

116TH CONGRESS  
2D SESSION

# H. R. 7330

To amend the Internal Revenue Code of 1986 to provide incentives for renewable energy and energy efficiency, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 2020

Mr. THOMPSON of California (for himself, Mr. NEAL, Mr. LEWIS, Mr. DOGGETT, Mr. LARSON of Connecticut, Mr. BLUMENAUER, Mr. KIND, Mr. PASCRELL, Mr. DANNY K. DAVIS of Illinois, Ms. SÁNCHEZ, Mr. HIGGINS of New York, Ms. SEWELL of Alabama, Ms. DELBENE, Ms. JUDY CHU of California, Ms. MOORE, Mr. KILDEE, Mr. BRENDAN F. BOYLE of Pennsylvania, Mr. BEYER, Mr. EVANS, Mr. SCHNEIDER, Mr. SUOZZI, Mr. PANETTA, Mrs. MURPHY of Florida, Mr. GOMEZ, Mr. HORSFORD, Mr. LEVIN of California, Mr. LOWENTHAL, Mr. CRIST, Mr. TONKO, Mr. COHEN, Ms. KUSTER of New Hampshire, Mr. ROUDA, Ms. BONAMICI, Ms. BROWNLEY of California, Ms. HAALAND, Mr. MICHAEL F. DOYLE of Pennsylvania, Mr. THOMPSON of Mississippi, Mr. CONNOLLY, Mr. HASTINGS, Mr. WELCH, Ms. ESHOO, Mr. NEGUSE, Mr. SERRANO, Mr. CARBAJAL, Ms. MATSUI, Mr. TAKANO, Mrs. HAYES, and Mr. SOTO) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide incentives for renewable energy and energy efficiency, 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; ETC.**

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “Growing Renewable Energy and Efficiency Now Act of  
 4 2020” or the “GREEN Act of 2020”.

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

Sec. 1. Short title; etc.

**TITLE I—RENEWABLE ELECTRICITY AND REDUCING CARBON  
EMISSIONS**

Sec. 101. Extension of credit for electricity produced from certain renewable re-  
sources.

Sec. 102. Extension and modification of energy credit.

Sec. 103. Extension of credit for carbon oxide sequestration.

Sec. 104. Elective payment for energy property and electricity produced from  
certain renewable resources, etc.

Sec. 105. Extension of energy credit for offshore wind facilities.

Sec. 106. Green energy publicly traded partnerships.

**TITLE II—RENEWABLE FUELS**

Sec. 201. Biodiesel and renewable diesel.

Sec. 202. Extension of excise tax credits relating to alternative fuels.

Sec. 203. Extension of second generation biofuel incentives.

**TITLE III—GREEN ENERGY AND EFFICIENCY INCENTIVES FOR  
INDIVIDUALS**

Sec. 301. Extension, increase, and modifications of nonbusiness energy property  
credit.

Sec. 302. Residential energy efficient property.

Sec. 303. Energy efficient commercial buildings deduction.

Sec. 304. Extension, increase, and modifications of new energy efficient home  
credit.

Sec. 305. Modifications to income exclusion for conservation subsidies.

**TITLE IV—GREENING THE FLEET AND ALTERNATIVE VEHICLES**

Sec. 401. Modification of limitations on new qualified plug-in electric drive  
motor vehicle credit.

Sec. 402. Credit for previously-owned qualified plug-in electric drive motor vehi-  
cles.

Sec. 403. Credit for zero-emission heavy vehicles and zero-emission buses.

Sec. 404. Qualified fuel cell motor vehicles.

Sec. 405. Alternative fuel refueling property credit.

Sec. 406. Modification of employer-provided fringe benefits for bicycle com-  
muting.

**TITLE V—INVESTMENT IN THE GREEN WORKFORCE**

Sec. 501. Extension of the advanced energy project credit.  
 Sec. 502. Labor costs of installing mechanical insulation property.  
 Sec. 503. Labor standards for certain energy jobs.

#### TITLE VI—ENVIRONMENTAL JUSTICE

Sec. 601. Qualified environmental justice program credit.

#### TITLE VII—TREASURY REPORT ON DATA FROM THE GREENHOUSE GAS REPORTING PROGRAM

Sec. 701. Report on Greenhouse Gas Reporting Program.

1       (c) AMENDMENT OF 1986 CODE.—Except as other-  
 2 wise expressly provided, whenever in this Act an amend-  
 3 ment or repeal is expressed in terms of an amendment  
 4 to, or repeal of, a section or other provision, the reference  
 5 shall be considered to be made to a section or other provi-  
 6 sion of the Internal Revenue Code of 1986.

## 7       **TITLE     I—RENEWABLE     ELEC-** 8       **TRICITY AND REDUCING CAR-** 9       **BON EMISSIONS**

### 10   **SEC. 101. EXTENSION OF CREDIT FOR ELECTRICITY PRO-** 11                   **DUCTION FROM CERTAIN RENEWABLE RE-** 12                   **SOURCES.**

13       (a) IN GENERAL.—The following provisions of sec-  
 14 tion 45(d) are each amended by striking “January 1,  
 15 2021” each place it appears and inserting “January 1,  
 16 2026”:

- 17           (1) Paragraph (2)(A).
- 18           (2) Paragraph (3)(A).
- 19           (3) Paragraph (6).
- 20           (4) Paragraph (7).

1 (5) Paragraph (9).

2 (6) Paragraph (11)(B).

3 (b) EXTENSION OF ELECTION TO TREAT QUALIFIED  
4 FACILITIES AS ENERGY PROPERTY.—Section  
5 48(a)(5)(C)(ii) is amended by striking “January 1, 2021”  
6 and inserting “January 1, 2026”.

7 (c) APPLICATION OF EXTENSION TO WIND FACILI-  
8 TIES.—

9 (1) IN GENERAL.—Section 45(d)(1) is amended  
10 by striking “January 1, 2021” and inserting “Janu-  
11 ary 1, 2026”.

12 (2) APPLICATION OF PHASEOUT PERCENT-  
13 AGE.—

14 (A) RENEWABLE ELECTRICITY PRODUC-  
15 TION CREDIT.—Sections 45(b)(5)(D) is amend-  
16 ed by striking “and before January 1, 2021,”.

17 (B) ENERGY CREDIT.—Section  
18 48(a)(5)(E)(iv) is amended by striking “and be-  
19 fore January 1, 2021,”.

20 (d) EFFECTIVE DATE.—The amendments made by  
21 this section shall apply to facilities the construction of  
22 which begins after December 31, 2020.

1 **SEC. 102. EXTENSION AND MODIFICATION OF ENERGY**  
 2 **CREDIT.**

3 (a) EXTENSION OF CREDIT.—The following provi-  
 4 sions of section 48 are each amended by striking “January  
 5 1, 2022” each place it appears and inserting “January  
 6 1, 2027”:

7 (1) Subsection (a)(3)(A)(ii).

8 (2) Subsection (a)(3)(A)(vii).

9 (3) Subsection (c)(1)(D).

10 (4) Subsection (c)(2)(D).

11 (5) Subsection (c)(3)(A)(iv).

12 (6) Subsection (c)(4)(C).

13 (b) PHASEOUT OF CREDIT.—Section 48(a) is amend-  
 14 ed—

15 (1) by striking “December 31, 2019” in para-  
 16 graphs (6)(A)(i) and (7)(A)(i) and inserting “De-  
 17 cember 31, 2025”,

18 (2) by striking “December 31, 2020” in para-  
 19 graphs (6)(A)(ii) and (7)(A)(ii) and inserting “De-  
 20 cember 31, 2026”,

21 (3) by striking “January 1, 2021” in para-  
 22 graphs (6)(A)(i) and (7)(A)(i) and inserting “Janu-  
 23 ary 1, 2027”,

24 (4) by striking “January 1, 2022” each place  
 25 it appears in paragraphs (6)(A), (6)(B), and (7)(A)  
 26 and inserting “January 1, 2028”, and

1 (5) by striking “January 1, 2024” in para-  
2 graphs (6)(B) and (7)(B) and inserting “January 1,  
3 2030”.

4 (c) 30 PERCENT CREDIT FOR SOLAR AND GEO-  
5 THERMAL.—

6 (1) EXTENSION FOR SOLAR.—Section  
7 48(a)(2)(A)(i)(II) is amended by striking “January  
8 1, 2022” and inserting “January 1, 2028”.

9 (2) APPLICATION TO GEOTHERMAL.—

10 (A) IN GENERAL.—Paragraphs  
11 (2)(A)(i)(II), (6)(A), and (6)(B) of section  
12 48(a) are each amended by striking “paragraph  
13 (3)(A)(i)” and inserting “clause (i) or (iii) of  
14 paragraph (3)(A)”.

15 (B) CONFORMING AMENDMENT.—The  
16 heading of section 48(a)(6) is amended by in-  
17 serting “AND GEOTHERMAL” after “SOLAR EN-  
18 ERGY”.

19 (d) ENERGY STORAGE TECHNOLOGIES; WASTE EN-  
20 ERGY RECOVERY PROPERTY; QUALIFIED BIOGAS PROP-  
21 erty.—

22 (1) IN GENERAL.—Section 48(a)(3)(A) is  
23 amended by striking “or” at the end of clause (vi),  
24 and by adding at the end the following new clauses:

25 “(viii) energy storage technology,

1 “(ix) waste energy recovery property,  
 2 or  
 3 “(x) qualified biogas property,”.

4 (2) APPLICATION OF 30 PERCENT CREDIT.—  
 5 Section 48(a)(2)(A)(i) is amended by striking “and”  
 6 at the end of subclauses (III) and (IV) and adding  
 7 at the end the following new subclauses:

8 “(V) energy storage technology,  
 9 “(VI) waste energy recovery  
 10 property, and  
 11 “(VII) qualified biogas property,  
 12 and”.

13 (3) APPLICATION OF PHASEOUT.—Section  
 14 48(a)(7) is amended—

15 (A) by inserting “energy storage tech-  
 16 nology, waste energy recovery property, quali-  
 17 fied biogas property,” after “qualified small  
 18 wind property,” and

19 (B) by striking “FIBER-OPTIC SOLAR,  
 20 QUALIFIED FUEL CELL, AND QUALIFIED SMALL  
 21 WIND” in the heading thereof and inserting  
 22 “CERTAIN OTHER”.

23 (4) DEFINITIONS.—Section 48(c) is amended  
 24 by adding at the end the following new paragraphs:

25 “(5) ENERGY STORAGE TECHNOLOGY.—

1           “(A) IN GENERAL.—The term ‘energy  
2 storage technology’ means equipment (other  
3 than equipment primarily used in the transpor-  
4 tation of goods or individuals and not for the  
5 production of electricity) which—

6           “(i) uses batteries, compressed air,  
7 pumped hydropower, hydrogen storage (in-  
8 cluding hydrolysis and electrolysis), ther-  
9 mal energy storage, regenerative fuel cells,  
10 flywheels, capacitors, superconducting  
11 magnets, or other technologies identified  
12 by the Secretary, after consultation with  
13 the Secretary of Energy, to store energy  
14 for conversion to electricity and has a ca-  
15 pacity of not less than 5 kilowatt hours, or

16           “(ii) stores thermal energy to heat or  
17 cool (or provide hot water for use in) a  
18 structure (other than for use in a swim-  
19 ming pool).

20           “(B) TERMINATION.—The term ‘energy  
21 storage technology’ shall not include any prop-  
22 erty the construction of which does not begin  
23 before January 1, 2028.

24           “(6) WASTE ENERGY RECOVERY PROPERTY.—



1           “(A) IN GENERAL.—The term ‘waste en-  
2           ergy recovery property’ means property that  
3           generates electricity solely from heat from  
4           buildings or equipment if the primary purpose  
5           of such building or equipment is not the genera-  
6           tion of electricity.

7           “(B) CAPACITY LIMITATION.—The term  
8           ‘waste energy recovery property’ shall not in-  
9           clude any property which has a capacity in ex-  
10          cess of 50 megawatts.

11          “(C) NO DOUBLE BENEFIT.—Any waste  
12          energy recovery property (determined without  
13          regard to this subparagraph) which is part of a  
14          system which is a combined heat and power sys-  
15          tem property shall not be treated as waste en-  
16          ergy recovery property for purposes of this sec-  
17          tion unless the taxpayer elects to not treat such  
18          system as a combined heat and power system  
19          property for purposes of this section.

20          “(D) TERMINATION.—The term ‘waste en-  
21          ergy recovery property’ shall not include any  
22          property the construction of which does not  
23          begin before January 1, 2028.

24          “(7) QUALIFIED BIOGAS PROPERTY.—

1           “(A) IN GENERAL.—The term ‘qualified  
2           biogas property’ means property comprising a  
3           system which—

4                   “(i) converts biomass (as defined in  
5                   section 45K(c)(3)) into a gas which—

6                           “(I) consists of not less than 52  
7                           percent methane, or

8                           “(II) is concentrated by such sys-  
9                           tem into a gas which consists of not  
10                          less than 52 percent methane, and

11                          “(ii) captures such gas for productive  
12                          use.

13           “(B) INCLUSION OF CLEANING AND CON-  
14           DITIONING PROPERTY.—The term ‘qualified  
15           biogas property’ includes any property which is  
16           part of such system which cleans or conditions  
17           such gas.

18           “(C) TERMINATION.—The term ‘qualified  
19           biogas property’ shall not include any property  
20           the construction of which does not begin before  
21           January 1, 2028.”.

22           (5) DENIAL OF DOUBLE BENEFIT FOR QUALI-  
23           FIED BIOGAS PROPERTY.—Section 45(e) is amended  
24           by adding at the end the following new paragraph:

1           “(12) COORDINATION WITH ENERGY CREDIT  
 2           FOR QUALIFIED BIOGAS PROPERTY.—The term  
 3           ‘qualified facility’ shall not include any facility which  
 4           produces electricity from gas produced by qualified  
 5           biogas property (as defined in section 48(c)(7)) if a  
 6           credit is determined under section 48 with respect to  
 7           such property for the taxable year or any prior tax-  
 8           able year.”.

