

**Build Back Better Act — Rules Committee Print
Section-By-Section**

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TITLE I — COMMITTEE ON AGRICULTURE

SUBTITLE A — GENERAL PROVISIONS

Section 10001. Definitions.

This section defines the term “insular area” to have the same meaning as in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977. The section also defines “Secretary” to mean “Secretary of Agriculture.”

SUBTITLE B — FORESTRY

Section 11001. National Forest System Restoration and Fuels Reduction Projects.

Section 11001 appropriates \$10 billion for hazardous fuels reduction projects within the wildland-urban interface; \$4 billion for, on a determination by the Secretary that hazardous fuels within the wildland-urban interface have been planned to protect, to the extent practicable, at-risk communities, hazardous fuels reduction projects outside the wildland-urban interface; \$1 billion for vegetation management projects on National Forest System land that have submitted proposals in accordance with section 4003 of the Omnibus Public Land Management Act of 2009; \$400 million for vegetation management projects on National Forest System land that have a water source management plan or a watershed protection and restoration action plan; and \$400 million for vegetation management projects on National Forest System land that (1) maintain old growth characteristics, (2) prioritize small diameter trees and prescribed fire to modify fire behavior, and (3) maximize the retention of large trees.

This section also appropriates \$450 million for the Legacy Roads and Trails program of the Forest Service; \$350 million for National Forest System land management planning and monitoring prioritized on specific goals; \$100 million for the maintenance of trails on National Forest System land, with a priority on trails that provide underserved communities access to such trails; \$100 million for capital maintenance and improvements on National Forest System land with a priority on maintenance level 3, 4, and 5 roads and improvements that restore ecological integrity and conditions for at-risk species; and \$100 million for the Chief of the Forest Service to conduct more efficient and effective environmental reviews to satisfy the obligations of the Chief of the Forest Service under the National Environmental Policy Act of 1969.

This section also appropriates \$50 million to develop and carry out activities for the protection of older and mature forests on National Forest System land in addition to completing an inventory of such forests; \$50 million to develop and carry out activities for the maintenance and restoration of habitat conditions necessary for the protection and recovery of at-risk species on National Forest System land; \$50 million to carry out post-fire recovery plans that emphasize the use of locally adapted native plant materials to restore the ecological integrity of disturbed areas and do not include salvage logging; and \$50 million to develop and carry out non-lethal activities to reduce human-wildlife conflicts on National Forest System land.

Subsection (b) requires the Secretary to consider specific attributes of projects in certain paragraphs when prioritizing funding for these projects.

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Subsection (c) provides limitations for funding in this section.

Subsection (d) defines the term “at-risk community” to have the same meaning as in section 101 of the Healthy Forests Restoration Act of 2003. The subsection defines “collaboratively developed,” with respect to projects located exclusively on National Forest System land, as a project developed and implemented through a collaborative process with specific requirements. The subsection defines “decommission,” with respect to a road, as (1) reestablishing native vegetation on the road; (2) restoring any natural drainage, water-shed function, or other ecological processes that were disrupted or adversely impacted by the road; and (3) effectively blocking the road to vehicular traffic. The subsection defines “ecological integrity” and “restoration” to have the same meaning as in section 219.19 of title 36, Code of Federal Regulations. The subsection defines “hazardous fuels reduction project” as an activity, including the use of prescribed fire, to protect structures and communities from wildfire that is carried out on National Forest System land. The subsection defines “vegetation management project” to mean specific activities carried out on National Forest System land to enhance ecological integrity and achieve the restoration of a forest ecosystem. The subsection defines “water source management plan” to mean a plan developed under section 303(d)(1) of the Healthy Forests Restoration Act of 2003. The subsection defines “watershed protection and restoration action plan” to mean a plan developed under section 304(a)(3) of the Healthy Forests Restoration Act of 2003. The subsection defines “wildland-urban interface” to have the same meaning given the term in section 101 of the Healthy Forests Restoration Act of 2003.

Subsection (e) specifies that this section does not authorize funds of the Commodity Credit Corporation for activities under this section if Commodity Credit Corporation funds are not expressly authorized or currently used for such activities.

Subsection (f) requires that any partnership agreements using funds under this section be subject to a non-Federal cost-share requirement of not less than 20 percent of the project cost, which may be waived at the discretion of the Secretary.

Section 11002. Non-Federal Land Forest Restoration and Fuels Reduction Projects and Research.

Section 11002 appropriates \$2 billion to award grants to eligible entities to support forest restoration and resilience projects on non-Federal land; \$1 billion to award grants to eligible entities to implement community wildfire protection plans, purchase firefighting equipment, provide firefighter training, and increase the capacity for planning, coordinating, and monitoring projects on non-Federal land to protect at-risk communities; \$250 million to award grants to eligible entities for projects on non-Federal land to aid in the recovery and rehabilitation of burned areas; and \$175 million to award grants to eligible entities for projects on non-Federal land to expand equitable outdoor access and promote tourism on non-Federal forested land for members of underserved groups.

This section also appropriates \$150 million for the State Fire Assistance and Volunteer Fire Assistance programs established under the Cooperative Forestry Assistance Act of 1978 to be

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distributed at the discretion of the Secretary; and \$150 million for the implementation of State-wide forest resource strategies under section 2A of the Cooperative Forestry Assistance Act of 1978.

This section also provides funding for competitive grant programs under section 13A of the Cooperative Forestry Assistance Act of 1978 in the following amounts: \$250 million for a cost share to carry out climate mitigation or forest resilience practices in the case of underserved forest landowners; \$250 million for grants to support the participation of underserved forest landowners in emerging private markets for climate mitigation or forest resilience; \$250 million for grants to support the participation of forest landowners who own less than 2,500 acres of forest land in emerging private markets for climate mitigation or forest resilience; and \$500 million to provide grants to eligible entities to provide payments to owners of private forest land to provide measurable increases in carbon sequestration and storage beyond customary practices on comparable land, subject to specific conditions.

This section also provides funding for the forest inventory and analysis program established under section 3(e) of the Forest and Rangeland Renewable Resources Research Act of 1978 in the following amounts: \$50 million for activities and tactics to accelerate and expand existing research efforts to improve forest carbon monitoring technologies to better predict changes in forest carbon due to climate change; \$100 million to carry out recommendations, from a panel of relevant experts convened by the Secretary, regarding the current priorities and future needs of the forest inventory and analysis program with respect to climate change, forest health, sustainable wood products, and increasing carbon storage in forests; and \$50 million to provide enhancements to the technology managed and used by the forest inventory and analysis program.

This section also provides funding for the research mission area of the Forest Service in the following amounts: \$50 million to accelerate and expand existing research efforts relating to strategies to increase carbon stocks on National Forest System land; and \$50 million to carry out greenhouse gas life cycle analyses of domestic wood products.

