



January 2020

# Summary of the Climate Leadership and Environmental Action for our Nation's (CLEAN) Future Act

## COMMITTEE ON ENERGY & COMMERCE

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### **Section 1. SHORT TITLE.**

The title of this Act is the “Climate Leadership and Environmental Action for our Nation’s (CLEAN) Future Act” or the “CLEAN Future Act”.

### **Sec. 2. TABLE OF CONTENTS.**

Lists the titles, subtitles, and sections in this Act.

## **TITLE I—NATIONAL CLIMATE TARGET**

### **Subtitle A—National Target**

#### **Sec. 101. NATIONAL GOAL.**

Declares a national goal for the United States to achieve a 100 percent clean economy by no later than 2050.

#### **Sec. 102. FEDERAL AGENCY PLANS.**

Directs the head of each federal agency to develop a plan for that agency, using existing authorities, to achieve the national goal in combination with all other federal agency plans. Establishes criteria for the Federal agency plans and creates a process for public review and review by the Environmental Protection Agency (EPA) before submission to Congress and implementation. Further requires each agency to review its plan at least every two years and to submit an annual report to Congress.

#### **Sec. 103. ACCOUNTABILITY.**

Requires EPA to monitor the nation’s progress toward the national goal and to submit a report to Congress annually that includes recommendations regarding the rate of progress toward the national goal.

#### **Sec. 104. CLEAN ECONOMY FEDERAL ADVISORY COMMITTEE.**

Establishes a Clean Economy Federal Advisory Committee and delineates requirements for its membership and operation. Directs the Committee to prepare recommendations on one or more interim greenhouse gas emission (GHG) reduction goals and authorizes it to make recommendations to include in the annual report required by section 103.

#### **Sec. 105. RECOMMENDATIONS FOR INTERIM GOALS.**

Directs EPA to recommend to Congress one or more interim GHG emission reductions goals for the United States to achieve on the path to meeting the national goal.

#### **Sec. 106. DEFINITIONS.**

Defines terms used in this subtitle.

## **Subtitle B—National Academy of Sciences Review**

### **Sec. 111. NATIONAL ACADEMY OF SCIENCES REVIEW.**

Directs the National Academy of Sciences (NAS) to evaluate how EPA should measure progress toward the net-zero emissions target. Requires the NAS study propose best practices for quantifying sector- and subsector-specific lifecycle GHG emissions, metrics for assessing progress toward the net-zero target, and a methodology for determining whether the United States has reached that target.

## **TITLE II—POWER**

### **Subtitle A—Federal Clean Electricity Standard**

#### **Sec. 201. PURPOSE.**

Establishes that a Clean Electricity Standard will stimulate clean energy innovation and deployment, creating a path to net-zero emissions from the electricity sector by 2050 while minimizing costs to consumers.

#### **Sec. 202. DEFINITIONS.**

Defines terms used in this subtitle.

#### **Sec. 203. CLEAN ENERGY REQUIREMENT.**

Requires retail electricity suppliers provide an increasing percentage of clean electricity each year starting in 2022, rising to 100 percent in 2050. Also creates an alternative compliance payment (ACP) mechanism for retail electricity suppliers to satisfy the requirements laid out in this section. Suppliers may submit ACPs, the price of which increases each year, in lieu of clean energy credits.

#### **Sec. 204. CLEAN ENERGY CREDIT TRADING PROGRAM.**

Establishes a clean energy credit trading program in which entities can buy, sell, and trade credits to demonstrate compliance with their obligations established in section 203.

#### **Sec. 205. DETERMINATION OF QUANTITY OF CLEAN ENERGY CREDITS.**

Establishes a formula for determining the generation of clean energy credits, based on the carbon intensity of electricity generation compared to a baseline of 0.82 metric tons of carbon dioxide (CO<sub>2</sub>) per megawatt-hour. Non-emitting generators receive full credit for electricity they provide, whereas GHG-emitting generators below the 0.82 metric ton threshold may receive partial credit. Specifies adjustments that must be made when calculating each electricity generator's carbon intensity. Directs NAS to evaluate: data, models, and methodologies for quantifying lifecycle GHG electricity generation emissions; data, models, and methodologies for determining credit values for certain energy feedstocks; and the appropriateness of certain definitions used in this subtitle. Requires the Secretary of Energy to promulgate regulations, as needed, based on findings from the NAS study.

#### **Sec. 206. CARBON MITIGATION.**

Establishes a carbon mitigation program funded by ACPs made under section 203 and civil penalties under section 209. Funding is distributed to states and may be used for activities that: improve energy efficiency; promote electrification; replace fossil fuel-powered vehicles owned by state and local governments with electric vehicles or other low-carbon fuel vehicles; replace fossil fuel-powered ground airport and seaport vehicles with electric vehicles or other low-carbon fuel vehicles; install fast charging electric vehicle infrastructure along urban and rural highways and public roads; or promote direct air capture and permanent sequestration or utilization of CO<sub>2</sub>.

**Sec. 207. STATE PROGRAMS.**

Includes a savings clause that nothing in this Act prevents states from adopting or enforcing their own clean or renewable energy standards or regulation of retail electricity suppliers. Further specifies that retail electricity suppliers in a state with a more stringent clean energy program are deemed compliant with the federal standard, so long as they are compliant with the state standard.

**Sec. 208. INFORMATION COLLECTION.**

Allows the Secretary of Energy to require any retail electricity supplier, generator, or other entity (as the Secretary deems appropriate) to submit to the Secretary any information needed to carry out this subtitle.

**Sec. 209. CIVIL PENALTIES.**

Allows the Secretary of Energy to assess civil penalties on regulated entities for failure to comply with the requirements of this subtitle.

**Sec. 210. REGULATIONS; REPORT.**

Directs the Secretary of Energy to promulgate regulations to implement this subtitle.

**Subtitle B—Federal Energy Regulatory Reform**

**Sec. 211. NATIONAL POLICY ON TRANSMISSION.**

Establishes that it is the policy of the United States that a modern transmission system should facilitate a decarbonized electricity supply to enable GHG emissions reductions, and that the public interest is served by reducing barriers to transmission investments that enable clean energy resources deployment.

**Sec. 212. RULEMAKING TO INCREASE THE EFFECTIVENESS OF THE INTERREGIONAL TRANSMISSION PLANNING PROCESS.**

Requires the Federal Energy Regulatory Commission (FERC) to initiate a rulemaking to increase the effectiveness of the interregional transmission planning process.

**Sec. 213. REVIEW OF THE EFFECTIVENESS OF POLICIES AND INCENTIVES TO ENCOURAGE DEPLOYMENT OF ADVANCED TRANSMISSION TECHNOLOGIES.**

Requires FERC to review and report on its progress in encouraging deployment of transmission technologies that increase the capacity and efficiency of existing transmission infrastructure.

**Sec. 214. PUBLIC ENGAGEMENT AT FERC.**

Creates an Office of Public Participation and Consumer Advocacy at FERC.

**Sec. 215. PUBLIC INTEREST UNDER THE NATURAL GAS ACT.**

Defines the public interest under Sections 3 and 7 of the Natural Gas Act (NGA). Clarifies that FERC must consider climate change in its decision-making, resolving any ambiguity and arguments surrounding the District of Columbia Circuit Court's holding in Sabal Trail.

**Sec. 216. MODIFICATIONS TO EXERCISE OF THE RIGHT OF EMINENT DOMAIN BY HOLDER OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.**

Amends the NGA to prevent pipeline companies from using eminent domain until they have obtained all federal and state permits necessary for the construction and operation of a pipeline project. Prohibits use of eminent domain for pipelines attached to liquified natural gas facilities.