9           (e) FUEL CELLS USING ELECTROMECHANICAL  
 10          PROCESSES.—

11           (1) IN GENERAL.—Section 48(c)(1) is amend-  
 12          ed—

13                   (A) in subparagraph (A)(i)—

14                           (i) by inserting “or electromechanical”  
 15                           after “electrochemical”, and

16                           (ii) by inserting “(1 kilowatt in the  
 17                           case of a fuel cell power plant with a linear  
 18                           generator assembly)” after “0.5 kilowatt”,  
 19                           and

20                   (B) in subparagraph (C)—

21                           (i) by inserting “, or linear generator  
 22                           assembly,” after “a fuel cell stack assem-  
 23                           bly”, and

24                           (ii) by inserting “or  
 25                           electromechanical” after “electrochemical”.

1           (2) LINEAR GENERATOR ASSEMBLY LIMITA-  
2           TION.—Section 48(c)(1) is amended by redesignig-  
3           nating subparagraph (D) as subparagraph (E) and  
4           by inserting after subparagraph (C) the following  
5           new subparagraph:

6                     “(D) LINEAR GENERATOR ASSEMBLY.—  
7           The term ‘linear generator assembly’ does not  
8           include any assembly which contains rotating  
9           parts.”.

10          (f) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to periods after December 31,  
12 2020, under rules similar to the rules of section 48(m)  
13 as in effect on the day before the date of the enactment  
14 of the Revenue Reconciliation Act of 1990.

15 **SEC. 103. EXTENSION OF CREDIT FOR CARBON OXIDE SE-**  
16 **QUESTRATION.**

17          (a) IN GENERAL.—Section 45Q(d)(1) is amended by  
18 striking “January 1, 2024” and inserting “January 1,  
19 2026”.

20          (b) EFFECTIVE DATE.—The amendment made by  
21 this section applies to facilities the construction of which  
22 begins after December 31, 2023.

1 **SEC. 104. ELECTIVE PAYMENT FOR ENERGY PROPERTY**  
 2 **AND ELECTRICITY PRODUCED FROM CER-**  
 3 **TAIN RENEWABLE RESOURCES, ETC.**

4 (a) IN GENERAL.—Subchapter B of chapter 65 is  
 5 amended by adding at the end the following new section:

6 **“SEC. 6431. ELECTIVE PAYMENT FOR ENERGY PROPERTY,**  
 7 **ELECTRICITY PRODUCED FROM CERTAIN RE-**  
 8 **NEWABLE RESOURCES, ETC., AND CARBON**  
 9 **OXIDE SEQUESTRATION.**

10 “(a) ENERGY PROPERTY.—In the case of a taxpayer  
 11 making an election (at such time and in such manner as  
 12 the Secretary may provide) under this section with respect  
 13 to any portion of an applicable credit, such taxpayer shall  
 14 be treated as making a payment against the tax imposed  
 15 by subtitle A for the taxable year equal to—

16 “(1) in the case of an Indian tribal government,  
 17 the amount of such portion, and

18 “(2) in the case of any other taxpayer, 85 per-  
 19 cent of such amount.

20 “(b) DEFINITIONS AND SPECIAL RULES.—For pur-  
 21 poses of this section—

22 “(1) GOVERNMENTAL ENTITIES TREATED AS  
 23 TAXPAYERS.—In the case of an election under this  
 24 section—

25 “(A) any State or local government, or a  
 26 political subdivision thereof, or

1           “(B) an Indian tribal government,  
2       shall be treated as a taxpayer for purposes of this  
3       section and determining any applicable credit.

4           “(2) APPLICABLE CREDIT.—The term ‘applica-  
5       ble credit’ means each of the following credits that  
6       would (without regard to this section) be determined  
7       with respect to the taxpayer:

8           “(A) A energy credit under section 48.

9           “(B) A renewable electricity production  
10       credit under section 45.

11          “(C) A carbon oxide sequestration credit  
12       under section 45Q.

13          “(3) INDIAN TRIBAL GOVERNMENT.—The term  
14       ‘Indian tribal government’ shall have the meaning  
15       given such term by section 139E.

16          “(4) TIMING.—The payment described in sub-  
17       paragraph (A) shall be treated as made on—

18           “(A) in the case of any government, or po-  
19       litical subdivision, to which paragraph (1) ap-  
20       plies and for which no return is required under  
21       section 6011 or 6033(a), the later of the date  
22       that a return would be due under section  
23       6033(a) if such government or subdivision were  
24       described in that section or the date on which  
25       such government or subdivision submits a claim

1           for credit or refund (at such time and in such  
2           manner as the Secretary shall provide), and

3                   “(B) in any other case, the later of the due  
4           date of the return of tax for the taxable year  
5           or the date on which such return is filed.

6           “(5) WAIVER OF SPECIAL RULES.—In the case  
7           of an election under this section, the determination  
8           of any applicable credit shall be without regard to  
9           paragraphs (3) and (4)(A)(i) of section 50(b).

10          “(c) EXCLUSION FROM GROSS INCOME.—Gross in-  
11       come of the taxpayer shall be determined without regard  
12       to this section.

13          “(d) DENIAL OF DOUBLE BENEFIT.—Solely for pur-  
14       poses of section 38, in the case of a taxpayer making an  
15       election under this section, the energy credit determined  
16       under section 45 or the renewable electricity production  
17       credit determined under section 48 shall be reduced by  
18       the amount of the portion of such credit with respect to  
19       which the taxpayer makes such election.”.

20          (b) CLERICAL AMENDMENT.—The table of sections  
21       for subchapter B of chapter 65 is amended by adding at  
22       the end the following new item:

“Sec. 6431. Elective payment for energy property, electricity produced from cer-  
         tain renewable resources, etc., and carbon oxide sequestra-  
         tion.”.

1       (c) EFFECTIVE DATE.—The amendments made by  
 2 this section shall apply to property originally placed in  
 3 service after the date of the enactment of this Act.

4       **SEC. 105. EXTENSION OF ENERGY CREDIT FOR OFFSHORE**  
 5               **WIND FACILITIES.**

6       (a) IN GENERAL.—Section 48(a)(5) is amended by  
 7 adding at the end the following new subparagraph:

8               “(F) QUALIFIED OFFSHORE WIND FACILI-  
 9               TIES.—

10               “(i) IN GENERAL.—In the case of any  
 11               qualified offshore wind facility—

12               “(I) subparagraph (C)(ii) shall be  
 13               applied by substituting ‘January 1 of  
 14               the applicable year (as determined  
 15               under subparagraph (F)(ii))’ for ‘Jan-  
 16               uary 1, 2026’,

17               “(II) subparagraph (E) shall not  
 18               apply, and

19               “(III) for purposes of this para-  
 20               graph, section 45(d)(1) shall be ap-  
 21               plied by substituting ‘January 1 of  
 22               the applicable year (as determined  
 23               under section 48(a)(5)(F)(ii))’ for  
 24               ‘January 1, 2026’.



1 “(ii) APPLICABLE YEAR.—For pur-  
2 poses of this subparagraph, the term ‘ap-  
3 plicable year’ means the later of—

4 “(I) calendar year 2025, or

5 “(II) the calendar year subse-  
6 quent to the first calendar year in  
7 which the Secretary, after consulta-  
8 tion with the Secretary of Energy, de-  
9 termines that the United States has  
10 increased its offshore wind capacity by  
11 not less than 3,000 megawatts as  
12 compared to such capacity on January  
13 1, 2021.

14 For purposes of subclause (II), the Sec-  
15 retary shall not include any increase in off-  
16 shore wind capacity which is attributable  
17 to any facility the construction of which  
18 began before January 1, 2021.

19 “(iii) QUALIFIED OFFSHORE WIND FA-  
20 CILITY.—For purposes of this subpara-  
21 graph, the term ‘qualified offshore wind fa-  
22 cility’ means a qualified facility (within the  
23 meaning of section 45) described in para-  
24 graph (1) of section 45(d) (determined  
25 without regard to any date by which the

1 construction of the facility is required to  
 2 begin) which is located in the inland navi-  
 3 gable waters of the United States or in the  
 4 coastal waters of the United States.

5 “(iv) REPORT ON OFFSHORE WIND  
 6 CAPACITY.—On January 15, 2024, and an-  
 7 nually thereafter until the calendar year  
 8 described in clause (ii)(II), the Secretary,  
 9 after consultation with the Secretary of  
 10 Energy, shall issue a report to be made  
 11 available to the public which discloses the  
 12 increase in the offshore wind capacity of  
 13 the United States, as measured in total  
 14 megawatts, since January 1, 2020.”.

15 (b) EFFECTIVE DATE.—The amendment made by  
 16 this section shall apply to periods after December 31,  
 17 2016, under rules similar to the rules of section 48(m)  
 18 of the Internal Revenue Code of 1986 (as in effect on the  
 19 day before the date of the enactment of the Revenue Rec-  
 20 onciliation Act of 1990).

21 **SEC. 106. GREEN ENERGY PUBLICLY TRADED PARTNER-**  
 22 **SHIPS.**

23 (a) IN GENERAL.—Section 7704(d)(1)(E) is amend-  
 24 ed—

1           (1) by striking “income and gains derived from  
2           the exploration” and inserting “income and gains  
3           derived from—

4                       “(i) the exploration”,

5           (2) by inserting “or” before “industrial  
6           source”, and

7           (3) by striking “, or the transportation or stor-  
8           age” and all that follows and inserting the following:

9                       “(ii) the generation of electric power  
10                      or thermal energy exclusively using any  
11                      qualified energy resource (as defined in  
12                      section 45(c)(1)),

13                      “(iii) the operation of energy property  
14                      (as defined in section 48(a)(3), determined  
15                      without regard to any date by which the  
16                      construction of the facility is required to  
17                      begin),

18                      “(iv) in the case of a facility described  
19                      in paragraph (3) or (7) of section 45(d)  
20                      (determined without regard to any placed  
21                      in service date or date by which construc-  
22                      tion of the facility is required to begin),  
23                      the accepting or processing of open-loop  
24                      biomass or municipal solid waste,

1 “(v) the storage of electric power or  
2 thermal energy exclusively using energy  
3 property that is energy storage property  
4 (as defined in section 48(c)(5)),

5 “(vi) the generation, storage, or dis-  
6 tribution of electric power or thermal en-  
7 ergy exclusively using energy property that  
8 is combined heat and power system prop-  
9 erty (as defined in section 48(c)(3), deter-  
10 mined without regard to subparagraph  
11 (B)(iii) thereof and without regard to any  
12 date by which the construction of the facil-  
13 ity is required to begin),

14 “(vii) the transportation or storage of  
15 any fuel described in subsection (b), (c),  
16 (d), or (e) of section 6426,

17 “(viii) the conversion of renewable bio-  
18 mass (as defined in subparagraph (I) of  
19 section 211(o)(1) of the Clean Air Act (as  
20 in effect on the date of the enactment of  
21 this clause)) into renewable fuel (as de-  
22 fined in subparagraph (J) of such section  
23 as so in effect), or the storage or transpor-  
24 tation of such fuel,

1 “(ix) the production, storage, or  
2 transportation of any fuel which—

3 “(I) uses as its primary feedstock  
4 carbon oxides captured from an an-  
5 thropogenic source or the atmosphere,

6 “(II) does not use as its primary  
7 feedstock carbon oxide which is delib-  
8 erately released from naturally occur-  
9 ring subsurface springs, and

10 “(III) is determined by the Sec-  
11 retary, after consultation with the  
12 Secretary of Energy and the Adminis-  
13 trator of the Environmental Protec-  
14 tion Agency, to achieve a reduction of  
15 not less than a 60 percent in lifecycle  
16 greenhouse gas emissions (as defined  
17 in section 211(o)(1)(H) of the Clean  
18 Air Act, as in effect on the date of the  
19 enactment of this clause) compared to  
20 baseline lifecycle greenhouse gas emis-  
21 sions (as defined in section  
22 211(o)(1)(C) of such Act, as so in ef-  
23 fect),

24 “(x) the generation of electric power  
25 from, a qualifying gasification project (as

defined in section 48B(c)(1) without regard to subparagraph (C)) that is described in section 48(d)(1)(B), or

“(xi) in the case of a qualified facility (as defined in section 45Q(d), without regard to any date by which construction of the facility is required to begin) not less than 50 percent (30 percent in the case of a facility placed in service before January 1, 2021) of the total carbon oxide production of which is qualified carbon oxide (as defined in section 45Q(c))—

“(I) the generation, availability for such generation, or storage of electric power at such facility, or

“(II) the capture of carbon dioxide by such facility,”.

(b) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 2020.

## **TITLE II—RENEWABLE FUELS**

### **SEC. 201. BIODIESEL AND RENEWABLE DIESEL.**

(a) INCOME TAX CREDIT.—Section 40A(g) is amended to read as follows:

“(g) PHASE OUT; TERMINATION.—

1 “(1) PHASE OUT.—In the case of any sale or  
 2 use after December 31, 2022, subsections (b)(1)(A)  
 3 and (b)(2)(A) shall be applied by substituting for  
 4 ‘\$1.00’—

5 “(A) ‘\$.75’, if such sale or use is before  
 6 January 1, 2024,

7 “(B) ‘\$.50’, if such sale or use is after De-  
 8 cember 31, 2023, and before January 1, 2025,  
 9 and

10 “(C) ‘\$.33’, if such sale or use is after De-  
 11 cember 31, 2024, and before January 1, 2026.

12 “(2) TERMINATION.—This section shall not  
 13 apply to any sale or use after December 31, 2025.”.

