

117TH CONGRESS
1ST SESSION

H. R. 5896

To incentivize innovative transportation corridors to reduce carbon and GHG emissions, to provide a tax structure that allows for certain investments in public transportation systems, and to enable the fossil fuel workforce to transition to sustainable work sectors.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 5, 2021

Mr. DESAULNIER introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means, Education and Labor, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To incentivize innovative transportation corridors to reduce carbon and GHG emissions, to provide a tax structure that allows for certain investments in public transportation systems, and to enable the fossil fuel workforce to transition to sustainable work sectors.

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 “Jobs for a Carbon Free
5 Transportation System Act”.

TITLE I—LOW CARBON CORRIDORS

SEC. 2. LOW CARBON CORRIDOR GRANT PROGRAM.

(a) **LOW CARBON CORRIDOR DEFINED.**—In this section, the term “low carbon corridor” means a connected systems-management corridor that connects different methods of transportation, including public transportation systems, rail transportation, roadways, and alternative methods of transportation.

(b) **ESTABLISHMENT.**—The Secretary of Transportation shall establish a program to provide grants to eligible entities to carry out projects to develop low carbon corridors. The purpose of such projects shall be to—

- (1) lower carbon emissions along the corridor;
- (2) increase transportation inter-connectivity;
- and
- (3) increase transportation infrastructure reinvestment.

(c) **ELIGIBLE ENTITIES.**—The Secretary may award grants under the program to a State, local, or tribal government, or a subdivision thereof, or a metropolitan planning organization.

(d) **ELIGIBLE USES.**—Funds provided under this section may be used to incorporate low carbon and investment mechanisms into low carbon corridors, including—

- 1 (1) high occupancy vehicle lanes;
- 2 (2) value capture;
- 3 (3) transit-oriented development and high-den-
- 4 sity development;
- 5 (4) carbon fees;
- 6 (5) automated vehicle or electric vehicle lanes
- 7 that are timed and connected to a transit system;
- 8 (6) Smart Cities connectivity and innovation;
- 9 (7) high-speed rail; and
- 10 (8) facilities for alternative modes of transpor-
- 11 tation, including pedestrian and bicycle facilities.

12 (e) LABOR REQUIREMENTS.—

13 (1) IN GENERAL.—A project carried out with a
14 grant under the program shall be subject to the pro-
15 visions of each of the following:

16 (A) Subchapter IV of chapter 31 of title
17 40 (commonly known as the “Davis-Bacon
18 Act”).

19 (B) Chapter 65 of title 41, United States
20 Code (commonly known as the “Walsh-Healy
21 Act”).

22 (C) Chapter 67 of title 41, United States
23 Code (commonly known as the “McNamara-
24 O’Hara Service Contract Act of 1965”).

1 (D) Chapter 37 of title 40, United States
2 Code (commonly known as the “Work Hours
3 and Safety Standards Act”).

4 (E) Fair Labor Standards Act of 1938 (29
5 U.S.C. 201 et seq.).

6 (2) AUTHORITIES OF THE SECRETARY.—With
7 respect to the labor standards in this subsection, the
8 Secretary of Labor shall have the authority and
9 functions set forth in Reorganization Plan Num-
10 bered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.)
11 and section 3145 of title 40, United States Code, as
12 applicable.

13 (f) STRATEGIC PARTNERSHIPS.—A recipient of a
14 grant under the program may enter into strategic partner-
15 ships with nonprofit organizations or universities to de-
16 velop plans for low carbon corridors.

17 (g) DOT AND EPA BENCHMARKS.—The Secretary
18 of Transportation and the Administrator of the Environ-
19 mental Protection Agency shall jointly monitor how low
20 carbon corridors with respect to which grants were pro-
21 vided under this section reduce carbon emissions and how
22 any mechanisms described in subsection (d) incorporated
23 into such corridor contribute to carbon emission reduc-
24 tions.

25 (h) USE OF AMERICAN PRODUCTS.—

1 (1) IN GENERAL.—A recipient of funds under
2 this section shall ensure that any iron, steel, and
3 manufactured products used in projects carried out
4 with such funds are produced in the United States.