**Sec. 217. MARKET BARRIERS TO CLEAN ENERGY DEVELOPMENT.**

Clarifies that nothing in the Federal Power Act (FPA) limits FERC's ability to approve a carbon pricing regime to set rates under sections 205 and 206; disallows state interference in a customer's right to purchase clean electricity in interstate commerce; and requires all public utilities to place transmission facilities under the control of an independent system operator (ISO) or regional transmission organization (RTO) within two years.

**Subtitle C—Public Utility Regulatory Policies Act Reform**

**Sec. 221. CONSIDERATION OF ENERGY STORAGE SYSTEMS.**

Establishes a standard under the Public Utility Regulatory Policies Act of 1978 (PURPA) requiring states to consider investment in energy storage systems.

**Sec. 222. COORDINATION OF PROGRAMS.**

Requires coordination and streamlining of the funding and administration of the offices within the Grid Modernization Initiative of the Department of Energy (DOE), along with other programs conducting energy storage research.

**Sec. 223. PROMOTING CONSIDERATION AND UTILIZATION OF NON-WIRES SOLUTIONS.**

Establishes a standard under PURPA that electric utilities consider implementation of non-wires solutions, or alternatives to traditional transmission infrastructure, when appropriate.

**Sec. 224. CONTRACT OPTIONS FOR QUALIFIED FACILITIES.**

Requires that qualifying facilities under PURPA have the option to enter into a fixed price contract for energy.

**Subtitle D—Electricity Infrastructure Modernization and Resilience**

**Sec. 231. 21ST CENTURY POWER GRID.**

Directs the Secretary of Energy to establish a program to provide funding to eligible partners for projects that improve resiliency, performance, or efficiency of the electricity grid. Partnerships may include (a) a state or local government, a National Laboratory, an institution of higher education, an Indian tribe, a federal power marketing administration, or an entity that develops or provides grid technology and (b) either an electric utility, an RTO, or an ISO.

**Sec. 232. PROGRAM TO ENHANCE ELECTRIC INFRASTRUCTURE RESILIENCE, RELIABILITY, AND ENERGY SECURITY.**

Establishes a competitive grant program to enhance energy security through electricity infrastructure hardening and enhanced resilience and reliability. Authorizes \$515 million per year from fiscal year (FY) 2021-2030.

**Sec. 233. INDIAN ENERGY.**

Amends section 2601(2) of the Energy Policy Act of 1992 (EPACT92) to include any land occupied by a majority of residents who are members of Alaskan Native tribes in the definition of Indian land. Allows the Secretary of Energy to reduce any required cost share for energy projects funded through the Office of Indian Energy. Reauthorizes program funding from FY 2021-2030 at \$30 million annually.

**Sec. 234. RURAL GRANTS.**

Establishes a DOE grant program to provide funding and technical assistance to rural electric cooperatives – or nonprofit organizations working with at least six rural electric cooperatives – to identify, evaluate, design, and demonstrate energy storage and microgrid projects that use renewable energy.

**Sec. 235. PROMOTING GRID STORAGE.**

Establishes a cross-cutting national program within DOE for research into energy storage systems, components, and materials. Establishes a technical assistance and grant program to disseminate information, provide technical assistance and make grants to enable eligible entities to identify, evaluate, plan, design, and develop processes to procure energy storage systems.

**Sec. 236. MICROGRIDS.**

Requires the Secretary of Energy to establish a program to promote the development of microgrids for isolated communities and improve the resilience of critical infrastructure.

**Sec. 237. ENERGY EFFICIENT TRANSFORMER REBATE PROGRAM.**

Directs the Secretary of Energy to establish a program to provide rebates to eligible entities that replace inefficient transformers with a qualified energy efficient transformer. Defines the terms “qualified energy inefficient transformer”, “qualified energy efficient transformer”, and “qualified entity”. Establishes requirements for an applicant to receive rebates under the program and provides minimum requirements for the information an applicant must provide to the Secretary. Authorizes amounts of a rebate for specific transformers and authorizes \$10 million per year from FY 2021-2030.

**Sec. 238. STRATEGIC TRANSFORMER RESERVE PROGRAM.**

Directs the Secretary of Energy to establish a program to ensure that large power transformers and other critical electric grid equipment can be replaced in response to an event that damages and disables such equipment. Requires the program to facilitate technological and design improvements to equipment that will reduce their vulnerabilities to attack or damage. Authorizes the Secretary to establish one or more federally-owned equipment reserves to ensure nationwide access to replacement equipment. Directs the Secretary to consult with FERC, the Electricity Subsector Coordinating Council, the Electric Reliability Organization, and owners and operators of critical electric infrastructure in the establishment and conduct of the program. Authorizes \$75 million per year from FY 2021-2030.

**Sec. 239. DEPARTMENT OF ENERGY SUPPORT TO REPOWER COMMUNITIES.**

Establishes a DOE program to provide information and technical assistance to support the siting of clean energy resources at sites formerly home to fossil fuel-powered generating units. Authorizes \$10 million per year from FY 2021-2030.

**Sec. 240. ENVIRONMENTAL PROTECTION AGENCY SUPPORT TO REPOWER COMMUNITIES.**

Establishes an EPA grant program to remediate sites formerly home to a fossil fuel-powered generating unit. The section authorizes \$10 million per year from FY 2021-2030.

**Subtitle E—Clean Electricity Generation**

**Sec. 241. DISTRIBUTED ENERGY RESOURCES.**

Directs the Secretary of Energy to establish a program to provide loans to eligible entities to support deployment of distributed energy systems. Defines eligible entities and establishes requirements for the Secretary to consider when selecting entities that will receive loans. Directs the Secretary to make loans that achieve specific objectives related to improving security and resiliency of the grid, increasing use of local renewable energy resources, and enhancing management of peak loads and lowering energy costs for rural

consumers. Restricts the use of loan funds to projects related to deployment of distributed energy systems. Sets the terms and conditions for the loans provided to eligible entities. Establishes a technical assistance and grant program to provide technical assistance and disseminate information related to distributed energy resources. Authorizes \$250 million over the period from FY 2021-2030, to remain available until expended.

**Sec. 242. LOAN AND GRANT PROGRAM FOR SOLAR INSTALLATIONS IN LOW-INCOME AND UNDERSERVED AREAS.**

Defines terms used in the section. Directs the Secretary of Energy to establish a program to provide loans and grants to eligible entities to construct or install community solar facilities or solar generating facilities to serve multi-family affordable housing. Sets conditions for loan and grant applications. Requires funding received through the program to be used for solar generating equipment, job training, deployment support, or administrative expenses. Authorizes \$200 million per year from FY 2021-2030.

**Sec. 243. HYDROELECTRIC PRODUCTION INCENTIVES AND EFFICIENCY IMPROVEMENTS.**

Reauthorizes sections 242 and 243 of the Energy Policy Act of 2005 (EPACT05) to provide incentives for owners and operators of hydroelectric projects to make production and efficiency improvements to hydropower facilities from FY 2021-2036, and to expand eligibility for the program to hydropower facilities at existing dams or conduits with generating capacities of 10 megawatts or less.

**Sec. 244. HYDROPOWER LICENSING AND PROCESS IMPROVEMENTS.**

Adds a new section to the FPA to improve the hydropower licensing process. Directs FERC and the federal resource agencies to convene a negotiated rulemaking within 90 days of enactment and requires participants include state and local government representatives, tribes, and other relevant stakeholders. The rulemaking will develop a process to coordinate all necessary federal authorizations and enable FERC to make a final decision on a license not later than three years after receiving a completed license application.

Permits FERC, federal, state, or local government agencies, and tribes to accept funding from a license applicant for a third-party contractor to assist in reviewing the application. Adds a new section on license studies. Authorizes FERC to implement an expedited process for consideration of applications for qualifying license amendments and upgrades. Creates a voluntary option allowing license applicants located within the same watershed to work as a group during the licensing process and to rely on jointly prepared watershed studies to support their individual applications for a new license. Includes language to qualify FERC's *ex parte* regulations to encourage greater cooperation among all parties to the license process. Makes a technical correction to Section 4(e) of the FPA related to trial-type hearings.