14 (b) EXCISE TAX INCENTIVES.—

15 (1) PHASE OUT.—Section 6426(c)(2) is amend-  
 16 ed to read as follows:

17 “(2) APPLICABLE AMOUNT.—For purposes of  
 18 this subsection, the applicable amount is—

19 “(A) \$1.00 in the case of any sale or use  
 20 for any period before January 1, 2023,

21 “(B) \$.75 in the case of any sale or use for  
 22 any period after December 31, 2022, and before  
 23 January 1, 2024,

1 “(C) \$.50 in the case of any sale or use for  
 2 any period after December 31, 2023, and before  
 3 January 1, 2025, and

4 “(D) \$.33 in the case of any sale or use  
 5 for any period after December 31, 2024, and  
 6 before January 1, 2026.”.

7 (2) TERMINATION.—

8 (A) IN GENERAL.—Section 6426(c)(6) is  
 9 amended by striking “December 31, 2022” and  
 10 inserting “December 31, 2025”.

11 (B) PAYMENTS.—Section 6427(e)(6)(B) is  
 12 amended by striking “December 31, 2022” and  
 13 inserting “December 31, 2025”.

14 (c) EFFECTIVE DATE.—The amendments made by  
 15 this section shall apply to fuel sold or used after December  
 16 31, 2022.

17 **SEC. 202. EXTENSION OF EXCISE TAX CREDITS RELATING**  
 18 **TO ALTERNATIVE FUELS.**

19 (a) EXTENSION AND PHASEOUT OF ALTERNATIVE  
 20 FUEL CREDIT.—

21 (1) IN GENERAL.—Section 6426(d)(1) is  
 22 amended by striking “50 cents” and inserting “the  
 23 applicable amount”.

24 (2) APPLICABLE AMOUNT AND TERMINATION.—  
 25 Section 6426(d)(5) is amended to read as follows:



1 “(5) PHASEOUT AND TERMINATION.—

2 “(A) PHASEOUT.—For purposes of this  
3 subsection, the applicable amount is—

4 “(i) 50 cents in the case of any sale  
5 or use for any period before January 1,  
6 2023,

7 “(ii) 38 cents in the case of any sale  
8 or use for any period after December 31,  
9 2022, and before January 1, 2024,

10 “(iii) 25 cents in the case of any sale  
11 or use for any period after December 31,  
12 2023, and before January 1, 2025, and

13 “(iv) 17 cents in the case of any sale  
14 or use for any period after December 31,  
15 2024, and before January 1, 2026.

16 “(B) TERMINATION.—This subsection  
17 shall not apply to any sale or use for any period  
18 after December 31, 2025.”.

19 (b) ALTERNATIVE FUEL MIXTURE CREDIT.—

20 (1) IN GENERAL.—Section 6426(e)(3) is  
21 amended by striking “December 31, 2020” and in-  
22 serting “December 31, 2025”.

23 (2) PHASEOUT.—Section 6426(e)(1) is amend-  
24 ed by striking “50 cents” and inserting “the applica-  
25 ble amount (as defined in subsection (d)(5)(A))”.

1 (c) PAYMENTS FOR ALTERNATIVE FUELS.—Section  
 2 6427(e)(6)(C) is amended by striking “December 31,  
 3 2020” and inserting “December 31, 2025”.

4 (d) EFFECTIVE DATE.—The amendments made by  
 5 this section shall apply to fuel sold or used after December  
 6 31, 2020.

7 **SEC. 203. EXTENSION OF SECOND GENERATION BIOFUEL**  
 8 **INCENTIVES.**

9 (a) IN GENERAL.—Section 40(b)(6)(J)(i) is amended  
 10 by striking “2021” and inserting “2026”.

11 (b) EXTENSION OF SPECIAL ALLOWANCE FOR DE-  
 12 PRECIATION OF SECOND GENERATION BIOFUEL PLANT  
 13 PROPERTY.—Section 168(l)(2)(D) is amended by striking  
 14 “2021” and inserting “2026”.

15 (c) EFFECTIVE DATE.—

16 (1) IN GENERAL.—The amendment made by  
 17 subsection (a) shall apply to qualified second genera-  
 18 tion biofuel production after December 31, 2020.

19 (2) SECOND GENERATION BIOFUEL PLANT  
 20 PROPERTY.—The amendment made by subsection  
 21 (b) shall apply to property placed in service after  
 22 December 31, 2020.

1 **TITLE III—GREEN ENERGY AND**  
2 **EFFICIENCY INCENTIVES FOR**  
3 **INDIVIDUALS**

4 **SEC. 301. EXTENSION, INCREASE, AND MODIFICATIONS OF**  
5 **NONBUSINESS ENERGY PROPERTY CREDIT.**

6 (a) EXTENSION OF CREDIT.—Section 25C(g)(2) is  
7 amended by striking “December 31, 2020” and inserting  
8 “December 31, 2025”.

9 (b) INCREASE IN CREDIT PERCENTAGE FOR QUALI-  
10 FIED ENERGY EFFICIENCY IMPROVEMENTS.—Section  
11 25C(a)(1) is amended by striking “10 percent” and insert-  
12 ing “15 percent”.

13 (c) INCREASE IN LIFETIME LIMITATION OF CRED-  
14 IT.—Section 25C(b)(1) is amended—

15 (1) by striking “\$500” and inserting “\$1,200”,  
16 and

17 (2) by striking “December 31, 2005” and in-  
18 serting “December 31, 2020”.

19 (d) LIMITATIONS.—Section 25C(b) is amended by  
20 striking paragraphs (2) and (3) and inserting the fol-  
21 lowing:

22 “(2) LIMITATION ON QUALIFIED ENERGY EFFI-  
23 CIENCY IMPROVEMENTS.—The credit allowed under  
24 this section by reason of subsection (a)(1), with re-

1       spect to costs paid or incurred by a taxpayer for a  
2       taxable year, shall not exceed—

3               “(A) for components described in sub-  
4       section (c)(3)(A), the excess (if any) of \$600  
5       over the aggregate credits allowed under this  
6       section with respect to such components for all  
7       prior taxable years ending after December 31,  
8       2020,

9               “(B) for components described in sub-  
10      section (c)(3)(B),

11              “(i) in the case of components which  
12      are not described in clause (ii), the excess  
13      (if any) of \$200 over the aggregate credits  
14      allowed under this section with respect to  
15      such components for all prior taxable years  
16      ending after December 31, 2020, and

17              “(ii) in the case of components which  
18      meet the standards for most efficient cer-  
19      tification under applicable Energy Star  
20      program requirements, the excess (if any)  
21      of \$600 over the aggregate credits allowed  
22      under this section with respect to such  
23      components for all prior taxable years end-  
24      ing after December 31, 2020, or with re-

1           spect to components described in clause (i)  
 2           for such taxable year, and

3           “(C) for components described in sub-  
 4           section (c)(3)(C) by any taxpayer for any tax-  
 5           able year, the credit allowed under this section  
 6           with respect to such amounts for such year  
 7           shall not exceed the lesser of—

8                   “(i) the excess (if any) of \$500 over  
 9                   the aggregate credits allowed under this  
 10                  section with respect to such amounts for  
 11                  all prior taxable years ending after Decem-  
 12                  ber 31, 2020, or

13                   “(ii) \$250 for each exterior door.

14           “(3) LIMITATION ON RESIDENTIAL ENERGY  
 15           PROPERTY EXPENDITURES.—The credit allowed  
 16           under this section by reason of subsection (a)(2)  
 17           shall not, with respect to an item of property, ex-  
 18           ceed—

19                   “(A) in the case of property described in  
 20                   subparagraph (A), (B), or (C) of subsection  
 21                   (d)(3), \$600,

22                   “(B) for the case of property described in  
 23                   subparagraph (D) of subsection (d)(3), \$400,

24                   “(C) in the case of a hot water boiler,  
 25                   \$600, and

1 “(D) in the case of a furnace, an amount  
2 equal to the sum of—

3 “(i) \$300, plus

4 “(ii) if the taxpayer is converting  
5 from a non-condensing furnace to a con-  
6 densing furnace, \$300.”.

7 (e) STANDARDS FOR ENERGY EFFICIENT BUILDING  
8 ENVELOPE COMPONENTS.—Section 25C(c)(2) is amended  
9 by striking “meets—” and all that follows through the pe-  
10 riod at the end and inserting the following: “meets—

11 “(A) in the case of an exterior window, a  
12 skylight, or an exterior door, applicable Energy  
13 Star program requirements, and

14 “(B) in the case of any other component,  
15 the prescriptive criteria for such component es-  
16 tablished by the 2018 IECC (as such term is  
17 defined in section 45L(b)(5)).”.

18 (f) ROOFS NOT BUILDING ENVELOPE COMPO-  
19 NENTS.—Section 25C(c)(3) is amended by adding “and”  
20 at the end of subparagraph (B), by striking “, and” at  
21 the end of subparagraph (C) and inserting a period, and  
22 by striking subparagraph (D).

23 (g) ADVANCED MAIN AIR CIRCULATING FANS NOT  
24 QUALIFIED ENERGY PROPERTY.—

1           (1) IN GENERAL.—Section 25C(d)(2)(A) is  
 2           amended by adding “or” at the end of clause (i), by  
 3           striking “, or” at the end of clause (ii) and inserting  
 4           a period, and by striking clause (iii).

5           (2) CONFORMING AMENDMENT.—Section  
 6           25C(d) is amended by striking paragraph (5) and  
 7           redesignating paragraph (6) as paragraph (5).

8           (h) INCREASE IN STANDARD FOR ELECTRIC HEAT  
 9           PUMP WATER HEATER.—Section 25C(d)(3)(A) is amend-  
 10          ed by striking “an energy factor of at least 2.0” and in-  
 11          serting “a uniform energy factor of at least 3.0”.

12          (i) UPDATE OF STANDARDS FOR CERTAIN ENERGY-  
 13          EFFICIENT BUILDING PROPERTY.—Section 25C(d)(3) is  
 14          amended—

15               (1) by striking “January 1, 2009” each place  
 16               such term appears and inserting “November 1,  
 17               2019”, and

18               (2) by striking subparagraph (D) and inserting  
 19               the following:

20                       “(D) a natural gas, propane, or oil water  
 21                       heater which, in the standard Department of  
 22                       Energy test procedure, yields—

23                               “(i) in the case of a storage tank  
 24                               water heater—

1 “(I) in the case of a medium-  
 2 draw water heater, a uniform energy  
 3 factor of not less than 0.78, and

4 “(II) in the case of a high-draw  
 5 water heater, a uniform energy factor  
 6 of not less than 0.80, and

7 “(ii) in the case of a tankless water  
 8 heater—

9 “(I) in the case of a medium-  
 10 draw water heater, a uniform energy  
 11 factor of not less than 0.87, and

12 “(II) in the case of a high-draw  
 13 water heater, a uniform energy factor  
 14 of not less than 0.90, and”.

15 (j) INCREASE IN STANDARD FOR FURNACES.—Sec-  
 16 tion 25C(d)(4) is amended by striking by striking “not  
 17 less than 95.” and inserting the following: “not less  
 18 than—

19 “(A) in the case of a furnace, 97 percent,  
 20 and

21 “(B) in the case of a hot water boiler, 95  
 22 percent.”.

23 (k) HOME ENERGY AUDITS.—

24 (1) IN GENERAL.—Section 25C(a) is amended  
 25 by striking “and” at the end of paragraph (1), by



1 striking the period at the end of paragraph (2) and  
2 inserting “, and”, and by adding at the end the fol-  
3 lowing new paragraph:

4 “(3) 30 percent of the amount paid or incurred  
5 by the taxpayer during the taxable year for home en-  
6 ergy audits.”.

7 (2) LIMITATION.—Section 25C(b) is amended  
8 adding at the end the following new paragraph:

9 “(4) HOME ENERGY AUDITS.—The amount of  
10 the credit allowed under this section by reason of  
11 subsection (a)(3) shall not exceed \$150.”.

12 (3) HOME ENERGY AUDITS.—Section 25C, as  
13 amended by subsections (a), is amended by redesignig-  
14 nating subsections (e), (f), and (g), as subsections  
15 (f), (g), and (h), respectively, and by inserting after  
16 subsection (d) the following new subsection:

17 “(e) HOME ENERGY AUDITS.—For purposes of this  
18 section, the term ‘home energy audit’ means an inspection  
19 and written report with respect to a dwelling unit located  
20 in the United States and owned or used by the taxpayer  
21 as the taxpayer’s principal residence (within the meaning  
22 of section 121) which—

23 “(1) identifies the most significant and cost-ef-  
24 fective energy efficiency improvements with respect  
25 to such dwelling unit, including an estimate of the

1 energy and cost savings with respect to each such  
 2 improvement, and

3 “(2) is conducted and prepared by a home en-  
 4 ergy auditor that meets the certification or other re-  
 5 quirements specified by the Secretary (after con-  
 6 sultation with the Secretary of Energy, and not later  
 7 than 180 days after the date of the enactment of  
 8 this subsection) in regulations or other guidance.”.

9 (4) CONFORMING AMENDMENT.—Section  
 10 1016(a)(33) is amended by striking “section 25C(f)”  
 11 and inserting “section 25C(g)”.

12 (l) EFFECTIVE DATES.—

13 (1) INCREASE AND MODERNIZATION.—Except  
 14 as otherwise provided by this subsection, the amend-  
 15 ments made by this section shall apply to property  
 16 placed in service after December 31, 2020.

17 (2) EXTENSION.—The amendments made by  
 18 subsection (a) shall apply to property placed in serv-  
 19 ice after December 31, 2020.

20 (3) HOME ENERGY AUDITS.—The amendments  
 21 made by subsection (k) shall apply to amounts paid  
 22 or incurred after December 31, 2020.

23 **SEC. 302. RESIDENTIAL ENERGY EFFICIENT PROPERTY.**

24 (a) EXTENSION OF CREDIT.—

1           (1) IN GENERAL.—Section 25D(h) is amended  
 2       by striking “December 31, 2021” and inserting  
 3       “December 31, 2027”.