This section also appropriates \$775 million to provide grants under the wood innovation grant program under section 8643 of the Agriculture Improvement Act of 2018, including for the construction of new facilities that advance the purposes of the program, subject to conditions.

Subsection (b) allows the Secretary to use amounts made available under this section to carry out eligible projects on non-Federal land upon the request of the Governor of the State.

Subsection (c) requires that any partnership agreements using funds made available under this section be subject to a non-Federal cost-share requirement of not less than 20 percent of the overall project. This requirement may be waived at the discretion of the Secretary.

Subsection (d) specifies that this section does not authorize funds of the Commodity Credit Corporation for activities under this section if Commodity Credit Corporation funds are not expressly authorized or currently used for such activities.

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Section 11003. State and Private Forestry Conservation Programs.

Section 11003 appropriates \$1.25 billion to provide competitive grants to States through the Forest Legacy Program established under section 7 of the Cooperative Forestry Assistance Act of 1978 to acquire land and interests in land, with priority for grant applications that (1) offer significant natural carbon sequestration benefits, or (2) contribute to the resilience of community infrastructure, local economies, or natural systems, or provide benefits to underserved populations; \$2.5 billion to provide multi-year, programmatic competitive grants to eligible entities through the Urban and Community Forestry Assistance program established under section 9(c) of the Cooperative Forestry Assistance Act of 1978 for tree planting and related activities to increase tree equity and community tree canopy and associated societal and climate co-benefits, with a priority for projects that benefit underserved populations; and \$100 million for the acquisition of urban and community forests through the Community Forest and Open Space Program of the Forest Service.

Subsection (b) allows for any non-Federal cost-share requirement otherwise applicable to projects carried out under this section to be waived at the discretion of the Secretary.

Section 11004. Limitation.

Section 11004 provides a limitation that funds made available under this subtitle are subject to the condition that the Secretary shall not enter into any agreement that is for term extending past September 30, 2031, and under which any payment could be outlaid or funds disbursed after September 30, 2031, and shall not use any other funds to satisfy obligations initially made under this subtitle.

Section 11005. Appropriations.

Section 11005 provides \$200 million to the Secretary for administrative costs of the agencies and offices of the Department of Agriculture for costs related to implementing this subtitle.

SUBTITLE C — RURAL DEVELOPMENT AND AGRICULTURAL CREDIT AND OUTREACH

PART 1 – RURAL DEVELOPMENT

Section 12001. Additional Support for the USDA Rural Water Programs.

Section 12001 provides \$97 million to the Secretary for the cost of grants for rural water and wastewater programs under sections 306, 306C, and 306D of the Consolidated Farm and Rural Development Act in insular areas, persistent poverty counties, Tribal lands, and colonias.

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Section 12002. USDA Rural Water Grants for Lead Remediation.

Section 12002 provides \$970 million to the Secretary to make grants under sections 306C(a)(1)(A) and 306(a)(2) of the Consolidated Farm and Rural Development Act for the purpose of replacing service lines that contain lead.

Section 12003. Additional Funding for Electric Loans for Renewable Energy.

Section 12003 provides \$2.88 billion to the Secretary for making loans under section 317 of the Rural Electrification Act of 1936, including for projects that store electricity that support the types of projects eligible for loans under section 317 of that Act. This section authorizes the Secretary to forgive loans made under this section based on how the borrower and the project meet the terms and conditions for loan forgiveness established by the Secretary.

Section 12004. Rural Energy Savings Program.

Section 12004 provides \$200 million to the Secretary for the Rural Energy Savings Program authorized under section 6407 of the Farm Security and Rural Investment Act of 2002. The section requires the Secretary to make grants to eligible entities receiving Rural Energy Savings Program loans in an amount equal to not more than 5 percent of the loan amount, at the election of the eligible entity, for certain costs incurred, including making loans to qualified consumers and making repairs to the property of a qualified consumer that facilitate energy efficiency measures for property financed through such loans. For eligible entities that make loans to qualified consumers in a persistent poverty county, the Secretary shall make grants equal to 10 percent of the loan amount.

This section limits the Secretary from entering into any loan agreement pursuant to this section that could result in disbursements after September 30, 2031 or any grant agreement pursuant to this section that could result in any outlays after September 30, 2031.

Section 12005. Rural Energy for America Program.

Section 12005 provides a total of \$1.965 billion to the Secretary for the Rural Energy for America Program established under section 9007 of the Farm Security and Rural Investment Act of 2002, \$294.75 million of which will be for financial assistance for underutilized renewable energy technologies and program technical assistance. This section also reduces the match requirement for grants awarded using funds provided under this section, from 75 percent to 50 percent.

This section limits the Secretary from entering into any loan agreement pursuant to this section that could result in disbursements after September 30, 2031 or any grant agreement pursuant to this section that could result in any outlays after September 30, 2031.

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Section 12006. Biofuel Infrastructure and Agriculture Product Market Expansion.

Section 12006 provides \$960 million to the Secretary to provide grants on a competitive basis to transportation fueling facilities and distribution facilities to install, retrofit, or otherwise upgrade fuel dispensers or pumps and related equipment, storage tank system components, and other infrastructure required at a location for ethanol blends and biodiesel blends, and to build and retrofit distribution system for ethanol blends, traditional and pipeline biodiesel terminal operations, and home heating distribution centers or equivalent entities to blend biodiesel and to carry ethanol and biodiesel.

The section also includes a 25 percent match requirement for grants awarded using funds provided under this section and provides the Secretary shall not place limits on the amount of funding an eligible entity may receive.

Section 12007. USDA Assistance for Rural Electric Cooperatives.

Section 12007 provides \$9.7 billion to the Secretary to make grants and loans for certain electric cooperatives to purchase renewable energy or renewable energy systems, deploy renewable energy systems, or make energy efficiency improvements and to make grants for debt relief and other costs associated with terminating the use facilities operating on nonrenewable energy and related transmission assets. This section requires the Secretary to award such assistance for purposes described in section 310B(a)(2)(C) of the Consolidated Farm and Rural Development Act that will achieve the greatest greenhouse gas emission reduction and that will otherwise aid disadvantaged rural communities.

This section does not authorize Commodity Credit Corporation funds for activities under the section, if Commodity Credit Corporation funds are not expressly authorized or currently used for such activities.

Section 12008. Rural Partnership Program.

Section 12008 provides \$873 million to the Secretary to make rural prosperity development grants based on a formula fund to partnerships between local or Tribal governments in rural areas and non-profit or for-profit organizations to conduct comprehensive rural development and pre-development activities, support organizational operating expenses related to rural development activities, and implement planned rural development activities and projects. This section allows for a recipient of rural prosperity grant to use up to 25 percent of the grant to satisfy a Federal matching requirement. This section requires a 25 percent match, which may be satisfied through an in-kind contribution and provides a waiver to be used at the discretion of the Secretary, of any portion of the matching requirement for applicants that are economically distressed.