Requires FERC and the Secretary of the Interior to issue guidance on best practices for engagement with Indian tribes in the hydropower licensing process for applicants, federal and state agencies, Indian tribes, and the public. Provides delegated authority to tribes to apply mandatory conditions to hydropower licenses that would otherwise be applied by the Secretary. The section also directs the Secretary to consider the threat of invasive species when prescribing fishways under Section 18.

**Sec. 245. LONG-TERM NUCLEAR POWER PURCHASE AGREEMENT PILOT PROGRAM.**

Establishes a pilot program requiring DOE to enter into at least one long-term power purchase agreement to purchase electricity generated from advanced nuclear power technologies.

**Sec. 246. DISTRIBUTED ENERGY OPPORTUNITY BOARD.**

Defines the terms used in the section. Requires the Secretary of Energy to establish a non-profit corporation, the Distributed Energy Opportunity Board, in consultation with non-federal stakeholders engaged in distributed energy installation and permitting. Designates the composition and activities of the Board.

Authorizes the Board to assess fees for the provision of its services. Directs the Secretary to provide technical and financial assistance to the Board. Requires the Secretary designate certain communities as “Distributed Energy Opportunity Communities” and establish a program to award grants to these communities on a competitive basis. Authorizes \$20 million per year from FY 2021-2030.

**Sec. 247. POWER PURCHASE AGREEMENTS.**

Amends existing law to extend the maximum length of federal power purchase agreements from 10 to 40 years for zero-emission power generation technologies.

**Sec. 248. HYDROPOWER REGULATORY IMPROVEMENTS.**

Amends the definition of renewable energy in section 203 of EPACT05 to include all hydropower production. Sets the goals for federal purchase of renewable power at 25 percent in FY 2020, increasing to 50 percent in FY 2030 and beyond.

**Subtitle F—Low-Income Assistance**

**Sec. 251. LIHEAP AUTHORIZATION.**

Reauthorizes the Low Income Home Energy Assistance Program (LIHEAP) through FY 2030.

**TITLE III—EFFICIENCY**

**Subtitle A—Energy Saving Building Codes**

**Sec. 301. ENERGY SAVING BUILDING CODES.**

Amends section 307 of the Energy Conservation and Production Act of 1976 (ECPA) to establish national energy savings targets for model building energy codes, enabling adoption of codes that would require zero energy ready buildings by 2030. Directs the Secretary of Energy to provide timely technical assistance and propose amendments to the model codes or standards organization, consistent with the national energy savings targets. Subsequently directs the Secretary to evaluate each revision of a model building energy code to determine whether the revision will meet the national energy savings targets. If a revision of a model building energy code does not meet the appropriate target, DOE must either designate a model code that meets the target, issue amendments, or develop an alternative model building energy code. Directs the Secretary to provide technical and financial support for development of stretch codes and advanced standards. Replaces the term “voluntary building energy code” with “model building energy code” in each place it appears in section 305 of ECPA and amends section 303 of ECPA to add definitions.

Amends section 304 of ECPA to direct the Secretary to encourage and support the adoption of, and full compliance with, building energy codes by states, tribes, and local governments. States and Indian tribes must certify to the Secretary whether they have adopted a revised building energy code, which must then be validated by the Secretary. Starting in 2024 and every three years thereafter, the Secretary must analyze and validate compliance with validated building energy codes in each state and tribal nation. Federal financial support related to energy or buildings may be withheld from states or Indian tribes without validated certification or compliance. Provides incentive funding and technical assistance to states and Indian tribes to aid with adoption and compliance.

Also amends section 327 of the Energy Policy and Conservation Act of 1975 (EPCA) to clarify that states may reference more stringent appliance standards in their building codes under certain specific circumstances. Allows a more stringent appliance standard to be included in a state code if it is included in a national model building code issued by a model codes or standards organization or DOE.

## **Subtitle B—Existing Building Retrofits**

### **Sec. 311. WEATHERIZATION ASSISTANCE PROGRAM.**

Amends ECPA to reauthorize the Weatherization Assistance Program (WAP), beginning in FY 2021 at \$350 million, increasing to \$1 billion in FY 2025, and maintaining that level through FY 2030. Revises the definition of weatherization materials to add renewable energy and other advanced technologies to the list of weatherization materials that may be installed in residences under the program. Allows the Secretary of Energy to amend regulations to take improvements in health and safety of building occupants from weatherization into consideration when setting standards under the program.

Permits the Secretary to request that entities receiving funds through WAP review the use of private contractors and encourage the use of private contractors in performing work of the projects. Allows entities receiving weatherization assistance funds to use funding for contractor training.

Adds a new section to the law to provide financial assistance through a competitive process. Defines five purposes of the competitive grant program: expanding the number of dwelling units receiving weatherization assistance; deploying renewable energy; ensuring healthy indoor environments; disseminating new methods and practices in weatherization; and encouraging the hiring and retention of individuals from groups that are underrepresented in the weatherization and home energy performance workforce.

Directs the Secretary to make annual awards through a competitive process to eligible entities to perform work on dwelling units occupied by low-income persons in accordance with the list of eligible work criteria and the purposes of the program. Eligible entities include those that receive funds from the federal government, state government, or tribal organizations through a weatherization program and nonprofit entities. Designates seven criteria the Secretary must consider when making determinations about awards to eligible applicants. Directs the Secretary to make the first award under the program within 270 days of enactment and specifies applicants must submit applications including information required by the Secretary. Designates the maximum award amounts under the program to be \$2 million with a maximum term of the financial assistance of any award to be three years. Instructs the Secretary to issue requirements to implement the section within 90 days of enactment. Clarifies that nothing in the section supersedes or affects any state or local laws. Directs the Secretary to review and evaluate the performance of each entity receiving a grant under the program. Requires the Secretary submit an annual report to Congress containing the actions the Secretary took to further the purposes of the program and report the program's accomplishments, including energy and cost savings. Authorizes grant program funding from FY 2021-2030. The specific amount authorized is determined by the appropriated funds for WAP in a given fiscal year. Specifies that funding for the program under ECPA section 414D is capped within a fiscal year to be the lesser of \$25 million or six percent of WAP funding if the program's annual appropriation is \$300 million or more.

Creates a new ECPA section 414E, which permits the Secretary to encourage entities receiving funds through WAP to prioritize and retain employees who reside in the community where the weatherization project is located or from communities or groups that are underrepresented in the home energy performance workforce as specified in ECPA section 414D.

Increases from 10 percent to 15 percent the cap on funds awarded under WAP that may be used for administration.

Amends ECPA to change the date when a dwelling unit weatherized using WAP funds becomes eligible to receive weatherization assistance for further weatherization projects to be 15 years after the date when that unit's previous weatherization project was completed.



Requires the Secretary to produce an annual report enumerating the number of multifamily buildings in which dwelling units were weatherized using program funds during the previous year and the number of individual dwelling units in multifamily buildings that were weatherized using program funds in the previous year. Also requires a report on requests for waivers of specific requirements of WAP.

**Sec. 312. ENERGY EFFICIENT PUBLIC BUILDINGS.**

Amends section 125 of EPACT05 by adding a reference to Standard 90.1 of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers and by adding benchmarking programs to enable monitoring and use of energy performance data in buildings as an eligible use of grant funds. Also adds a new subsection that includes a requirement for any local government receiving a grant to obtain third-party verification of the energy efficiency improvements obtained using grant funds. Authorizes the Secretary of Energy to provide guidance to state agencies to enable compliance with the requirement to obtain third-party verification and directs the Secretary to consider available third-party verification tools in preparation of guidance. Subsection 312(c) adds a requirement that all state energy offices receiving grants ensure contractors and subcontractors performing work with grant funds are paid prevailing wage rates. Authorizes appropriations of \$100 million per year from FY 2021-2030.