4           (2) APPLICATION OF PHASEOUT.—Section  
 5       25D(g) is amended—

6                 (A) in paragraph (1), by striking “January  
 7       1, 2020” and inserting “January 1, 2026”,

8                 (B) in paragraph (2)—

9                         (i) by striking “December 31, 2019”  
 10       and inserting “December 31, 2025”, and

11                        (ii) by striking “January 1, 2021”  
 12       and inserting “January 1, 2027”, and

13                 (C) in paragraph (3)—

14                         (i) by striking “December 31, 2020”  
 15       and inserting “December 31, 2026”, and

16                        (ii) by striking “January 1, 2022”  
 17       and inserting “January 1, 2028”.

18       (b) QUALIFIED BIOMASS FUEL PROPERTY EXPENDI-  
 19       TURES; RESIDENTIAL ENERGY EFFICIENT PROPERTY  
 20       CREDIT FOR BATTERY STORAGE TECHNOLOGY.—

21           (1) IN GENERAL.—Section 25D(a) is amended  
 22       by striking “and” at the end of paragraph (4) and  
 23       by inserting after paragraph (5) the following new  
 24       paragraphs:

1           “(6) the qualified biomass fuel property expend-  
2           itures, and

3           “(7) the qualified battery storage technology ex-  
4           penditures,”.

5           (2) QUALIFIED BIOMASS FUEL PROPERTY EX-  
6           PENDITURES; RESIDENTIAL ENERGY EFFICIENT  
7           PROPERTY CREDIT FOR BATTERY STORAGE TECH-  
8           NOLOGY.—Section 25D(d) is amended by adding at  
9           the end the following new paragraphs:

10           “(6) QUALIFIED BIOMASS FUEL PROPERTY EX-  
11           PENDITURE.—

12           “(A) IN GENERAL.—The term ‘qualified  
13           biomass fuel property expenditure’ means an  
14           expenditure for property—

15           “(i) which uses the burning of bio-  
16           mass fuel to heat a dwelling unit located in  
17           the United States and used as a residence  
18           by the taxpayer, or to heat water for use  
19           in such a dwelling unit, and

20           “(ii) which has a thermal efficiency  
21           rating of at least 75 percent (measured by  
22           the higher heating value of the fuel).

23           “(B) BIOMASS FUEL.—For purposes of  
24           this section, the term ‘biomass fuel’ means any

1 plant-derived fuel available on a renewable or  
 2 recurring basis.

3 “(7) QUALIFIED BATTERY STORAGE TECH-  
 4 NOLOGY EXPENDITURE.—The term ‘qualified bat-  
 5 tery storage technology expenditure’ means an ex-  
 6 penditure for battery storage technology which—

7 “(A) is installed in connection with a  
 8 dwelling unit located in the United States and  
 9 used as a residence by the taxpayer, and

10 “(B) has a capacity of not less than 3 kilo-  
 11 watt hours.”.

12 (3) DENIAL OF DOUBLE BENEFIT FOR BIOMASS  
 13 STOVES.—

14 (A) IN GENERAL.—Section 25C(d)(3) is  
 15 amended by adding “and” at the end of sub-  
 16 paragraph (C), by striking “, and” at the end  
 17 of subparagraph (D) and inserting a period,  
 18 and by striking subparagraph (E).

19 (B) CONFORMING AMENDMENT.—Section  
 20 25C(d), as amended by the preceding provisions  
 21 of this Act, is amended by striking paragraph  
 22 (5).

23 (c) EFFECTIVE DATE.—The amendments made by  
 24 this section shall apply to expenditures made after the  
 25 date of the enactment of this Act.

1 **SEC. 303. ENERGY EFFICIENT COMMERCIAL BUILDINGS DE-**  
 2 **DUCTION.**

3 (a) EXTENSION.—Section 179D(h) is amended by  
 4 striking “December 31, 2020” and inserting “December  
 5 31, 2025”.

6 (b) INCREASE IN THE MAXIMUM AMOUNT OF DE-  
 7 Duction.—

8 (1) IN GENERAL.—Section 179D(b) is amended  
 9 by striking “\$1.80” and inserting “\$3”.

10 (2) INFLATION ADJUSTMENT.—Section 179D,  
 11 as amended by subsection (a), is amended by redes-  
 12 ignating subsection (h) as subsection (i) and by in-  
 13 serting after subsection (g) the following new sub-  
 14 section:

15 “(h) INFLATION ADJUSTMENT.—In the case of a tax-  
 16 able year beginning after 2020, each dollar amount in sub-  
 17 section (b) or subsection (d)(1)(A) shall be increased by  
 18 an amount equal to—

19 “(1) such dollar amount, multiplied by

20 “(2) the cost-of-living adjustment determined  
 21 under section 1(f)(3) for the calendar year in which  
 22 the taxable year begins, determined by substituting  
 23 ‘calendar year 2019’ for ‘calendar year 2016’ in sub-  
 24 paragraph (A)(ii) thereof.”.

25 (3) CONFORMING AMENDMENT.—Section  
 26 179D(d)(1)(A) is amended by striking “by sub-

1       stituting ‘\$.60’ for ‘\$1.80’” and inserting “by sub-  
 2       stituting ‘\$1’ for ‘\$3’”.

3       (c) LIMIT ON DEDUCTION LIMITED TO THREE-YEAR  
 4 PERIOD.—Section 179D(b)(2) is amended by striking “for  
 5 all prior taxable years” and inserting “for the 3 years im-  
 6 mediately preceding such taxable year”.

7       (d) UPDATE OF STANDARDS.—

8           (1) ASHRAE STANDARDS.—Section 179D(c) is  
 9 amended—

10                   (A) in paragraphs (1)(B)(ii) and (1)(D),  
 11                   by striking “Standard 90.1–2007” and insert-  
 12                   ing “Reference Standard 90.1”, and

13                   (B) by amending paragraph (2) to read as  
 14 follows:

15           “(2) REFERENCE STANDARD 90.1.—The term  
 16 ‘Reference Standard 90.1’ means, with respect to  
 17 property, the Standard 90.1 most recently adopted  
 18 (as of the date that is 2 years before the date that  
 19 construction of such property begins) by the Amer-  
 20 ican Society of Heating, Refrigerating, and Air Con-  
 21 ditioning Engineers and the Illuminating Engineer-  
 22 ing Society of North America.”.

23           (2) CALIFORNIA NONRESIDENTIAL ALTER-  
 24 NATIVE CALCULATION METHOD APPROVAL MAN-

1 UAL.—Section 179D(d)(2) is amended by striking  
2 “2005” and inserting “2019”.

3 (e) CHANGE IN EFFICIENCY STANDARDS.—Section  
4 179D(c)(1)(D) is amended by striking “50” and inserting  
5 “30”.

6 (f) DEADWOOD.—Section 179D, as amended by sub-  
7 sections (a) and (b), is amended by striking subsection (f)  
8 and redesignating subsections (g), (h), and (i) as sub-  
9 sections (f), (g), and (h), respectively.

10 (g) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to property placed in service after  
12 December 31, 2020.

13 **SEC. 304. EXTENSION, INCREASE, AND MODIFICATIONS OF**  
14 **NEW ENERGY EFFICIENT HOME CREDIT.**

15 (a) EXTENSION OF CREDIT.—Section 45L(g) is  
16 amended by striking “December 31, 2020” and inserting  
17 “December 31, 2025”.

18 (b) INCREASE IN CREDIT FOR CERTAIN DWELLING  
19 UNITS.—Section 45L(a)(2)(A) is amended by striking  
20 “\$2,000” and inserting “\$2,500”.

21 (c) INCREASE IN STANDARD FOR HEATING AND  
22 COOLING REDUCTION FOR CERTAIN UNITS.—Section  
23 45L(c)(1) is amended by striking “50 percent” each place  
24 such term appears and inserting “60 percent”.



1 (d) ENERGY SAVING REQUIREMENTS MODIFICA-  
2 TIONS.—

3 (1) ALL ENERGY STAR LABELED HOMES ELIGI-  
4 BLE; NO REDUCTION IN STANDARD.—Section 45L(c)  
5 is amended by amending paragraph (3) to read as  
6 follows:

7 “(3) a unit which meets the requirements estab-  
8 lished by the Administrator of the Environmental  
9 Protection Agency under the Energy Star Labeled  
10 Homes program and, in the case of a manufactured  
11 home, which conforms to Federal Manufactured  
12 Home Construction and Safety Standards (part  
13 3280 of title 24, Code of Federal Regulations).”.

14 (2) UNITS CONSTRUCTED IN ACCORDANCE  
15 WITH 2018 IECC STANDARDS.—Section 45L(c), as  
16 amended by paragraph (1), is further amended by  
17 striking “or” at the end of paragraph (2), by strik-  
18 ing the period at the end of paragraph (3) and in-  
19 serting “, or”, and by adding at the end the fol-  
20 lowing new paragraph:

21 “(4) certified—

22 “(A) to have a level of annual energy con-  
23 sumption which is at least 15 percent below the  
24 annual level of energy consumption of a com-  
25 parable dwelling unit—

1 “(i) which is constructed in accord-  
 2 ance with the standards of chapter 4 of the  
 3 2018 IECC (without taking into account  
 4 on-site energy generation), and

5 “(ii) which meets the requirements de-  
 6 scribed in paragraph (1)(A)(ii), and

7 “(B) to have building envelope component  
 8 improvements account for at least 1/5 of such  
 9 15 percent.”.

10 (3) CONFORMING AMENDMENTS.—

11 (A) Section 45L(c)(2) is amended by in-  
 12 serting “or (4)” after “paragraph (1)”.

13 (B) Section 45L(a)(2)(A) is amended by  
 14 striking “or (2)” and inserting “, (2), or (4)”.

15 (C) Section 45L(b) is amended by adding  
 16 at the end the following:

17 “(5) 2018 IECC.—The term ‘2018 IECC’  
 18 means the 2018 International Energy Conservation  
 19 Code, as such Code (including supplements) is in ef-  
 20 fect on November 1, 2018.”.

21 (e) EFFECTIVE DATES.—The amendments made by  
 22 this section shall apply to dwelling units acquired after  
 23 December 31, 2020.

1 **SEC. 305. MODIFICATIONS TO INCOME EXCLUSION FOR**  
2 **CONSERVATION SUBSIDIES.**

3 (a) IN GENERAL.—Section 136(a) is amended—

4 (1) by striking “any subsidy provided” and in-  
5 serting “any subsidy—

6 “(1) provided”,

7 (2) by striking the period at the end and insert-  
8 ing a comma, and

9 (3) by adding at the end the following new  
10 paragraphs:

11 “(2) provided (directly or indirectly) by a public  
12 utility to a customer, or by a State or local govern-  
13 ment to a resident of such State or locality, for the  
14 purchase or installation of any water conservation or  
15 efficiency measure,

16 “(3) provided (directly or indirectly) by a storm  
17 water management provider to a customer, or by a  
18 State or local government to a resident of such State  
19 or locality, for the purchase or installation of any  
20 storm water management measure, or

21 “(4) provided (directly or indirectly) by a State  
22 or local government to a resident of such State or  
23 locality for the purchase or installation of any waste-  
24 water management measure, but only if such meas-  
25 ure is with respect to the taxpayer’s principal resi-  
26 dence.”.

1 (b) CONFORMING AMENDMENTS.—

2 (1) DEFINITION OF WATER CONSERVATION OR  
3 EFFICIENCY MEASURE AND STORM WATER MANAGE-  
4 MENT MEASURE.—Section 136(c) is amended—

5 (A) by striking “ENERGY CONSERVATION  
6 MEASURE” in the heading thereof and inserting  
7 “DEFINITIONS”,

8 (B) by striking “IN GENERAL” in the  
9 heading of paragraph (1) and inserting “EN-  
10 ERGY CONSERVATION MEASURE”, and

11 (C) by redesignating paragraph (2) as  
12 paragraph (5) and by inserting after paragraph  
13 (1) the following:

14 “(2) WATER CONSERVATION OR EFFICIENCY  
15 MEASURE.—For purposes of this section, the term  
16 ‘water conservation or efficiency measure’ means any  
17 evaluation of water use, or any installation or modi-  
18 fication of property, the primary purpose of which is  
19 to reduce consumption of water or to improve the  
20 management of water demand with respect to one or  
21 more dwelling units.

22 “(3) STORM WATER MANAGEMENT MEASURE.—  
23 For purposes of this section, the term ‘storm water  
24 management measure’ means any installation or  
25 modification of property primarily designed to re-

1       duce or manage amounts of storm water with re-  
2       spect to one or more dwelling units.

3               “(4) WASTEWATER MANAGEMENT MEASURE.—  
4       For purposes of this section, the term ‘wastewater  
5       management measure’ means any installation or  
6       modification of property primarily designed to man-  
7       age wastewater (including septic tanks and cess-  
8       pools) with respect to one or more dwelling units.”.

9               (2) DEFINITION OF PUBLIC UTILITY.—Section  
10       136(c)(5) (as redesignated by paragraph (1)(C)) is  
11       amended by striking subparagraph (B) and inserting  
12       the following:

13               “(B) PUBLIC UTILITY.—The term ‘public  
14       utility’ means a person engaged in the sale of  
15       electricity, natural gas, or water to residential,  
16       commercial, or industrial customers for use by  
17       such customers.

18               “(C) STORM WATER MANAGEMENT PRO-  
19       VIDER.—The term ‘storm water management  
20       provider’ means a person engaged in the provi-  
21       sion of storm water management measures to  
22       the public.

23               “(D) PERSON.—For purposes of subpara-  
24       graphs (B) and (C), the term ‘person’ includes  
25       the Federal Government, a State or local gov-

1           ernment or any political subdivision thereof, or  
 2           any instrumentality of any of the foregoing.”.