This section also provides \$97 million to the Secretary to make rural prosperity innovation grants to nonprofit corporations or institutions of higher education that serve rural areas. These grants require a 20 percent non-Federal match and may be used to support the grantee's activities related to development and predevelopment planning aspects of rural development,

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organizational capacity-building to support the rural development activities funded by the grant, and to support the activities conducted under a rural prosperity development grant.

Section 12009. Additional USDA Rural Development Administrative Funds.

Section 12009 provides \$553 million for administrative costs and salaries and expenses for the Department of Agriculture’s Rural Development mission area, as well as for expenses of the agencies and offices of the Department of Agriculture for costs related to implementing this part.

PART 2 – AGRICULTURAL CREDIT AND OUTREACH

Section 12101. Assistance for Certain Farm Loan Borrowers.

Section 12101 amends section 1005 of the American Rescue Plan Act to provide assistance for outstanding indebtedness on direct farm loans to economically distressed direct farm loan borrowers and outstanding indebtedness up to \$150,000 for other direct farm loan borrowers who did not receive significant amounts of payments under the Market Facilitation Program in 2018 and 2019 or the Coronavirus Food Assistance Program in 2020. This section also provides \$1.02 billion to provide payments and loan modifications under section 331(b)(4) of the Consolidated Farm and Rural Development Act for direct and guaranteed farm loans, focusing on farm loan borrowers who are at-risk.

Section 12102. USDA Assistance and Support for Underserved Farmer, Ranchers, and Foresters.

Section 12102 amends section 1006 of the American Rescue Plan Act to provide \$200 million for outreach, mediation, financial training, capacity training, cooperative development and agricultural credit training and support, capacity building training, and other technical assistance to underserved producers, including veterans, beginning farmers, limited resource producers, and producers living in high poverty areas; \$200 million to provide grants and loans to improve land access for underserved producers; \$10 million to fund one or more equity commissions at the Department of Agriculture; \$189 million to support agricultural research, education, and extension at 1890 Institutions, 1994 Institutions, certain Alaska Native serving institutions and Native Hawaiian serving institutions, certain Hispanic-serving institutions, and certain insular area institutions of higher education; \$750 million to provide financial assistance to farmers, ranchers, or forest landowners determined to have experienced discrimination in Department of Agriculture farm lending programs; and \$35 million for the administrative costs of the agencies and offices of the Department of Agriculture to carry out this section.

SUBTITLE D — RESEARCH AND URBAN AGRICULTURE

Section 13001. Department of Agriculture Research Funding.

Section 13001 appropriates \$210 million for the Foundation for Food and Agriculture Research to carry out activities related to climate change and \$30 million to the Office of the Chief

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Scientist to carry out advanced research and development relating to climate through the Agriculture Advanced Research and Development Authority (AGARDA).

This section also provides funding in the following amounts to the National Institute of Food and Agriculture (NIFA) to carry out agricultural education, extension, and research relating to climate change: \$210 million for the Agriculture and Food Research Initiative; \$120 million for the sustainable agriculture research education program; \$60 million for the organic agriculture research and extension initiative; \$5 million for the urban, indoor, and other emerging agricultural production research, education, and extension initiative; \$5 million for centers of excellence at 1890 Institutions; \$60 million for the specialty crop research and extension initiative; \$80 million for cooperative extension under the Smith-Lever Act; \$40 million for cooperative extension at 1890 Institutions; and \$35 million for cooperative extension at 1994 Institutions.

This section provides \$1 billion to the Secretary for grants under the Research Facilities Act to 1890 Institutions, 1994 Institutions, certain Alaska Native serving institutions or Native Hawaiian serving institutions, Hispanic-serving agricultural colleges and universities and Hispanic-serving institutions, certain institutions of higher education in insular areas, and the University of the District of Columbia.

This section provides \$100 million for the scholarships for students at 1890 Institutions grant program; \$15 million for grants to land-grant colleges and universities to support Tribal students; and \$15 million for the Higher Education Multicultural Scholars Program.

This section also provides \$10 million to the Office of Urban Agriculture and Innovation Production and \$5 million to the National Agricultural Statistics Service to conduct the study on urban agriculture that was required under section 7212(b) of the Agriculture Improvement Act of 2018.

Section 13002. Limitation.

Section 13002 provides a limitation that funds made available under this subtitle are subject to the condition that the Secretary shall not enter into any agreement that is for term extending past September 30, 2031 and under which any payment could be outlaid or funds disbursed after September 30, 2031 and shall not use any other funds to satisfy obligations initially made under this subtitle.

SUBTITLE E — MISCELLANEOUS

Section 14001. Additional Support for USDA Office of the Inspector General.

Section 14001 provides \$5 million to the Office of the Inspector General of the Department of Agriculture remain available until expended for audits, investigations, and other oversight activities for projects activities carried out with funds made available to USDA under this title.

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Section 14002. Additional Support for Farmworker and Food Worker Relief Grant Program.

Section 14002 provides \$200 million in additional funds for the Agricultural Marketing Service’s Farmworker and Food Worker Relief Grant Program for assistance to frontline grocery workers.

SUBTITLE F — CONSERVATION

Section 15001. Soil Conservation Assistance.

Section 15001 provides payments to producers who establish cover crops in their fields for soil health and to help address climate change. Such payments equal to \$25 per-acre, up to 1,000 acres per producer. With respect to any non-operating landowners, this section would pay \$5 per acre to encourage or permit the operator to establish cover crops on the rented land.

Section 15002. Additional Agricultural Conservation Investments.

Section 15002 provides additional funding for four existing farm bill conservation programs: the Environmental Quality Incentives Program (“EQIP”), the Conservation Stewardship Program (“CSP”), USDA conservation easements (“ACEP”), and the Regional Conservation Partnership Program (“RCPP”) in the amounts of \$9 billion, \$4.1 billion, \$1.7 billion, and \$7.5 billion, respectively. In utilizing these additional funds to carry out these programs, the Secretary is generally required to prioritize the improvement of soil carbon, reduction of nitrogen losses, and the reduction or capture of greenhouse gas emissions.

Section 15003. Conservation Technical Assistance.

Section 15003 provides \$200 million to the Natural Resources Conservation Service to provide conservation technical assistance; \$50 million to USDA to promote climate change adaptation and mitigation through regional climate hubs; \$600 million to the Natural Resources Conservation Service to engage in the quantification of carbon sequestration and greenhouse gas emissions; and \$100 million for administrative expenses.

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TITLE II — COMMITTEE ON EDUCATION AND LABOR

SUBTITLE A — EDUCATION MATTERS

PART 1 — ELEMENTARY AND SECONDARY EDUCATION

Section 20001. Grow Your Own Programs.