**Sec. 313. ENERGY RETROFITTING ASSISTANCE FOR SCHOOLS.**

Directs DOE to establish a clearinghouse to disseminate information regarding federal programs and financing mechanisms that may be used to help initiate, develop, and finance energy efficiency, distributed generation, and retrofitting projects at schools. Requires DOE consult with appropriate federal agencies to develop the clearinghouse and coordinate with them to develop education and outreach efforts to promote it.

**Sec. 314. GRANTS FOR ENERGY EFFICIENCY IMPROVEMENTS AND RENEWABLE ENERGY IMPROVEMENTS AT PUBLIC SCHOOL FACILITIES.**

Requires DOE establish a competitive grant program to award funding for energy improvements in public school facilities. Qualifying improvements include measures that reduce school energy costs, improve student and teacher health (such as through improved air quality, daylighting, ventilation, electrical lighting, and acoustics), and facilitate installation of renewable energy technologies. Eligible recipients must include a consortium of one local educational agency and one or more schools, nonprofit organizations, for-profit organizations, or community partners with expertise in energy improvements. In awarding funds, DOE must prioritize grants to either high-need local educational agencies or rural educational agencies.

**Subtitle C—Promoting Energy Efficiency**

**Sec. 321. REMOVING BARRIERS TO EFFICIENCY.**

Suspends preemption for federal appliance and equipment efficiency standards when DOE misses deadlines to update such standards.

**Sec. 322. ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM.**

Amends section 542 of the Energy Independence and Security Act of 2007 (EISA) to add the additional purpose of diversifying energy supplies by facilitating and promoting the use of alternative fuels to the Energy Efficiency and Conservation Block Grant Program's (EECBG) purposes. Clarifies that funds provided under the EECBG program may be used to deploy infrastructure for delivering alternative fuels and that projects to expand the use of alternative fuels are eligible for funding through competitive grants awarded through the program. Authorizes \$3.5 billion per year from FY 2021-2030 and caps administrative costs at one percent of the amount appropriated for a fiscal year.

**Sec. 323. ENERGY EFFICIENT GOVERNMENT TECHNOLOGY.**

Requires each federal agency develop an implementation strategy for the maintenance, purchase, and use by the agency of energy-efficient and energy-saving information technologies.

**Sec. 324. SMART ENERGY AND WATER EFFICIENCY PROGRAM.**

Requires DOE award grants to eligible entities to demonstrate advanced and innovative technology-based solutions that will accomplish one or more criteria. Criteria include: increasing and improving the energy efficiency of water, wastewater, and water reuse systems; supporting implementation of innovative processes or the installation of advanced automated systems to provide real-time data on energy and water; or improving energy and water conservation quality and predictive maintenance through use of internet-connected technologies.

**Sec. 325. SMART BUILDING ACCELERATION.**

Requires DOE to conduct a survey of smart buildings across the country and evaluate which advanced building technologies are the most cost-effective, as well as which show the greatest potential to decrease building utility demands and increase service performance to building occupants.

**Sec. 326. NONPROFIT ENERGY EFFICIENCY PILOT PROGRAM.**

Requires DOE establish a pilot program to award grants of up to \$200,000 to nonprofit organizations to purchase energy efficiency materials for installation in nonprofit buildings. Eligible facilities include hospitals, youth centers, schools, social-welfare program facilities, faith-based organization facilities, and other nonresidential and noncommercial structures. DOE must give priority to applicants based on performance-based criteria, including energy savings from the proposed project; the cost-effectiveness of the proposed materials; inclusion of a plan to evaluate, measure, and verify energy savings; and the financial need of the applicant.

**Subtitle D—HOMES**

**Sec. 331. DEFINITIONS.**

Defines terms used in this subtitle.

**Sec. 332. ESTABLISHMENT OF HOME ENERGY SAVINGS RETROFIT REBATE PROGRAM.**

Requires DOE establish a Home Energy Savings Retrofit Rebate Program to provide rebates to homeowners for retrofits that achieve home energy savings.

**Sec. 333. PARTIAL SYSTEM REBATES.**

Specifies rebate amounts for partial system rebates, including \$800 for installation of insulation and air sealing and \$1,500 for installation of insulation, air sealing, and replacement of a heating, ventilation, and air conditioning system.

**Sec. 334. STATE ADMINISTERED REBATES.**

Establishes minimum criteria for states to receive grant funding under the program. Homeowners performing retrofits projected to save at least 20 percent of energy usage would be eligible for a \$2,000 rebate; those performing retrofits projected to save at least 40 percent would be eligible for a \$4,000 rebate.

**Sec. 335. EVALUATION REPORTS TO CONGRESS.**

Requires a report to Congress evaluating the use of funds for the program.

**Sec. 336. ADMINISTRATION.**

Requires DOE provide technical support to contractors, rebate aggregators, states, and Indian tribes to assist in carrying out the program.

**Sec. 337. TREATMENT OF REBATES.**

Specifies that rebates received under the program shall not be treated as taxable income.

**Sec. 338. AUTHORIZATION OF APPROPRIATIONS.**

Authorizes \$1 billion per year from FY 2021-2030.

**Subtitle E—Energy Savings Performance Contracts**

**Sec. 341. ENERGY SAVINGS PERFORMANCE CONTRACTS.**

Encourages the increased use of performance contracting in federal facilities. Enables more renewable energy and resiliency projects by allowing agencies to use existing revenue streams such as rebates, grid services revenue, and Renewable Energy Certificates to help fund a project.

**Subtitle F—Investing in State Energy**

**Sec. 351. INVESTING IN STATE ENERGY.**

Amends ECPA to require the Secretary of Energy provide weatherization assistance funds to a state within 60 days of DOE receiving the funds. Further requires the Secretary to provide state energy program funds to a state within 60 days of the Department receiving the funds.

**TITLE IV—TRANSPORTATION**

**Subtitle A—Vehicle Performance Standards**

**Sec. 401. TRANSPORTATION CARBON MANAGEMENT.**

Directs EPA to promulgate GHG emission standards for new passenger cars and light-duty trucks requiring a minimum year-over-year reduction in emissions of at least six percent. Further directs EPA to issue regulations for new medium-duty passenger vehicles and heavy-duty vehicles requiring a minimum year-over-year reduction of at least four percent. Also requires EPA to promulgate GHG emission standards for new nonroad engines and new nonroad vehicles, including new locomotives and new engines used in locomotives, with successive standards subject to the same requirements.

Additionally, EPA must promulgate emission standards for GHG emissions from new and existing in-service aircraft engines to achieve a minimum of 50 percent emission reductions by 2031. For all GHG emission standards required by this section, EPA must promulgate successive emission standards to ensure there are no gaps in regulation, that emission reductions increase, and to set the level of successive standards based on the degree of reductions needed to achieve the national goal established in section 101.

Furthermore, the Administrator must conduct a study of methane slip in engine exhaust and submit a report to Congress outlining the findings and policy recommendations for addressing emissions from methane slip in engine exhaust. Lastly, this section amends section 177 of the Clean Air Act (CAA) to allow all states, not just those with nonattainment areas, to adopt and enforce California motor vehicle emission standards.

## **Subtitle B—Cleaner Fuels**

### **Sec. 411. ACCELERATING APPROVAL OF CLEAN FUELS.**

Directs the EPA Administrator to approve petitions for renewable fuel pathways if 90 days or more have passed since the date of the petition's submission and when the fuel type, production process, and feedstock submitted have been approved for sale in at least one state under a program to reduce the carbon intensity of transportation fuel.