5 (2) WAIVER AUTHORITY.—

6 (A) IN GENERAL.—The Secretary may
7 waive the requirement of paragraph (1) if the
8 Secretary determines that—

9 (i) applying paragraph (1) would be
10 inconsistent with the public interest;

11 (ii) iron, steel, and manufactured
12 products produced in the United States are
13 not produced in a sufficient and reasonably
14 available amount or are not of a satisfac-
15 tory quality; or

16 (iii) using iron, steel, and manufac-
17 tured products produced in the United
18 States will increase the cost of the overall
19 project by more than 25 percent.

20 (B) PUBLICATION.—Before issuing a waiv-
21 er under subparagraph (A), the Secretary shall
22 publish in the Federal Register a detailed writ-
23 ten explanation of the waiver determination.

24 (3) CONSISTENCY WITH INTERNATIONAL
25 AGREEMENTS.—This subsection shall be applied in a

manner consistent with the obligations of the United States under international agreements.

(4) DEFINITIONS.—In this subsection:

(A) PRODUCED IN THE UNITED STATES.—

The term “produced in the United States” means the following:

(i) When used with respect to a manufactured product, the product was manufactured in the United States and the cost of the components of such product that were mined, produced, or manufactured in the United States exceeds 60 percent of the total cost of all components of the product.

(ii) When used with respect to iron or steel products, or an individual component of a manufactured product, all manufacturing processes for such iron or steel products or components, from the initial melting stage through the application of coatings, occurred in the United States, except that the term does not include—

(I) steel or iron material or products manufactured abroad from semi-

1 finished steel or iron from the United
 2 States; and

3 (II) steel or iron material or
 4 products manufactured in the United
 5 States from semi-finished steel or iron
 6 of foreign origin.

7 (B) MANUFACTURED PRODUCT.—The
 8 term “manufactured product” means any con-
 9 struction material or end product (as such
 10 terms are defined in part 25.003 of the Federal
 11 Acquisition Regulation) that is not an iron or
 12 steel product, including—

13 (i) electrical components; and
 14 (ii) non-ferrous building materials, in-
 15 cluding, aluminum and polyvinylchloride
 16 (PVC), glass, fiber optics, plastic, wood,
 17 masonry, rubber, manufactured stone, any
 18 other non-ferrous metals, and any un-
 19 manufactured construction material.

20 **TITLE II—VALUE CAPTURE**

21 **SEC. 3. DEFINITIONS.**

22 In this title:

23 (1) AFFORDABLE TRANSIT-ORIENTED DEVEL-
 24 OPMENT.—The term “affordable transit-oriented de-
 25 velopment” means development of commercial and

1 residential areas located near public transportation
2 stations that promotes affordable housing and af-
3 fordable commercial space.

4 (2) CAPTURED ASSESSED VALUE.—The term
5 “captured assessed value” means the amount, as a
6 percentage or stated sum, of increased assessed
7 value that is utilized from year to year to finance
8 project costs pursuant to the district strategic plan.

9 (3) CURRENT ASSESSED VALUE.—The term
10 “current assessed value” means the assessed value
11 of all taxable real property within a tax increment
12 district as of October first of each year that the tax
13 increment district remains in effect.

14 (4) FINANCIAL PLAN.—The term “financial
15 plan” means a statement of the project costs and
16 sources of revenue required to accomplish the dis-
17 trict strategic plan.

18 (5) INCREASED ASSESSED VALUE.—The term
19 “increased assessed value” means the valuation
20 amount by which the current assessed value of a tax
21 increment district exceeds the original assessed value
22 of the tax increment district. If the current assessed
23 value is equal to or less than the original assessed
24 value, there is no increased assessed value.

1 (6) LOCAL GOVERNMENT.—The term “local
2 government” means—

3 (A) any county, city, town, township, par-
4 ish, village, or other general purpose political
5 subdivision of a State; and

6 (B) any combination of political subdivi-
7 sions or appropriate government entities includ-
8 ing special assessment districts.

9 (7) NOMINATED AREA.—The term “nominated
10 area” means an area which is nominated by 1 or
11 more local governments and the State or States in
12 which it is located for designation under section 7.

13 (8) ORIGINAL ASSESSED VALUE.—The term
14 “original assessed value” means the assessed value
15 of all taxable real property within a tax increment
16 district as of October first of the tax year preceding
17 the year in which the tax increment district was es-
18 tablished by the State or local government.