Provides \$112,684,000 for grants to eligible partnerships, to be made in accordance with the same terms and conditions of the Teacher Quality Partnership (TQP) Grant program, for the purpose of funding “Grow Your Own” programs that address shortages of teachers in high-need subjects, shortages of school leaders in high-need schools, and low diversity within the teacher and school leader workforce. Eligible partnerships must integrate coursework with a year-long clinical residency to support candidates in earning their associate’s, bachelor’s or master’s degrees and a teaching or school leadership credential. Partnerships must recruit individuals with experience in high-need subjects or fields who are not certified to teach or lead, with a specific focus on individuals from underrepresented populations and those who either live in or come from communities the schools in the eligible partnership serve. Partnerships must also provide academic and nonacademic support to candidates, including advising and financial assistance.

Section 20002. Teacher Residencies.

Provides \$112,266,000 to award grants to eligible partnerships for the development and support of high-quality teacher residency programs, as described in section 202(e) of the Higher Education Act of 1965, except that funds are available for teacher residency programs for prospective teachers in a bachelor’s degree program.

Section 20003. Support School Principals.

Provides \$112,266,000 to award grants for the development and support of school leadership programs, as described in section 2243 of the Elementary and Secondary Education Act of 1965.

Section 20004. Hawkins.

Provides \$112,266,000 for the Augustus F. Hawkins Centers of Excellence Program, as described in section 242 of the Higher Education Act of 1965, to award grants to support teacher preparation programs at Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs).

Section 20005. Funding for the Individuals with Disabilities Education Part D Personnel Development.

Provides \$160,776,000 for grants to eligible entities for the development of personnel to serve children with disabilities, as described in section 662 of the Individuals with Disabilities Education Act.

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Section 20006. Grants for Native American Language Teachers And Educators

Provides \$200,000,000 for grants to prepare, train and offer professional development to Native American language teachers and Native American early childhood educators to ensure the survival and continuing vitality of Native American languages, as described in section 803(C) of the Native American Programs Act.

PART 2 — HIGHER EDUCATION

Section 20021. Increasing the Maximum Federal Pell Grant.

Provides necessary funding investments to increase the maximum Pell Grant award by \$550 for enrollment at public and private non-profit institutions of higher education.

Section 20022. Expanding Federal Student Aid Eligibility.

Expands eligibility for Title IV financial aid programs, including Pell Grants, to individuals with a grant of deferred departure under the Deferred Action for Childhood Arrivals (DACA) policy, as well as those with temporary protected status (TPS) or deferred enforced departure (DED).

Section 20023. Increase in Pell Grants for Recipients of Means-Tested Benefits.

Guarantees eligibility for a maximum Pell Grant for FAFSA applicants who, in the past 24 months, have received or, in the case of a dependent students, who parents have received, a means-tested federal benefit.

Section 20024. Retention and Completion Grants.

Provides a total of \$500,000,000 for grants to states, systems of institutions of higher education, and TCUs to improve student outcomes, including enrollment, retention, completion, and transfer rates, and labor market outcomes. Of this amount, at least \$142,500,000 will be used to implement reforms and practices meeting certain evidence standards. As a condition of continuing to receive funds under the program, grantees must demonstrate adequate progress in improving outcomes among underserved students, including low-income students, students of color, students with disabilities, first generation college students, student parents, and students in need of remediation. The program will sunset after seven years.

Section 20025. Institutional Aid.

Provides \$6,000,000,000 to increase mandatory appropriations to HBCUs, TCUs, and MSIs authorized under section 371 of the *Higher Education Act of 1965* for the activities described under such section and to award need-based financial aid to low-income students.

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Section 20026. Research and Development Infrastructure Competitive Grant Program.

Provides \$3,000,000,000 for a competitive grant program to improve the research capacity and research and development infrastructure at four-year HBCUs, TCUs, and MSIs. The competitive grant program will consist of planning grants for a period of one to two years and implementation grants for a period of one to five years. Institutions shall receive priority when applying for an implementation grant if they previously received a planning grant. The Secretary will conduct competitions through which like institutions will compete against like institutions for funding.

Section 20027. Northern Mariana Islands, American Samoa, United States Virgin Islands, Guam, and Freely Associated States College Access.

Invests approximately \$50,000,000 to cover the difference between in-state and out-of-state tuition for eligible students from the Northern Mariana Islands, American Samoa, United States Virgin Islands, Guam, and the Freely Associated States who attend an out-of-state four-year public institution of higher education. The Governor of each outlying area will enter into one or more agreements with eligible institutions to provide benefits to eligible students. Students may receive a maximum benefit of \$15,000 per year and a maximum aggregate benefit of \$75,000. In order to be eligible, a student must have been domiciled in one of the outlying areas for at least one year prior to their freshman year of college and enroll in a Title IV-eligible program on at least a half-time basis. Students who have completed a bachelor's degree are ineligible. The program will be funded at such sums as necessary and will sunset after seven years, providing an estimated budgetary impact of \$50,000,000.

PART 3 — DEPARTMENT OF EDUCATION IMPLEMENTATION

Section 20031. Program Administration.

Provides \$91,742,000 for ED to administer programs under this subtitle and sections 22101 and 22102 of subtitle C.

Section 20032. Student Aid Administration.

Provides \$85,000,000 for student aid administration within ED to administer programs and implement amendments made under this subtitle and for federal administrative expenses.

Section 20033. Office of Inspector General.

Provides \$10,000,000 for the ED Office of Inspector General, for salaries and expenses necessary for oversight, investigations, and audits of programs, grants, and projects funded under this subtitle and sections 22101 and 22102 of subtitle C.

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SUBTITLE B — LABOR MATTERS

Section 21001. Department of Labor.

Provides \$1,938,000,000 over a five-year period through September 30, 2026 to rebuild the capacity of worker protection agencies in DOL, by, including:

- \$195,000,000 for the Employee Benefits Security Administration for carrying out enforcement activities;
- \$707,000,000 for the Occupational Safety and Health Administration for carrying out enforcement, standards development, whistleblower investigations, compliance assistance, and funding for State plans;
- \$133,000,000 for the Mine Safety and Health Administration for carrying out enforcement, standard setting, technical assistance, and related activities;
- \$405,000,000 for the Wage and Hour Division;
- \$121,000,000 for the Office of Workers' Compensation Programs for activities of the Office;
- \$201,000,000 for the Office of Federal Contract Compliance Programs for carrying out audit, enforcement, and compliance assistance activities; and
- \$176,000,000 for the Office of the Solicitor for carrying out legal support for the activities of those DOL agencies receiving additional funding in this section.

Section 21002. National Labor Relations Board.

Provides \$350,000,000 over a five-year period through September 30, 2026, to rebuild the capacity of the National Labor Relations Board.

Section 21003. Equal Employment Opportunity Commission.

Provides \$321,000,000 over a five-year period through September 30, 2026 to rebuild the capacity of the Equal Employment Opportunity Commission for carrying out investigation, enforcement, outreach, and related activities.

Section 21004. Adjustment of Civil Monetary Penalties.

