

110TH CONGRESS
1ST SESSION

S. 1291

To amend the Internal Revenue Code of 1986 to extend and modify the renewable energy production credit and to extend and modify the credit to holders of clean renewable energy bonds.

IN THE SENATE OF THE UNITED STATES

MAY 3, 2007

Mr. THUNE introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the renewable energy production credit and to extend and modify the credit to holders of clean renewable energy bonds.

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 “Wind Energy Develop-
5 ment Act of 2007” or the “WEnD Act”.

1 **SEC. 2. EXTENSION AND MODIFICATION OF RENEWABLE**
2 **ELECTRICITY PRODUCTION CREDIT.**

3 (a) EXTENSION.—Paragraphs (1), (2), (3), (4), (5),
4 (6), (7), and (9) of section 45(d) of the Internal Revenue
5 Code of 1986 (relating to qualified facilities) are each
6 amended by striking “January 1, 2009” each place it ap-
7 pears and inserting “January 1, 2013”.

8 (b) MODIFICATION OF INFLATION ADJUSTMENT.—
9 Paragraph (2) of section 45(b) of the Internal Revenue
10 Code of 1986 is amended by adding at the end the fol-
11 lowing new sentence: “No adjustment shall be made under
12 this paragraph with respect to the 1.5 cent amount in sub-
13 section (a) and the 8 cent amount in paragraph (1) for
14 any year after 2007.”.

15 (c) EFFECTIVE DATE.—The amendments made by
16 this section apply to energy produced and sold after the
17 date of the enactment of this Act, in taxable years ending
18 after such date.

19 **SEC. 3. EXTENSION AND EXPANSION OF CREDIT TO HOLD-**
20 **ERS OF CLEAN RENEWABLE ENERGY BONDS.**

21 (a) EXTENSION.—Section 54(m) of the Internal Rev-
22 enue Code of 1986 (relating to termination) is amended
23 by striking “2008” and inserting “2012”.

24 (b) ANNUAL VOLUME CAP FOR BONDS ISSUED DUR-
25 ING EXTENSION PERIOD.—Subsection (f) of section 54 of
26 the Internal Revenue Code of 1986 (relating to limitation

1 on amount of bonds designated) is amended to read as
2 follows:

3 “(f) LIMITATION ON AMOUNT OF BONDS DES-
4 IGNATED.—

5 “(1) ANNUAL NATIONAL LIMITATION.—There is
6 a national clean renewable energy bond limitation
7 for each calendar year of \$2,250,000,000.

8 “(2) ALLOCATION BY SECRETARY.—

9 “(A) IN GENERAL.—Subject to subpara-
10 graph (B), the Secretary shall allocate the
11 amount described in paragraph (1) among
12 qualified projects in such manner as the Sec-
13 retary determines appropriate.

14 “(B) LIMITATION ON ALLOCATIONS.—With
15 respect to any calendar year, the Secretary may
16 not allocate—

17 “(i) more than \$750,000,000 of the
18 amount described in paragraph (1) to fi-
19 nance qualified projects of qualified bor-
20 rowers which are public power entities,

21 “(ii) more than \$250,000,000 of the
22 amount described in paragraph (1) to fi-
23 nance qualified projects of qualified bor-
24 rowers which are Indian tribes,

1 “(iii) more than \$500,000,000 of the
2 amount described in paragraph (1) to fi-
3 nance qualified projects of qualified bor-
4 rowers which are government entities
5 (other than public power entities or Indian
6 tribes), and

7 “(iv) more than \$750,000,000 of the
8 amount described in paragraph (1) to fi-
9 nance qualified projects of qualified bor-
10 rowers which are cooperative electric com-
11 panies or cooperative lenders.

12 “(C) PUBLIC POWER ENTITY.—For pur-
13 poses of subparagraph (B), the term ‘public
14 power entity’ means a State utility with a serv-
15 ice obligation, as such terms are defined in sec-
16 tion 217 of the Federal Power Act.”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to bonds issued after December
19 31, 2007.

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