

116TH CONGRESS
1ST SESSION

S. 2274

To establish a voluntary program that strengthens the economy, public health, and environment of the United States by reducing emissions from wood heaters, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 25, 2019

Mr. CARPER (for himself and Ms. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To establish a voluntary program that strengthens the economy, public health, and environment of the United States by reducing emissions from wood heaters, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Wood Heaters Emis-
5 sions Reduction Act of 2019” or the “WHERA Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

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

4 (2) AFFECTED WOOD HEATER MODEL.—The
5 term “affected wood heater model” means a model
6 of wood heater described in—

7 (A) section 60.530(a) of title 40, Code of
8 Federal Regulations (or a successor regulation);
9 and

10 (B) subsections (a) and (b) of section
11 60.5472 of that title.

12 (3) CERTIFIED CLEAN HEATER.—The term
13 “certified clean heater” means a heater that—

14 (A) has been certified or verified by—

15 (i) the Administrator; or

16 (ii) the California Air Resources
17 Board;

18 (B) meets or has emissions below the most
19 stringent Step 2 emission reductions standards
20 described in the Final Rule;

21 (C) with respect to an affected wood heater
22 model, has a thermal efficiency rating of not
23 less than 65 percent, as certified by the Admin-
24 istrator under the Final Rule; and

1 (D) is installed by a licensed or certified
2 professional or verified by the State in which
3 the heater is being installed.

4 (4) FINAL RULE.—The term “Final Rule”
5 means the final rule entitled “Standards of Perform-
6 ance for New Residential Wood Heaters, New Resi-
7 dential Hydronic Heaters and Forced-Air Furnaces”
8 (80 Fed. Reg. 13672 (March 16, 2015)).

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

13 (6) REGIONAL AGENCY.—The term “regional
14 agency” means a regional or local government agen-
15 cy—

16 (A) with jurisdiction over air quality; or

17 (B) that has received approval from the air
18 quality program of the State of the agency to
19 carry out a wood heater emissions reduction
20 and replacement program.

21 (7) REPLACEMENT OF AN OLD WOOD HEAT-
22 ER.—The term “replacement of an old wood heater”
23 means the replacement of an existing wood heater
24 that—

1 (A) does not meet the reductions standards
2 described in paragraph (3)(B);

3 (B) is removed from a home or building in
4 which the wood heater was the primary or sec-
5 ondary source of heat; and

6 (C) is surrendered to a supplier, retailer,
7 or other entity, as defined by the Adminis-
8 trator, who shall render the existing wood heat-
9 er inoperable and ensure the existing wood
10 heater is disposed through—

11 (i) recycling; or

12 (ii) scrappage.

13 (8) STATE.—The term “State” means—

14 (A) each of the several States of the
15 United States;

16 (B) the District of Columbia;

17 (C) the Commonwealth of Puerto Rico;

18 (D) Guam;

19 (E) the United States Virgin Islands;

20 (F) American Samoa; and

21 (G) the Commonwealth of the Northern
22 Mariana Islands.

23 (9) WOOD HEATER.—The term “wood heater”
24 means an enclosed, wood-burning appliance capable
25 of and intended for residential space heating or

1 space heating and domestic water heating that is an
2 affected wood heater model, including—

3 (A) a residential wood heater;

4 (B) a hydronic heater; and

5 (C) a forced-air furnace.

6 **SEC. 3. ESTABLISHMENT OF GRANT PROGRAM FOR WOOD**
7 **HEATER EMISSIONS REDUCTIONS.**

8 (a) IN GENERAL.—Subject to the availability of ap-
9 propriations, the Administrator shall establish a grant
10 program that provides funding for grant, rebate, and other
11 programs administered by States, regional agencies, and
12 Indian tribes that are designed—

13 (1) to provide financial incentives to home-
14 owners for the replacement of old wood heaters that
15 greatly contribute to particulate pollution with more
16 efficient, cleaner-burning heaters that are—

17 (A) properly installed; and

18 (B) certified clean heaters;

19 (2) to achieve significant reductions in emis-
20 sions from wood heaters in terms of pollution pro-
21 duced by wood heaters and wood heater emissions
22 exposure;

23 (3) to help homeowners transition to safer and
24 more efficient sources of heat; and

1 (4) to support retailers, installers, and manu-
2 facturers that sell and make certified clean heaters
3 that are more efficient and cleaner-burning.