## **Subtitle C—ZEV Vehicle Deployment**

### **Sec. 421. REAUTHORIZATION OF DIESEL EMISSIONS REDUCTION PROGRAM.**

Amends section 797 of EPACT05 to reauthorize the diesel emissions reduction program at \$200 million per year from FY 2021-2030.

### **Sec. 422. PILOT PROGRAM TO AWARD GRANTS FOR THE ELECTRIFICATION OF CERTAIN REFRIGERATED VEHICLES.**

Directs the EPA Administrator to establish a pilot program to award grants to eligible entities to retrofit a heavy-duty refrigerated vehicle. Eligible activities include: replacing a diesel-powered transport refrigeration unit with an electric unit; purchasing and installing shore power infrastructure that enable transport refrigeration units to connect to electric power; or operating and maintaining vehicles and equipment related to electric transport refrigeration units. Sets maximum individual grant amounts, prescribes contents of a grant application, and sets priorities for the Administrator to consider when making awards. Requires the Administrator to make specific data on the program available to the public. Directs the Administrator to report annually to Congress on the program and issue a summary report of all annual reports provided to Congress not later than five years after initiating the program. Defines terms used in this section.

### **Sec. 423. CLEAN SCHOOLBUS PROGRAM.**

Amends section 741 of EPACT05 to include clean schoolbuses with low or zero emissions. Directs the EPA Administrator to give priority for grants to applicants that propose to retrofit schoolbuses to become clean, low-, or zero-emission buses. Further amends EPACT05 to allow the Administrator to award grants for up to 60 percent of the replacement costs of a clean schoolbus and to include acquisition of charging and fueling infrastructure as eligible costs. Directs the Administrator to develop an outreach program to promote the grant program. Reauthorizes the program at \$50 million per year from FY 2021-2030.

### **Sec. 424. CLEAN CITIES COALITION PROGRAM.**

Directs the Secretary of Energy to carry out a Clean Cities Coalition Program. Prescribes specific program elements and duties of the Secretary. Describes projects and activities eligible for awards and specific goals of the projects and activities. Requires each designated Clean Cities Coalition to submit an annual report to the Secretary. Defines terms used in the section. Authorizes funding for the program beginning at \$50 million in FY 2021, increasing to \$100 million from FY 2025-2030.

## **Subtitle D—Zero Emissions Vehicle Infrastructure Buildout**

### **Sec. 431. DEFINITIONS.**

Defines terms used in this subtitle.

### **Sec. 432. ELECTRIC VEHICLE SUPPLY EQUIPMENT REBATE PROGRAM.**

Directs the Secretary of Energy to establish a program to provide rebates to eligible entities that install publicly accessible electric vehicle supply equipment.

**Sec. 433. EXPANDING ACCESS TO ELECTRIC VEHICLES IN UNDERSERVED COMMUNITIES.**

Requires the Secretary to conduct an assessment and produce a report within one year of enactment on the availability, opportunities for additional deployment, and best practices to encourage deployment of electric vehicle charging infrastructure in urban, underserved communities.

**Sec. 434. ENSURING PROGRAM BENEFITS FOR UNDERSERVED AND DISADVANTAGED COMMUNITIES.**

Directs the Secretary to ensure programs in this subtitle consider the needs of underserved or disadvantaged communities and provide those communities access to electric vehicle infrastructure and clean transportation, as well as improved air quality.

**Sec. 435. MODEL BUILDING CODE FOR ELECTRIC VEHICLE SUPPLY EQUIPMENT.**

Requires the Secretary to establish or update model building codes for integrating electric vehicle supply equipment into multi-family buildings.

**Sec. 436. ELECTRIC VEHICLE SUPPLY EQUIPMENT COORDINATION.**

Requires the DOE Assistant Secretary of the Office of Electricity Delivery and Reliability to convene a group to assess the development of standards necessary to support expanded deployment of a nationwide electric vehicle charging network.

**Sec. 437. STATE CONSIDERATION OF ELECTRIC VEHICLE CHARGING.**

Amends PURPA section 111(d) to require states to consider authorizing measures encouraging deployment of electric vehicle charging stations, authorizing utilities to recover from ratepayers investments that further deployment of electric vehicle charging networks, and excluding from regulation as electric utilities public or private entities selling electricity to the public solely through electric vehicle chargers.

**Sec. 438. STATE ENERGY PLANS.**

Amends EPCA to authorize funding for State Energy Conservation Plans and for preparation of State Energy Transportation Plans by state energy offices. Further amends EPCA to allow the Secretary of Energy to provide funding to a state to develop an energy transportation plan as part of the state's energy conservation plan. The purpose of the plan is to promote electrification of the transportation system, reduce consumption of fossil fuels, and improve air quality.

**Sec. 439. TRANSPORTATION ELECTRIFICATION.**

Amends EISA section 131 to include projects that facilitate electrification of the transportation sector, projects involving ground support equipment at ports, and projects deploying plug-in electric vehicle charging infrastructure. Also directs the Secretary to give priority to applicants that include written assurance that all laborers working on the project will be paid prevailing wages. Reauthorizes the program at \$2 billion per year from FY 2021-2030 for the grants to state and local governments and private entities. Further provides \$2.5 billion per year over the same period for large-scale projects to electrify the transportation sector.

**Sec. 440. FEDERAL FLEETS.**

Amends EPACT92 section 303 to increase the percent of alternative fueled vehicles that are acquired in federal agencies' fleets. Sets minimum requirements for the percentage of alternative fueled vehicles that must be zero-emission vehicles, including percentages for light-, medium-, and heavy-duty vehicles acquired by federal agencies. Amends EPCA to direct federal agencies to increase alternative fuel consumption and reduce vehicle GHG emissions.

## **Subtitle E—Promoting Domestic Advanced Vehicle Manufacturing**

### **Sec. 441. DOMESTIC MANUFACTURING CONVERSION GRANT PROGRAM.**

Amends EPACT05 title VII (subtitle B) to include plug-in electric vehicles and directs the Secretary of Energy to accelerate domestic manufacturing of batteries, power electronics, and other technologies for use in plug-in vehicles. Sets priorities for awards that would be provided to manufacturing facilities that have recently ceased operation or that will cease operation in the near term, as well as to applications that include assurance that laborers employed on a project will be paid prevailing wages. Includes a condition that the recipient of a grant must continue operations at the facility for a period of at least 10 years after the completion of construction. Authorizes \$2.5 billion per year from FY 2021-2030.

### **Sec. 442. ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.**

Amends EISA section 136 to modify and broaden the definition of an “Advanced Technology Vehicle” to include: ultra-efficient vehicles, light-duty vehicles that meet model year 2021-2025 regulatory standards promulgated by the EPA Administrator on October 15, 2012, and medium-duty passenger vehicles or heavy-duty vehicles that comply with regulatory standards promulgated on October 25, 2016. Reauthorizes this grant and loan program from FY 2021-2030. Also increases the federal cost-share of the facility funding awards from 30 percent to 50 percent.

## **TITLE V—INDUSTRY**

### **Subtitle A—Industrial Technology Development, Demonstration, and Deployment**

#### **Sec. 501. DOE ASSISTANT SECRETARY FOR MANUFACTURING AND INDUSTRY.**

Amends the Department of Energy Organization Act to establish an Assistant Secretary of Energy for Manufacturing and Industrial Decarbonization to oversee programs related to manufacturing at DOE.

#### **Sec. 502. LOAN PROGRAM OFFICE REFORM.**

Amends EPACT05 section 1702 to require the Secretary of Energy to convene an independent underwriting group to analyze the prospect of repayment by borrowers. Limits recoverable administrative expenses to \$200,000 at the time of obligation closing and directs the Secretary to bear the fees incurred by consultants engaged by the Secretary, subject to reimbursement at obligation closing. Further requires the Secretary to bear the full credit subsidy cost using appropriated funds. Also amends EPACT05 section 1703 to expand the list of eligible projects, allowing projects utilizing multiple technologies and receiving federal financial assistance for one technology to be eligible for this loan guarantee program. Prohibits the Secretary from deeming a project ineligible because a similar project exists in a different region of the country.