Amends the *Occupational Safety and Health Act of 1970* to: increase the maximum penalty to \$700,000 for willful and repeat violations; increase the minimum penalty to \$50,000 for willful violations; and increase the maximum penalty for both serious and failure-to-abate violations to \$70,000. Amends the *Fair Labor Standards Act of 1938* to: increase the maximum civil penalty to \$132,270 for child labor violations; \$601,150 for child labor violations that cause the death or serious injury of an employee under the age of 18; \$20,740 for willful or repeated minimum wage or overtime violations; and \$11,620 for tip violations. Amends the *Migrant and Seasonal Agricultural Worker Protection Act of 1983* to: increase the maximum civil penalty for violations of the law to \$25,790.

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Section 21005. Civil Monetary Penalties for Parity Violations.

Authorizes civil monetary penalties for violations of the *Mental Health Parity and Addiction Equity Act* (MHPAEA) by group health plan sponsors, plan administrators, and issuers. Applies civil monetary penalties available under the *Genetic Information Nondiscrimination Act* to such violations.

Section 21006. Penalties Under the National Labor Relations Act.

Authorizes civil monetary penalties for employers that violate existing unfair labor practice provisions of the *National Labor Relations Act*. Penalties are up to \$50,000 for each violation and can be doubled up to \$100,000 for any violation resulting in termination and serious economic harm and where the employer has previously committed such violation in the preceding five years.

SUBTITLE C — WORKFORCE DEVELOPMENT MATTERS

Provides \$20,000,000,000 over a five-year period through September 30, 2026, to the Department of Labor and the Department of Education to carry out the following workforce development activities.

PART 1 — DEPARTMENT OF LABOR

Section 22001. Dislocated Worker Employment and Training Activities.

Provides \$2,000,000,000 over a five-year period through September 30, 2026 for Dislocated Worker State Grants authorized under the *Workforce Innovation and Opportunity Act* (WIOA), for providing career services, including individualized career services, supportive services and needs-related payments to dislocated workers, and training services, including individual training accounts which can be used at any education or training program on a state's eligible training provider list, such as local community colleges or registered apprenticeships. States or local areas may use up to 40 percent of funds for subsidized employment through transitional jobs.

Section 22002. Adult Worker Employment and Training Activities.

Provides \$1,000,000,000 over a five-year period for WIOA state grants for Adult Employment and Training Activities, for providing career services, including individualized career services, supportive services and needs-related payments to adults, and training services, including individual training accounts which can be used at any education or training program on a state's eligible training provider list such as local community colleges or registered apprenticeships. States or local areas are allowed to use up to 40 percent of funds for incumbent worker training if such training is provided to low-wage workers.

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Section 22003. Youth Workforce Investments Activities.

Provides \$1,500,000,000 over a five-year period through September 30, 2026 for WIOA state grants for Youth Employment and Training Activities, paid work experience for in-school and out-of-school youth, and for partnering with community-based organizations to serve out-of-school youth, including in high-crime or high-poverty areas.

Section 22004. Employment Service.

Provides \$500,000,000 over a five-year period through September 30, 2026 for the Employment Service, including funds for the Commonwealth of the Northern Mariana Islands and American Samoa, of which \$100,000,000 is reserved for improvements to workforce and labor market information systems.

Section 22005. Reentry Employment Opportunities.

Provides \$500,000,000 over a five-year period through September 30, 2026 for Reentry Employment Opportunities, of which \$125,000,000 shall be used for competitive grants to national and regional intermediaries for activities that prepare young adults who are justice-involved or who have dropped out of school or work prepare for employment, prioritizing projects serving high-crime and high-poverty areas.

Section 22006. Registered Apprenticeships, Youth Apprenticeships, and Pre-Apprenticeships.

Provides \$1,000,000,000 over a five-year period through September 30, 2026 for registered apprenticeship programs, pre-apprenticeship programs that articulate to registered apprenticeship programs, and youth apprenticeship programs, with \$500,000,000 for programs serving high numbers of individuals with barriers to employment, including individuals with disabilities, or nontraditional apprenticeship populations.

Section 22008. Industry or Sector Partnership Grants.

Provides \$5,000,000,000 over a five-year period through September 30, 2026 for grants to industry or sector partnerships including state or local workforce boards, employers, labor organizations, and education and training providers, to expand employment and training activities in high-skill, high-wage, or in-demand industry sectors and occupations. Grant funds shall be used for providing training services, career services, supportive services, and needs-related payments for individuals with barriers to employment. Of the funds made appropriated under this section, \$250,000,000 is appropriated for state and local boards to support the creation or expansion of industry or sector partnerships in local areas with high unemployment rates or high percentages of dislocated workers or individuals with barriers to employment, as compared to State or national averages for such rates or percentages, and \$150,000,000 is appropriated for outreach, administrative costs, and evaluation.

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Section 22009. Job Corps.

Provides \$500,000,000 over a five-year period through September 30, 2026 for the Job Corps program which includes funds to improve and expand access to program activities, allowances and transition supports for Job Corps students, and for construction, rehabilitation, and acquisition of Job Corps Centers.

Section 22010. Native American Programs.

Provides \$50,000,000 over a five-year period through September 30, 2026 for the Native Americans programs authorized under WIOA supporting employment and training activities.

Section 22011. Migrant and Seasonal Farmworker Programs.

Provides \$70,000,000 over a five-year period through September 30, 2026 for Migrant and Seasonal Farmworker programs authorized under WIOA supporting migrant and seasonal farmworkers and their families achieve economic self-sufficiency, with eligibility expanded to include seasonal farmworkers with incomes up to 150 percent of the federal poverty line.

Section 22012. YouthBuild Program.

Provides \$15,000,000 over a five-year period through September 30, 2026 for the YouthBuild program authorized under WIOA, including for improving or expanding access to services, stipends, wages, and benefits for participants.

Section 22013. Senior Community Service Employment Program.

Provides \$35,000,000 over a five-year period through September 30, 2026 for the Senior Community Service Employment Program authorized under Section 502 of the *Older Americans Act* (OAA).

Section 22014. Provision of Information

Clarifies that the Departments of Labor and Education shall not be required to receive information from other Federal agencies to determine eligibility for participation in activities under this part.

Section 22015. Definitions.

Defines terms used in Part 1 of this Subtitle, including community college, eligible institution, eligible partnership, Perkins CTE definitions, Registered Apprenticeship programs, Secretary as the Secretary of Labor, and WIOA definitions.

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PART 2 — DEPARTMENT OF EDUCATION WORKFORCE DEVELOPMENT APPROPRIATIONS

Section 22101. Adult Education and Literacy.

Provides 700,000,000 over a six-year period through September 30, 2027 for adult education and literacy services authorized under WIOA, with not less than 10 percent of funds that states award to eligible providers reserved for corrections education and education of other institutionalized individuals.

Section 22102. Career and Technical Education.