3           (3) CLERICAL AMENDMENTS.—

4                 (A) The heading for section 136 is amend-  
 5           ed—

6                         (i) by inserting “**AND WATER**” after  
 7                         “**ENERGY**”, and

8                         (ii) by striking “**PROVIDED BY PUB-**  
 9                         **LIC UTILITIES**”.

10                 (B) The item relating to section 136 in the  
 11           table of sections of part III of subchapter B of  
 12           chapter 1 is amended—

13                         (i) by inserting “and water” after  
 14                         “energy”, and

15                         (ii) by striking “provided by public  
 16                         utilities”.

17           (c) EFFECTIVE DATE.—The amendments made by  
 18   this section shall apply to amounts received after Decem-  
 19   ber 31, 2018.

20           (d) NO INFERENCE.—Nothing in this Act or the  
 21   amendments made by this Act shall be construed to create  
 22   any inference with respect to the proper tax treatment of  
 23   any subsidy received directly or indirectly from a public  
 24   utility, a storm water management provider, or a State  
 25   or local government for any water conservation measure

1 or storm water management measure before January 1,  
2 2021.

3 **TITLE IV—GREENING THE**  
4 **FLEET AND ALTERNATIVE VE-**  
5 **HICLES**

6 **SEC. 401. MODIFICATION OF LIMITATIONS ON NEW QUALI-**  
7 **FIED PLUG-IN ELECTRIC DRIVE MOTOR VEHI-**  
8 **CLE CREDIT.**

9 (a) IN GENERAL.—Section 30D(e) is amended to  
10 read as follows:

11 “(e) LIMITATION ON NUMBER OF NEW QUALIFIED  
12 PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES ELIGIBLE  
13 FOR CREDIT.—

14 “(1) IN GENERAL.—In the case of any new  
15 qualified plug-in electric drive motor vehicle sold  
16 after the date of the enactment of the GREEN Act  
17 of 2020—

18 “(A) if such vehicle is sold during the tran-  
19 sition period, the amount determined under  
20 subsection (b)(2) shall be reduced by \$500, and

21 “(B) if such vehicle is sold during the  
22 phaseout period, only the applicable percentage  
23 of the credit otherwise allowable under sub-  
24 section (a) shall be allowed.

1           “(2) TRANSITION PERIOD.—For purposes of  
2           this subsection, the transition period is the period  
3           subsequent to the first date on which the number of  
4           new qualified plug-in electric drive motor vehicles  
5           manufactured by the manufacturer of the vehicle re-  
6           ferred to in paragraph (1) sold for use in the United  
7           States after December 31, 2009, is at least 200,000.

8           “(3) PHASEOUT PERIOD.—

9                   “(A) IN GENERAL.—For purposes of this  
10           subsection, the phaseout period is the period be-  
11           ginning with the second calendar quarter fol-  
12           lowing the calendar quarter which includes the  
13           first date on which the number of new qualified  
14           plug-in electric drive motor vehicles manufac-  
15           tured by the manufacturer of the vehicle re-  
16           ferred to in paragraph (1) sold for use in the  
17           United States after December 31, 2009, is at  
18           least 600,000.

19                   “(B) APPLICABLE PERCENTAGE.—For  
20           purposes of paragraph (1)(B), the applicable  
21           percentage is—

22                           “(i) 50 percent for the first calendar  
23                           quarter of the phaseout period, and

24                           “(ii) 0 percent for each calendar quar-  
25                           ter thereafter.



1           “(C) EXCLUSION OF SALE OF CERTAIN VE-  
2           HICLES.—

3           “(i) IN GENERAL.—For purposes of  
4           subparagraph (A), any new qualified plug-  
5           in electric drive motor vehicle manufac-  
6           tured by the manufacturer of the vehicle  
7           referred to in paragraph (1) which was  
8           sold during the exclusion period shall not  
9           be included for purposes of determining  
10          the number of such vehicles sold.

11          “(ii) EXCLUSION PERIOD.—For pur-  
12          poses of this subparagraph, the exclusion  
13          period is the period—

14               “(I) beginning on the first date  
15               on which the number of new qualified  
16               plug-in electric drive motor vehicles  
17               manufactured by the manufacturer of  
18               the vehicle referred to in paragraph  
19               (1) sold for use in the United States  
20               after December 31, 2009, is at least  
21               200,000, and

22               “(II) ending on the date of the  
23               enactment of the GREEN Act of  
24               2020.

1           “(4) CONTROLLED GROUPS.—Rules similar to  
2           the rules of section 30B(f)(4) shall apply for pur-  
3           poses of this subsection.”.

4           (b) EXTENSION FOR 2- AND 3-WHEELED PLUG-IN  
5           ELECTRIC VEHICLES.—Section 30D(g)(3)(E) is amended  
6           to read as follows:

7                       “(E) is acquired after December 31, 2020,  
8                       and before January 1, 2026.”.

9           (c) EFFECTIVE DATE.—

10           (1) LIMITATION.—The amendment made by  
11           subsection (a) shall apply to vehicles sold after the  
12           date of the enactment of this Act.

13           (2) EXTENSION.—The amendment made by  
14           subsection (b) shall apply to vehicles sold after De-  
15           cember 31, 2020.

16   **SEC. 402. CREDIT FOR PREVIOUSLY-OWNED QUALIFIED**  
17           **PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.**

18           (a) IN GENERAL.—Subpart A of part IV of sub-  
19           chapter A of chapter 1 is amended by inserting after sec-  
20           tion 25D the following new section:

21   **“SEC. 25E. PREVIOUSLY-OWNED QUALIFIED PLUG-IN ELEC-**  
22           **TRIC DRIVE MOTOR VEHICLES.**

23           “(a) ALLOWANCE OF CREDIT.—In the case of a  
24           qualified buyer who during a taxable year places in service  
25           a previously-owned qualified plug-in electric drive motor

1 vehicle, there shall be allowed as a credit against the tax  
 2 imposed by this chapter for the taxable year an amount  
 3 equal to the sum of—

4 “(1) \$1,250, plus

5 “(2) in the case of a vehicle which draws pro-  
 6 pulsion energy from a battery which exceeds 4 kilo-  
 7 watt hours of capacity (determined at the time of  
 8 sale), the lesser of—

9 “(A) \$1,250, and

10 “(B) the product of \$208.50 and such ex-  
 11 cess kilowatt hours.

12 “(b) LIMITATIONS.—

13 “(1) SALE PRICE.—The credit allowed under  
 14 subsection (a) with respect to sale of a vehicle shall  
 15 not exceed 30 percent of the sale price.

16 “(2) ADJUSTED GROSS INCOME.—The amount  
 17 which would (but for this paragraph) be allowed as  
 18 a credit under subsection (a) shall be reduced (but  
 19 not below zero) by \$250 for each \$1,000 (or fraction  
 20 thereof) by which the taxpayer’s adjusted gross in-  
 21 come exceeds \$30,000 (twice such amount in the  
 22 case of a joint return).

23 “(c) DEFINITIONS.—For purposes of this section—

24 “(1) PREVIOUSLY-OWNED QUALIFIED PLUG-IN  
 25 ELECTRIC DRIVE MOTOR VEHICLE.—The term ‘pre-

1       viously-owned qualified plug-in electric drive motor  
2       vehicle’ means, with respect to a taxpayer, a motor  
3       vehicle—

4               “(A) the model year of which is at least 2  
5       earlier than the calendar year in which the tax-  
6       payer acquires such vehicle,

7               “(B) the original use of which commences  
8       with a person other than the taxpayer,

9               “(C) which is acquired by the taxpayer in  
10      a qualified sale,

11              “(D) registered by the taxpayer for oper-  
12      ation in a State or possession of the United  
13      States, and

14              “(E) which meets the requirements of sub-  
15      paragraphs (C), (D), (E), and (F) of section  
16      30D(d)(1).

17              “(2) QUALIFIED SALE.—The term ‘qualified  
18      sale’ means a sale of a motor vehicle—

19              “(A) by a person who holds such vehicle in  
20      inventory (within the meaning of section 471)  
21      for sale or lease,

22              “(B) for a sale price of less than \$25,000,  
23      and

24              “(C) which is the first transfer since the  
25      date of the enactment of this section to a per-

1 son other than the person with whom the origi-  
2 nal use of such vehicle commenced.

3 “(3) QUALIFIED BUYER.—The term ‘qualified  
4 buyer’ means, with respect to a sale of a motor vehi-  
5 cle, a taxpayer—

6 “(A) who is an individual,

7 “(B) who purchases such vehicle for use  
8 and not for resale,

9 “(C) with respect to whom no deduction is  
10 allowable with respect to another taxpayer  
11 under section 151,

12 “(D) who has not been allowed a credit  
13 under this section for any sale during the 3-  
14 year period ending on the date of the sale of  
15 such vehicle, and

16 “(E) who possesses a certificate issued by  
17 the seller that certifies—

18 “(i) that the vehicle is a previously-  
19 owned qualified plug-in electric drive motor  
20 vehicle,

21 “(ii) the capacity of the battery at  
22 time of sale, and

23 “(iii) such other information as the  
24 Secretary may require.

1           “(4) MOTOR VEHICLE; CAPACITY.—The terms  
 2           ‘motor vehicle’ and ‘capacity’ have the meaning  
 3           given such terms in paragraphs (2) and (4) of sec-  
 4           tion 30D(d), respectively.

5           “(d) APPLICATION OF CERTAIN RULES.—For pur-  
 6           poses of this section, rules similar to the rules of para-  
 7           graphs (1), (2), (4), (5), (6), and (7) of section 30D(f)  
 8           shall apply for purposes of this section.

9           “(e) CERTIFICATE SUBMISSION REQUIREMENT.—  
 10          The Secretary may require that the issuer of the certifi-  
 11          cate described in subsection (c)(3)(E) submit such certifi-  
 12          cate to the Secretary at the time and in the manner re-  
 13          quired by the Secretary.

14          “(f) TERMINATION.—No credit shall be allowed  
 15          under this section with respect to sales after December  
 16          31, 2025.”.

17          (b) CLERICAL AMENDMENT.—The table of sections  
 18          for subpart A of part IV of subchapter A of chapter 1  
 19          is amended by inserting after the item relating to section  
 20          25D the following new item:

“Sec. 25E. Previously-owned qualified plug-in electric drive motor vehicles.”.

21          (c) EFFECTIVE DATE.—The amendments made by  
 22          this section shall apply to sales after the date of the enact-  
 23          ment of this Act.

1 **SEC. 403. CREDIT FOR ZERO-EMISSION HEAVY VEHICLES**  
 2 **AND ZERO-EMISSION BUSES.**

3 (a) IN GENERAL.—Subpart D of part IV of sub-  
 4 chapter A of chapter 1 is amended by adding at the end  
 5 the following new section:

6 **“SEC. 45U. ZERO-EMISSION HEAVY VEHICLE CREDIT.**

7 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-  
 8 tion 38, in the case of a manufacturer of a zero-emission  
 9 heavy vehicle, the zero-emission heavy vehicle credit deter-  
 10 mined under this section for a taxable year is an amount  
 11 equal to 10 percent of the sum of the sale price of each  
 12 zero-emission heavy vehicle sold by such taxpayer during  
 13 such taxable year.

14 “(b) LIMITATION.—The sale price of a zero-emission  
 15 heavy vehicle may not be taken into account under sub-  
 16 section (a) to the extent such price exceeds \$1,000,000.

17 “(c) ZERO-EMISSION HEAVY VEHICLE.—For pur-  
 18 poses of this section—

19 “(1) IN GENERAL.—The term ‘zero-emission  
 20 heavy vehicle’ means a motor vehicle which—

21 “(A) has a gross vehicle weight rating of  
 22 not less than 14,000 pounds,

23 “(B) is not powered or charged by an in-  
 24 ternal combustion engine, and

1           “(C) is propelled solely by an electric  
2           motor which draws electricity from a battery or  
3           fuel cell.

4           “(2) MOTOR VEHICLE; MANUFACTURER.—The  
5           term ‘motor vehicle’ and ‘manufacturer’ have the  
6           meaning given such terms in paragraphs (2) and (3)  
7           of section 30D(d), respectively.

8           “(d) SPECIAL RULES.—

9           “(1) SALE PRICE.—For purposes of this sec-  
10          tion, the sale price of a zero-emission heavy vehicle  
11          shall be reduced by any rebate or other incentive  
12          given before, on, or after the date of the sale.

13          “(2) DOMESTIC USE.—No credit shall be al-  
14          lowed under subsection (a) with respect to a zero-  
15          emission heavy vehicle to a manufacturer who knows  
16          or has reason to know that such vehicle will not be  
17          used primarily in the United States or a possession  
18          of the United States.

19          “(3) REGULATIONS.—The Secretary shall pre-  
20          scribe such regulations as may be necessary or ap-  
21          propriate to carry out the purposes of this section.

22          “(e) TERMINATION.—This section shall not apply to  
23          sales after December 31, 2025.”.

24          (b) CREDIT MADE PART OF GENERAL BUSINESS  
25          CREDIT.—Subsection (b) of section 38 is amended by



1 striking “plus” at the end of paragraph (32), by striking  
 2 the period at the end of paragraph (33) and inserting “,  
 3 plus”, and by adding at the end the following new para-  
 4 graph:

5           “(34) the zero-emission heavy vehicle credit de-  
 6           termined under section 45U.”.

7           (c) CLERICAL AMENDMENT.—The table of sections  
 8 for subpart D of part IV of subchapter A of chapter 1  
 9 is amended by adding at the end the following new item:

“Sec. 45U. Zero-emission heavy vehicle credit.”.

10          (d) EFFECTIVE DATE.—The amendments made by  
 11 this section shall apply to sales after the date of the enact-  
 12 ment of this Act.

13 **SEC. 404. QUALIFIED FUEL CELL MOTOR VEHICLES.**

14          (a) IN GENERAL.—Section 30B(k)(1) is amended by  
 15 striking “December 31, 2020” and inserting “December  
 16 31, 2025”.