#### **Sec. 503. SUPPORTING CARBON CAPTURE UTILIZATION AND STORAGE.**

Repeals the expired Clean Coal Power Initiative at DOE and adds objectives to the Fossil Energy program. Directs DOE to establish a carbon capture and utilization technology commercialization program to improve the efficiency, effectiveness, cost, and environmental performance of fossil fuel-fired facilities. Requires the Secretary of Energy, in consultation with the Administrator of the EPA, to establish a direct air capture technology prize program for qualified facilities that capture CO<sub>2</sub> directly from the ambient air and capture more than 10,000 metric tons of CO<sub>2</sub> annually. Increases funding for injection well permitting at EPA by increasing authorization for activities involved in permitting Class VI wells (created in Title VI of this Act) and providing grants to states to defray the costs of establishing and operating their own Class VI permitting programs.

## **Subtitle B—Industrial Efficiency**

### **Sec. 511. CHP SUPPORT ACT.**

Amends EPCA to rename DOE’s Clean Energy Application Centers as the “CHP Technical Assistance Partnerships Program”. Provides that the program includes at least the 10 regional partnerships in existence on the date of enactment of the section. Directs DOE to operate the program to encourage deployment of combined heat and power (CHP), waste heat to power, and efficient district energy through education and outreach efforts. Also requires DOE to provide project-specific support to building and industrial professionals through economic and engineering assessments and advisory activities. Makes funds available to institutions of higher education, research centers, and other appropriate institutions to ensure the continued operations and effectiveness of the regional CHP Technical Assistance Partnerships and specifies uses of such funds. Authorizes the program at \$12 million per year from FY 2021-2030.

### **Sec. 512. SMART MANUFACTURING LEADERSHIP.**

Directs DOE to develop a national plan for smart manufacturing technology development and deployment to improve manufacturing sector productivity and energy efficiency. Authorizes \$10 million per year from FY 2021-2030 for DOE to make grants to states for supporting smart manufacturing technologies implementation.

### **Sec. 513. MOTOR REBATE PROGRAM.**

Establishes a rebate program to incentivize the replacement of energy inefficient electric motors.

## **Subtitle C—Federal Buy Clean Procurement Requirements**

### **Sec. 521. BUY CLEAN PROGRAM.**

Directs the EPA Administrator to establish a Buy Clean Program to steadily reduce the quantity of embodied carbon emissions of construction materials and products and promote the use of clean construction materials and products in projects supported by federal funds. The EPA Administrator must maintain a list of eligible materials for the Buy Clean Program and a National Environmental Product Declaration Database for eligible materials used in federally-funded projects. Directs the Administrator to designate a single product category rule – developed by EPA or a third party – for an eligible material to be used in creating environmental product declarations. The product category rule designations must be reviewed every five years and updated as necessary.

To aid manufacturers of eligible materials, the section establishes a technical assistance program to help develop and verify environmental product declarations and a grant program for small businesses. Directs the Administrator to establish buy clean performance targets for each eligible material, which must be reviewed and updated every five years. Starting in 2025, the initial targets must be achievable by 80 percent of environmental product declarations listed in the National Database. Subsequent targets must be achievable by 70 percent of environmental product declarations starting in 2030, 60 percent starting in 2035, and 50 percent starting in 2040. Within two years, bids for federally-funded projects must include environmental product declarations for all eligible materials. Within four years, bids for federally-funded projects must demonstrate that all eligible materials meet the applicable Buy Clean performance target.

To highlight top performers, requires the Administrator designate the 10 percent of products with the lowest embodied carbon emissions in each eligible material category as “Buy Clean Gold Standard Products” in the National Environmental Product Declaration Database. Includes waiver provisions to ensure eligible materials are not limited to a single source or manufacturer and to protect trade-exposed manufacturers.

**Sec. 522. REPORT.**

Directs the EPA Administrator to produce and transmit to Congress a report that quantifies and evaluates the level of spending and volume of eligible materials procured by the federal government.

**Sec. 523. DEFINITIONS.**

Defines terms used in this subtitle.

**TITLE VI—ENVIRONMENTAL JUSTICE**

**Subtitle A—Empowering Community Voices**

**Sec. 601. DEFINITIONS.**

Defines terms used in this subtitle.

**Sec. 602. ENVIRONMENTAL JUSTICE COMMUNITY TECHNICAL ASSISTANCE GRANTS.**

Follows the successful example of Technical Assistance Grants (TAG) available through the Superfund program to empower communities on the fenceline of petrochemical facilities to participate, with the help of independent experts, in decisions impacting their health and safety.

**Sec. 603. INTERAGENCY FEDERAL WORKING GROUP ON ENVIRONMENTAL JUSTICE.**

Codifies the interagency working group established under Executive Order 12898 on environmental justice to coordinate federal efforts to alleviate disproportionate impacts of pollution.

**Sec. 604. FEDERAL AGENCY ACTIONS TO ADDRESS ENVIRONMENTAL JUSTICE.**

Codifies requirements under Executive Order 12898, requiring relevant federal agencies to integrate environmental justice into their respective missions.

**Sec. 605. NATIONAL ENVIRONMENTAL JUSTICE ADVISORY COUNCIL.**

Codifies the National Environmental Justice Advisory Council within the Federal Advisory Committee Act.

**Sec. 606. REDUCING DISPROPORTIONATE IMPACTS OF POLLUTION ON ENVIRONMENTAL JUSTICE COMMUNITIES.**

Requires, as a condition of approval for state implementation plans under the CAA, that states take action to reduce disproportionate exposures to hazardous air pollutants in environmental justice communities.

**Sec. 607. ENSURING ENVIRONMENTAL JUSTICE IN THE DISPOSAL OF HAZARDOUS WASTE.**

Requires, as a condition of approval of state plans for hazardous waste disposal, that those plans neither create nor exacerbate disproportionate impacts on environmental justice communities from exposures to toxins in hazardous waste.

**Sec. 608. HAZARDOUS RELEASE COMMUNITY NOTIFICATION.**

Requires facilities covered under the Emergency Planning and Right-To-Know Act of 1986 to hold public meetings once a year and within three days after a release requiring notification.

**Sec. 609. ENVIRONMENTAL JUSTICE GRANT PROGRAMS.**

Authorizes the environmental justice grant programs currently implemented by EPA.



**Sec. 610. ENVIRONMENTAL JUSTICE COMMUNITY SOLID WASTE DISPOSAL TECHNICAL ASSISTANCE GRANTS.**

Authorizes TAG grants to empower communities on the fence line of current and potential solid waste disposal facilities to participate, with the help of independent experts, in the regulation and monitoring of these sites.

**Subtitle B—Restoring Regulatory Protections**

**Sec. 611. ENHANCING UNDERGROUND INJECTION CONTROLS FOR ENHANCED OIL RECOVERY.**

Amends the Safe Drinking Water Act (SDWA) to create a new class of underground injection wells for enhanced oil recovery using carbon dioxide to protect potential sources of drinking water and ensure increasing sequestration of carbon.

**Sec. 612. ENSURING SAFE DISPOSAL OF COAL ASH.**

Amends the Solid Waste Disposal Act (SWDA) to require stronger protections for communities, public health, and groundwater from unsafe disposal of coal ash.

**Sec. 613. SAFE HYDRATION IS AN AMERICAN RIGHT IN ENERGY DEVELOPMENT.**

Amends SDWA to require monitoring and testing of underground sources of drinking water in connection with hydraulic fracturing operations in order to identify potential contamination.

