117TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to enhance the qualifying
advanced energy project credit.

_____

IN THE SENATE OF THE UNITED STATES

_____

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

_____

A BILL

To amend the Internal Revenue Code of 1986 to enhance
the qualifying advanced energy project credit.

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 "American Jobs in En-

5 ergy Manufacturing Act of 2021".

6 **SEC. 2. ADJUSTMENT OF QUALIFYING ADVANCED ENERGY**

7   **PROJECT CREDIT.**

8   (a) IN GENERAL.—Section 48C of the Internal Rev-

9 enue Code of 1986 is amended—

10   (1) in subsection (c)(1)—

1   (A) in subparagraph (A)—

2   (i) by inserting '', any portion of the

3   qualified investment of which is certified

4   by the Secretary under subsection (d) as

5   eligible for a credit under this section''

6   after ''means a project'',

7   (ii) in clause (i)—

8   (I) by striking ''a manufacturing

9   facility for the production of'' and in-

10   serting ''an industrial or manufac-

11   turing facility for the production or

12   recycling of'',

13   (II) in clause (I), by inserting

14   ''water,'' after ''sun,'',

15   (III) in clause (II), by striking

16   ''an energy storage system for use

17   with electric or hybrid-electric motor

18   vehicles'' and inserting ''energy stor-

19   age systems and components'',

20   (IV) in clause (III), by striking

21   ''grids to support the transmission of

22   intermittent sources of renewable en-

23   ergy, including storage of such en-

24   ergy'' and inserting ''grid moderniza-

25   tion equipment or components'',

3

1 (V) in subclause (IV), by striking

2 "and sequester carbon dioxide emis-

3 sions" and inserting ", remove, use,

4 or sequester carbon oxide emissions",

5 (VI) by striking subclause (V)

6 and inserting the following:

7 "(V) equipment designed to re-

8 fine, electrolyze, or blend any fuel,

9 chemical, or product which is—

10 "(aa) renewable, or

11 "(bb) low-carbon and low-

12 emission,",

13 (VII) by striking subclause (VI),

14 (VIII) by redesignating subclause

15 (VII) as subclause (IX),

16 (IX) by inserting after subclause

17 (V) the following new subclauses:

18 "(VI) property designed to

19 produce energy conservation tech-

20 nologies (including residential, com-

21 mercial, and industrial applications),

22 "(VII) light-, medium-, or heavy-

23 duty electric or fuel cell vehicles, as

24 well as—

4

1   "(aa) technologies, compo-

2   nents, or materials for such vehi-

3   cles, and

4   "(bb) associated charging or

5   refueling infrastructure,

6   "(VIII) hybrid vehicles with a

7   gross vehicle weight rating of not less

8   than 14,000 pounds, as well as tech-

9   nologies, components, or materials for

10   such vehicles, or'', and

11   (X) in subclause (IX), as so re-

12   designated, by striking "and" at the

13   end and inserting "or"

14   (iii) by striking clause (ii) and insert-

15   ing the following:

16   "(ii) which re-equips an industrial or

17   manufacturing facility with equipment de-

18   signed to reduce its greenhouse gas emis-

19   sions well below current best practices

20   through the installation of—

21   "(I) low- or zero-carbon process

22   heat systems,

23   "(II) carbon capture, transport,

24   utilization and storage systems,

1   "(III) energy efficiency and re-

2   duction in waste from industrial proc-

3   esses, or

4   "(IV) any industrial technology

5   which significantly reduces greenhouse

6   gas emissions, as determined by the

7   Secretary.".

8   (B) by redesignating subparagraph (B) as

9   subparagraph (C), and

10   (C) by inserting after subparagraph (A)

11   the following new subparagraph:

12   "(B) ADDITIONAL QUALIFYING ADVANCED

13   ENERGY PROJECTS.—The term 'qualifying ad-

14   vanced energy project' shall also include any

15   project described in subparagraph (A) which is

16   located in a census tract—

17   "(i) which, prior to the date of enact-

18   ment of the American Jobs in Energy

19   Manufacturing Act of 2021, had no

20   projects which received a certification and

21   allocation of credits under subsection (d),

22   and

23   "(ii)(I) in which, after December 31,

24   1999, a coal mine has closed,

1   "(II) in which, after December 31,

2   2009, a coal-fired electric generating unit

3   has been retired, or

4   "(III) which is immediately adjacent

5   to a census tract described in subclause (I)

6   or (II).",

7   (2) in subsection (d)—

8   (A) in paragraph (1)—

9   (i) in subparagraph (A), by striking

10   "this section" and inserting "the American

11   Jobs in Energy Manufacturing Act of

12   2021", and

13   (ii) by striking subparagraph (B) and

14   inserting the following:

15   "(B) LIMITATIONS.—

16   "(i) INITIAL ALLOCATION.—The total

17   amount of credits that may be allocated

18   under the program prior to the date of en-

19   actment of the American Jobs in Energy

20   Manufacturing Act of 2021 shall not ex-

21   ceed $2,300,000,000.

