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

IN THE HOUSE OF REPRESENTATIVES

Mr. THOMPSON of California introduced the following bill; which was referred to the Committee on ________________________________

A BILL

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

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

SECTION 1. SHORT TITLE; ETC.

(a) Short Title.—This Act may be cited as the “Growing Renewable Energy and Efficiency Now Act of 2020” or the “GREEN Act of 2020”.

(b) Table of Contents.—The table of contents of 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 resources.
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. 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 vehicles.
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 commuting.

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.
(c) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

**SEC. 101. EXTENSION OF CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.**

(a) In General.—The following provisions of section 45(d) are each amended by striking “January 1, 2021” each place it appears and inserting “January 1, 2026”:

(1) Paragraph (2)(A).
(2) Paragraph (3)(A).
(3) Paragraph (6).
(4) Paragraph (7).
(5) Paragraph (9).
(6) Paragraph (11)(B).

(b) Extension of Election to Treat Qualified Facilities as Energy Property.—Section
48(a)(5)(C)(ii) is amended by striking “January 1, 2021” and inserting “January 1, 2026”.

(c) Application of Extension to Wind Facilities.—

(1) In General.—Section 45(d)(1) is amended by striking “January 1, 2021” and inserting “January 1, 2026”.

(2) Application of Phaseout Percentage.—

(A) Renewable Electricity Production Credit.—Sections 45(b)(5)(D) is amended by striking “and before January 1, 2021,”.

(B) Energy Credit.—Section 48(a)(5)(E)(iv) is amended by striking “and before January 1, 2021,”.

(d) Effective Date.—The amendments made by this section shall apply to facilities the construction of which begins after December 31, 2020.

SEC. 102. EXTENSION AND MODIFICATION OF ENERGY CREDIT.

(a) Extension of Credit.—The following provisions of section 48 are each amended by striking “January 1, 2022” each place it appears and inserting “January 1, 2027”:


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

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


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

(b) PHASEOUT OF CREDIT.—Section 48(a) is amended—

(1) by striking “December 31, 2019” in paragraphs (6)(A)(i) and (7)(A)(i) and inserting “December 31, 2025”,

(2) by striking “December 31, 2020” in paragraphs (6)(A)(ii) and (7)(A)(ii) and inserting “December 31, 2026”,

(3) by striking “January 1, 2021” in paragraphs (6)(A)(i) and (7)(A)(i) and inserting “January 1, 2027”,

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

(5) by striking “January 1, 2024” in paragraphs (6)(B) and (7)(B) and inserting “January 1, 2030”.

(e) 30 PERCENT CREDIT FOR SOLAR AND GEOTHERMAL.—
(1) Extension for Solar.—Section 48(a)(2)(A)(i)(II) is amended by striking “January 1, 2022” and inserting “January 1, 2028”.

(2) Application to Geothermal.—

(A) In General.—Paragraphs (2)(A)(i)(II), (6)(A), and (6)(B) of section 48(a) are each amended by striking “paragraph (3)(A)(i)” and inserting “clause (i) or (iii) of paragraph (3)(A)”.

(B) Conforming Amendment.—The heading of section 48(a)(6) is amended by inserting “AND GEOTHERMAL” after “SOLAR ENERGY”.

(d) Energy Storage Technologies; Waste Energy Recovery Property; Qualified Biogas Property.—

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

“(viii) energy storage technology,

“(ix) waste energy recovery property,

or

“(x) qualified biogas property,”.

(2) Application of 30 Percent Credit.—

Section 48(a)(2)(A)(i) is amended by striking “and”
at the end of subclauses (III) and (IV) and adding at the end the following new subclauses:

“(V) energy storage technology,

“(VI) waste energy recovery property, and

“(VII) qualified biogas property,

and”.

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

(A) by inserting “energy storage technology, waste energy recovery property, qualified biogas property,” after “qualified small wind property,”, and

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

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

“(5) ENERGY STORAGE TECHNOLOGY.—

“(A) IN GENERAL.—The term ‘energy storage technology’ means equipment (other than equipment primarily used in the transportation of goods or individuals and not for the production of electricity) which —
“(i) uses batteries, compressed air, pumped hydropower, hydrogen storage (including hydrolysis and electrolysis), thermal energy storage, regenerative fuel cells, flywheels, capacitors, superconducting magnets, or other technologies identified by the Secretary, after consultation with the Secretary of Energy, to store energy for conversion to electricity and has a capacity of not less than 5 kilowatt hours, or

“(ii) stores thermal energy to heat or cool (or provide hot water for use in) a structure (other than for use in a swimming pool).

“(B) TERMINATION.—The term ‘energy storage technology’ shall not include any property the construction of which does not begin before January 1, 2028.

“(6) WASTE ENERGY RECOVERY PROPERTY.—

“(A) IN GENERAL.—The term ‘waste energy recovery property’ means property that generates electricity solely from heat from buildings or equipment if the primary purpose of such building or equipment is not the generation of electricity.
“(B) Capacity Limitation.—The term ‘waste energy recovery property’ shall not include any property which has a capacity in excess of 50 megawatts.

“(C) No double benefit.—Any waste energy recovery property (determined without regard to this subparagraph) which is part of a system which is a combined heat and power system property shall not be treated as waste energy recovery property for purposes of this section unless the taxpayer elects to not treat such system as a combined heat and power system property for purposes of this section.

“(D) Termination.—The term ‘waste energy recovery property’ shall not include any property the construction of which does not begin before January 1, 2028.

“(7) Qualified Biogas Property.—

“(A) In general.—The term ‘qualified biogas property’ means property comprising a system which—

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

“(I) consists of not less than 52 percent methane, or
“(II) is concentrated by such system into a gas which consists of not less than 52 percent methane, and “(ii) captures such gas for productive use.

“(B) Inclusion of cleaning and conditioning property.—The term ‘qualified biogas property’ includes any property which is part of such system which cleans or conditions such gas.

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

(5) Denial of double benefit for qualified biogas property.—Section 45(e) is amended by adding at the end the following new paragraph:

“(12) Coordination with energy credit for qualified biogas property.—The term ‘qualified facility’ shall not include any facility which produces electricity from gas produced by qualified biogas property (as defined in section 48(c)(7)) if a credit is determined under section 48 with respect to such property for the taxable year or any prior taxable year.”.
(c) FUEL CELLS USING ELECTROMECHANICAL PROCESSES.—

(1) IN GENERAL.—Section 48(c)(1) is amended—

(A) in subparagraph (A)(i)—

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

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

and

(B) in subparagraph (C)—

(i) by inserting “, or linear generator assembly,” after “a fuel cell stack assembly”, and

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

(2) LINEAR GENERATOR ASSEMBLY LIMITATION.—Section 48(c)(1) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

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

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

SEC. 103. EXTENSION OF CREDIT FOR CARBON OXIDE SEQUESTRATION.

(a) In General.—Section 45Q(d)(1) is amended by striking “January 1, 2024” and inserting “January 1, 2026”.