17          (b) EFFECTIVE DATE.—The amendment made by  
 18 this section shall apply to property placed in service after  
 19 December 31, 2020.

20 **SEC. 405. ALTERNATIVE FUEL REFUELING PROPERTY**  
 21 **CREDIT.**

22          (a) IN GENERAL.—Section 30C(g) is amended by  
 23 striking “December 31, 2020” and inserting “December  
 24 31, 2025”.

1       (b) ADDITIONAL CREDIT FOR CERTAIN ELECTRIC  
2 CHARGING PROPERTY.—

3           (1) IN GENERAL.—Section 30C(a) is amend-  
4 ed—

5               (A) by striking “equal to 30 percent” and  
6 inserting the following: “equal to the sum of—  
7 “(1) 30 percent”,

8               (B) by striking the period at the end and  
9 inserting “, plus”, and

10              (C) by adding at the end the following new  
11 paragraph:

12              “(2) 20 percent of so much of such cost as ex-  
13 ceeds the limitation under subsection (b)(1) that  
14 does not exceed the amount of cost attributable to  
15 qualified alternative vehicle refueling property (de-  
16 termined without regard to paragraphs (1), (2)(A),  
17 and (2)(B) of subsection (c)) which—

18                   “(A) is intended for general public use and  
19 recharges motor vehicle batteries with no asso-  
20 ciated fee or payment arrangement,

21                   “(B) is intended for general public use and  
22 accepts payment via a credit card reader, or

23                   “(C) is intended for use exclusively by  
24 fleets of commercial or governmental vehicles.”.

1           (2) CONFORMING AMENDMENT.—Section  
2       30C(b) is amended—

3           (A) by striking “The credit allowed under  
4       subsection (a)” and inserting “The amount of  
5       cost taken into account under subsection  
6       (a)(1)”,

7           (B) by striking “\$30,000” and inserting  
8       “\$100,000”, and

9           (C) by striking “\$1,000” and inserting  
10       “\$3,333.33”.

11       (c) EFFECTIVE DATE.—The amendment made by  
12       this section shall apply to property placed in service after  
13       December 31, 2020.

14       **SEC. 406. MODIFICATION OF EMPLOYER-PROVIDED FRINGE**  
15               **BENEFITS FOR BICYCLE COMMUTING.**

16       (a) REPEAL OF SUSPENSION OF EXCLUSION FOR  
17       QUALIFIED BICYCLE COMMUTING REIMBURSEMENT.—  
18       Section 132(f) is amended by striking paragraph (8).

19       (b) COMMUTING FRINGE INCLUDES BIKESHARE.—

20           (1) IN GENERAL.—Clause (i) of section  
21       132(f)(5)(F) is amended by striking “a bicycle” and  
22       all that follows and inserting “bikeshare, a bicycle,  
23       and bicycle improvements, repair, and storage, if the  
24       employee regularly uses such bikeshare or bicycle for  
25       travel between the employee’s residence and place of

1 employment or mass transit facility that connects an  
 2 employee to their place of employment.”.

3 (2) BIKESHARE.—Section 132(f)(5)(F) is  
 4 amended by adding at the end the following:

5 “(iv) BIKESHARE.—The term  
 6 ‘bikeshare’ means a bicycle rental oper-  
 7 ation at which bicycles are made available  
 8 to customers to pick up and drop off for  
 9 point-to-point use within a defined geo-  
 10 graphic area.”.

11 (c) LOW-SPEED ELECTRIC BICYCLES.—Section  
 12 132(f)(5)(F), as amended by subsection (b)(2), is amend-  
 13 ed by adding at the end the following:

14 “(v) LOW-SPEED ELECTRIC BICY-  
 15 CLES.—The term ‘bicycle’ includes a two-  
 16 or three-wheeled vehicle with fully operable  
 17 pedals and an electric motor of less than  
 18 750 watts (1 h.p.), whose maximum speed  
 19 on a paved level surface, when powered  
 20 solely by such a motor while ridden by an  
 21 operator who weighs 170 pounds, is less  
 22 than 20 mph.”.

23 (d) MODIFICATION RELATING TO BICYCLE COM-  
 24 MUTING MONTH.—Clause (iii) of section 132(f)(5)(F) is  
 25 amended to read as follows:

1                   “(iii) QUALIFIED BICYCLE COM-  
2                   MUTING MONTH.—The term ‘qualified bi-  
3                   cycle commuting month’ means, with re-  
4                   spect to any employee, any month during  
5                   which such employee regularly uses a bicy-  
6                   cle for a portion of the travel between the  
7                   employee’s residence and place of employ-  
8                   ment.”.

9           (e) LIMITATION ON EXCLUSION.—

10           (1) IN GENERAL.—Subparagraph (C) of section  
11           132(f)(2) is amended by striking “applicable annual  
12           limitation” and inserting “applicable monthly limita-  
13           tion”.

14           (2) APPLICABLE MONTHLY LIMITATION DE-  
15           FINED.—Clause (ii) of section 132(f)(5)(F) is  
16           amended to read as follows:

17                   “(ii) APPLICABLE MONTHLY LIMITA-  
18                   TION.—The term ‘applicable monthly limi-  
19                   tation’, with respect to any employee for  
20                   any month, means an amount equal to 20  
21                   percent of the dollar amount in effect for  
22                   the month under paragraph (2)(B).”.

23           (3) AGGREGATE LIMITATION.—Subparagraph  
24           (B) of section 132(f)(2) is amended by inserting

1 “and the applicable monthly limitation in the case of  
2 any qualified bicycle commuting benefit”.

3 (f) NO CONSTRUCTIVE RECEIPT.—Paragraph (4) of  
4 section 132(f) is amended by striking “(other than a quali-  
5 fied bicycle commuting reimbursement)”.

6 (g) CONFORMING AMENDMENTS.—Paragraphs  
7 (1)(D), (2)(C), and (5)(F) of section 132(f) are each  
8 amended by striking “reimbursement” each place it ap-  
9 pears and inserting “benefit”.

10 (h) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to taxable years beginning after  
12 December 31, 2020.

## 13 **TITLE V—INVESTMENT IN THE** 14 **GREEN WORKFORCE**

### 15 **SEC. 501. EXTENSION OF THE ADVANCED ENERGY** 16 **PROJECT CREDIT.**

17 (a) IN GENERAL.—Section 48C is amended by redes-  
18 ignating subsection (e) as subsection (f) and by inserting  
19 after subsection (d) the following new subsection:

20 “(e) ADDITIONAL ALLOCATIONS.—

21 “(1) IN GENERAL.—Not later than 180 days  
22 after the date of enactment of this paragraph, the  
23 Secretary, after consultation with the Secretary of  
24 Energy, shall establish a program to designate

1 amounts of qualifying advanced project credit limita-  
2 tion to qualifying advanced energy projects.

3 “(2) ANNUAL LIMITATION.—

4 “(A) IN GENERAL.—The amount of quali-  
5 fying advanced project credit limitation that  
6 may be designated under this subsection during  
7 any calendar year shall not exceed the annual  
8 credit limitation with respect to such year.

9 “(B) ANNUAL CREDIT LIMITATION.—For  
10 purposes of this subsection, the term ‘annual  
11 credit limitation’ means \$2,500,000,000 for  
12 each of calendar years 2021, 2022, 2023, 2024,  
13 and 2025, and zero thereafter.

14 “(C) CARRYOVER OF UNUSED LIMITA-  
15 TION.—If the annual credit limitation for any  
16 calendar year exceeds the aggregate amount  
17 designated for such year under this subsection,  
18 such limitation for the succeeding calendar year  
19 shall be increased by the amount of such excess.  
20 No amount may be carried under the preceding  
21 sentence to any calendar year after 2025.

22 “(3) PLACED IN SERVICE DEADLINE.—No cred-  
23 it shall be determined under subsection (a) with re-  
24 spect to any property which is placed in service after  
25 the date that is 4 years after the date of the des-

1       ignation under this subsection relating to such prop-  
2       erty.

3               “(4) SELECTION CRITERIA.—Selection criteria  
4       similar to those in subsection (d)(3) shall apply, ex-  
5       cept that in determining designations under this  
6       subsection, the Secretary, after consultation with the  
7       Secretary of Energy, shall—

8               “(A) require that applicants provide writ-  
9       ten assurances to the Secretary that all laborers  
10       and mechanics employed by contractors and  
11       subcontractors in the performance of construc-  
12       tion, alteration or repair work on a qualifying  
13       advanced energy project shall be paid wages at  
14       rates not less than those prevailing on projects  
15       of a similar character in the locality as deter-  
16       mined by the Secretary of Labor in accordance  
17       with subchapter IV of chapter 31 of title 40,  
18       United States Code, and

19               “(B) give the highest priority to projects  
20       which—

21               “(i) manufacture (other than pri-  
22       marily assembly of components) property  
23       described in a subclause of subsection  
24       (c)(1)(A)(i) (or components thereof), and



1 “(ii) have the greatest potential for  
2 commercial deployment of new applica-  
3 tions.

4 “(5) DISCLOSURE OF DESIGNATIONS.—Rules  
5 similar to the rules of subsection (d)(5) shall apply  
6 for purposes of this subsection.”.

7 (b) CLARIFICATION WITH RESPECT TO  
8 ELECTROCHROMATIC GLASS.—Section 48C(c)(1)(A)(i)(V)  
9 is amended—

10 (1) by striking “and smart grid” and inserting  
11 “, smart grid”, and

12 (2) by inserting “, and electrochromatic glass”  
13 before the comma at the end.

14 (c) EFFECTIVE DATE.—The amendment made by  
15 this section shall take effect on the date of the enactment  
16 of this Act.

17 (d) PROGRESS REPORT.—During the 30-day period  
18 ending on December 31, 2025, the Secretary of the Treas-  
19 ury (or the Secretary’s delegate), after consultation with  
20 the Secretary of Labor, shall submit a report to Congress  
21 on the domestic job creation, wages associated with such  
22 jobs, and the amount of such wages paid as described in  
23 section 48C(e)(4)(B) of the Internal Revenue Code of  
24 1986, attributable to the amendment made by this section.

1 **SEC. 502. LABOR COSTS OF INSTALLING MECHANICAL IN-**  
2 **SULATION PROPERTY.**

3 (a) IN GENERAL.—Subpart D of part IV of sub-  
4 chapter A of chapter 1, as amended by the preceding pro-  
5 visions of this Act, is further amended by adding at the  
6 end the following new section:

7 **“SEC. 45V. LABOR COSTS OF INSTALLING MECHANICAL IN-**  
8 **SULATION PROPERTY.**

9 “(a) IN GENERAL.—For purposes of section 38, the  
10 mechanical insulation labor costs credit determined under  
11 this section for any taxable year is an amount equal to  
12 10 percent of the mechanical insulation labor costs paid  
13 or incurred by the taxpayer during such taxable year.

14 “(b) MECHANICAL INSULATION LABOR COSTS.—For  
15 purposes of this section—

16 “(1) IN GENERAL.—The term ‘mechanical insu-  
17 lation labor costs’ means the labor cost of installing  
18 mechanical insulation property with respect to a me-  
19 chanical system referred to in paragraph (2)(A)  
20 which was originally placed in service not less than  
21 1 year before the date on which such mechanical in-  
22 sulation property is installed.

23 “(2) MECHANICAL INSULATION PROPERTY.—  
24 The term ‘mechanical insulation property’ means in-  
25 sulation materials, and facings and accessory prod-

1        ucts installed in connection to such insulation mate-  
2        rials—

3                “(A) placed in service in connection with a  
4                mechanical system which—

5                        “(i) is located in the United States,  
6                        and

7                        “(ii) is of a character subject to an al-  
8                        lowance for depreciation, and

9                “(B) which result in a reduction in energy  
10                loss from the mechanical system which is great-  
11                er than the expected reduction from the instal-  
12                lation of insulation materials which meet the  
13                minimum requirements of Reference Standard  
14                90.1 (as defined in section 179D(c)(2)).

15        “(c) TERMINATION.—This section shall not apply to  
16        mechanical insulation labor costs paid or incurred after  
17        December 31, 2025.”.

18        (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-  
19        NESS CREDIT.—Section 38(b), as amended by the pre-  
20        ceding provisions of this Act, is further amended by strik-  
21        ing “plus” at the end of paragraph (33), by striking the  
22        period at the end of paragraph (34) and inserting “, plus”,  
23        and by adding at the end the following new paragraph:

24                “(35) the mechanical insulation labor costs  
25                credit determined under section 45V(a).”.

1 (c) CONFORMING AMENDMENTS.—

2 (1) Section 280C is amended by adding at the  
3 end the following new subsection:

4 “(i) MECHANICAL INSULATION LABOR COSTS CRED-  
5 IT.—

6 “(1) IN GENERAL.—No deduction shall be al-  
7 lowed for that portion of the mechanical insulation  
8 labor costs (as defined in section 45V(b)) otherwise  
9 allowable as deduction for the taxable year which is  
10 equal to the amount of the credit determined for  
11 such taxable year under section 45V(a).

12 “(2) SIMILAR RULE WHERE TAXPAYER CAP-  
13 ITALIZES RATHER THAN DEDUCTS EXPENSES.—If—

14 “(A) the amount of the credit determined  
15 for the taxable year under section 45V(a), ex-  
16 ceeds

17 “(B) the amount allowable as a deduction  
18 for such taxable year for mechanical insulation  
19 labor costs (determined without regard to para-  
20 graph (1)),

21 the amount chargeable to a capital account for the  
22 taxable year for such costs shall be reduced by the  
23 amount of such excess.”.

24 (2) The table of sections for subpart D of part  
25 IV of subchapter A of chapter 1, as amended by the

1 preceding provisions of this Act, is further amended  
 2 by adding at the end the following new item:

“Sec. 45V. Labor costs of installing mechanical insulation property.”.