19 (9) PUBLIC TRANSPORTATION.—The term
20 “public transportation” has the meaning given the
21 term in section 5302 of title 49, United States Code.

22 (10) TAX INCREMENT.—The term “tax incre-
23 ment” means capital gain taxes assessed by the Fed-
24 eral Government upon the increased assessed value
25 of property in the tax increment district.

1 (11) TAX INCREMENT DISTRICT.—The term
 2 “tax increment district” means that area wholly
 3 within the corporate limits of a municipality that
 4 has been established and designated in accordance to
 5 section 7.

6 **SEC. 4. VALUE CAPTURE POLICY AND PLANNING PRO-**
 7 **GRAM.**

8 (a) IN GENERAL.—Chapter 53 of title 49, United
 9 States Code, is amended by adding at the end the fol-
 10 lowing:

11 **“§ 5341. Technical assistance and value capture pol-**
 12 **icy**

13 “(a) TECHNICAL ASSISTANCE AND POLICY DEVEL-
 14 OPMENT.—

15 “(1) TECHNICAL ASSISTANCE.—The Secretary
 16 may make grants to States and local governments
 17 to—

18 “(A) develop State and local value capture
 19 mechanisms for long-term funding that promote
 20 mobility, public transportation, and affordable
 21 transit-oriented development;

22 “(B) improve public transportation and
 23 mobility for individuals; and

24 “(C) develop strategic partnerships that
 25 lead to greater long-term and robust invest-

1 ments in public transportation, mobility, inclu-
2 sive economic development, and affordable tran-
3 sit-oriented development.

4 “(2) VALUE CAPTURE POLICY.—Not later than
5 October 1 of the fiscal year that begins 2 years after
6 the date of enactment of this section, the Secretary,
7 in collaboration with State departments of transpor-
8 tation, metropolitan planning organizations, and re-
9 gional governments, shall establish voluntary value
10 capture standards for value capture mechanisms
11 that promote greater investments into public trans-
12 portation and affordable transit-oriented develop-
13 ment.

14 “(3) TECHNICAL ASSISTANCE.—The Secretary,
15 through a competitive bid process, may enter into
16 contracts, cooperative agreements, and other agree-
17 ments with nonprofit organizations that have a dem-
18 onstrated capacity to provide value capture-related
19 technical assistance to grant recipients.

20 “(b) REPORT.—Not later than 15 months after the
21 date of enactment of this section, the Secretary shall cre-
22 ate a report, and make such report available to the public,
23 that contains examples of State and local law and policy
24 that provide for value capture that promotes greater in-

1 vestment in public transportation and affordable transit-
2 oriented development.

3 “(c) BEST PRACTICES.—Based on the report re-
4 quired under subsection (b), the Secretary shall identify
5 and disseminate to State departments of transportation,
6 the Committee on Banking, Housing, and Urban Affairs,
7 Committee on Finance, Committee on Environment and
8 Public Works, and the Committee on Appropriations of
9 the Senate, and the Committee on Transportation and In-
10 frastructure, Committee on Ways and Means, and the
11 Committee on Appropriations of the House of Representa-
12 tives examples of best practices where States and local
13 governments have adopted value capture mechanisms that
14 have successfully provided for greater investment in public
15 transportation and affordable transit-oriented develop-
16 ment.

17 “(d) DEFINITIONS.—In this section:

18 “(1) VALUE CAPTURE.—The term ‘value cap-
19 ture’ means collecting from an entity a portion of
20 the economic value created by government invest-
21 ments, activities, and policies that have generated al-
22 ternative revenue streams, assets, or other financial
23 value and repurposing such economic value to assist
24 in funding government investments and activities.

1 “(2) AFFORDABLE TRANSIT-ORIENTED DEVEL-
 2 OPMENT.—The term ‘affordable transit-oriented de-
 3 velopment’ means development of commercial and
 4 residential areas located near public transportation
 5 stations that promotes affordable housing and af-
 6 fordable commercial space.

7 “(3) LOCAL GOVERNMENT.—The term ‘local
 8 government’ means—

9 “(A) any county, city, town, township, par-
 10 ish, village, or other general purpose political
 11 subdivision of a State; and

12 “(B) any combination of political subdivi-
 13 sions or appropriate government entities includ-
 14 ing special assessment districts.