(b) Effective Date.—The amendment made by this section applies to facilities the construction of which begins after December 31, 2023.

SEC. 104. ELECTIVE PAYMENT FOR ENERGY PROPERTY AND ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES, ETC.

(a) In General.—Subchapter B of chapter 65 is amended by adding at the end the following new section:
“SEC. 6431. ELECTIVE PAYMENT FOR ENERGY PROPERTY,
ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES, ETC, AND CARBON
OXIDE SEQUESTRATION.

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

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

“(2) in the case of any other taxpayer, 85 percent of such amount.

“(b) Definitions and Special Rules.—For purposes of this section—

“(1) Governmental entities treated as taxpayers.—In the case of an election under this section—

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

“(B) an Indian tribal government,

shall be treated as a taxpayer for purposes of this section and determining any applicable credit.

“(2) Applicable credit.—The term ‘applicable credit’ means each of the following credits that
would (without regard to this section) be determined with respect to the taxpayer:

“(A) A energy credit under section 48.

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

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

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

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

“(A) in the case of any government, or po-
litical subdivision, to which paragraph (1) ap-
plies and for which no return is required under section 6011 or 6033(a), the later of the date that a return would be due under section 6033(a) if such government or subdivision were described in that section or the date on which such government or subdivision submits a claim for credit or refund (at such time and in such manner as the Secretary shall provide), and

“(B) in any other case, the later of the due date of the return of tax for the taxable year or the date on which such return is filed.
“(5) Waiver of Special Rules.—In the case of an election under this section, the determination of any applicable credit shall be without regard to paragraphs (3) and (4)(A)(i) of section 50(b).

“(c) Exclusion From Gross Income.—Gross income of the taxpayer shall be determined without regard to this section.

“(d) Denial of Double Benefit.—Solely for purposes of section 38, in the case of a taxpayer making an election under this section, the energy credit determined under section 45 or the renewable electricity production credit determined under section 48 shall be reduced by the amount of the portion of such credit with respect to which the taxpayer makes such election.”.

(b) Clerical Amendment.—The table of sections for subchapter B of chapter 65 is amended by adding at the end the following new item:

“Sec. 6431. Elective payment for energy property and electricity produced from certain renewable resources, etc.”.

(e) Effective Date.—The amendments made by this section shall apply to property originally placed in service after the date of the enactment of this Act.

SEC. 105. EXTENSION OF ENERGY CREDIT FOR OFFSHORE WIND FACILITIES.

(a) In General.—Section 48(a)(5) is amended by adding at the end the following new subparagraph:
“(F) QUALIFIED OFFSHORE WIND FACILITIES.—

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

“(I) subparagraph (C)(ii) shall be applied by substituting ‘January 1 of the applicable year (as determined under subparagraph (F)(ii))’ for ‘January 1, 2026’,

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

“(III) for purposes of this paragraph, section 45(d)(1) shall be applied by substituting ‘January 1 of the applicable year (as determined under section 48(a)(5)(F)(ii))’ for ‘January 1, 2026’.

“(ii) APPLICABLE YEAR.—For purposes of this subparagraph, the term ‘applicable year’ means the later of—

“(I) calendar year 2025, or

“(II) the calendar year subsequent to the first calendar year in which the Secretary, after consultation with the Secretary of Energy, de-
terminates that the United States has increased its offshore wind capacity by not less than 3,000 megawatts as compared to such capacity on January 1, 2021.

For purposes of subclause (II), the Secretary shall not include any increase in offshore wind capacity which is attributable to any facility the construction of which began before January 1, 2021.

“(iii) QUALIFIED OFFSHORE WIND FACILITY.—For purposes of this subparagraph, the term ‘qualified offshore wind facility’ means a qualified facility (within the meaning of section 45) described in paragraph (1) of section 45(d) (determined without regard to any date by which the construction of the facility is required to begin) which is located in the inland navigable waters of the United States or in the coastal waters of the United States.

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

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

SEC. 106. GREEN ENERGY PUBLICLY TRADED PARTNER- 
SHIPS.

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

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

“(i) the exploration”,

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

(3) by striking “, or the transportation or stor-
age” and all that follows and inserting the following:
“(ii) the generation of electric power or thermal energy exclusively using any qualified energy resource (as defined in section 45(c)(1)),

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

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

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

“(vi) the generation, storage, or distribution of electric power or thermal energy exclusively using energy property that is combined heat and power system property (as defined in section 48(e)(3), deter-
mined without regard to subparagraph (B)(iii) thereof and without regard to any date by which the construction of the facility is required to begin),

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

“(viii) the conversion of renewable biomass (as defined in subparagraph (I) of section 211(o)(1) of the Clean Air Act (as in effect on the date of the enactment of this clause)) into renewable fuel (as defined in subparagraph (J) of such section as so in effect), or the storage or transportation of such fuel,

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

“(I) uses as its primary feedstock carbon oxides captured from an anthropogenic source or the atmosphere,

“(II) does not use as its primary feedstock carbon oxide which is deliberately released from naturally occurring subsurface springs, and
“(III) is determined by the Secretary, after consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, to achieve a reduction of not less than a 60 percent in lifecycle greenhouse gas emissions (as defined in section 211(o)(1)(H) of the Clean Air Act, as in effect on the date of the enactment of this clause) compared to baseline lifecycle greenhouse gas emissions (as defined in section 211(o)(1)(C) of such Act, as so in effect),

“(x) the generation of electric power 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) Phase out.—In the case of any sale or use after December 31, 2022, subsections (b)(1)(A) and (b)(2)(A) shall be applied by substituting for ‘$1.00’—

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

“(B) ‘$.50’, if such sale or use is after December 31, 2023, and before January 1, 2025,
“(C) ‘$.33’, if such sale or use is after December 31, 2024, and before January 1, 2026.

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

(b) EXCISE TAX INCENTIVES.—

(1) PHASE OUT.—Section 6426(c)(2) is amended to read as follows:

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

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

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

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

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

(2) TERMINATION.—

(A) IN GENERAL.—Section 6426(c)(6) is amended by striking “December 31, 2022” and inserting “December 31, 2025”.
(B) PAYMENTS.—Section 6427(c)(6)(B) is amended by striking “December 31, 2022” and inserting “December 31, 2025”.

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

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

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

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

(2) APPLICABLE AMOUNT AND TERMINATION.—

Section 6426(d)(5) is amended to read as follows:

“(5) PHASEOUT AND TERMINATION.—

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

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

“(ii) 38 cents in the case of any sale or use for any period after December 31, 2022, and before January 1, 2024,
“(iii) 25 cents in the case of any sale or use for any period after December 31, 2023, and before January 1, 2025, and
“(iv) 17 cents in the case of any sale or use for any period after December 31, 2024, and before January 1, 2026.
“(B) Termination.—This subsection shall not apply to any sale or use for any period after December 31, 2025.”.

(b) Alternative Fuel Mixture Credit.—

(1) In general.—Section 6426(e)(3) is amended by striking “December 31, 2020” and inserting “December 31, 2025”.