4 (b) APPLICATIONS.—The Administrator shall—

5 (1) provide to States, regional agencies, and In-
6 dian tribes guidance for use in applying for funding
7 under this section, including information regard-
8 ing—

9 (A) the process and forms for applications;

10 (B) permissible uses of funds received
11 under this section; and

12 (C) the cost-effectiveness of various emis-
13 sion reduction technologies eligible for funds
14 provided under this section;

15 (2) establish, for applications described in para-
16 graph (1)—

17 (A) an annual deadline for submission of
18 the applications;

19 (B) a process by which the Administrator
20 shall approve or disapprove each application;

21 (C) a simplified application submission
22 process to expedite the provision of funds; and

23 (D) a streamlined process by which a
24 State, regional agency, or Indian tribe may

1 renew an application described in paragraph (1)
2 for subsequent fiscal years;

3 (3) require States or regional agencies applying
4 for funding under this section to provide detailed in-
5 formation on how the State or regional agency in-
6 tends to carry out and verify projects under the
7 wood heater emissions reduction program of the
8 State or regional agency, including—

9 (A) a description of the air quality in the
10 State or the area in which the regional agency
11 has jurisdiction;

12 (B) the means by which the project will
13 achieve a significant reduction in wood heater
14 emissions and air pollution, including the esti-
15 mated quantity of—

16 (i) residences that depend on non-cer-
17 tified clean heaters as a primary or sec-
18 ondary source of heat; and

19 (ii) air pollution produced by wood
20 heaters in the State or the area in which
21 the regional agency has jurisdiction;

22 (C) an estimate of the cost and economic
23 benefits of the proposed project;

1 (D) the means by which the funds will be
2 distributed, including a description of the in-
3 tended recipients of the funds;

4 (E) a description of any efforts to target
5 low-income individuals that own older wood
6 heaters;

7 (F) provisions for the monitoring and
8 verification of the project; and

9 (G) a description of how the program will
10 carry out the replacement of old wood heaters,
11 including—

12 (i) how the older units will be removed
13 and placed out of service; and

14 (ii) how new heaters purchased with
15 funding provided under this section will be
16 installed; and

17 (4) require Indian tribes applying for funding
18 under this section to provide detailed information on
19 how the Indian tribe intends to carry out and verify
20 projects under the wood heater emissions reduction
21 program of the Indian tribe, including—

22 (A) the means by which the project will
23 achieve a significant reduction in wood heater
24 emissions;

1 (B) an estimate of the cost and economic
2 benefits of the proposed project;

3 (C) the means by which the funds will be
4 distributed, including a description of the in-
5 tended recipients of the funds;

6 (D) a description of any efforts to target
7 low-income individuals that own older wood
8 heaters;

9 (E) provisions for the monitoring and
10 verification of the project; and

11 (F) a description of how the program will
12 carry out the replacement of old wood heaters,
13 including—

14 (i) how the older units will be removed
15 and placed out of service; and

16 (ii) how new heaters purchased with
17 funding provided under this section will be
18 installed.

19 (c) ALLOCATION OF FUNDS.—

20 (1) IN GENERAL.—For each fiscal year, the Ad-
21 ministrator shall allocate funds made available to
22 carry out this section—

23 (A) among States, regional agencies, and
24 Indian tribes that submitted an application

1 under this section that was approved by the Ad-
2 ministrator;

3 (B) of which not less than 4 percent shall
4 be allocated to Indian tribes to perform func-
5 tions that include—

6 (i) addressing subsequent mainte-
7 nance costs resulting from the installation
8 of wood heaters under this section; and

9 (ii) training qualified installers and
10 technicians; and

11 (C) among different geographic areas and
12 varying population densities.

13 (2) ALLOCATION PRIORITY.—The Administrator
14 shall provide to each State, regional agency, and In-
15 dian tribe described in paragraph (1) for a fiscal
16 year an allocation of funds, with priority given to
17 States, regional agencies, and Indian tribes that will
18 use the funds to support projects that—

19 (A) maximize public health benefits, in-
20 cluding indoor and outdoor air quality;

21 (B) are the most cost-effective;

22 (C) target the replacement of wood heaters
23 that emit the most pollution;

24 (D) include certified clean heaters and
25 other heaters that achieve emission reductions

1 and efficiency improvements that are more
2 stringent than the Step 2 emission reductions
3 standards, as described in the Final Rule;

4 (E) target low-income households;

5 (F) encourage the recycling of old wood
6 heaters when replacing those heaters; and

7 (G) serve areas that—

8 (i) receive a disproportionate quantity
9 of air pollution from wood heaters;

10 (ii) have a high percentage of resi-
11 dents that use wood as their primary
12 source of heat; or

13 (iii) are poor air quality areas, includ-
14 ing areas identified by the Administrator
15 as—

16 (I) in nonattainment or mainte-
17 nance of national ambient air quality
18 standards for particulate matter
19 under section 109 of the Clean Air
20 Act (42 U.S.C. 7409); or

21 (II) class I areas under section
22 162(a) of that Act (42 U.S.C.
23 7472(a)).

24 (3) UNOBLIGATED FUNDS.—Any funds that are
25 not obligated by a State, regional agency, or Indian

1 tribe by a date determined by the Administrator in
 2 a fiscal year shall be reallocated pursuant to the pri-
 3 orities described in paragraph (2).