**Sec. 614. ADDRESSING HAZARDOUS AIR POLLUTION FROM OIL AND GAS SOURCES.**

Eliminates an exemption under the CAA for emissions from oil and gas exploration and production and establishes hydrogen sulfide as a hazardous air pollutant under the CAA.

**Sec. 615. CLOSING LOOPHOLES AND ENDING ARBITRARY AND NEEDLESS EVASION OF REGULATIONS.**

Eliminates an exemption under the SWDA for oil and gas exploration and production wastes.

**Subtitle C—Infrastructure to Protect Communities**

**Sec. 621. CLIMATE IMPACTS FINANCIAL ASSURANCE AND USER FEES.**

Establishes financial assurance requirements under the Comprehensive Environmental Response, Compensation, and Liability Act (commonly referred to as Superfund) for the toxic releases likely to occur at industrial facilities because of extreme weather associated with climate change.

**Sec. 622. BROWNFIELDS FUNDING.**

Increases and extends funding for the Brownfields program.

**Sec. 623. DRINKING WATER SRF FUNDING.**

Increases and extends the authorization for the Drinking Water State Revolving Fund.

**Sec. 624. DRINKING WATER SYSTEM RESILIENCE FUNDING.**

Increases and extends the authorization for the Drinking Water System Resilience Funding program.

**Sec. 625. PFAS TREATMENT GRANTS.**

Establishes a grant program under SDWA to provide assistance to water utilities to pay for capital costs associated with treatment for perfluoroalkyl and polyfluoroalkyl substances.

## **Subtitle D—Climate Public Health Protection**

### **Sec. 631. SENSE OF CONGRESS ON PUBLIC HEALTH AND CLIMATE CHANGE.**

Establishes the sense of Congress that climate change negatively impacts public health, including disproportionate impacts on communities of color and low-income communities.

### **Sec. 632. RELATIONSHIP TO OTHER LAWS.**

States that nothing in this subtitle limits authorities or responsibilities conferred on any federal agency or department under any other law or regulation.

### **Sec. 633. NATIONAL STRATEGIC ACTION PLAN AND PROGRAM.**

Directs the Secretary of Health and Human Services, in consultation with other relevant federal agencies and departments, to develop a national strategic action plan to ensure that public health and health care systems are prepared for the impacts of climate change. The national strategic action plan must assess the health system's capacity to address climate change and must be published within two years after enactment. Requires the Director of the Centers for Disease Control and Prevention to establish a climate and health program to track, compile, and disseminate information on the health consequences of climate change. The program must identify high-risk locations and populations and support their efforts to address health-related issues arising from climate change.

### **Sec. 634. ADVISORY BOARD.**

Establishes a science advisory board to provide scientific and technical advice, as well as policy recommendations, to the Secretary related to the impacts of climate change on public health.

### **Sec. 635. CLIMATE CHANGE HEALTH PROTECTION AND PROMOTION REPORTS.**

Directs the Secretary to enter into contract with NAS to prepare periodic reports regarding the health impacts of climate change. These reports are required to examine scientific developments and provide recommended changes to the national strategic action plan and the climate and health program, as needed.

## **TITLE VII—SUPER POLLUTANTS**

### **Subtitle A—Methane**

### **Sec. 701. CONTROLLING METHANE EMISSIONS FROM THE OIL AND NATURAL GAS SECTOR.**

Establishes national goals for reducing methane emissions from the oil and natural gas sector to achieve a 65 percent reduction below 2012 levels by 2025, and a 90 percent reduction below 2012 levels by 2030. Preserves EPA's 2016 New Source Rule for the Oil and Natural Gas Sector. Directs EPA to promulgate new rules to meet the national goals, covering every segment of the oil and natural gas system. To achieve the 2025 national goal, EPA must finalize regulations under CAA section 111 no later than December 31, 2021; states then have one year to submit plans, and EPA has two years to prescribe a federal plan, if necessary. To achieve the 2030 national goal, requires EPA to finalize regulations no later than December 31, 2022. Further directs EPA to include standards for new and existing natural gas transmission and distribution pipelines, new and existing sources with equipment that handles liquefied natural gas, and new and existing offshore petroleum and natural gas production facilities. Defines terms used in the section.

### **Sec. 702. CONTROLLING UNNECESSARY FLARING.**

Directs EPA to finalize, no later than December 31, 2021, regulations under CAA section 111 to prohibit routine flaring from natural gas sources, as well as regulations to reduce routine flaring from existing sources by 80 percent and 100 percent below 2017 levels by 2025 and 2028, respectively. Provides for definitions

used in the section, including a definition of “safety flaring,” meaning flaring of natural gas that is required to ensure safe operation of the facility due to unforeseen conditions. Excludes safety flaring from the definition of routine flaring.

**Sec. 703. EMERGING OIL AND NATURAL GAS GREENHOUSE GAS EMISSION REDUCTION TECHNOLOGIES PROGRAM.**

Directs the Secretary of Energy to establish a technology commercialization program to reduce GHG emissions from the oil and natural gas sector through improvements to existing technologies and practices that reduce such emissions.

**Sec. 704. IMPROVING THE NATURAL GAS DISTRIBUTION SYSTEM.**

Directs the Secretary of Energy to establish a program to award grants to states to improve the performance of the natural gas distribution program. Sets requirements for state grant applications to the program. Describes eligible projects to be conducted by natural gas distribution companies and requires a company receiving funds through a state grant to use such funds only to offset the near-term incremental costs to low-income households. Sets priorities for grant funding. Directs the Secretary to establish auditing and reporting requirements for the states. Defines terms used in the section. Authorizes \$250 million per year from FY 2021-2030.

**Subtitle B—Black Carbon**

**Sec. 711. DEFINITIONS.**

Defines terms used in this subtitle.

**Sec. 712. REDUCTION OF BLACK CARBON EMISSIONS.**

Directs EPA, in consultation with appropriate federal agencies, to submit to Congress a report regarding abatement of black carbon emissions in the United States. Within two years, the EPA Administrator must determine if existing regulations under the CAA will adequately reduce black carbon emissions or finalize new regulations to reduce black carbon emissions by 70 percent relative to 2013 levels by 2025. Directs the Administrator, in coordination with appropriate federal officials, to report on international black carbon mitigation assistance.

**TITLE VIII—ECONOMY-WIDE POLICIES**

**Subtitle A—State Climate Plans**

**Sec. 801. STATE CLIMATE PLANS.**

Amends the CAA by adding a new Title VII, entitled “State Climate Plans.” Defines terms used in the newly established title. Requires states prepare and submit to EPA inventories of covered emissions, negative emissions, and sinks. Authorizes EPA to provide technical assistance to the states and develop a methodology to quantify sequestration in sinks. Further authorizes \$100 million in grants to air pollution control agencies to assist with the costs of developing state climate plans.

Directs states to adopt and submit to EPA by specified deadlines a climate plan and revisions thereto structured for three planning periods, corresponding to the 2020s, 2030s, and 2040s. Also requires states to design their climate plans to achieve the standards established by this title by the specified deadlines. Mandates EPA promulgate regulations to implement this title. Further directs EPA to develop several model control strategies that states will have the option whether to choose to adopt in their climate plans. The model control strategies include (1) a climate pollution phaseout control program; (2) a performance-based fuels

standard; (3) carbon removal control strategies; (4) energy efficiency control strategies; and (5) plan provisions to adopt and enforce, pursuant to CAA section 177, California's low-emission vehicle and zero-emission vehicles regulations. Establishes a deadline for EPA to determine the level of the 2040 CO<sub>2</sub> standard and criteria the EPA must consider in so doing.

Establishes contents required for state climate plans, such as enforceable emissions limitations and other control measures, means or techniques, procedures for revising climate plans, a just and equitable transition component, and contingency measures if a state fails to timely achieve an applicable emissions standard.