(2) Phaseout.—Section 6426(e)(1) is amended by striking “50 cents” and inserting “the applicable amount (as defined in subsection (d)(5)(A))”.

(c) Payments for Alternative Fuels.—Section 6427(e)(6)(C) is amended by striking “December 31, 2020” and inserting “December 31, 2025”.

(d) Effective Date.—The amendments made by this section shall apply to fuel sold or used after December 31, 2020.
SEC. 203. EXTENSION OF SECOND GENERATION BIOFUEL INCENTIVES.

(a) In General.—Section 40(b)(6)(J)(i) is amended by striking “2021” and inserting “2026”.

(b) Extension of Special Allowance for Depreciation of Second Generation Biofuel Plant Property.—Section 168(l)(2)(D) is amended by striking “2021” and inserting “2026”.

(c) Effective Date.—

(1) In General.—The amendment made by subsection (a) shall apply to qualified second generation biofuel production after December 31, 2020.

(2) Second Generation Biofuel Plant Property.—The amendment made by subsection (b) shall apply to property placed in service after December 31, 2020.

TITLE III—GREEN ENERGY AND EFFICIENCY INCENTIVES FOR INDIVIDUALS

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

(a) Extension of Credit.—Section 25C(g)(2) is amended by striking “December 31, 2020” and inserting “December 31, 2025”.

(b) Increase in Credit Percentage for Qualified Energy Efficiency Improvements.—Section
25C(a)(1) is amended by striking “10 percent” and inserting “15 percent”

(c) INCREASE IN LIFETIME LIMITATION OF CREDIT.—Section 25C(b)(1) is amended—

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

(2) by striking “December 31, 2005” and inserting “December 31, 2020”.

(d) LIMITATIONS.—Section 25C(b) is amended by striking paragraphs (2) and (3) and inserting the following:

“(2) LIMITATION ON QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS.—The credit allowed under this section by reason of subsection (a)(1), with respect to costs paid or incurred by a taxpayer for a taxable year, shall not exceed—

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

“(B) for components described in subsection (c)(3)(B),
“(i) in the case of components which are not described in clause (ii), the excess (if any) of $200 over the aggregate credits allowed under this section with respect to such components for all prior taxable years ending after December 31, 2020, and

“(ii) in the case of components which meet the standards for most efficient certification under applicable Energy Star program requirements, the excess (if any) of $600 over the aggregate credits allowed under this section with respect to such components for all prior taxable years ending after December 31, 2020, or with respect to components described in clause (i) for such taxable year,

“(C) for components described in subsection (c)(3)(C) by any taxpayer for any taxable year, the credit allowed under this section with respect to such amounts for such year shall not exceed the lesser of—

“(i) the excess (if any) of $500 over the aggregate credits allowed under this section with respect to such amounts for
all prior taxable years ending after December 31, 2020, or

“(ii) $250 for each exterior door.

“(3) Limitation on residential energy property expenditures.—The credit allowed under this section by reason of subsection (a)(2) shall not, with respect to an item of property, exceed—

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

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

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

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

“(i) $300, plus

“(ii) if the taxpayer is converting from a non-condensing furnace to a condensing furnace, $300.”.

(e) Standards for energy efficient building envelope components.—Section 25C(e)(2) is amended
by striking “meets—” and all that follows through the pe-
riod at the end and inserting the following: “meets—
“(A) in the case of an exterior window, a
skylight, or an exterior door, applicable Energy
Star program requirements, and
“(B) in the case of any other component,
the prescriptive criteria for such component es-
tablished by the 2018 IECC (as such term is
defined in section 45L(b)(5)).”.

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

(g) ADVANCED MAIN AIR CIRCULATING FANS NOT
QUALIFIED ENERGY PROPERTY.—
(1) IN GENERAL.—Section 25C(d)(2)(A) is amend-
ed by adding “or” at the end of clause (i), by
striking “, or” at the end of clause (ii) and inserting
a period, and by striking clause (iii).

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

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

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

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

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

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

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

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

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

“(ii) in the case of a tankless water heater—
“(I) in the case of a medium-draw water heater, a uniform energy factor of not less than 0.87, and
“(II) in the case of a high-draw water heater, a uniform energy factor of not less than 0.90, and”.

(j) INCREASE IN STANDARD FOR FURNACES.—Section 25C(d)(4) is amended by striking by striking “not less than 95.” and inserting the following: “not less than—
“(A) in the case of a furnace, 97 percent, and
“(B) in the case of a hot water boiler, 95 percent.”.

(k) HOME ENERGY AUDITS.—

(1) IN GENERAL.—Section 25C(a) is amended by striking “and” at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting “, and”, and by adding at the end the following new paragraph:
“(3) 30 percent of the amount paid or incurred by the taxpayer during the taxable year for home energy audits.”.

(2) LIMITATION.—Section 25C(b) is amended adding at the end the following new paragraph:
“(4) HOME ENERGY AUDITS.—The amount of the credit allowed under this section by reason of subsection (a)(3) shall not exceed $150.”

(3) HOME ENERGY AUDITS.—Section 25C, as amended by subsections (a), is amended by redesignating subsections (e), (f), and (g), as subsections (f), (g), and (h), respectively, and by inserting after subsection (d) the following new subsection:

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

“(1) identifies the most significant and cost-effective energy efficiency improvements with respect to such dwelling unit, including an estimate of the energy and cost savings with respect to each such improvement, and

“(2) is conducted and prepared by a home energy auditor that meets the certification or other requirements specified by the Secretary (after consultation with the Secretary of Energy, and not later than 180 days after the date of the enactment of this subsection) in regulations or other guidance.”
(4) **Conforming Amendment.**—Section 1016(a)(33) is amended by striking “section 25C(f)” and inserting “section 25C(g)”.

(l) **Effective Dates.**—

(1) **Increase and Modernization.**—Except as otherwise provided by this subsection, the amendments made by this section shall apply to property placed in service after December 31, 2020.

(2) **Extension.**—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2020.

(3) **Home Energy Audits.**—The amendments made by subsection (k) shall apply to amounts paid or incurred after December 31, 2020.

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

(a) **Extension of Credit.**—

(1) **In General.**—Section 25D(h) is amended by striking “December 31, 2021” and inserting “December 31, 2027”.

(2) **Application of Phaseout.**—Section 25D(g) is amended—

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

(B) in paragraph (2)—
(i) by striking “December 31, 2019” and inserting “December 31, 2025”, and
(ii) by striking “January 1, 2021” and inserting “January 1, 2027”, and
(C) in paragraph (3)—
(i) by striking “December 31, 2020” and inserting “December 31, 2026”, and
(ii) by striking “January 1, 2022” and inserting “January 1, 2028”.

(b) QUALIFIED BIOMASS FUEL PROPERTY EXPENDITURES; RESIDENTIAL ENERGY EFFICIENT PROPERTY CREDIT FOR BATTERY STORAGE TECHNOLOGY.—

(1) IN GENERAL.—Section 25D(a) is amended by striking “and” at the end of paragraph (4) and by inserting after paragraph (5) the following new paragraphs:
“(6) the qualified biomass fuel property expenditures, and
“(7) the qualified battery storage technology expenditures,”.