15 “(4) PUBLIC TRANSPORTATION.—The term
 16 ‘public transportation’ has the meaning given the
 17 term in section 5302 of title 49, United States
 18 Code.”.

19 (b) CLERICAL AMENDMENT.—The analysis for chap-
 20 ter 53 of title 49, United States Code, is amended by add-
 21 ing at the end the following:

 “5341. Technical assistance and value capture policy.”.

22 **SEC. 5. DESIGNATION OF FEDERAL VALUE CAPTURE TAX**
 23 **INCREMENT FINANCING DISTRICTS.**

24 (a) IN GENERAL.—From among the eligible areas
 25 nominated for designation under this section, the Sec-

1 retary of Transportation shall designate Federal tax incre-
2 ment financing districts to help State and local govern-
3 ment finance the cost for certain improvements and in-
4 vestment in public transportation, affordable housing, and
5 other community development activities in an eligible area.

6 (b) NUMBER OF DESIGNATIONS.—The Secretary of
7 Transportation may annually designate nominated areas
8 as a Federal value capture tax increment financing district
9 under this section.

10 (c) PERIOD FOR WHICH DESIGNATION IS IN EF-
11 FECT.—

12 (1) IN GENERAL.—Any designation under this
13 section shall remain in effect during the period be-
14 ginning on the date of the designation and ending
15 on the earliest of—

16 (A) December 31, 2030;

17 (B) the termination date designated by the
18 State and local governments as provided for in
19 a nomination; or

20 (C) the date on which the Secretary re-
21 vokes the designation.

22 (2) REVOCATION OF DESIGNATION.—If appro-
23 priate, the Secretary may revoke the designation
24 under this section of an area if such Secretary deter-

1 mines that the local government or the State in
2 which it is located—

3 (A) has modified the boundaries of the
4 area; or

5 (B) is not complying substantially with, or
6 fails to make progress in achieving the bench-
7 marks set forth in section 4.

8 (d) LIMITATIONS ON DESIGNATIONS.—No area may
9 be designated under this section unless—

10 (1) the area is nominated by 1 or more local
11 governments and the State or States in which it is
12 located for designation under this section;

13 (2) such State or States and the local govern-
14 ments have the authority—

15 (A) to nominate the area for designation
16 under this section; and

17 (B) meet the Federal requirements de-
18 scribed in this title;

19 (3) such State or States and the local govern-
20 ments meet the Federal value capture policy stand-
21 ards as described in section 4;

22 (4) the Secretary determines that any informa-
23 tion furnished is reasonably accurate; and

24 (5) such State or States and local governments
25 certify that no portion of the area nominated is al-

1 ready included in a Federal tax increment financing
2 district, an infrastructure value capture zone, or in
3 an area otherwise nominated to be designated under
4 this section.

5 (e) APPLICATION.—An eligible applicant shall submit
6 to the Secretary an application that at minimum con-
7 tains—

8 (1) a tax increment financing district strategic
9 plan, including—

10 (A) the boundaries of the tax increment
11 district by legal description;

12 (B) a list of the tax identification numbers
13 for all lots or parcels within the tax increment
14 district;

15 (C) a description of the present condition
16 and uses of all land and buildings within the
17 tax increment district;

18 (D) a description of the public facilities,
19 improvements or programs within the tax incre-
20 ment district anticipated to be added and fi-
21 nanced in whole or in part;

22 (E) a description of the industrial, com-
23 mercial, residential, mixed-use or retail im-
24 provements, downtown development or transit-
25 oriented development within the tax increment

1 district anticipated to be financed in whole or in
2 part;

3 (F) a financial plan in accordance with
4 subsection (c) of this section;

5 (G) a plan for the proposed maintenance
6 and operation of the tax increment district after
7 the planned capital improvements are com-
8 pleted; and

9 (H) the maximum duration of the tax in-
10 crement district, which may not exceed a total
11 of thirty tax years beginning with the tax year
12 in which the tax increment district is estab-
13 lished; and

14 (2) a financial plan for a tax increment financ-
15 ing strategic plan, including—

16 (A) cost estimates for the public improve-
17 ments and developments anticipated in the dis-
18 trict strategic plan;

19 (B) the maximum amount of indebtedness
20 to be incurred to implement the district stra-
21 tegic plan;

22 (C) sources of anticipated revenues;

23 (D) a description of the terms and condi-
24 tions of any agreements, including any antici-
25 pated assessment agreements, contracts or

1 other obligations related to the district strategic
2 plan;

3 (E) estimates of increased assessed values
4 of the tax increment district; and

5 (F) the portion of the increased assessed
6 values to be applied to the district strategic
7 plan as captured assessed values and resulting
8 tax increments in each year of the plan.