3 (d) EFFECTIVE DATE.—The amendments made by  
 4 this section shall apply to amounts paid or incurred after  
 5 December 31, 2020, in taxable years ending after such  
 6 date.

7 **SEC. 503. LABOR STANDARDS FOR CERTAIN ENERGY JOBS.**

8 (a) DEPARTMENT OF LABOR CERTIFICATION OF  
 9 QUALIFIED ENTITIES.—

10 (1) DEFINITIONS.—In this subsection—

11 (A) APPLICABLE CONSTRUCTION  
 12 PROJECT.—The term “applicable construction  
 13 project” means, with respect to any entity—

14 (i) the construction of any dwelling  
 15 unit referred to in section 45L(a)(3) of the  
 16 Internal Revenue Code of 1986,

17 (ii) the installation of any qualified  
 18 energy property described in section  
 19 48D(a)(1) of such Code,

20 (iii) the installation of any qualified  
 21 property referred to in paragraph (2) of  
 22 section 48D(a) of such Code as part of the  
 23 construction of any qualified investment  
 24 credit facility described in such paragraph,  
 25 and

1 (iv) the installation of any energy effi-  
2 cient commercial building property (as de-  
3 fined in section 179D(c)(1) of such Code).

4 (B) COVERED PROJECT LABOR AGREE-  
5 MENT.—The term “covered project labor agree-  
6 ment” means a project labor agreement that—

7 (i) binds all contractors and sub-  
8 contractors on the construction project  
9 through the inclusion of appropriate speci-  
10 fications in all relevant solicitation provi-  
11 sions and contract documents,

12 (ii) allows all contractors and sub-  
13 contractors to compete for contracts and  
14 subcontracts without regard to whether  
15 they are otherwise a party to a collective  
16 bargaining agreement,

17 (iii) contains guarantees against  
18 strikes, lockouts, and other similar job dis-  
19 ruptions,

20 (iv) sets forth effective, prompt, and  
21 mutually binding procedures for resolving  
22 labor disputes arising during the covered  
23 project labor agreement, and

24 (v) provides other mechanisms for  
25 labor-management cooperation on matters

1 of mutual interest and concern, including  
2 productivity, quality of work, safety, and  
3 health.

4 (C) PROJECT LABOR AGREEMENT.—The  
5 term “project labor agreement” means a pre-  
6 hire collective bargaining agreement with one or  
7 more labor organizations that establishes the  
8 terms and conditions of employment for a spe-  
9 cific construction project and is described in  
10 section 8(f) of the National Labor Relations  
11 Act (29 U.S.C. 158(f)).

12 (D) QUALIFIED ENTITY.—The term  
13 “qualified entity” means an entity that the Sec-  
14 retary of Labor certifies as a qualified entity in  
15 accordance with paragraph (2).

16 (E) REGISTERED APPRENTICESHIP PRO-  
17 GRAM.—The term “registered apprenticeship  
18 program” means an apprenticeship program  
19 registered and certified with the Secretary of  
20 Labor under section 1 of the National Appren-  
21 ticeship Act (29 U.S.C. 50).

22 (2) CERTIFICATION OF QUALIFIED ENTITIES.—

23 (A) IN GENERAL.—The Secretary of Labor  
24 shall establish a process for certifying entities  
25 that submit an application under subparagraph

1 (B) as qualified entities with respect to applica-  
2 ble construction projects for purposes of the  
3 amendments made by subsections (b), (c), and  
4 (d).

5 (B) APPLICATION PROCESS.—

6 (i) IN GENERAL.—An entity seeking  
7 certification as a qualified entity under this  
8 paragraph shall submit an application to  
9 the Secretary of Labor at such time, in  
10 such manner, and containing such infor-  
11 mation as the Secretary may reasonably  
12 require, including information to dem-  
13 onstrate compliance with the requirements  
14 under subparagraph (C).

15 (ii) REQUESTS FOR ADDITIONAL IN-  
16 FORMATION.—Not later than 1 year after  
17 receiving an application from an entity  
18 under clause (i)—

19 (I) the Secretary of Labor may  
20 request additional information from  
21 the entity in order to determine  
22 whether the entity is in compliance  
23 with the requirements under subpara-  
24 graph (C), and



1 (II) the entity shall provide such  
2 additional information.

3 (iii) DETERMINATION DEADLINE.—  
4 The Secretary of Labor shall make a de-  
5 termination on whether to certify an entity  
6 under this subsection not later than—

7 (I) in a case in which the Sec-  
8 retary requests additional information  
9 described in paragraph (2)(B)(ii), 1  
10 year after the Secretary receives such  
11 additional information from the enti-  
12 ty, or

13 (II) in a case that is not de-  
14 scribed in subclause (I), 1 year after  
15 the date on which the entity submits  
16 the application under clause (i).

17 (iv) PRECERTIFICATION REMEDIES.—  
18 The Secretary shall consider any corrective  
19 actions taken by an entity seeking certifi-  
20 cation under this paragraph to remedy an  
21 administrative merits determination, arbi-  
22 tral award or decision, or civil judgment  
23 identified under subparagraph (C)(iii) and  
24 shall impose as a condition of certification

1 any additional remedies necessary to avoid  
2 further or repeated violations.

3 (C) LABOR STANDARDS REQUIREMENTS.—

4 The Secretary of Labor shall require an entity,  
5 as a condition of certification under this sub-  
6 section, to satisfy each of the following require-  
7 ments—

8 (i) The entity shall ensure that all la-  
9 borers and mechanics employed by contrac-  
10 tors and subcontractors in the performance  
11 of any applicable construction project shall  
12 be paid wages at rates not less than those  
13 prevailing on projects of a similar char-  
14 acter in the locality as determined by the  
15 Secretary of Labor in accordance with sub-  
16 chapter IV of chapter 31 of title 40,  
17 United States Code (commonly known as  
18 the “Davis-Bacon Act”).

19 (ii) The entity shall be a party to, or  
20 require contractors and subcontractors in  
21 the performance of any applicable con-  
22 struction project to consent to, a covered  
23 project labor agreement.

24 (iii) The entity, and all contractors  
25 and subcontractors in performance of any

1 applicable construction project, shall rep-  
2 resent in the application submitted under  
3 subparagraph (B) whether there has been  
4 any administrative merits determination,  
5 arbitral award or decision, or civil judg-  
6 ment, as defined in guidance issued by the  
7 Secretary of Labor, rendered against the  
8 entity in the preceding 3 years for viola-  
9 tions of—

10 (I) the Fair Labor Standards Act  
11 of 1938 (29 U.S.C. 201 et seq.),

12 (II) the Occupational Safety and  
13 Health Act of 1970 (29 U.S.C. 651 et  
14 seq.),

15 (III) the Migrant and Seasonal  
16 Agricultural Worker Protection Act  
17 (29 U.S.C. 1801 et seq.),

18 (IV) the National Labor Rela-  
19 tions Act (29 U.S.C. 151 et seq.),

20 (V) subchapter IV of chapter 31  
21 of title 40, United States Code (com-  
22 monly known as the “Davis-Bacon  
23 Act”),

1 (VI) chapter 67 of title 41,  
2 United States Code (commonly known  
3 as the “Service Contract Act”),

4 (VII) Executive Order 11246 (42  
5 U.S.C. 2000e note; relating to equal  
6 employment opportunity),

7 (VIII) section 503 of the Reha-  
8 bilitation Act of 1973 (29 U.S.C.  
9 793),

10 (IX) section 4212 of title 38,  
11 United States Code,

12 (X) the Family and Medical  
13 Leave Act of 1993 (29 U.S.C. 2601 et  
14 seq.),

15 (XI) title VII of the Civil Rights  
16 Act of 1964 (42 U.S.C. 2000e et  
17 seq.),

18 (XII) the Americans with Dis-  
19 abilities Act of 1990 (42 U.S.C.  
20 12101 et seq.),

21 (XIII) the Age Discrimination in  
22 Employment Act of 1967 (29 U.S.C.  
23 621 et seq.),

1 (XIV) Federal Government  
2 standards establishing a minimum  
3 wage for contractors, or

4 (XV) equivalent State laws, as  
5 defined in guidance issued by the Sec-  
6 retary of Labor.

7 (iv) The entity, and all contractors  
8 and subcontractors in the performance of  
9 any applicable construction project, shall  
10 not require mandatory arbitration for any  
11 dispute involving a worker engaged in a  
12 service for the entity.

13 (v) The entity, and all contractors and  
14 subcontractors in the performance of any  
15 applicable construction project, shall con-  
16 sider an individual performing any service  
17 in such performance as an employee (and  
18 not an independent contractor) of the enti-  
19 ty, contractor, or subcontractor, respec-  
20 tively, unless—

21 (I) the individual is free from  
22 control and direction in connection  
23 with the performance of the service,  
24 both under the contract for the per-  
25 formance of the service and in fact,

1 (II) the service is performed out-  
2 side the usual course of the business  
3 of the entity, contractor, or subcon-  
4 tractor, respectively, and

5 (III) the individual is customarily  
6 engaged in an independently estab-  
7 lished trade, occupation, profession, or  
8 business of the same nature as that  
9 involved in such service.

10 (vi) The entity shall prohibit all con-  
11 tractors and subcontractors in the per-  
12 formance of any applicable construction  
13 project from hiring employees through a  
14 temporary staffing agency unless the rel-  
15 evant State workforce agency certifies that  
16 temporary employees are necessary to ad-  
17 dress an acute, short-term labor demand.

18 (vii) The entity shall require all con-  
19 tractors, subcontractors, successors in in-  
20 terest of the entity, and other entities that  
21 may acquire the entity, in the performance  
22 or acquisition of any applicable construc-  
23 tion project, to have an explicit neutrality  
24 policy on any issue involving the organiza-  
25 tion of employees of the entity, and all con-

1 tractors and subcontractors in the per-  
2 formance of any applicable construction  
3 project, for purposes of collective bar-  
4 gaining.

5 (viii) The entity shall, for each skilled  
6 craft employed on any applicable construc-  
7 tion project, demonstrate an ability to use  
8 and commit to use individuals enrolled in  
9 a registered apprenticeship program, which  
10 such individuals shall, to the greatest ex-  
11 tent practicable, constitute not less than  
12 20 percent of the individuals working on  
13 such project.

14 (ix) The entity, and all contractors  
15 and subcontractors in the performance of  
16 any applicable construction project, shall  
17 not request or otherwise consider the  
18 criminal history of an applicant for em-  
19 ployment before extending a conditional  
20 offer to the applicant, unless—

21 (I) a background check is other-  
22 wise required by law,

23 (II) the position is for a Federal  
24 law enforcement officer (as defined in

1 section 115(c)(1) of title 18, United  
2 States Code) position, or

3 (III) the Secretary of Labor,  
4 after consultation with the Secretary  
5 of Energy, certifies that precluding  
6 criminal history prior to the condi-  
7 tional offer would pose a threat to na-  
8 tional security.

9 (D) DAVIS-BACON ACT.—The Secretary of  
10 Labor shall have, with respect to the labor  
11 standards described in subparagraph (C)(i), the  
12 authority and functions set forth in Reorganiza-  
13 tion Plan Numbered 14 of 1950 (64 Stat.  
14 1267; 5 U.S.C. App.) and section 3145 of title  
15 40, United States Code.

16 (E) PERIOD OF VALIDITY FOR CERTIFI-  
17 CATIONS.—A certification made under this sub-  
18 section shall be in effect for a period of 5 years.  
19 An entity may reapply to the Secretary of  
20 Labor for an additional certification under this  
21 subsection in accordance with the application  
22 process under paragraph (2)(B).

23 (F) REVOCATION OF QUALIFIED ENTITY  
24 STATUS.—The Secretary of Labor may revoke  
25 the certification of an entity under this sub-



1 section as a qualified entity at any time in  
2 which the Secretary reasonably determines the  
3 entity is no longer in compliance with para-  
4 graph (2)(C).

5 (G) CERTIFICATION MAY COVER MORE  
6 THAN 1 SUBSTANTIALLY SIMILAR PROJECT.—  
7 The Secretary of Labor may make certifications  
8 under this paragraph which apply with respect  
9 to more than 1 project if the projects to which  
10 such certification apply are substantially similar  
11 projects which meet the requirements of this  
12 subsection. Such projects shall be treated as a  
13 specific construction project for purposes of  
14 paragraph (1)(C).

15 (3) AUTHORIZATION OF APPROPRIATIONS.—  
16 There is authorized to be appropriated to carry out  
17 this section \$10,000,000 for fiscal year 2020 and  
18 each fiscal year thereafter.

19 (b) JOBS IN ENERGY CREDIT.—

20 (1) IN GENERAL.—Subpart E of part IV of  
21 subchapter A of chapter 1 of the Internal Revenue  
22 Code of 1986 is amended by inserting after section  
23 48C the following new section:

1   **“SEC. 48D. JOBS IN ENERGY CREDIT.**

2           “(a) INVESTMENT CREDIT FOR QUALIFIED PROP-  
3   ERTY.—For purposes of section 46, the jobs in energy  
4   credit for any taxable year is an amount equal to 10 per-  
5   cent of the basis of any qualified energy property placed  
6   in service by the taxpayer during such taxable year if the  
7   installation of such property is performed by a qualified  
8   entity with respect to such property.

9           “(b) QUALIFIED ENERGY PROPERTY.—For purposes  
10   of this section, the term ‘qualified energy property’  
11   means—

12           “(1) energy property (as defined in section  
13       48(a)(3)), or

14           “(2) qualified property which is part of a quali-  
15       fied investment credit facility (as defined in section  
16       48(a)(5) without regard to clause (a)(5)(C)(iii))  
17       which is originally placed in service after December  
18       31, 2020.