(2) QUALIFIED BIOMASS FUEL PROPERTY EXPENDITURES; RESIDENTIAL ENERGY EFFICIENT PROPERTY CREDIT FOR BATTERY STORAGE TECHNOLOGY.—Section 25D(d) is amended by adding at the end the following new paragraphs:
“(6) Qualified biomass fuel property expenditure.—

“(A) In general.—The term ‘qualified biomass fuel property expenditure’ means an expenditure for property—

“(i) which uses the burning of biomass fuel to heat a dwelling unit located in the United States and used as a residence by the taxpayer, or to heat water for use in such a dwelling unit, and

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

“(B) Biomass fuel.—For purposes of this section, the term ‘biomass fuel’ means any plant-derived fuel available on a renewable or recurring basis.

“(7) Qualified battery storage technology expenditure.—The term ‘qualified battery storage technology expenditure’ means an expenditure for battery storage technology which—

“(A) is installed in connection with a dwelling unit located in the United States and used as a residence by the taxpayer, and
“(B) has a capacity of not less than 3 kilo-
watt hours.”.

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

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

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

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

SEC. 303. ENERGY EFFICIENT COMMERCIAL BUILDINGS DE-
DUCTION.

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

(b) INCREASE IN THE MAXIMUM AMOUNT OF DE-
DUCTION.—

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

""
(2) Inflation Adjustment.—Section 179D, as amended by subsection (a), is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

“(h) Inflation Adjustment.—In the case of a taxable year beginning after 2020, each dollar amount in subsection (b) or subsection (d)(1)(A) shall be increased by an amount equal to—

“(1) such dollar amount, multiplied by

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

(3) Conforming Amendment.—Section 179D(d)(1)(A) is amended by striking “by substituting ‘$.60’ for ‘$1.80’” and inserting “by substituting ‘$1’ for ‘$3’”.

(c) Limit on Deduction Limited to Three-Year Period.—Section 179D(b)(2) is amended by striking “for all prior taxable years” and inserting “for the 3 years immediately preceding such taxable year”.

(d) Update of Standards.—
1 (1) ASHRAE STANDARDS.—Section 179D(c) is amended—
2
3       (A) in paragraphs (1)(B)(ii) and (1)(D),
4 by striking “Standard 90.1–2007” and insert-
5       ing “Reference Standard 90.1”, and
6
7       (B) by amending paragraph (2) to read as follows:
8
9       “(2) REFERENCE STANDARD 90.1.—The term
10       ‘Reference Standard 90.1’ means, with respect to
11       property, the Standard 90.1 most recently adopted
12       (as of the date that is 2 years before the date that
13       construction of such property begins) by the Amer-
14       ican Society of Heating, Refrigerating, and Air Con-
15       ditioning Engineers and the Illuminating Engineer-
16       ing Society of North America.”.
17
18       (2) CALIFORNIA NONRESIDENTIAL ALTERN-
19      ATIVE CALCULATION METHOD APPROVAL MAN-
20       UAL.—Section 179D(d)(2) is amended by striking
21       “2005” and inserting “2019”.
22
23 (e) CHANGE IN EFFICIENCY STANDARDS.—Section
24 179D(c)(1)(D) is amended by striking “50” and inserting
25 “30”.
26
27 (f) DEADWOOD.—Section 179D, as amended by sub-
28 sections (a) and (b), is amended by striking subsection (f)
and redesignating subsections (g), (h), and (i) as subsections (f), (g), and (h), respectively.

(g) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2020.

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

(a) Extension of Credit.—Section 45L(g) is amended by striking “December 31, 2020” and inserting “December 31, 2025”.

(b) Increase in Credit for Certain Dwelling Units.—Section 45L(a)(2)(A) is amended by striking “$2,000” and inserting “$2,500”.

(c) Increase in Standard for Heating and Cooling Reduction for Certain Units.—Section 45L(c)(1) is amended by striking “50 percent” each place such term appears and inserting “60 percent”.

(d) Energy Saving Requirements Modifications.—

(1) All Energy Star Labeled Homes Eligible; No Reduction in Standard.—Section 45L(e) is amended by amending paragraph (3) to read as follows:

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

(2) UNITS CONSTRUCTED IN ACCORDANCE WITH 2018 IECC STANDARDS.—Section 45L(c), as amended by paragraph (1), is further amended by striking “or” at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting “, or”, and by adding at the end the following new paragraph:

“(4) certified—

“(A) to have a level of annual energy consumption which is at least 15 percent below the annual level of energy consumption of a comparable dwelling unit—

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

“(ii) which meets the requirements described in paragraph (1)(A)(ii), and
“(B) to have building envelope component improvements account for at least 1/5 of such 15 percent.”.

(3) CONFORMING AMENDMENTS.—

(A) Section 45L(c)(2) is amended by inserting “or (4)” after “paragraph (1)”.

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

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

“(5) 2018 IECC.—The term ‘2018 IECC’ means the 2018 International Energy Conservation Code, as such Code (including supplements) is in effect on November 1, 2018.”.

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

SEC. 305. MODIFICATIONS TO INCOME EXCLUSION FOR CONSERVATION SUBSIDIES.

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

(1) by striking “any subsidy provided” and inserting “any subsidy—

“(1) provided”,

(2) by striking the period at the end and inserting a comma, and
(3) by adding at the end the following new paragraphs:

“(2) provided (directly or indirectly) by a public utility to a customer, or by a State or local government to a resident of such State or locality, for the purchase or installation of any water conservation or efficiency measure,

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

“(4) provided (directly or indirectly) by a State or local government to a resident of such State or locality for the purchase or installation of any wastewater management measure, but only if such measure is with respect to the taxpayer’s principal residence.”.

(b) CONFORMING AMENDMENTS.—

(1) DEFINITION OF WATER CONSERVATION OR EFFICIENCY MEASURE AND STORM WATER MANAGEMENT MEASURE.—Section 136(c) is amended—

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

“DEFINITIONS”,
44

(B) by striking “IN GENERAL” in the
heading of paragraph (1) and inserting “ENERGY CONSERVATION MEASURE”, and

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

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

“(3) STORM WATER MANAGEMENT MEASURE.—
For purposes of this section, the term ‘storm water
management measure’ means any installation or
modiﬁcation of property primarily designed to re-
duce or manage amounts of storm water with re-
spect to one or more dwelling units.

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

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

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

“(C) **STORM WATER MANAGEMENT PROVIDER.**—The term ‘storm water management provider’ means a person engaged in the provision of storm water management measures to the public.

“(D) **PERSON.**—For purposes of subparagraphs (B) and (C), the term ‘person’ includes the Federal Government, a State or local government or any political subdivision thereof, or any instrumentality of any of the foregoing.”.

(3) **CLERICAL AMENDMENTS.**—

(A) The heading for section 136 is amended—
(i) by inserting “AND WATER” after “ENERGY”, and

(ii) by striking “PROVIDED BY PUBLIC UTILITIES”.