9 **SEC. 6. ELIGIBILITY CRITERIA.**

10 A nominated area shall be eligible for designation
11 under section 5 only if the appropriate State or local gov-
12 ernment or agency—

13 (1) designates a contiguous area within its ju-
14 risdiction as a transit-oriented development or tran-
15 sit-serve corridor; and

16 (2) has created a tax increment financing dis-
17 trict or other value capture that meet the value cap-
18 ture standards as described in section 4.

19 **SEC. 7. VALUE CAPTURE TAX INCREMENT FINANCING DIS-**
20 **TRICTS; SPECIAL RULE FOR CAPITAL GAINS.**

21 (a) IN GENERAL.—The Secretary of the Treasury (or
22 the Secretary’s delegate), after consultation with the Sec-
23 retary of Transportation, shall, with respect to designated
24 Federal value capture tax increment financing districts as
25 described in section 5—

1 (1) establish a procedure to certify the original
2 assessed value of the Federal capital gain taxes
3 within the boundaries of a Federal value capture tax
4 increment financing district,

5 (2) in each year after the establishment of a
6 Federal value capture tax increment financing dis-
7 trict, certify with respect to such district the amount
8 of—

9 (A) the assessed value of capital gains col-
10 lected,

11 (B) the amount by which the current as-
12 sessed value has increased or decreased from
13 the original assessed value, subject to any as-
14 sessment agreements, and

15 (C) the amount of the captured assessed
16 value, and

17 (3) conduct such analysis as is necessary to de-
18 termine the maximum amount available of Federal
19 guarantees of qualified transit-oriented development
20 bonds, but not to exceed an annual amount to be de-
21 termined by the Secretary.

22 (b) FEDERAL VALUE CAPTURE TAX INCREMENT FI-
23 NANCING DISTRICT.—For purposes of this section, the
24 term “Federal value capture tax increment financing dis-
25 trict” means a targeted redevelopment area within a mu-

1 nicipality, county, or other government entity, from which
2 all or a portion of projected future property tax revenue
3 increases is temporarily dedicated to finance infrastruc-
4 ture improvements (or other investments) with the objec-
5 tive of stimulating economic development.

6 (c) RULEMAKING AND REGULATIONS.—Not later
7 than 1 year after the date of enactment of this Act, the
8 Secretary of the Treasury shall issue such rules or regula-
9 tions as may be necessary or appropriate to carry out the
10 purposes of this section.

11 (d) NOTIFICATION TO CONGRESS.—At least 30 days
12 before issuing a letter of intent for establishment of a Fed-
13 eral value capture tax increment district, the Secretary of
14 the Treasury shall notify in writing the Committee on
15 Banking, Housing, and Urban Affairs, the Committee on
16 Finance, Committee on Environment and Public Works
17 and the Committee on Appropriations of the Senate and
18 the Committee on Transportation and Infrastructure,
19 Committee on Ways and Means, and the Committee on
20 Appropriations of the House of Representatives of the des-
21 ignated Federal value capture tax increment districts. The
22 Secretary shall include with the notification a copy of the
23 nomination application and designation as well as the eval-
24 uations and ratings for each designation.

1 (e) ASSESSMENT AGREEMENT.—For purposes of this
 2 section, the term “assessment agreement” means an
 3 agreement that establishes, with respect to a Federal value
 4 capture tax increment financing district—

- 5 (1) the tax base,
- 6 (2) the amount of increased tax collections to
 7 be dedicated to such district,
- 8 (3) procedures for collecting funds, and
- 9 (4) approved uses for funds.