4 (4) STATE, REGIONAL AGENCY, AND TRIBAL
 5 MATCHING INCENTIVE.—

6 (A) IN GENERAL.—Subject to subpara-
 7 graph (B), if a State, regional agency, or In-
 8 dian tribe agrees to match the allocation pro-
 9 vided to the State, regional agency, or Indian
 10 tribe under paragraph (1) for a fiscal year, the
 11 Administrator shall provide to the State, re-
 12 gional agency, or Indian tribe for the fiscal year
 13 a matching incentive consisting of an additional
 14 amount equal to 30 percent of the allocation of
 15 the State, regional agency, or Indian tribe
 16 under paragraph (1).

17 (B) REQUIREMENT.—To receive a match-
 18 ing incentive under subparagraph (A), a State,
 19 regional agency, or Indian tribe—

20 (i) may not use funds received under
 21 this section to pay a matching share re-
 22 quired under this subsection; and

23 (ii) shall not be required to provide a
 24 matching share for any additional amount
 25 received under that subparagraph.

1 (d) ADMINISTRATION.—

2 (1) IN GENERAL.—Subject to paragraphs (2)
3 and (3), States, regional agencies, and Indian tribes
4 shall use any funds provided under this section—

5 (A) to develop and implement such pro-
6 grams in the State or in areas under the juris-
7 diction of the regional agency or Indian tribe as
8 are appropriate to meet the needs and goals of
9 the State, regional agency, or Indian tribe; and

10 (B) to the maximum extent practicable, to
11 use the programs described in subparagraph
12 (A) to give high priority to projects that serve
13 areas described in subsection (c)(2)(G).

14 (2) APPORTIONMENT OF FUNDS.—The chief ex-
15 ecutive officer of a State, regional agency, or Indian
16 tribe that receives funding under this section may
17 determine the portion of funds to be provided as
18 grants and the portion to be provided as rebates.

19 (3) USE OF FUNDS.—A State, regional agency,
20 or Indian tribe shall use funds provided under this
21 section for—

22 (A) projects to complete the replacement of
23 old wood heaters, including the installation of
24 heaters and training of certified installers of
25 heaters that—

1 (i) are at least as efficient and clean-
2 burning as certified clean heaters; and

3 (ii) meet the purposes described in
4 subsection (a); and

5 (B) with respect to Indian tribes, the pur-
6 poses described in subsection (c)(1)(B).

7 (4) SUPPLEMENT, NOT SUPPLANT.—Funds
8 made available under this section shall be used to
9 supplement, not supplant, funds made available for
10 existing State clean air programs.

11 (5) PUBLIC NOTIFICATION.—Not later than 60
12 days after the date on which the Administrator
13 makes funding available under this section each fis-
14 cal year, the Administrator shall publish on the
15 website of the Environmental Protection Agency—

16 (A) the total number of grants awarded
17 and the amounts provided to States, regional
18 agencies, and Indian tribes;

19 (B) a general description of each applica-
20 tion of a State, regional agency, or Indian tribe
21 that received funding; and

22 (C) the estimated number of wood heaters
23 that will be replaced using funds made available
24 under this section.

1 (6) REPORT.—Not later than 2 years after the
2 date on which funds are first made available under
3 this section, and biennially thereafter, the Adminis-
4 trator shall submit to Congress a report evaluating
5 the implementation of the program under this sec-
6 tion.

7 **SEC. 4. OUTREACH AND INCENTIVES.**

8 The Administrator shall establish a program under
9 which the Administrator shall—

10 (1) inform stakeholders of the benefits of re-
11 placing wood heaters that do not meet the Step 2
12 emission reductions standards described in the Final
13 Rule;

14 (2) develop nonfinancial incentives to promote
15 the proper installation and use of certified clean
16 heaters; and

17 (3) consult with Indian tribes to carry out the
18 purposes of this Act.

19 **SEC. 5. SUPPLEMENTAL ENVIRONMENTAL PROJECTS.**

20 (a) EPA AUTHORITY TO ACCEPT WOOD HEATER
21 EMISSIONS REDUCTION SUPPLEMENTAL ENVIRON-
22 MENTAL PROJECTS.—Section 1 of Public Law 110–255
23 (42 U.S.C. 16138) is amended—

24 (1) in the heading, by inserting “and wood
25 heater” after “diesel”; and

1 (2) in the matter preceding paragraph (1), by
2 inserting “and wood heater” after “diesel”.

3 (b) SETTLEMENT AGREEMENT PROVISIONS.—Sec-
4 tion 2 of Public Law 110–255 (42 U.S.C. 16139) is
5 amended in the first sentence—

6 (1) by inserting “or wood heater” after “diesel”
7 each place it appears;

8 (2) by inserting “, as applicable,” before “if the
9 Administrator”; and

10 (3) by inserting “, as applicable” before the pe-
11 riod at the end.

12 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

13 (a) IN GENERAL.—There is authorized to be appro-
14 priated to carry out this Act \$75,000,000 for each of fiscal
15 years 2019 through 2025, to remain available until ex-
16 pended.

17 (b) MANAGEMENT AND OVERSIGHT.—The Adminis-
18 trator may use not more than 1 percent of the amounts
19 made available under subsection (a) for each fiscal year
20 for management and oversight of the programs under this
21 Act.

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