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

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

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

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 2018.

(d) NO INFeRENCe.—Nothing in this Act or the amendments made by this Act shall be construed to create any inference with respect to the proper tax treatment of any subsidy received directly or indirectly from a public utility, a storm water management provider, or a State or local government for any water conservation measure or storm water management measure before January 1, 2021.
TITLE IV—GREENING THE FLEET AND ALTERNATIVE VEHICLES

SEC. 401. MODIFICATION OF LIMITATIONS ON NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE CREDIT.

(a) In General.—Section 30D(e) is amended to read as follows:

“(e) Limitation on Number of New Qualified Plug-in Electric Drive Motor Vehicles Eligible for Credit.—

“(1) In General.—In the case of any new qualified plug-in electric drive motor vehicle sold after the date of the enactment of the GREEN Act of 2020—

“(A) if such vehicle is sold during the transition period, the amount determined under subsection (b)(2) shall be reduced by $500, and

“(B) if such vehicle is sold during the phaseout period, only the applicable percentage of the credit otherwise allowable under subsection (a) shall be allowed.

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

“(3) PHASEOUT PERIOD.—

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

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

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

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

“(C) EXCLUSION OF SALE OF CERTAIN VE-
HICLES.—
“(i) IN GENERAL.—For purposes of subparagraph (A), any new qualified plug-in electric drive motor vehicle manufactured by the manufacturer of the vehicle referred to in paragraph (1) which was sold during the exclusion period shall not be included for purposes of determining the number of such vehicles sold.

“(ii) EXCLUSION PERIOD.—For purposes of this subparagraph, the exclusion period is the period—

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

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

“(4) CONTROLLED GROUPS.—Rules similar to the rules of section 30B(f)(4) shall apply for purposes of this subsection.”.
(b) Extension for 2- and 3-Wheeled Plug-in Electric Vehicles.—Section 30D(g)(3)(E) is amended to read as follows:

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

(c) Effective Date.—

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

(2) Extension.—The amendment made by subsection (b) shall apply to vehicles sold after December 31, 2020.

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

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 is amended by inserting after section 25D the following new section:

“SEC. 25E. PREVIOUSLY-OWNED QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.

“(a) Allowance of Credit.—In the case of a qualified buyer who during a taxable year places in service a previously-owned qualified plug-in electric drive motor vehicle, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—
“(1) $1,250, plus

“(2) in the case of a vehicle which draws propulsion energy from a battery which exceeds 4 kilowatt hours of capacity (determined at the time of sale), the lesser of—

“(A) $1,250, and

“(B) the product of $208.50 and such excess kilowatt hours.

“(b) LIMITATIONS.—

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

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

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

“(1) PREVIOUSLY-OWNED QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE.—The term ‘previously-owned qualified plug-in electric drive motor vehicle’ means, with respect to a taxpayer, a motor vehicle—
“(A) the model year of which is at least 2
earlier than the calendar year in which the tax-
payer acquires such vehicle,

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

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

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

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

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

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

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

“(C) which is the first transfer since the
date of the enactment of this section to a per-
son other than the person with whom the origi-
nal use of such vehicle commenced.
“(3) QUALIFIED BUYER.—The term ‘qualified buyer’ means, with respect to a sale of a motor vehicle, a taxpayer—

“(A) who is an individual,

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

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

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

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

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

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

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

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

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

“(e) CERTIFICATE SUBMISSION REQUIREMENT.—The Secretary may require that the issuer of the certificate described in subsection (c)(3)(E) submit such certificate to the Secretary at the time and in the manner required by the Secretary.

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

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

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

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after the date of the enactment of this Act.
SEC. 403. CREDIT FOR ZERO-EMISSION HEAVY VEHICLES AND ZERO-EMISSION BUSES.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

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

“(a) Allowance of Credit.—For purposes of section 38, in the case of a manufacturer of a zero-emission heavy vehicle, the zero-emission heavy vehicle credit determined under this section for a taxable year is an amount equal to 10 percent of the sum of the sale price of each zero-emission heavy vehicle sold by such taxpayer during such taxable year.

“(b) Limitation.—The sale price of a zero-emission heavy vehicle may not be taken into account under subsection (a) to the extent such price exceeds $1,000,000.

“(c) Zero-emission Heavy Vehicle.—For purposes of this section—

“(1) In General.—The term ‘zero-emission heavy vehicle’ means a motor vehicle which—

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

“(B) is not powered or charged by an internal combustion engine, and
“(C) is propelled solely by an electric 
motor which draws electricity from a battery or 
fuel cell.

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

“(d) SPECIAL RULES.—

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

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

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

“(e) TERMINATION.—This section shall not apply to 

sales after December 31, 2025.”.

(b) CREDIT MADE PART OF GENERAL BUSINESS 

CREDIT.—Subsection (b) of section 38 is amended by
striking “plus” at the end of paragraph (32), by striking
the period at the end of paragraph (33) and inserting “,
plus”, and by adding at the end the following new para-
graph:

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

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

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

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

SEC. 404. QUALIFIED FUEL CELL MOTOR VEHICLES.

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

(b) EFFECTIVE DATE.—The amendment made by
this section shall apply to property placed in service after

SEC. 405. ALTERNATIVE FUEL REFUELING PROPERTY
CREDIT.

(a) IN GENERAL.—Section 30C(g) is amended by
striking “December 31, 2020” and inserting “December
31, 2025”.
(b) ADDITIONAL CREDIT FOR CERTAIN ELECTRIC CHARGING PROPERTY.—

(1) IN GENERAL.—Section 30C(a) is amended—

(A) by striking “equal to 30 percent” and inserting the following: “equal to the sum of—

“(1) 30 percent”.

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

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

“(2) 20 percent of so much of such cost as exceeds the limitation under subsection (b)(1) that does not exceed the amount of cost attributable to qualified alternative vehicle refueling property (determined without regard to paragraphs (1), (2)(A), and (2)(B) of subsection (c)) which—

“(A) is intended for general public use and recharges motor vehicle batteries with no associated fee or payment arrangement,

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

“(C) is intended for use exclusively by fleets of commercial or governmental vehicles.”.
(2) CONFORMING AMENDMENT.—Section 30C(b) is amended—

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

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

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

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

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

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

(b) COMMUTING FRINGE INCLUDES BIKESHARE.—

(1) IN GENERAL.—Clause (i) of section 132(f)(5)(F) is amended by striking “a bicycle” and all that follows and inserting “bikeshare, a bicycle, and bicycle improvements, repair, and storage, if the employee regularly uses such bikeshare or bicycle for travel between the employee’s residence and place of
employment or mass transit facility that connects an employee to their place of employment.”.

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

“(iv) Bikeshare.—The term ‘bikeshare’ means a bicycle rental operation at which bicycles are made available to customers to pick up and drop off for point-to-point use within a defined geographic area.”.