Provides \$700,000,000 to ED over a six-year period through September 30, 2027 to carry out activities related to Career and Technical Education, of which \$600,000,000 is provided for State grants authorized under the *Carl D. Perkins Career and Technical Education Act of 2006* (Perkins CTE Act) and \$100,000,000 is provided for innovation and modernization grants authorized under that Act.

PART 3 — COMPETITIVE INTEGRATED EMPLOYMENT TRANSFORMATION GRANT PROGRAM

Section 22201. Competitive Integrated Employment Transformation Grant Program.

Provides \$300,000,000 for a multi-year grant program, of which \$270,000,000 is appropriated for the Secretary of DOL to issue 5-year grants to states to assist employers who hold “special certificates” issued under section 14(c) of the *Fair Labor Standards Act* (FLSA) to transform their business and program models to provide for competitive integrated employment (CIE) and payment of at least the minimum wage applicable in that state or the prevailing wage under federal law. Current law allows employers with special certificates to pay their workers with disabilities below minimum wage. These grants will also provide people with disabilities with the supports to find and retain CIE. Although this provision does not amend the FLSA, nor does it ban DOL from issuing special certificates under section 14(c) of the FLSA, it does require that a state which receives a grant must provide assurances that it will not permit employers within their state to use 14(c) certificates to pay workers with disabilities less than the minimum wage, and require that such wages are not less than their non-disabled peers performing similar work and who have similar training, experience and skills. Depending on the number of states that apply to participate in the program, grants will be issued on either a formula or competitive basis.

Section 22202. Grants for States to Expand Competitive Integrated Employment.

Provides \$24,000,000 for grants to states that have already eliminated the use of 14(c) certificates or are in the process of phasing out the use of these certificates.

Section 22203. Technical Assistance.

Provides \$6,000,000 to establish a national technical assistance center that will assist states and individual employers to end the use of special certificates that permit the payment of subminimum wages.

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Section 22204. Supplement and Not Supplant.

Requires that funds made available under this part shall supplement and not supplant and Federal, State, or local funds expended to assist employers with transforming their business and program models to supporting people with disabilities in competitive integrated employment or supporting the employment of people with disabilities in competitive integrated employment.

Section 22205. Definitions.

Defines “competitive integrated employment” as having the same meaning as in the *Rehabilitation Act of 1973* and the terms “employer” and “employer” as having the meaning given in the *Fair Labor Standards Act*. Additionally, defines “integrated community participation and wraparound services” and “integrated services”.

PART 4 — RECRUITMENT, EDUCATION AND TRAINING, RETENTION, AND CAREER ADVANCEMENT FOR THE DIRECT CARE WORKFORCE THROUGH THE DEPARTMENT OF LABOR

Section 22301. Definitions.

Defines key terms that are cross-referenced in the Perkins CTE Act and WIOA. Additionally, defines the terms “family caregiver” and “direct Support worker” as well as the entities eligible to receive a grant to include states, joint labor-management organizations, certain relevant nonprofit organizations, Indian Tribes or Tribal organizations, state and local boards, and Area Agencies on Aging, among others.

Section 22302. Grants to Support the Direct Care Workforce

Provides \$1,000,000,000 over a ten-year period to support the direct care workforce through renewable three-year grants from DOL, in coordination with the Department of Health and Human Services’ (HHS) Administration for Community Living, to eligible entities including states, tribes, labor organizations, and non-profit organizations. Grants can be used to invest in strategies to recruit, retain, and advance the direct care workforce; implement models and strategies to make the field of direct care more attractive; and improve wages, including through training and registered apprenticeships, career pathways, or mentoring.

PART 5 — DEPARTMENT OF LABOR INSPECTOR GENERAL AND PROGRAM ADMINISTRATION

Section 22401. Department of Labor Inspector General.

Provides \$40,000,000 until expended for the DOL Office of Inspector General (OIG) to conduct oversight, investigations, and audits of programs and grants in DOL under subtitles B and C.

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Section 22402. Department of Labor Program Administration.

Provides \$90,000,000 over an eight-year period through September 30, 2029 for DOL to administer programs under its authority under this subtitle, including parts 1, 3 and 4.

SUBTITLE D — CHILD CARE AND UNIVERSAL PRESCHOOL

Section 23001. Establishment of Birth Through Five Child Care and Early Learning Entitlement Program.

Provides over \$100 billion to support high quality child care during the first three years and such sums in the following three years via a new child care and early learning entitlement program to provide high-quality, affordable child care for children ages birth to five, increase wages for the early childhood workforce, and invest in child care quality and supply (including facilities). Caps families' child care copayments to ensure that no eligible family pays more than 7 percent of their income on child care by creating a sliding scale fee system. Eligible families earning under 75 percent of State Median Income (SMI) would pay nothing toward child care. After a three-year phase in period, families earning no more than 250 percent of SMI and with a parent or parents engaging in an eligible activity would be eligible for, and entitled to, child care assistance through a child care subsidy or grant-funded child care slot. Program ends at year six.

During the first three years, participating states would receive an allotment based on the Child Care & Development Block Grant (CCDBG) formula. States would be required to use 50 percent of allotted funds on expanding access to child care subsidies; 25 percent of funds on child care supply and quality building activities; and 25 percent of funds on either subsidy and grant expansion or supply and quality building, and up to 7% on the cost of administration. To ensure equitable investment of program funds, child care assistance is phased in determined by income eligibility: families earning up to 100 percent SMI become eligible for assistance on day one of the program; families earning up to 125 percent of SMI in the second year; families earning up to 150 percent of SMI in the third year; and families up to 250 percent of SMI in the fourth year.

Beginning in fiscal year 2025, the program provides such sums as may be necessary to carry out a child care entitlement program. Under the entitlement program, states would receive reimbursement from the federal government for the expenses needed to operate a child care entitlement program and would be required to serve all eligible children within the state who desire child care assistance. Creates a federal-state cost sharing structure, where the federal government covers 90 percent of the cost of direct child care services for children, and states would be required to cover 10 percent of expenses. Reimburses states at their Federal Medical Assistance Percentage (FMAP) rate for child care quality and supply activities and reimburses 50 percent of administrative expenses. States would be required to base child care payment rates on a statistically valid and reliable cost estimation model, and to ensure that payment rates cover the cost of high-quality child care and living wages for early childhood staff, as well as pay parity with similarly credentialed elementary school teachers. States would also be required to implement a tiered quality rating system and to support continuous quality improvement for child care providers within the state.

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Provides funding for the HHS Secretary to expand Head Start and award Local Birth to Five Early Learning Grants to localities located in states that have made it apparent that they will not participate in the program. Eligible localities include a city, county, or other unit of general local government.

Section 23002. Universal Preschool.

