec-  
21 tions 9901 through 9903 of such Code during the  
22 period 2020 through 2024 exceed the emission level  
23 specified in section 9901(b)(3)(A) of such Code for  
24 calendar year 2024, then beginning on October 1,  
25 2025, the prohibition in subsections (a) and (b) and



1 section 211(c)(5) of this Act on finalizing or enforcing  
2 ing rules limiting the emission of greenhouse gases  
3 (and imposing any requirement on any State to limit  
4 such emission) shall not apply.

5 “(2) 2028.—Notwithstanding subsections (a)  
6 and (b) and section 211(c)(5) of this Act, if the Ad-  
7 ministrator determines by March 30, 2029, pursuant  
8 to the report required by section 9901(b)(3)(A) of  
9 the Internal Revenue Code of 1986, that total green-  
10 house gas emissions subject to taxation under sec-  
11 tions 9901 through 9903 of such Code during the  
12 period 2020 through 2028 exceed the emission level  
13 specified in section 9901(b)(3)(A) of such Code for  
14 calendar year 2028, then beginning on October 1,  
15 2029, the prohibition in subsections (a) and (b) and  
16 section 211(c)(5) of this Act on finalizing or enforce-  
17 ing rules limiting the emission of greenhouse gases  
18 (and imposing any requirement on any State to limit  
19 such emission) shall not apply.”.

20 (b) NEW MOTOR VEHICLES AND NEW MOTOR VEHI-  
21 CLE ENGINES.—Section 202(b) of the Clean Air Act (42  
22 U.S.C. 7521(b)) is amended—

23 (1) by redesignating the second paragraph (3)  
24 (as redesignated by section 230(4)(C) of Public Law  
25 101–549 (104 Stat. 2529)) as paragraph (4); and

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

2 “(5) Notwithstanding section 330(a), the Ad-  
3 ministrator may—

4 “(A) limit the emission of any greenhouse  
5 gas (as defined in section 9907 of the Internal  
6 Revenue Code of 1986) on the basis of the  
7 emission’s greenhouse gas effects (as defined in  
8 section 9907 of the Internal Revenue Code of  
9 1986) from any class or classes of new motor  
10 vehicles or new motor vehicle engines subject to  
11 regulation under subsection (a)(1); and

12 “(B) grant a waiver under section  
13 209(b)(1) for standards for the control of  
14 greenhouse gas emissions.”.

15 (c) FUELS.—Section 211(c) of the Clean Air Act (42  
16 U.S.C. 7545(c)) is amended by adding at the end the fol-  
17 lowing new paragraph:

18 “(5) Except as required in section 211(o), the Admin-  
19 istrator shall not, pursuant to this subsection, impose on  
20 any manufacturer, processor, or distributor of fuel any re-  
21 quirement for the purpose of reducing the emission of any  
22 greenhouse gas (as defined in section 9907 of the Internal  
23 Revenue Code of 1986) produced by combustion of the  
24 fuel on the basis of the emission’s greenhouse gas effects

1 (as defined in section 9907 of the Internal Revenue Code  
2 of 1986).”.

3 (d) NONROAD ENGINES AND VEHICLES EMISSIONS  
4 STANDARDS.—Section 213 of the Clean Air Act (42  
5 U.S.C. 7547) is amended by adding at the end the fol-  
6 lowing:

7 “(e) GREENHOUSE GAS EMISSIONS.—Notwith-  
8 standing subsections (a) and (b) of section 330, the Ad-  
9 ministrator may limit the emission of any greenhouse gas  
10 (as defined in section 9907 of the Internal Revenue Code  
11 of 1986) on the basis of the emission’s greenhouse gas  
12 effects (as defined in section 9907 of the Internal Revenue  
13 Code of 1986) from any nonroad engines and nonroad ve-  
14 hicles subject to regulation under this section.”.

15 (e) AIRCRAFT EMISSION STANDARDS.—Section 231  
16 of the Clean Air Act (42 U.S.C. 757) is amended by add-  
17 ing at the end the following new subsection:

18 “(d) Notwithstanding subsections (a) and (b) of sec-  
19 tion 330, the Administrator may limit the emission of any  
20 greenhouse gas (as defined in section 9907 of the Internal  
21 Revenue Code of 1986) on the basis of the emission’s  
22 greenhouse gas effects (as defined in section 9907 of the  
23 Internal Revenue Code of 1986) from any class or classes  
24 of aircraft engines, so long as any such limitation is not

1 more stringent than the standards adopted by the Inter-  
2 national Civil Aviation Organization.”.