19           “(c) QUALIFIED ENTITY.—For purposes of this sec-  
20   tion—

21           “(1) IN GENERAL.—The term ‘qualified entity’  
22       means, with respect to the installation of any quali-  
23       fied energy property, an entity which is certified by  
24       the Secretary of Labor as being in compliance with  
25       all of the applicable requirements under section  
26       503(a) of the GREEN Act of 2020 with respect to

1 such installation at all times during the period be-  
2 ginning on the date on which the installation of such  
3 property begins and ending on the date on which  
4 such property is placed in service.

5 “(2) CERTIFICATION OF FACILITY REQUIRED.—

6 In the case of any qualified property referred to in  
7 subsection (b)(2), an entity shall be treated as a  
8 qualified entity with respect to the installation of  
9 such property only if the Secretary of Labor has cer-  
10 tified that the construction of the qualified invest-  
11 ment credit facility of which such qualified property  
12 is a part as being in compliance with all of the appli-  
13 cable requirements under section 503(a) of the  
14 GREEN Act of 2020 for the period referred to in  
15 paragraph (1).

16 “(d) SPECIAL RULES.—

17 “(1) CERTAIN PROGRESS EXPENDITURE RULES  
18 MADE APPLICABLE.—Rules similar to the rules of  
19 subsections (c)(4) and (d) of section 46 (as in effect  
20 on the day before the date of the enactment of the  
21 Revenue Reconciliation Act of 1990) shall apply for  
22 purposes of subsection (a).

23 “(2) SPECIAL RULE FOR PROPERTY FINANCED  
24 BY SUBSIDIZED ENERGY FINANCING OR INDUSTRIAL  
25 DEVELOPMENT BONDS.—For purposes of subsection

1 (a), rules similar to the rules of section 48(a)(4)  
 2 shall apply for purposes of determining the basis of  
 3 any qualified energy property.

4 “(3) RECAPTURE.—If the Secretary of Labor  
 5 revokes the certification of a qualified entity with re-  
 6 spect to the installation of any property, the tax im-  
 7 posed under this chapter on the taxpayer to whom  
 8 the credit determined under this section is allowed  
 9 shall be increased for the taxable year which in-  
 10 cludes the date of such revocation by an amount  
 11 equal to the aggregate decrease in the credits al-  
 12 lowed under section 38 for all prior taxable years  
 13 which would have resulted solely from reducing to  
 14 zero any credit determined under this section with  
 15 respect to such property.

16 “(4) ELECTION NOT TO HAVE SECTION  
 17 APPLY.—This section shall not apply with respect to  
 18 any taxpayer for any taxable year if such taxpayer  
 19 elects (at such time and in such manner as the Sec-  
 20 retary may prescribe) not to have this section  
 21 apply.”.

22 (2) CONFORMING AMENDMENTS.—

23 (A) Section 46 of such Code is amended by  
 24 striking “and” at the end of paragraph (5), by  
 25 striking the period at the end of paragraph (6)

1 and inserting “, and”, and by adding at the end  
2 the following new paragraph:

3 “(7) the jobs in energy credit.”.

4 (B) Section 49(a)(1)(C) of such Code is  
5 amended by striking “and” at the end of clause  
6 (iv), by striking the period at the end of clause  
7 (v) and inserting a comma, and by adding at  
8 the end the following new clause:

9 “(vi) the basis of any qualified energy  
10 property under section 48D.”.

11 (C) Section 50(a)(2)(E) of such Code is  
12 amended by striking “or 48C(b)(2)” and insert-  
13 ing “48C(b)(2), or 48D(d)(1)”.

14 (D) The table of sections for subpart E of  
15 part IV of subchapter A of chapter 1 of such  
16 Code is amended by inserting after the item re-  
17 lating to section 48C the following new item:

“Sec. 48D. Jobs in energy credit.”.

18 (3) EFFECTIVE DATE.—The amendments made  
19 by this section shall apply to periods after December  
20 31, 2020, under rules similar to the rules of section  
21 48(m) of the Internal Revenue Code of 1986 (as in  
22 effect on the day before the date of the enactment  
23 of the Revenue Reconciliation Act of 1990).

1       (c) INCREASE IN NEW ENERGY EFFICIENT HOME  
2 CREDIT FOR CONTRACTING WITH QUALIFIED ENTI-  
3 TIES.—

4           (1) IN GENERAL.—Section 45L(a) of the Inter-  
5 nal Revenue Code of 1986 is amended by adding at  
6 the end the following:

7           “(3) ADJUSTMENT FOR QUALIFIED ENTITIES.—

8           “(A) IN GENERAL.—In the case of any  
9 dwelling unit which was constructed by an eligi-  
10 ble contractor which is certified by the Sec-  
11 retary of Labor as being in compliance with all  
12 of the applicable requirements under section  
13 503(a) of the GREEN Act of 2020 with respect  
14 to the construction of such dwelling unit, para-  
15 graph (2)(A) shall be applied by substituting  
16 ‘\$2,700’ for ‘\$2,500’.

17           “(B) RECAPTURE OF ADJUSTMENT FOR  
18 QUALIFIED ENTITIES.—If the Secretary of  
19 Labor revokes the certification of a qualified  
20 entity with respect to the construction of any  
21 qualified new energy efficient home, the tax im-  
22 posed under this chapter on the taxpayer to  
23 whom the credit determined under this section  
24 is allowed shall be increased for the taxable  
25 year which includes the date of such revocation

1 by an amount equal to the aggregate decrease  
 2 in the credits allowed under section 38 for all  
 3 prior taxable years which would have resulted  
 4 solely from applying this section without regard  
 5 to subparagraph (A).”.

6 (2) EFFECTIVE DATE.—The amendment made  
 7 by this section shall apply to dwelling units acquired  
 8 after December 31, 2020.

9 (d) INCREASE IN ENERGY EFFICIENT COMMERCIAL  
 10 BUILDING DEDUCTION FOR INSTALLATION BY QUALI-  
 11 FIED ENTITIES.—

12 (1) IN GENERAL.—Section 179D(d) of the In-  
 13 ternal Revenue Code of 1986 is amended by adding  
 14 at the end the following:

15 “(7) ADJUSTMENT FOR QUALIFIED ENTITIES.—  
 16 In the case of any energy efficient commercial build-  
 17 ing property which was installed by an entity which  
 18 is certified by the Secretary of Labor as being in  
 19 compliance with all of the applicable requirements  
 20 under section 503(a) of the GREEN Act of 2020  
 21 with respect to such installation, subsection  
 22 (b)(1)(A) shall be applied by substituting ‘\$3.20’ for  
 23 ‘\$3’.”.

24 (2) CONFORMING AMENDMENT.—Section  
 25 179D(d)(1)(A) of such Code is amended by inserting

1 “(or, in the case of property to which paragraph (7)  
 2 applies, by substituting ‘\$1.07’ for ‘\$3.20’ in such  
 3 paragraph)” before the period at the end.

4 (3) EFFECTIVE DATE.—The amendment made  
 5 by this section shall apply to property placed in serv-  
 6 ice after December 31, 2020.

## 7 **TITLE VI—ENVIRONMENTAL** 8 **JUSTICE**

### 9 **SEC. 601. QUALIFIED ENVIRONMENTAL JUSTICE PROGRAM** 10 **CREDIT.**

11 (a) IN GENERAL.—Subpart C of part IV of sub-  
 12 chapter A of chapter 1 is amended by adding at the end  
 13 the following new section:

### 14 **“SEC. 36C. QUALIFIED ENVIRONMENTAL JUSTICE PRO-** 15 **GRAMS.**

16 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-  
 17 gible educational institution, there shall be allowed as a  
 18 credit against the tax imposed by this subtitle for any tax-  
 19 able year an amount equal to the applicable percentage  
 20 of the amounts paid or incurred by such taxpayer during  
 21 such taxable year which are necessary for a qualified envi-  
 22 ronmental justice program.

23 “(b) QUALIFIED ENVIRONMENTAL JUSTICE PRO-  
 24 GRAM.—For purposes of this section—



1           “(1) IN GENERAL.—The term ‘qualified envi-  
2       ronmental justice program’ means a program con-  
3       ducted by one or more eligible educational institu-  
4       tions that is designed to address, or improve data  
5       about, qualified environmental stressors for the pri-  
6       mary purpose of improving, or facilitating the im-  
7       provement of, health and economic outcomes of indi-  
8       viduals residing in low-income areas or areas popu-  
9       lated disproportionately by racial or ethnic minori-  
10      ties.

11           “(2) QUALIFIED ENVIRONMENTAL STRESSOR.—  
12      The term ‘qualified environmental stressor’ means,  
13      with respect to an area, a contamination of the air,  
14      water, soil, or food with respect to such area or a  
15      change relative to historical norms of the weather  
16      conditions of such area.

17           “(c) ELIGIBLE EDUCATIONAL INSTITUTION.—For  
18      purposes of this section, the term ‘eligible educational in-  
19      stitution’ means an institution of higher education (as  
20      such term is defined in section 101 or 102(c) of the High-  
21      er Education Act of 1965) that is eligible to participate  
22      in a program under title IV of such Act.

23           “(d) APPLICABLE PERCENTAGE.—For purposes of  
24      this section, the term ‘applicable percentage’ means—

1           “(1) in the case of a program involving material  
 2           participation of faculty and students of an institu-  
 3           tion described in section 371(a) of the Higher Edu-  
 4           cation Act of 1965, 30 percent, and

5           “(2) in all other cases, 20 percent.

6           “(e) CREDIT ALLOCATION.—

7           “(1) ALLOCATION.—

8           “(A) IN GENERAL.—The Secretary shall  
 9           allocate credit dollar amounts under this section  
 10          to eligible educational institutions, for qualified  
 11          environmental justice programs, that—

12                 “(i) submit applications at such time  
 13                 and in such manner as the Secretary may  
 14                 provide, and

15                 “(ii) are selected by the Secretary  
 16                 under subparagraph (B).

17           “(B) SELECTION CRITERIA.—The Sec-  
 18          retary, after consultation with the Secretary of  
 19          Energy, the Secretary of Education, the Sec-  
 20          retary of Health and Human Services, and the  
 21          Administrator of the Environmental Protection  
 22          Agency, shall select applications on the basis of  
 23          the following criteria:

24                 “(i) The extent of participation of fac-  
 25                 ulty and students of an institution de-

scribed in section 371(a) of the Higher Education Act of 1965.

“(ii) The extent of the expected effect on the health or economic outcomes of individuals residing in areas within the United States that are low-income areas or areas populated disproportionately by racial or ethnic minorities.

“(iii) The creation or significant expansion of qualified environmental justice programs.

“(2) LIMITATIONS.—

“(A) IN GENERAL.—The amount of the credit determined under this section for any taxable year to any eligible educational institution for any qualified environmental justice program shall not exceed the excess of—

“(i) the credit dollar amount allocated to such institution for such program under this subsection, over

“(ii) the credits previously claimed by such institution for such program under this section.

“(B) FIVE-YEAR LIMITATION.—No amounts paid or incurred after the 5-year pe-

riod beginning on the date a credit dollar amount is allocated to an eligible educational institution for a qualified environmental justice program shall be taken into account under subsection (a) with respect to such institution for such program.

“(C) ALLOCATION LIMITATION.—The total amount of credits that may be allocated under the program shall not exceed—

“(i) \$1,000,000,000 for each of 2021, 2022, 2023, 2024, and 2025, and

“(ii) \$0 for each subsequent year.

“(f) REQUIREMENTS.—

“(1) IN GENERAL.—An eligible educational institution that has been allocated credit dollar amounts under this section for a qualified environmental justice project for a taxable year shall—

“(A) make publicly available the application submitted to the Secretary under subsection (e) with respect to such project, and

“(B) submit an annual report to the Secretary that describes the amounts paid or incurred for, and expected impact of, such project.

1           “(2) FAILURE TO COMPLY.—In the case of an  
 2           eligible education institution that has failed to com-  
 3           ply with the requirements of this subsection, the  
 4           credit dollar amount allocated to such institution  
 5           under this section is deemed to be \$0.

6           “(g) PUBLIC DISCLOSURE.—The Secretary, upon  
 7           making an allocation of credit dollar amounts under this  
 8           section, shall publicly disclose—

9                   “(1) the identity of the eligible educational in-  
 10           stitution receiving the allocation, and

11                   “(2) the amount of such allocation.”.

12           (b) CONFORMING AMENDMENTS.—

13                   (1) Section 6211(b)(4)(A) is amended by insert-  
 14           ing “36C,” after “36B,”.

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           is amended by inserting after the item relating to section  
 21           36B the following new item:

          “Sec. 36C. Qualified environmental justice programs.”.

22           (d) EFFECTIVE DATE.—The amendments made by  
 23           this section shall take effect on the date of the enactment  
 24           of this Act.

1 **TITLE VII—TREASURY REPORT**  
2 **ON DATA FROM THE GREEN-**  
3 **HOUSE GAS REPORTING PRO-**  
4 **GRAM**

5 **SEC. 701. REPORT ON GREENHOUSE GAS REPORTING PRO-**  
6 **GRAM.**

7 (a) IN GENERAL.—Not later than 180 days after the  
8 date of the enactment of this Act, the Secretary of the  
9 Treasury (or the Secretary’s delegate) shall submit a re-  
10 port to Congress on the utility of the data from the Green-  
11 house Gas Reporting Program for determining the amount  
12 of greenhouse gases emitted by each taxpayer for the pur-  
13 pose of imposing a fee on such taxpayers with respect to  
14 such emissions. Such report shall include a detailed de-  
15 scription and analysis of any administrative or other chal-  
16 lenges associated with using such data for such purpose.

17 (b) GREENHOUSE GAS REPORTING PROGRAM.—For  
18 purposes of this section, the term “Greenhouse Gas Re-  
19 porting Program” means the reporting program estab-  
20 lished by the Administrator of the Environmental Protec-  
21 tion Agency under title II of division F of the Consolidated  
22 Appropriations Act, 2008.

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