Provides over \$18 billion during the first three years and such sums as may be necessary in the following three years for the HHS Secretary in collaboration with the ED Secretary, to carry out a universal, high-quality, free, inclusive, and mixed delivery preschool program. Eligible providers include licensed child care programs; Head Start grantees; LEAs; or a consortium of those entities. Requires states to develop and implement state preschool standards, and ensure all eligible providers meet such standards. Additionally, requires states to identify high-need communities within the state, and to roll out universal preschool programs in those communities first, before expanding throughout the rest of the state. For the first three years of the program, the federal share is equal to 100 percent of the state's expenditures for preschool services, and no state match is required. In subsequent years, the federal/state share changes to 90/10, 75/25, and 60/40. Reserves \$2,500,000,000 annually to improve compensation of Head Start staff. Program ends at year six.

Provides funding for the HHS Secretary to expand Head Start and award universal preschool grants to localities located in states that have made it apparent that they will not participate in the program. Eligible localities include a Head Start agency, a local education agency (LEA), or a city, county, or other unit of general local government.

SUBTITLE E — CHILD NUTRITION AND RELATED PROGRAMS

Section 24001. Expanding Community Eligibility.

Invests in free school meals by allowing nearly 9 million more children to access meals through the Community Eligibility Provision (CEP). This section: (1) increases the CEP multiplier, which is used to determine the rate of federal reimbursement to schools, from 1.6 to 2.5; and (2) lowers the participation threshold for schools to elect CEP from 40 percent to 25 percent of identified students. Additionally, it allows for statewide election of CEP. These changes are in effect through FY26.

Section 24003. Summer Electronic Benefit Transfer for Children Program.

Invests in expanding the Summer Electronic Benefit Transfer (Summer EBT) program to provide nutrition benefits to eligible low-income children nationwide. The benefit provides \$65/month for eligible children through FY2024.

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Section 24004. School Kitchen Equipment Grants.

Provides \$30,000,000 for schools to purchase equipment in order to offer healthier meals, improve food safety, and increase scratch cooking.

Section 24005. Healthy Food Incentives Demonstration.

Provides \$250,000,000 for competitive grants to schools for activities that support healthy food offerings and healthy lifestyles. Such activities include improving the nutrition quality of meals and snacks, scratch cooking, nutrition education, procurement of local and culturally appropriate food, and reducing less healthy food.

SUBTITLE F — HUMAN SERVICES AND COMMUNITY SUPPORTS

Section 25001. Assistive Technology.

Provides \$10,000,000 to carry out the *Assistive Technology Act of 1998*, which improves access to assistive technology that enables people with disabilities to live and work in their communities.

Section 25002. Family Violence Prevention and Services Funding.

Provides \$30,000,000 for implementation of the grants for sexual assault survivors and for culturally specific services under the *Family Violence Prevention and Services Act* (FVPSA).

Section 25003. Pregnancy Assistance Fund.

Provides \$75,000,000 for competitive grants to support health care and community support services for pregnant women, parenting women, and young families.

Section 25004. Funding for the Aging Services Network and Infrastructure.

Provides \$1,200,000,000 for *Older Americans Act* (OAA) programs, including:

- \$75,000,000 for the Research, Demonstration, and Evaluation Center for the Aging Network;
- \$655,000,000 to support home-and community-based supportive services;
- \$140,000,000 to support nutrition programs for older Americans;
- \$150,000,000 to support the National Family Caregiver Support Program;
- \$50,000,000 for services, including nutrition, for Native American older adults;
- \$50,000,000 for the long-term care ombudsman program;
- \$75,000,000 for technical assistance centers or national resource centers for culturally appropriate care management and services for older individuals with greatest social need, including racial and ethnic minority individuals and older individuals who are underserved due to sexual orientation or gender identity; and
- \$5,000,000 for multigenerational civic engagement projects.

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Section 25005. Technical Assistance Center for Supporting Direct Care and Caregiving.

Provides \$20,000,000 to fund a national technical assistance center through HHS' Administration for Community Living which will develop and disseminate evidence-based strategies for recruitment, education and training, retention, and career advancement of direct care workers and provide recommendations for activities to further support paid and unpaid family caregivers.

Section 25006. Funding to Support Unpaid Caregivers.

Provides \$40,000,000 to establish, enhance, or expand programs to address the behavioral health needs of unpaid caregivers of older individuals and older relative caregivers.

Section 25007. Funding to Support Individuals with Intellectual and Developmental Disabilities.

Provides \$25,000,000 to fund for initiatives to address the behavioral health needs of individuals with intellectual and developmental disabilities.

Section 25008. Office of the Inspector General of the Department of Health and Human Services.

Provides \$50,000,000 to the HHS Office of Inspector General (OIG), for salaries and expenses necessary for oversight, investigations, and audits of programs, grants, and projects funded under subtitles D and F.

SUBTITLE G — NATIONAL SERVICE AND WORKFORCE DEVELOPMENT IN SUPPORT OF CLIMATE RESILIENCE AND MITIGATION

Section 26001. Corporation for National and Community Service and the National Service Trust.

Provides \$15,220,000,000 for the Corporation for National and Community Service (CNCS) in support of national service activities. Included in this funding is:

- \$3,200,000 over a five-year period for AmeriCorps State and National Programs to increase funding for existing grant awards or make new awards to raise living allowances and improve benefits for participants in these national service programs. Grantee match requirements shall be waived, in whole or part, for organizations that serve underserved or low-income communities, and a significant percentage of participants in such program are low-income individuals;
- \$400,000,000 over a five-year period to make adjustments to existing awards and make new awards to support State Commissions on National and Community Service. Match waivers shall be provided to State Commissions if need is demonstrated;
- \$80,000,000 over an eight-year period for the National Civilian Community Corps (NCCC) to increase the living allowance and improve benefits of participants;
- \$600,000,000 over a five-year period for the Volunteers in Service to America (VISTA) program, including to increase the subsistence allowances and improve benefits of participants in VISTA;

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- \$6,915,000,000 for national service programs to carry out projects related to climate resilience and mitigation, available over a five-year period for AmeriCorps State and National, and over an eight-year period for VISTA and NCCC. Requires: grants be made to entities that serve and have representation from low-income communities or communities experiencing adverse health and environmental conditions; programs utilize culturally competent and multilingual strategies; projects are carried out with community input and implemented by diverse participants from communities being served; and programs provide participants with workforce development opportunities; and provides match waivers, increased living and subsistence allowances, and benefits adjustments as described above;
- \$1,010,400,000 over an eight-year period for administrative costs at the Corporation for National and Community Service for carrying out this section and actions to address recommendations arising from audits of the financial statements, the development of fraud prevention and detection controls and risk-based anti-fraud monitoring for grants and other financial assistance funded under this section, and coordination of efforts and activities with the Departments of Labor and Education;
- \$79,800,000 for Fiscal Year 2030 for administrative expenses to carry out programs and activities funded under this section;
- \$300,000 until expended to develop and implement a project, operations, and management plan, in collaboration with the DOL, for the funds made available under this section;
- \$49,500,000 over a nine-year period for outreach to and recruitment of members from communities traditionally underrepresented in national service programs and members of a community experiencing a significant dislocation of workers, including energy transition communities;
- \$75,000,000 over a nine-year period for the CNCS Office of Inspector General (OIG) for oversight and audits of programs under this section;
- \$1,150,000,000 for the National Service Trust to provide AmeriCorps Education Awards (Segal Awards) for program participants in national service programs that support climate resilience and mitigation through fiscal year 2030; and
- \$1,660,000,000 for the National Service Trust for supplemental AmeriCorps Education Awards for all national service program participants through fiscal year 2029 which are equal to a 50% increase over the Segal award, in effect at the time of award.