10 **SEC. 8. EXPANSION OF LONG-TERM LOCAL FUNDING FOR**
 11 **PUBLIC INFRASTRUCTURE AND AFFORDABLE**
 12 **TRANSIT-ORIENTED DEVELOPMENT.**

13 (a) IN GENERAL.—Subpart A of part IV of sub-
 14 chapter B of chapter 1 of the Internal Revenue Code of
 15 1986 is amended by adding at the end the following new
 16 section:

17 **“SEC. 147A. QUALIFIED TRANSIT-ORIENTED DEVELOPMENT**
 18 **BONDS.**

19 “(a) IN GENERAL.—In this section, the term ‘quali-
 20 fied transit-oriented development bond’ means any private
 21 activity bond issued as part of an issue for the purposes
 22 of the acquisition, construction, reconstruction, or im-
 23 provement of land or property that is within one half-mile
 24 of an existing or planned major public transportation facil-
 25 ity including fixed-guideway transit stations (rail and bus

1 rapid transit), designated High Speed Rail or existing
2 intercity rail stations, or an intermodal transportation sta-
3 tion.

4 “(b) A bond shall not be treated as a qualified tran-
5 sit-oriented development bond unless the issue described
6 in subsection (a) is issued pursuant to relevant local gov-
7 ernment-adopted policies, as determined by the Secretary,
8 that—

9 “(1) promote long-term affordable housing or
10 affordable commercial spaces,

11 “(2) promote high-density, mixed-use develop-
12 ment near public transportation stations,

13 “(3) encourage value capture and value sharing
14 that promotes greater investment in public transpor-
15 tation and affordable transit-oriented development,
16 including any strategy developed under section 5341,

17 “(4) the payment of the principal and interest
18 on such issue is primarily secured by taxes of gen-
19 eral applicability imposed by a general purpose gov-
20 ernmental unit,

21 “(5) a 25 to 50 percent increase, as determined
22 by the Secretary, in real property tax revenues (at-
23 tributable to increases in assessed value) by reason
24 of the carrying out of such purposes in such area is
25 reserved exclusively for debt service on such issue

1 (and similar issues) to the extent such increase does
 2 not exceed such debt service, or

3 “(6) other value capture mechanisms including
 4 user fees, sales tax revenues, or other revenue
 5 sources dedicated to the project by property owners
 6 and businesses.

7 “(c) TRANSIT-ORIENTED DEVELOPMENT VOLUME
 8 CAP.—

9 “(1) IN GENERAL.—The aggregate face amount
 10 of Transit-oriented development bonds issued pursu-
 11 ant to an issue, when added to the aggregate face
 12 amount of transit-oriented development bonds pre-
 13 viously issued by the issuing authority during the
 14 calendar year, shall not exceed such issuing
 15 authority’s Move America volume cap for such year.

16 “(2) ALLOCATION OF VOLUME CAP.—Each
 17 State may allocate the transit-oriented development
 18 volume cap of such State among governmental units
 19 (or other authorities) in such State having authority
 20 to issue private activity bonds.

21 “(d) APPLICATION OF DAVIS-BACON ACT REQUIRE-
 22 MENTS WITH RESPECT TO FEDERAL VALUE CAPTURE
 23 TAX INCREMENT FINANCING DISTRICTS.—Subchapter IV
 24 of chapter 31 of the title 40, United States Code, shall

1 apply to projects financed with the proceeds of qualified
2 transit-oriented development bonds.”.

3 (b) CONFORMING AMENDMENT.—The table of sec-
4 tions for subpart A of part IV of subchapter B of chapter
5 1 of the Internal Revenue Code of 1986 is amended by
6 adding at the end the following new item:

“Sec. 147A. Qualified transit-oriented development bonds.”.

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 the Secretary has determined the procedure described in
10 section 8(a)(1).

11 **TITLE III—PROTECTING WORK-** 12 **ERS FOR A CLEAN FUTURE** 13 **ACT**

14 **SEC. 9. FINDINGS.**

15 Congress finds the following:

16 (1) The fossil fuel and fossil fuel-dependent in-
17 dustries have been major drivers of employment and
18 economic growth in regions throughout California.
19 Yet, despite the success of these industries, many
20 local residents are unemployed or live in poverty. In
21 addition, nearby communities often suffer from pol-
22 lution, poor air and water quality, and other health
23 hazards. The goal of community transition grants is
24 to develop a vision for a future economy based on
25 equity, sustainability, and shared prosperity. A re-

1 regional approach requires bringing together a diverse
2 set of stakeholders that represent the whole commu-
3 nity. This coalition must be capable of developing
4 and implementing strategies to support workers and
5 communities that will be affected by the transition
6 away from fossil fuels. To be effective, coalitions
7 should work closely with high road employers and in-
8 dustry leaders to identify in-demand skills and work-
9 force strategies that promote emerging and expand-
10 ing sectors of the regional economy.