3 **SEC. 302. FREQUENT AND CHRONIC COASTAL FLOODING**  
4 **MITIGATION AND ADAPTATION INFRASTRUC-**  
5 **TURE PROJECTS.**

6 The Coastal Zone Management Act of 1972 (16  
7 U.S.C. 1451 et seq.) is amended by redesignating sections  
8 318 and 319 as section 320 and 321, and by inserting  
9 after section 317 the following:

10 **“SEC. 318. FREQUENT AND CHRONIC COASTAL FLOODING**  
11 **MITIGATION AND ADAPTATION INFRASTRUC-**  
12 **TURE PROJECTS.**

13 “(a) IN GENERAL.—The Secretary may make grants  
14 to State and local governments and federally recognized  
15 Indian Tribes for frequent and chronic coastal flooding  
16 mitigation and adaptation infrastructure projects.

17 “(b) AUTHORIZED USES.—Amounts provided as a  
18 grant under this section may be used for any of the fol-  
19 lowing:

20 “(1) Adaptation of existing infrastructure, in-  
21 cluding enhancements to both built and natural envi-  
22 ronments.

23 “(2) Maintenance and updating of existing fre-  
24 quent and chronic coastal flood risk reduction infra-

1 structure, such as gravity drainage structures, road  
2 elevation, bulkheads, gates, and floodwalls.

3 “(3) Increasing waterfront resilience to fre-  
4 quent and chronic coastal flooding, including (as  
5 combined or separate projects)—

6 “(A) the creation of bulkheads, levees, and  
7 living shorelines; and

8 “(B) coastal habitat restoration work, in-  
9 cluding dune enhancement, vegetative restora-  
10 tion, beach renourishment, coral and oyster reef  
11 restoration, and other actions to restore the  
12 function of the natural coastal ecological func-  
13 tion and processes to provide flood risk reduc-  
14 tion benefits.

15 “(4) Improvements to diversion, removal, and  
16 storage infrastructure to reduce risks caused by fre-  
17 quent and chronic coastal flooding.

18 “(5) Innovative methods to reduce risks caused  
19 by chronic flooding along street infrastructure sys-  
20 tems, including canal streets, absorbent streets,  
21 floodable parks, bioswales, rain gardens, permeable  
22 pavement, and underground cisterns.

23 “(6) Deployment of technologies designed to  
24 mitigate power outages, continue delivery of vital  
25 electricity services, and maintain the flow of power

1 to facilities critical to public health, safety and wel-  
2 fare, including distributed generation, energy stor-  
3 age, and microgrids.

4 “(c) LIMITATION ON PROJECT ELIGIBILITY.—A  
5 project shall not be eligible for funding under this section  
6 if it will have any long-term negative impact on important  
7 ecological functions and habitat or existing natural coastal  
8 protection features and functions.

9 “(d) PRIORITY.—In making grants under this section  
10 the Secretary shall give priority to the following:

11 “(1) Protecting areas designated as special  
12 flood hazard areas for purposes of the national flood  
13 insurance program under the National Flood Insur-  
14 ance Act of 1968 (42 U.S.C. 4001 et seq.) and the  
15 Flood Disaster Protection Act of 1973 (42 U.S.C.  
16 4001 et seq.).

17 “(2) Projects in areas designated as such spe-  
18 cial flood hazard areas that incorporate at least 2  
19 feet of additional freeboard, or 3 feet in the case of  
20 critical infrastructure, above base flood elevation.

21 “(3) Protecting critical infrastructure, as that  
22 term is defined in Homeland Security Presidential  
23 Directive 7 as issued December 17, 2003.

1           “(4) Projects that yield flood risk reduction  
2           benefits and additional environmental, social, and  
3           economic benefits.

4           “(e) JOINT APPLICATION.—Two or more contiguous  
5           local governments or Tribes may jointly apply for, and re-  
6           ceive, a grant under this section.

7           “(f) COST SHARING.—

8           “(1) LIMITATION ON FEDERAL SHARE.—The  
9           Federal share of the cost of any activity carried out  
10          with a grant under this section shall not exceed 90  
11          percent of the cost of such activity.

12          “(2) NON-FEDERAL SHARE.—The Secretary  
13          shall apply to the non-Federal share of an activity  
14          carried out with a grant under this section the  
15          amount of funds, and the fair market value of prop-  
16          erty and services, provided by non-Federal sources  
17          and used for the activity.

18          “(g) REPORTS.—Each recipient of a grant under this  
19          section shall report annually to the Secretary on progress  
20          made on the project carried out with the grant.”.