22   "(ii) ADDITIONAL ALLOCATION.—The

23   total amount of credits that may be allo-

24   cated under the program on or after to the

25   date of enactment of the American Jobs in

1   Energy Manufacturing Act of 2021 shall
2   not exceed $8,000,000,000, of which not
3   greater than $4,000,000,000 may be allo-
4   cated to projects which are not located in
5   a census tract described in subparagraph
6   (B) of subsection (c)(1).'',
7   (B) in paragraph (2)—
8   (i) in subparagraph (A), by striking
9   "2-year" and inserting "3-year",
10   (ii) in subparagraph (B)—
11   (I) by striking "1 year" and in-
12   serting "18 months", and
13   (II) by adding at the end the fol-
14   lowing new sentence: "Not later than
15   180 days after the date on which such
16   evidence was provided by the appli-
17   cant, the Secretary shall determine
18   whether the requirements of the cer-
19   tification have been met.", and
20   (iii) by adding at the end the fol-
21   lowing new subparagraph:
22   "(D) LOCATION OF PROJECT.—In the case
23 of an applicant which receives a certification, if
24 the Secretary determines that the project has
25 been placed in service at a location which is ma-

8

1   terially different than the location specified in

2   the application for such project, the certifi-

3   cation shall no longer be valid.'',

4   (C) in paragraph (3)—

5   (i) by striking subparagraph (A) and

6   inserting the following:

7   "(A) shall take into consideration only

8   those projects—

9   "(i) where there is a reasonable expec-

10   tation of commercial viability, and

11   "(ii) which will ensure laborers and

12   mechanics employed by contractors and

13   subcontractors in the performance of any

14   qualifying advanced energy project shall be

15   paid wages at rates not less than the pre-

16   vailing rates on projects of a similar char-

17   acter in the locality as determined by the

18   Secretary of Labor, in accordance with

19   subchapter IV of chapter 31 of title 40,

20   United States Code, and'', and

21   (ii) in subparagraph (B)—

22   (I) by striking clauses (i) and (ii)

23   and inserting the following:

24   "(i) will provide the greatest net im-

25   pact in avoiding or reducing anthropogenic

9

1   emissions of greenhouse gases (or, in the

2   case of a project described in subsection

3   (c)(1)(A)(ii), will provide the greatest re-

4   duction of greenhouse gas emissions as

5   compared to current best practices),

6   "(ii) will provide the greatest domestic

7   job creation (both direct and indirect) dur-

8   ing the credit period,'',

9   (II) by redesignating clauses (iii)

10   through (v) as clauses (iv) through

11   (vi), respectively, and

12   (III) by inserting after clause (ii)

13   the following new clause:

14   "(iii) will provide the greatest job cre-

15   ation within the vicinity of the project, par-

16   ticularly with respect to—

17   "(I) low-income communities (as

18   described in section 45D(e)), and

19   "(II)   dislocated   workers   who

20   were previously employed in manufac-

21   turing, coal power plants, or coal min-

22   ing,'', and

23   (D) in paragraph (4)—

24   (i) by striking subparagraph (A) and

25   inserting the following:

1   "(A) REVIEW AND REPORT.—Not later

2   than 4 years after the date of enactment of the

3   American Jobs in Energy Manufacturing Act of

4   2021, the Secretary shall—

5   "(i) review the credits allocated under

6   this section as of such date, and

7   "(ii) submit a report regarding the al-

8   location of such credits to—

9   "(I) the Committee on Finance

10   and the Committee on Energy and

11   Natural Resources of the Senate, and

12   "(II) the Committee on Ways

13   and Means and the Committee on En-

14   ergy and Commerce of the House of

15   Representatives.", and

16   (ii) by adding at the end the following

17   new subparagraph:

18   "(D) SPECIAL RULE.—For purposes of re-

19   allocating credits pursuant to this paragraph,

20   the limitation under paragraph (1)(B)(ii) with

21   respect to allocation of credits to projects which

22   are not located in a census tract described in

23   subparagraph (B) of subsection (c)(1) shall not

24   apply.",

1   (3) in subsection (e), by inserting "45Q," after

2   "section", and

3   (4) by adding at the end the following new sub-

4   section:

5   "(f) TECHNICAL ASSISTANCE.—For purposes of as-

6 sisting with applications for certification under subsection

7 (d), the Secretary of Energy shall provide technical assist-

8 ance to any State (or political subdivision thereof), tribe,

9 or economic development organization which, prior to the

10 date of enactment of the American Jobs in Energy Manu-

11 facturing Act of 2021—

12   "(1) had no applicants for certification under

13   such subsection, or

14   "(2) had less than 2 qualifying advanced energy

15   projects which received an allocation of credits under

16   such subsection.".

17   (b) AUTHORIZATION OF APPROPRIATIONS.—To carry

18 out subsection (f) of section 48C of the Internal Revenue

19 Code of 1986 (as added by subsection (a)(4)), there is au-

20 thorized to be appropriated to the State Energy Program

21 of the Department of Energy, out of moneys in the Treas-

22 ury not otherwise appropriated, $500,000, to remain avail-

23 able until expended.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to property placed in service after
3 December 31, 2021.