11 (2) These strategies should provide pathways
12 for impacted workers to transition to other sustain-
13 able jobs and careers. They should also include the
14 frontline communities who have historically been ex-
15 cluded from the economic benefits of the fossil fuel
16 industry, while bearing the greatest costs of pollu-
17 tion and ecological damage.

18 (3) Partnerships should include organizations
19 representing workers and communities impacted by
20 the fossil fuel industry and the transition to a car-
21 bon-constrained economy. Workers, residents, and
22 community leaders have inherent knowledge of re-
23 gional dynamics, issues, and needs, and should func-
24 tion at the center of developing regional solutions.

1 (4) In addition, coalitions should be diverse and
2 represent a wide range of regional interests and
3 stakeholders, including organizations representing
4 labor, environmental justice, industry, economic de-
5 velopment, local tribal and municipal government,
6 and educational institutions.

7 (5) As the United States and global economies
8 shift from fossil fuels to more sustainable sources of
9 energy, the fossil fuel workforce cannot be left be-
10 hind. They must be part of the conversation and
11 have a role in shaping the transition.

12 **SEC. 10. RENEWABLE ENERGY TRANSITION GRANT PRO-**
13 **GRAM.**

14 (a) IN GENERAL.—The Secretary of Labor, in con-
15 sultation with the Secretary of Energy, shall establish a
16 grant program for local governments for the purpose of
17 developing a plan to transition workers from employment
18 in fossil fuel industries to employment in sustainable in-
19 dustries.

20 (b) ELIGIBILITY.—The Secretary of Labor may
21 award grants under subsection (a) to a local or Tribal gov-
22 ernment that—

23 (1) establishes industry or sector partnerships
24 (as defined in section 3 of the Workforce Innovation
25 and Opportunity Act (29 U.S.C. 3102));

1 (2) is in a locality that the Secretary of Energy
2 determines to have a percentage of traditional en-
3 ergy sector jobs that is average or above average rel-
4 ative to the United States; and

5 (3) certifies that such local or Tribal govern-
6 ment will develop the transition plan described in
7 subsection (a) in consultation with relevant State
8 and other experts, including experts in energy labor,
9 green economy policies, and energy policy, and with
10 relevant State officials, if applicable.

11 (c) DETERMINATION OF PERCENTAGE OF TRADI-
12 TIONAL ENERGY SECTOR JOBS.—In making the deter-
13 mination under subsection (b)(2), the Secretary of Labor
14 shall take into consideration information from the report
15 entitled “U.S. Energy and Employment Report” issued by
16 the Secretary in January, 2017.

17 (d) USE OF FUNDS.—Funds under subsection (a)
18 may be used for the following purposes:

19 (1) To develop a transition plan described in
20 subsection (a).

21 (2) To support an existing apprenticeship pro-
22 gram for apprenticeable occupation or, if in a non-
23 traditional industry, to develop an apprenticeship
24 program.

1 (3) To train individuals who are new to the
2 workforce for jobs in sustainable industries, includ-
3 ing but not limited to, manufacturing, autonomous
4 vehicles, electric vehicles, renewable energy,
5 CERCLA remediation, and may include a partner-
6 ship or agreements with employers to provide jobs
7 for trainees.

8 (e) TRANSITION PLAN REQUIREMENTS.—A transi-
9 tion plan funded under subsection (a)—

10 (1) shall include assistance for accessing all ex-
11 isting applicable Federal and State aid for displaced
12 workers, including unemployment insurance, job
13 transition training, and community services for the
14 affected community as well as trade adjustment as-
15 sistance and other programs, if applicable; and

16 (2) may also include assistance to supplement
17 existing Federal and State aid, including funds for
18 bridges to retirement for older workers, wage insur-
19 ance for workers who find employment in lower wage
20 jobs, and funding for significant career change train-
21 ing for workers who wish to change careers, includ-
22 ing case management and career path counseling.

23 (f) AUTHORIZATION.—There are authorized to be ap-
24 propriated such sums as necessary to carry out this sec-
25 tion.

1 **SEC. 11. NATIONAL EMPLOYMENT CORPS.**

2 (a) ESTABLISHMENT.—There is established within
3 the Department of Labor a National Employment Corps.

