

117TH CONGRESS  
1ST SESSION

# H. R. 5369

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

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 24, 2021

Mr. LAMB introduced the following bill; which was referred to the Committee on Ways and Means

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## 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)—

(A) in subparagraph (A)—

(i) by inserting “, any portion of the qualified investment of which is certified by the Secretary under subsection (d) as eligible for a credit under this section” after “means a project”,

(ii) in clause (i)—

(I) by striking “a manufacturing facility for the production of” and inserting “an industrial or manufacturing facility for the production or recycling of”,

(II) in clause (I), by inserting “water,” after “sun,”,

(III) in clause (II), by striking “an energy storage system for use with electric or hybrid-electric motor vehicles” and inserting “energy storage systems and components”,

(IV) in clause (III), by striking “grids to support the transmission of intermittent sources of renewable energy, including storage of such energy” and inserting “grid modernization equipment or components”,

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—

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”, and

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-

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 expect-  
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



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.

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