Also sets requirements for EPA action on state climate plan submissions, including the timing and particulars of review, approval, and disapproval of plan submissions. Authorizes EPA to require states to submit revised climate plans and prohibits EPA from approving any climate plan revision if that revision would interfere with achieving the emission standards established by this title. Prohibits the federal government from supporting, providing financial assistance for, licensing, permitting, or approving any activity in a state that does not conform (e.g., would cause a violation or delay the timely achievement of a standard established by this title) to that state's approved climate plan. Similarly prohibits any federal agency from approving, accepting, or funding any transportation plan, program, or project unless such plans, programs, or projects are found to conform to an approved climate plan in the relevant state(s). Authorizes two or more states to jointly submit climate plans or components thereof to achieve the standards established by this title. Establishes the requirements for plans that states must submit in order to maintain compliance with the national climate standard once each state has achieved that standard.

Requires EPA to determine, as expeditiously as practicable after the deadline for achieving each standard, whether each state has achieved the applicable standard, and sets forth the requirements that must be satisfied for EPA to designate that a state has achieved a standard established by this title. Also directs EPA to promulgate regulations setting forth how EPA will assess whether a state has achieved each standard, and requires EPA to account for offsets, negative emissions, and sinks when determining achievement of the national climate standard.

EPA must publish a notice of a state's failure to timely achieve a standard established by this title within 30 days after making such a determination. Sets forth consequences for failure to timely achieve a standard established by this title. If EPA publishes a notice of failure to timely achieve a standard, or if a state submits an inventory demonstrating that it failed to timely achieve a standard, then that state must submit a revision to its climate plan within 12 months. Such revision must include specified provisions, depending on which standard the state failed to achieve.

Directs EPA to establish a Race to Net-Zero Grant Program. Qualifying sources may apply to EPA for a grant for specified categories of activities that will reduce covered emissions. Mandates that any source receiving funds under this program provide assurances that all laborers and mechanics employed by contractors or subcontractors on projects fully or partially funded by a grant under this section be paid wages no less than the local prevailing wage for similar projects. Establishes a backstop carbon fee that is applied to specified sources of covered emissions in states that do not submit a climate plan or plan revision required under this title by the applicable deadline, or a state for which EPA disapproves, in whole or in part, the climate plan or any plan revision required under this title. Requires EPA to set the amount of the carbon fee at a dollar amount that modeling predicts will reduce covered emissions in the state to put that state on a trajectory to timely achieve the standards under this title. All carbon fees collected are used solely to fund the Race to Net-Zero Grant Program.

Clarifies the relationship between the new title and the rest of the CAA.

## **Subtitle B—National Climate Bank**

### **Sec. 811. NATIONAL CLIMATE BANK.**

Amends Title XVI of EPACT05 to establish a nonprofit National Climate Bank. Defines terms used in this section. Authorizes the Bank to provide financing to help rapidly commercialize and deploy technologies and processes to reduce emissions in the United States. The Bank will mobilize public and private investment to provide financing for low- and zero-emissions energy technologies; renewable energy generation; building efficiency and electrification; industrial decarbonization; grid modernization; agriculture projects; clean transportation; and climate-resilient infrastructure.

Authorizes the Bank's finance and investment division to provide financing through debt, credit enhancements, aggregation and warehousing, equity capital, and other financial products approved by its Board of Directors. Establishes a Startup Division to provide technical assistance and startup operating funds to launch new state and local green banks where they do not yet exist. Further establishes a loan program to support schools, metropolitan planning organizations, or nonprofit organizations seeking financing for zero-emissions vehicle fleets and related infrastructure.

Requires the Bank prioritize investments in "climate-impacted communities," defined as those that are disproportionately affected by the impacts of climate change, including frontline, rural, low-income, and environmental justice communities. The Bank must ensure that at least 20 percent of its investment activity is directed to serve these communities. Requires all investments to be accompanied by strong labor protections, including prevailing wage standards and project labor agreements for projects with capital costs greater than \$100 million.

Outlines the structure and composition of the Bank's Board of Directors, including provisions regarding the Board's bylaws and describing qualifications for its members. Authorizes appropriations of \$10 billion for the first fiscal year in which the Bank is established and \$5 billion for each of the five successive fiscal years.

## **Subtitle C—Clean Energy Workforce**

### **Sec. 821. OFFICE OF ECONOMIC IMPACT, DIVERSITY, AND EMPLOYMENT.**

Amends Title II of the Department of Energy Organization Act to reauthorize the Office of Economic Impact, Diversity, and Employment within DOE, to direct the Secretary of Energy to establish and carry out a comprehensive, nationwide energy-related industries jobs program, and for other purposes.

### **Sec. 822. ENERGY WORKFORCE DEVELOPMENT.**

Requires the Secretary to encourage underrepresented groups to enter science, technology, engineering, and mathematics (STEM) fields, increase national education and training for energy-related industries, and carry out DOE's Minorities in Energy Initiative. Directs the Secretary to provide direct assistance and resources for energy-related job training programs, publish a report on job creation in energy-related industries, and conduct outreach to minority-serving institutions and displaced energy workers regarding emerging energy-related jobs.

### **Sec. 823. ENERGY WORKFORCE GRANT PROGRAM.**

Directs the Secretary to establish and carry out a program to provide grants for eligible businesses to pay the wages of new and existing employees during the time period that such employees receive training to work in the renewable energy sector. Requires the Secretary to give priority to eligible businesses that recruit employees from underrepresented groups, veterans, or individuals transitioning from fossil energy sector jobs.

**Sec. 824. DEFINITIONS.**

Defines terms used in this subtitle.

**Subtitle D—National Security**

**Sec. 831. CLIMATE CHANGE NATIONAL SECURITY STRATEGY.**

Establishes the responsibility of the federal government to ensure the impacts of climate change are identified and considered when developing and implementing national security doctrine, policies, and plans.

**Sec. 832. COORDINATION ON CLIMATE CHANGE AND NATIONAL SECURITY.**

Directs the National Security Advisor and the Director of the Office of Science and Technology Policy to establish a Climate and National Security Working Group. Tasks the Working Group with coordinating a strategic approach to identifying, assessing, and sharing information on current and projected climate-related impacts on national security interests. Requires the Working Group to, among other responsibilities, collaborate with the United States Global Change Research Program when developing strategy and collecting any relevant information on national security priorities, climate science and impacts, and analytical modeling.

**Sec. 833. FEDERAL AGENCY IMPLEMENTATION PLAN.**

Requires federal agencies to develop individual implementation plans to address the impact of climate change on their national security missions (i.e., supporting the policy outlined in section 831). Plans must include, among other requirements, measures to improve data collection on the impacts of climate change on national security, identify climate-related risks to agency missions, and develop agency-specific strategies for climate adaptation and management of climate-related national security threats.

**Sec. 834. DEFINITIONS.**

Defines terms used in this subtitle.

**Subtitle E—Fairness for American Workers**

**Sec. 841. WORKER PROTECTIONS.**

Incorporates three cross-cutting provisions to protect American workers. Requires any project funded under the Act to construct, alter, maintain, or repair a public building or public work must only use iron, steel, and manufactured goods produced in the United States. Provides for certain exceptions, including if compliance would be inconsistent with the public interest, when materials are not readily available in the United States, or if compliance would increase overall project cost by more than 25 percent. Mandates that all laborers and mechanics employed by contractors or subcontractors on projects fully or partially funded by the Act be paid wages no less than the local prevailing wage for similar projects. Allows federal agencies to require use of project labor agreements by contractors, on a case-by-case basis, when awarding contracts under provisions of the Act. In doing so, agencies may require that every contractor or subcontractor on a project agree to negotiate (or become party to a project labor agreement) with the relevant labor organization(s).