4 (b) JOB GUARANTEE GRANTS.—

5 (1) IN GENERAL.—If local government or Tribe
6 described in section 10(b) executes a plan under sec-
7 tion 10 in good faith, but all workers described in
8 section 10(a) are not successfully transitioned, the
9 Secretary of Labor, acting through the National
10 Employment Corps, shall establish a program (here-
11 inafter referred to as the “program”) to provide
12 grants to local and Tribal governments to provide di-
13 rect employment projects for the purpose of guaran-
14 teeing a job and job training to any eligible worker
15 not successfully transitioned under such plan.

16 (2) USE OF FUNDS.—The grants under para-
17 graph (1) shall cover wage, benefits, and material
18 expenses of eligible workers.

19 (3) ELIGIBLE WORKER.—In this section, the
20 term “eligible worker” means any individual who
21 loses a job or reasonably anticipates losing a job due
22 to a transition from traditional energy sources to
23 sustainable energy sources.

24 (c) COORDINATION OF FEDERAL EFFORTS.—The
25 Corps shall work with Federal agencies to identify areas
26 of needed investment in the United States economy, in-

1 cluding infrastructure, energy efficiency, retrofitting, elder
2 care, child care, job training, education, and health serv-
3 ices.

4 (d) FEDERAL COMPONENT.—

5 (1) IN GENERAL.—If projects funded under the
6 program under subsection (b) are inadequate to
7 maintain full employment in the locality or Tribe,
8 the Secretary shall intervene in the locality or Tribe
9 to provide adequate employment opportunities to
10 guarantee employment to workers described in such
11 subsection.

12 (2) ADDITIONAL SERVICES.—The Corps shall
13 also offer the following services to eligible workers:

14 (A) Supportive services.

15 (B) Wrap-around services, including:

16 (i) Transportation.

17 (ii) Childcare.

18 (iii) Job preparation services.

19 (iv) Counseling.

20 (C) Adult education and literacy activities.

21 (D) Activities to assist justice-involved in-
22 dividuals.

23 (3) WEBSITE AND DATABASE.—To assist with
24 an individual's move from the job guarantee to other
25 employment opportunities under a National Employ-

1 ment Corps, the Secretary shall establish a website
2 and database listing individuals employed under the
3 program as available for, and seeking, employment.
4 Individuals shall be allowed up to one day (8 hours)
5 per employed month to seek alternative employment
6 and for professional development.

7 (e) COORDINATION OF LOCAL EFFORTS.—Any local
8 or Tribal government that receives a grant shall develop
9 employment proposals in coordination with community
10 leaders, labor organizations, and local residents to ensure
11 the proposals will serve the needs of the constituents and
12 available pool of labor. The employment proposals may not
13 be used to employ individuals who will replace or speed
14 the displacement of existing employees or individuals who
15 would otherwise perform similar work.

16 (f) EMPLOYMENT PROTECTIONS.—

17 (1) COLLECTIVE BARGAINING UNITS.—Partici-
18 pants shall be included in an established bargaining
19 unit and covered by any applicable collective bar-
20 gaining agreement upon the establishment of such
21 agreement.

22 (2) WAGES UNDER THE PROGRAM.—Wage vari-
23 ation shall be built into the program, as determined
24 by the Secretary of Labor, to account for workers'
25 previous experience, education, and region of resi-

1 dence, as well as the prospect of promotion within
2 the National Employment Corps.

3 (3) WEBSITE.—To manage projects past,
4 present, and future, the National Employment Corps
5 shall create a website where all projects will be list-
6 ed.

7 (4) MINIMUM WAGE.—Any individual employed
8 using funds under this section shall be paid wages
9 at a rate that is not less than \$15.00 per hour and
10 that are comparable to wages in the region, plus
11 benefits, and indexed for inflation.

12 (g) APPRENTICESHIP DEFINED.—In this section, the
13 term “apprenticeship” means an apprenticeship program
14 registered under the Act of August 16, 1937 (commonly
15 known as the “National Apprenticeship Act”) (50 Stat.
16 664, chapter 663; 29 U.S.C. 50 et seq.), including any
17 requirement, standard, or rule promulgated under such
18 Act, as such requirement, standard, or rule was in effect
19 on December 30, 2019.

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