(c) Low-Speed Electric Bicycles.—Section 132(f)(5)(F), as amended by subsection (b)(2), is amended by adding at the end the following:

“(v) Low-speed electric bicycles.—The term ‘bicycle’ includes a two- or three-wheeled vehicle with fully operable pedals and an electric motor of less than 750 watts (1 h.p.), whose maximum speed on a paved level surface, when powered solely by such a motor while ridden by an operator who weighs 170 pounds, is less than 20 mph.”.

(d) Modification Relating to Bicycle Commuting Month.—Clause (iii) of section 132(f)(5)(F) is amended to read as follows:
“(iii) Qualified bicycle commuting month.—The term ‘qualified bicycle commuting month’ means, with respect to any employee, any month during which such employee regularly uses a bicycle for a portion of the travel between the employee’s residence and place of employment.”.

(e) Limitation on Exclusion.—

(1) In general.—Subparagraph (C) of section 132(f)(2) is amended by striking “applicable annual limitation” and inserting “applicable monthly limitation”.

(2) Applicable monthly limitation defined.—Clause (ii) of section 132(f)(5)(F) is amended to read as follows:

“(ii) Applicable monthly limitation.—The term ‘applicable monthly limitation’, with respect to any employee for any month, means an amount equal to 20 percent of the dollar amount in effect for the month under paragraph (2)(B).”.

(3) Aggregate limitation.—Subparagraph (B) of section 132(f)(2) is amended by inserting
“and the applicable monthly limitation in the case of any qualified bicycle commuting benefit”.

(f) No CONSTRUCTIVE RECEIPT.—Paragraph (4) of section 132(f) is amended by striking “(other than a qualified bicycle commuting reimbursement)”.

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

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

TITLE V—INVESTMENT IN THE GREEN WORKFORCE

SEC. 501. EXTENSION OF THE ADVANCED ENERGY PROJECT CREDIT.

(a) IN GENERAL.—Section 48C is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

“(e) ADDITIONAL ALLOCATIONS.—

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this paragraph, the Secretary, after consultation with the Secretary of Energy, shall establish a program to designate
amounts of qualifying advanced project credit limitation to qualifying advanced energy projects.

“(2) Annual limitation.—

“(A) In general.—The amount of qualifying advanced project credit limitation that may be designated under this subsection during any calendar year shall not exceed the annual credit limitation with respect to such year.

“(B) Annual credit limitation.—For purposes of this subsection, the term ‘annual credit limitation’ means $2,500,000,000 for each of calendar years 2021, 2022, 2023, 2024, and 2025, and zero thereafter.

“(C) Carryover of unused limitation.—If the annual credit limitation for any calendar year exceeds the aggregate amount designated for such year under this subsection, such limitation for the succeeding calendar year shall be increased by the amount of such excess. No amount may be carried under the preceding sentence to any calendar year after 2025.

“(3) Placed in service deadline.—No credit shall be determined under subsection (a) with respect to any property which is placed in service after the date that is 4 years after the date of the des-
ignation under this subsection relating to such prop-
erty.

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

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

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

“(i) manufacture (other than pri-
marily assembly of components) property
described in a subclause of subsection
(c)(1)(A)(i) (or components thereof), and
“(ii) have the greatest potential for commercial deployment of new applications.

“(5) Disclosure of Designations.—Rules similar to the rules of subsection (d)(5) shall apply for purposes of this subsection.”.

(b) Clarification With Respect To Electrochromatic Glass.—Section 48C(e)(1)((A)(i)(V) is amended—

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

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

(e) Effective Date.—The amendment made by this section shall take effect on the date of the enactment of this Act.

(d) Progress Report.—During the 30-day period ending on December 31, 2025, the Secretary of the Treasury (or the Secretary’s delegate), after consultation with the Secretary of Labor, shall submit a report to Congress on the domestic job creation, wages associated with such jobs, and the amount of such wages paid as described in section 48C(e)(4)(B) of the Internal Revenue Code of 1986, attributable to the amendment made by this section.
SEC. 502. LABOR COSTS OF INSTALLING MECHANICAL INSULATION PROPERTY.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1, as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

“SEC. 45V. LABOR COSTS OF INSTALLING MECHANICAL INSULATION PROPERTY.

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

“(b) Mechanical Insulation Labor Costs.—For purposes of this section—

“(1) In General.—The term ‘mechanical insulation labor costs’ means the labor cost of installing mechanical insulation property with respect to a mechanical system referred to in paragraph (2)(A) which was originally placed in service not less than 1 year before the date on which such mechanical insulation property is installed.

“(2) Mechanical Insulation Property.—The term ‘mechanical insulation property’ means insulation materials, and facings and accessory prod-
ucts installed in connection to such insulation materials—

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

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

“(ii) is of a character subject to an allowance for depreciation, and

“(B) which result in a reduction in energy loss from the mechanical system which is greater than the expected reduction from the installation of insulation materials which meet the minimum requirements of Reference Standard 90.1 (as defined in section 179D(c)(2)).

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

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b), as amended by the preceding provisions of this Act, is further amended by striking “plus” at the end of paragraph (33), by striking the period at the end of paragraph (34) and inserting “, plus”, and by adding at the end the following new paragraph:

“(35) the mechanical insulation labor costs credit determined under section 45V(a).”.
(c) CONFORMING AMENDMENTS.—

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

“(i) MECHANICAL INSULATION LABOR COSTS CREDIT.—

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

“(2) SIMILAR RULE WHERE TAXPAYER CAPITALIZES RATHER THAN DEDUCTS EXPENSES.—If—

“(A) the amount of the credit determined for the taxable year under section 45V(a), exceeds

“(B) the amount of allowable as a deduction for such taxable year for mechanical insulation labor costs (determined without regard to paragraph (1)),

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

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by the
preceding provisions of this Act, is further amended by adding at the end the following new item:

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

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

SEC. 503. LABOR STANDARDS FOR CERTAIN ENERGY JOBS.

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

(1) DEFINITIONS.—In this subsection—

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

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

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

(iii) the installation of any qualified property referred to in paragraph (2) of section 48D(a) of such Code as part of the construction of any qualified investment credit facility described in such paragraph,
(iv) the installation of any energy efficient commercial building property (as defined in section 179D(c)(1) of such Code).

(B) COVERED PROJECT LABOR AGREEMENT.—The term “covered project labor agreement” means a project labor agreement that—

(i) binds all contractors and subcontractors on the construction project through the inclusion of appropriate specifications in all relevant solicitation provisions and contract documents,

(ii) allows all contractors and subcontractors to compete for contracts and subcontracts without regard to whether they are otherwise a party to a collective bargaining agreement,

(iii) contains guarantees against strikes, lockouts, and other similar job disruptions,

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

(v) provides other mechanisms for labor-management cooperation on matters
of mutual interest and concern, including productivity, quality of work, safety, and health.

(C) Project Labor Agreement.—The term “project labor agreement” means a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific construction project and is described in section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)).

(D) Qualified Entity.—The term “qualified entity” means an entity that the Secretary of Labor certifies as a qualified entity in accordance with paragraph (2).