1 **Subtitle B—Assistance to Displaced**  
2 **Workers in the Energy Sector**

3 **SEC. 321. ASSISTANCE TO DISPLACED WORKERS IN THE EN-**  
4 **ERGY SECTOR.**

5 For a period of 10 years after the enactment of the  
6 Modernizing America with Rebuilding to Kickstart the  
7 Economy of the Twenty-first Century with a Historic In-  
8 frastructure-Centered Expansion Act, from amounts made  
9 available under section 202 of this Act, the Secretary of  
10 Labor shall implement a program to assist workers in the  
11 energy sector that may be displaced as a result of the en-  
12 actment of this Act. This assistance may take the form  
13 of the following:

- 14 (1) Worker retraining.  
15 (2) Relocation expenses for those who move to  
16 find new employment.  
17 (3) Early retirement.  
18 (4) Health Benefits.  
19 (5) Other assistance that the Secretary deter-  
20 mines appropriate.

21 **TITLE IV—NATIONAL CLIMATE**  
22 **COMMISSION**

23 **SEC. 401. ESTABLISHMENT OF COMMISSION.**

24 On the date of enactment of this Act, there is estab-  
25 lished a bipartisan commission to be known as the “Na-



1 tional Climate Commission” (in this title referred to as  
2 “the Commission”).

3 **SEC. 402. DUTIES OF COMMISSION.**

4 The Commission shall—

5 (1) meet not less than once every 3 years;

6 (2) use as its goals for emissions reductions  
7 those estimated rates of reduction that reflect the  
8 latest scientific findings of what is needed to avoid  
9 serious human health and environmental con-  
10 sequences of a changing climate;

11 (3) undertake a comprehensive review of eco-  
12 nomically viable public and private actions or policies  
13 to reduce greenhouse gas emissions in the United  
14 States;

15 (4) assess the impact and progress of existing  
16 policies and programs with the aim of achieving  
17 emissions reduction goals; and

18 (5) beginning in 2026, and every 6 years there-  
19 after, issue a report to the President, Congress, and  
20 the States, which shall include—

21 (A) an analysis of whether existing policies  
22 and programs are on pace to achieving emis-  
23 sions reduction goals;

24 (B) recommendations for reducing green-  
25 house gas emissions; and

1 (C) if applicable, a minority report with  
2 dissenting views.

3 **SEC. 403. MEMBERSHIP OF COMMISSION.**

4 (a) IN GENERAL.—Not later than 6 months after the  
5 date of enactment of this Act, the Commission shall be  
6 composed of 10 members, appointed as follows:

7 (1) The President shall appoint 1 member, who  
8 shall serve as cochairman of the Commission.

9 (2) The leader of the Senate of the opposite  
10 party of the President, in consultation with the lead-  
11 er of the House of Representatives of the opposite  
12 party of the President, shall appoint 1 member, who  
13 shall serve as cochairman of the Commission.

14 (3) The majority leader of the Senate shall ap-  
15 point 2 members.

16 (4) The minority leader of the Senate shall ap-  
17 point 2 members.

18 (5) The Speaker of the House of Representa-  
19 tives shall appoint 2 members.

20 (6) The minority leader of the House of Rep-  
21 resentatives shall appoint 2 members.

22 (b) ELIGIBLE MEMBERS.—To be considered for  
23 membership on the Commission, an individual shall be a  
24 representative from—

1           (1) academic, scientific, or other nongovern-  
2           mental organizations with expertise in the economy,  
3           energy, climate, or public health; or

4           (2) industry organizations, including small busi-  
5           nesses, from relevant sectors such as—

6                   (A) energy supply and transmission, in-  
7                   cluding fossil fuels and renewable energy;

8                   (B) energy exploration and production, in-  
9                   cluding fossil fuels and renewable energy;

10                  (C) solid waste and wastewater;

11                  (D) transportation;

12                  (E) chemical manufacturing and user in-  
13                  dustries;

14                  (F) agriculture;

15                  (G) construction and development; and

16                  (H) forestry.

17           (c) INELIGIBLE MEMBERS.—No employee, owner, di-  
18           rector, or other affiliated person of an entity which has  
19           contributed pursuant to section 404(a) may be appointed  
20           to the Commission.

21           (d) INITIAL MEETING.—The Commission shall meet  
22           not later than 2 years after the date of enactment of this  
23           Act.

24           (e) TERMS.—The term of office for members of the  
25           Commission shall be for 6 years, which may be renewed.

1 A vacancy in the Commission shall not affect the powers  
2 of the Commission and shall be filled in the same manner  
3 in which the original appointment was made.

4 (f) QUORUM.—Six members of the Commission shall  
5 constitute a quorum.

6 (g) COMPENSATION.—

7 (1) PROHIBITION OF COMPENSATION OF FED-  
8 ERAL EMPLOYEES.—Members of the Commission  
9 who are full-time officers or employees of the United  
10 States may not receive additional pay, allowances, or  
11 benefits by reason of their service on the Commis-  
12 sion.

13 (2) COMPENSATION OF NON-FEDERAL EMPLOY-  
14 EES.—Except as provided in paragraph (1), each  
15 member of the Commission may be compensated at  
16 a rate not to exceed the daily equivalent of the an-  
17 nual rate of basic pay in effect for a position at level  
18 IV of the Executive Schedule under section 5315 of  
19 title 5, United States Code, for each day during  
20 which that member is engaged in the actual per-  
21 formance of the duties of the Commission.

22 (3) TRAVEL EXPENSES.—Each member shall  
23 receive travel expenses, including per diem in lieu of  
24 subsistence, in accordance with applicable provisions

1 under subchapter I of chapter 57 of title 5, United  
2 States Code.

3 **SEC. 404. FUNDING FOR THE ACTIVITIES OF THE COMMIS-**  
4 **SION.**

5 (a) PRIVATE SECTOR DONATIONS.—The Secretary of  
6 the Treasury may collect and disseminate to the Commis-  
7 sion private sector funds donated for the purposes of this  
8 title.

9 (b) LIMITATION.—Except for funds donated under  
10 subsection (a), additional funds may not be authorized to  
11 be appropriated to pay for the activities of the Commis-  
12 sion.

13 (c) TRANSPARENCY.—The amounts and sources of all  
14 funds donated under subsection (a) and all spending by  
15 the Commission shall be made publicly available on an  
16 internet website.

17 **SEC. 405. POWER OF THE COMMISSION.**

18 (a) OBTAINING OFFICIAL DATA.—

19 (1) IN GENERAL.—The Commission is author-  
20 ized to secure directly from any executive depart-  
21 ment, bureau, agency, board, commission, office,  
22 independent establishment, or instrumentality of the  
23 Government, unrestricted information, suggestions,  
24 estimates, and statistics for the purposes of this  
25 title. Each department, bureau, agency, board, com-

1 mission, office, independent establishment, or instru-  
2 mentality shall, to the extent authorized by law, fur-  
3 nish such unrestricted information, suggestions, esti-  
4 mates, and statistics directly to the Commission,  
5 upon request made by the chairman or any member  
6 designated by a majority of the Commission.

7 (2) RECEIPT, HANDLING, STORAGE, AND DIS-  
8 SEMINATION.—Unrestricted information shall only  
9 be received, handled, stored, and disseminated by  
10 members of the Commission and its staff consistent  
11 with all applicable statutes, regulations, and Execu-  
12 tive orders.

13 (b) ASSISTANCE FROM FEDERAL AGENCIES.—

14 (1) GENERAL SERVICES ADMINISTRATION.—  
15 The Administrator of General Services shall provide  
16 to the Commission on a reimbursable basis adminis-  
17 trative support and other services for the perform-  
18 ance of the functions of the Commission.

19 (2) OTHER DEPARTMENTS AND AGENCIES.—In  
20 addition to the assistance prescribed in paragraph  
21 (1), departments and agencies of the United States  
22 may provide to the Commission such services, funds,  
23 facilities, staff, and other support services as they  
24 may determine advisable and as may be authorized  
25 by law.

1       (c) **POSTAL SERVICES.**—The Commission may use  
2 the United States mails in the same manner and under  
3 the same conditions as departments and agencies of the  
4 United States.

5 **SEC. 406. STAFF OF THE COMMISSION.**

6       (a) **DETAILEES.**—Any Federal Government employee  
7 may be detailed to the Commission without reimbursement  
8 from the Commission, and such detailee shall retain the  
9 rights, status, and privileges of his or her regular employ-  
10 ment without interruption.

11       (b) **CONSULTANT SERVICES.**—The Commission is au-  
12 thorized to procure the services of experts and consultants  
13 in accordance with section 3109 of title 5, United States  
14 Code, but at rates for individuals not to exceed the daily  
15 equivalent of the annual rate of basic pay in effect for  
16 a position at level IV of the Executive Schedule under sec-  
17 tion 5315 of title 5, United States Code.

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