(E) Registered Apprenticeship Program.—The term “registered apprenticeship program” means an apprenticeship program registered and certified with the Secretary of Labor under section 1 of the National Apprenticeship Act (29 U.S.C. 50).

(2) Certification of Qualified Entities.—

(A) In General.—The Secretary of Labor shall establish a process for certifying entities that submit an application under subparagraph
(B) as qualified entities with respect to applicable construction projects for purposes of the amendments made by subsections (b), (c), and (d).

(B) APPLICATION PROCESS.—

(i) IN GENERAL.—An entity seeking certification as a qualified entity under this paragraph shall submit an application to the Secretary of Labor at such time, in such manner, and containing such information as the Secretary may reasonably require, including information to demonstrate compliance with the requirements under subparagraph (C).

(ii) REQUESTS FOR ADDITIONAL INFORMATION.—Not later than 1 year after receiving an application from an entity under clause (i)—

(I) the Secretary of Labor may request additional information from the entity in order to determine whether the entity is in compliance with the requirements under subparagraph (C), and
(II) the entity shall provide such additional information.

(iii) **DETERMINATION DEADLINE.**—

The Secretary of Labor shall make a determination on whether to certify an entity under this subsection not later than—

(I) in a case in which the Secretary requests additional information described in paragraph (2)(B)(ii), 1 year after the Secretary receives such additional information from the entity, or

(II) in a case that is not described in subclause (I), 1 year after the date on which the entity submits the application under clause (i).

(iv) **PRECERTIFICATION REMEDIES.**—

The Secretary shall consider any corrective actions taken by an entity seeking certification under this paragraph to remedy an administrative merits determination, arbitral award or decision, or civil judgment identified under subparagraph (C)(iii) and shall impose as a condition of certification
any additional remedies necessary to avoid further or repeated violations.

(C) Labor Standards Requirements.—

The Secretary of Labor shall require an entity, as a condition of certification under this subsection, to satisfy each of the following requirements—

(i) The entity shall ensure that all laborers and mechanics employed by contractors and subcontractors in the performance of any applicable construction project shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”).

(ii) The entity shall be a party to, or require contractors and subcontractors in the performance of any applicable construction project to consent to, a covered project labor agreement.

(iii) The entity, and all contractors and subcontractors in performance of any
applicable construction project, shall rep-
resent in the application submitted under
subparagraph (B) whether there has been
any administrative merits determination,
arbitral award or decision, or civil judg-
ment, as defined in guidance issued by the
Secretary of Labor, rendered against the
entity in the preceding 3 years for viola-
tions of—

    (I) the Fair Labor Standards Act
    of 1938 (29 U.S.C. 201 et seq.),
    (II) the Occupational Safety and
    Health Act of 1970 (29 U.S.C. 651 et
    seq.),
    (III) the Migrant and Seasonal
    Agricultural Worker Protection Act
    (29 U.S.C. 1801 et seq.),
    (IV) the National Labor Rela-
    tions Act (29 U.S.C. 151 et seq.),
    (V) subchapter IV of chapter 31
    of title 40, United States Code (com-
    monly known as the “Davis-Bacon
    Act”),
(VI) chapter 67 of title 41, United States Code (commonly known as the “Service Contract Act”),

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

(VIII) section 503 of the Rehabilitation Act of 1973 (29 U.S.C. 793),

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

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

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

(XII) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.),

(XIII) the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.),
(XIV) Federal Government standards establishing a minimum wage for contractors, or

(XV) equivalent State laws, as defined in guidance issued by the Secretary of Labor.

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

(v) The entity, and all contractors and subcontractors in the performance of any applicable construction project, shall consider an individual performing any service in such performance as an employee (and not an independent contractor) of the entity, contractor, or subcontractor, respectively, unless—

(I) the individual is free from control and direction in connection with the performance of the service, both under the contract for the performance of the service and in fact,
(II) the service is performed outside the usual course of the business of the entity, contractor, or subcontractor, respectively, and

(III) the individual is customarily engaged in an independently established trade, occupation, profession, or business of the same nature as that involved in such service.

(vi) The entity shall prohibit all contractors and subcontractors in the performance of any applicable construction project from hiring employees through a temporary staffing agency unless the relevant State workforce agency certifies that temporary employees are necessary to address an acute, short-term labor demand.

(vii) The entity shall require all contractors, subcontractors, successors in interest of the entity, and other entities that may acquire the entity, in the performance or acquisition of any applicable construction project, to have an explicit neutrality policy on any issue involving the organization of employees of the entity, and all con-
tractors and subcontractors in the performance of any applicable construction project, for purposes of collective bargaining.

(viii) The entity shall, for each skilled craft employed on any applicable construction project, demonstrate an ability to use and commit to use individuals enrolled in a registered apprenticeship program, which such individuals shall, to the greatest extent practicable, constitute not less than 20 percent of the individuals working on such project.

(ix) The entity, and all contractors and subcontractors in the performance of any applicable construction project, shall not request or otherwise consider the criminal history of an applicant for employment before extending a conditional offer to the applicant, unless—

(I) a background check is otherwise required by law,

(II) the position is for a Federal law enforcement officer (as defined in
section 115(c)(1) of title 18, United States Code) position, or

(III) the Secretary of Labor, after consultation with the Secretary of Energy, certifies that precluding criminal history prior to the conditional offer would pose a threat to national security.

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

(E) **PERIOD OF VALIDITY FOR CERTIFICATIONS.**—A certification made under this subsection shall be in effect for a period of 5 years. An entity may reapply to the Secretary of Labor for an additional certification under this subsection in accordance with the application process under paragraph (2)(B).

(F) **REVOCATION OF QUALIFIED ENTITY STATUS.**—The Secretary of Labor may revoke the certification of an entity under this sub-
section as a qualified entity at any time in
which the Secretary reasonably determines the
entity is no longer in compliance with para-
graph (2)(C).

(G) Certification may cover more
than 1 substantially similar project.—
The Secretary of Labor may make certifications
under this paragraph which apply with respect
to more than 1 project if the projects to which
such certification apply are substantially similar
projects which meet the requirements of this
subsection. Such projects shall be treated as a
specific construction project for purposes of
paragraph (1)(C).

(3) Authorization of Appropriations.—
There is authorized to be appropriated to carry out
this section $10,000,000 for fiscal year 2020 and
each fiscal year thereafter.

(b) Jobs in Energy Credit.—

(1) In General.—Subpart E of part IV of
subchapter A of chapter 1 of the Internal Revenue
Code of 1986 is amended by inserting after section
48C the following new section:
SEC. 48D. JOBS IN ENERGY CREDIT.

(a) INVESTMENT CREDIT FOR QUALIFIED PROPERTY.—For purposes of section 46, the jobs in energy credit for any taxable year is an amount equal to 10 percent of the basis of any qualified energy property placed in service by the taxpayer during such taxable year if the installation of such property is performed by a qualified entity with respect to such property.

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

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

(2) qualified property which is part of a qualified investment credit facility (as defined in section 48(a)(5) without regard to clause (a)(5)(C)(iii)) which is originally placed in service after December 31, 2020.

(c) QUALIFIED ENTITY.—For purposes of this section—

(1) IN GENERAL.—The term ‘qualified entity’ means, with respect to the installation of any qualified energy property, an entity which is certified by the Secretary of Labor as being in compliance with all of the applicable requirements under section 503(a) of the GREEN Act of 2020 with respect to
such installation at all times during the period begin-
ning on the date on which the installation of such
property begins and ending on the date on which
such property is placed in service.

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

“(d) Special Rules.—

“(1) Certain progress expenditure rules
made applicable.—Rules similar to the rules of
subsections (c)(4) and (d) of section 46 (as in effect
on the day before the date of the enactment of the
Revenue Reconciliation Act of 1990) shall apply for
purposes of subsection (a).

“(2) Special rule for property financed
by subsidized energy financing or industrial
development bonds.—For purposes of subsection
(a), rules similar to the rules of section 48(a)(4) shall apply for purposes of determining the basis of any qualified energy property.

“(3) RECAPTURE.—If the Secretary of Labor revokes the certification of a qualified entity with respect to the installation of any property, the tax imposed under this chapter on the taxpayer to whom the credit determined under this section is allowed shall be increased for the taxable year which includes the date of such revocation by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero any credit determined under this section with respect to such property.

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

(2) CONFORMING AMENDMENTS.—

(A) Section 46 of such Code is amended by striking “and” at the end of paragraph (5), by striking the period at the end of paragraph (6)
and inserting “, and”, and by adding at the end the following new paragraph:

“(7) the jobs in energy credit.”.

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

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

(C) Section 50(a)(2)(E) of such Code is amended by striking “ or 48C(b)(2)” and inserting “48C(b)(2), or 48D(d)(1)”.

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

“Sec. 48D. Jobs in energy credit.”.

(3) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2020, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).
(c) Increase in New Energy Efficient Home Credit for Contracting with Qualified Entities.—

(1) In General.—Section 45L(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(3) Adjustment for Qualified Entities.—

“(A) In General.—In the case of any dwelling unit which was constructed by an eligible contractor which is certified by the Secretary of Labor as being in compliance with all of the applicable requirements under section 503(a) of the GREEN Act of 2020 with respect to the construction of such dwelling unit, paragraph (2)(A) shall be applied by substituting ‘$2,700’ for ‘$2,500’.

“(B) Recapture of Adjustment for Qualified Entities.—If the Secretary of Labor revokes the certification of a qualified entity with respect to the construction of any qualified new energy efficient home, the tax imposed under this chapter on the taxpayer to whom the credit determined under this section is allowed shall be increased for the taxable year which includes the date of such revocation
by an amount equal to the aggregate decrease
in the credits allowed under section 38 for all
prior taxable years which would have resulted
solely from applying this section without regard
to subparagraph (A).”.

(2) Effective Date.—The amendment made
by this section shall apply to dwelling units acquired

(d) Increase in Energy Efficient Commercial
Building Deduction for Installation by Qualified Entities.—

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

“(7) Adjustment for Qualified Entities.—
In the case of any energy efficient commercial build-
ing property which was installed by an entity which
is certified by the Secretary of Labor as being in
compliance with all of the applicable requirements
under section 503(a) of the GREEN Act of 2020
with respect to such installation, subsection
(b)(1)(A) shall be applied by substituting ‘$3.20’ for
‘$3’. ”.

(2) Conforming Amendment.—Section
179D(d)(1)(A) of such Code is amended by inserting
“(or, in the case of property to which paragraph (7) applies, by substituting ‘$1.07’ for ‘$3.20’ in such paragraph)” before the period at the end.

(3) Effective date.—The amendment made by this section shall apply to property placed in service after December 31, 2020.

**TITLE VI—ENVIRONMENTAL JUSTICE**

**SEC. 601. QUALIFIED ENVIRONMENTAL JUSTICE PROGRAM CREDIT.**

(a) In General.—Subpart C of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

“**SEC. 36C. QUALIFIED ENVIRONMENTAL JUSTICE PROGRAMS.**

“(a) Allowance of Credit.—In the case of an eligible educational institution, there shall be allowed as a credit against the tax imposed by this subtitle for any taxable year an amount equal to the applicable percentage of the amounts paid or incurred by such taxpayer during such taxable year which are necessary for a qualified environmental justice program.

“(b) Qualified Environmental Justice Program.—For purposes of this section—
“(1) IN GENERAL.—The term ‘qualified environmental justice program’ means a program conducted by one or more eligible educational institutions that is designed to address, or improve data about, qualified environmental stressors for the primary purpose of improving, or facilitating the improvement of, health and economic outcomes of individuals residing in low-income areas or areas populated disproportionately by racial or ethnic minorities.

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

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

“(d) APPLICABLE PERCENTAGE.—For purposes of this section, the term ‘applicable percentage’ means—
“(1) in the case of a program involving material participation of faculty and students of an institution described in section 371(a) of the Higher Education Act of 1965, 30 percent, and
“(2) in all other cases, 20 percent.
“(e) CREDIT ALLOCATION.—
“(1) ALLOCATION.—
“(A) IN GENERAL.—The Secretary shall allocate credit dollar amounts under this section to eligible educational institutions, for qualified environmental justice programs, that—
“(i) submit applications at such time and in such manner as the Secretary may provide, and
“(ii) are selected by the Secretary under subparagraph (B).
“(B) SELECTION CRITERIA.—The Secretary, after consultation with the Secretary of Energy, the Secretary of Education, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall select applications on the basis of the following criteria:
“(i) The extent of participation of faculty 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-
period 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.
“(2) Failure to Comply.—In the case of an eligible educational institution that has failed to comply with the requirements of this subsection, the credit dollar amount allocated to such institution under this section is deemed to be $0.

“(g) Public Disclosure.—The Secretary, upon making an allocation of credit dollar amounts under this section, shall publicly disclose—

“(1) the identity of the eligible educational institution receiving the allocation, and

“(2) the amount of such allocation.”.

(b) Conforming Amendments.—

(1) Section 6211(b)(4)(A) is amended by inserting “36C,” after “36B,”.

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

(c) Clerical Amendment.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 36B the following new item:

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

(d) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.
TITLE VII—TREASURY REPORT ON DATA FROM THE GREENHOUSE GAS REPORTING PROGRAM

SEC. 701. REPORT ON GREENHOUSE GAS REPORTING PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury (or the Secretary’s delegate) shall submit a report to Congress on the utility of the data from the Greenhouse Gas Reporting Program for determining the amount of greenhouse gases emitted by each taxpayer for the purpose of imposing a fee on such taxpayers with respect to such emissions. Such report shall include a detailed description and analysis of any administrative or other challenges associated with using such data for such purpose.

(b) GREENHOUSE GAS REPORTING PROGRAM.—For purposes of this section, the term “Greenhouse Gas Reporting Program” means the reporting program established by the Administrator of the Environmental Protection Agency under title II of division F of the Consolidated Appropriations Act, 2008.