Section 26002. Workforce Development in Support of Climate Resilience and Mitigation.

Provides \$4,280,000,000 to DOL over a five-year period through September 30, 2026, for employment and training activities in industry sectors or occupations related to climate resilience or mitigation and aligned with the activities described the Section 26001. This includes:

- \$450,000,000 over a five-year period for the YouthBuild program authorized under the WIOA, including to improve or expand access to services, stipends, wages, and benefits for YouthBuild participants, and for high-quality employment and training opportunities;
- \$450,000,000 over a five-year period for the Job Corps program authorized under WIOA, for carrying out Job Corps activities, improving and expanding access to allowances and

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services for Job Corps participants, and for constructing, rehabilitating and acquiring Job Corps Centers;

- \$1,000,000,000 over a five-year period to create pre-apprenticeship programs that articulate to registered apprenticeship programs;
- \$150,000,000 over a five-year period for partnerships between pre-apprenticeship programs and the programs funded by the CNCS to expand access to pre-apprenticeship programs;
- \$450,000,000 over a five-year period to create or expand Registered Apprenticeship programs in climate related nontraditional apprenticeship occupations;
- \$350,000,000 over a five-year period for pre-apprenticeship and Registered Apprenticeship programs that serve a high number or high percentage of individuals with barriers to employment, including individuals with disabilities, and nontraditional apprenticeship populations;
- \$1,000,000,000 over a five-year period for the Reentry Employment Opportunities program to support individuals who were formally incarcerated access employment and training activities;
- \$350,000,000 over a five-year period for paid youth employment activities for in-school and out-of-school youth;
- \$10,000,000 to remain available until expended for the DOL Office of Inspector General.
- \$69,800,000 over an eight-year period for program administration;
- \$200,000 for developing and implementing a project, operations, and management plan, to be carried out in collaboration with the CNCS, for the funds made available under this section; and
- Includes definitions for climate-related nontraditional apprenticeship occupation, Registered Apprenticeship programs, and WIOA definitions.

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TITLE III — COMMITTEE ON ENERGY AND COMMERCE

SUBTITLE A — CLEAN AIR

Section 30101. Clean Heavy-Duty Vehicles.

Subsection (a) of this section appropriates \$5 billion to carry out section 132 of the Clean Air Act (CAA), as added by subsection (b), of which \$2 billion is for recipients proposing to replace eligible heavy-duty vehicles serving communities located in nonattainment areas. Section 132(a) establishes a program to make awards of grants and rebates to replace Class 6 and Class 7 heavy-duty vehicles with zero-emission vehicles. Section 132(b) establishes an application requirement. Section 132(c) defines terms used in this section.

Section 30102. Grants to Reduce Air Pollution at Ports.

This section provides \$3.5 billion for the purchase and installation of zero-emission equipment and technology at ports, as well as the development of climate action plans at ports. Requires that 25 percent of investments are made at ports in nonattainment areas.

Section 30103. Greenhouse Gas Reduction Fund.

This section provides \$29 billion to support the rapid deployment of low- and zero-emission technologies. Invests approximately \$20 billion in nonprofit financing institutions designed to support projects that reduce or avoid emissions by leveraging investment from the private sector. Requires that 40 percent of these investments benefit low-income and disadvantaged communities. Funds may also be used to establish or expand state and local financing programs that deploy low- and zero-emission technologies.

In addition, invests \$7 billion in state, local, and nonprofit programs to install zero-emission distributed technologies in low-income and disadvantaged communities, as well as \$2 billion in state, local, and nonprofit efforts to install zero-emission vehicle charging or fueling infrastructure.

Section 30104. Collaborative Community Wildfire Air Grants.

This section provides the Environmental Protection Agency (EPA) \$150 million to assist communities in developing and implementing collaborative community plans to prepare for, reduce risks of, and mitigate the health and environmental effects of wildfire smoke.
Section 30105. Diesel Emissions Reductions.

This section provides EPA \$60 million for Diesel Emissions Reduction Act (DERA) grants for projects addressing diesel emissions from goods movement facilities (e.g., airports, railyards, and distribution centers) and from vehicles servicing those facilities.

Section 30106. Funding to Address Air Pollution.

This section provides \$280.5 million to EPA, of which \$230.5 million is for air quality monitoring via grants and other activities authorized under CAA sections 102, 103, and 105, \$45

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million is to carry out specified sections of the CAA with respect to greenhouse gases (GHG), and \$5 million is for grants to states to adopt and implement GHG and zero-emission standards for mobile sources pursuant to CAA section 177.

Section 30107. Funding to Address Air Pollution at Schools.

This section appropriates \$50 million to EPA to monitor and reduce air pollution at public schools in low-income and disadvantaged communities under CAA sections 103 and 105.
Section 30108. Low Emissions Electricity Program.

This section provides \$87 million to EPA to carry out CAA section 135, as added by this section. Section 135(b) directs that \$68 million be used to help educate consumers, support low-income and disadvantaged communities, and offer technical assistance to industry, as well as state and local governments, with respect to reductions in GHG emissions that result from domestic electricity generation and use. Section 135(b) further directs that \$1 million be used to assess the emission reductions anticipated to occur over the next decade, and that \$18 million be used to ensure the assessed reductions are achieved.

Section. 30109. Funding for Section 211 of the Clean Air Act.

This section provides EPA \$15 million to carry out CAA section 211, of which \$5 million shall be for tests, protocols, analyses, and evaluations regarding environmental and public health effects and lifecycle emissions of transportation fuels, and \$10 million shall be for grants to support investments in advanced biofuels.

Section 30110. Funding for Implementation of The American Innovation and Manufacturing Act.

This section provides \$38.5 million to EPA to carry out the American Innovation and Manufacturing Act, of which \$3.5 million is to deploy new implementation and compliance tools and \$15 million is for competitive grants for reclaim and innovative destruction technologies.

Section. 30111. Funding for Enforcement Technology and Public Information.

This section appropriates \$50 million to EPA, of which \$37 million is to update EPA's Integrated Compliance Information System, \$7 million is for grants to states, Indian Tribes, and air pollution control agencies to update their systems, and \$6 million is to acquire or update inspection software used by EPA, states, Indian Tribes, and air pollution control agencies.
Section 30112. Greenhouse Gas Corporate Reporting.

This section provides EPA \$5 million to support enhanced standardization and transparency of corporate climate action commitments and plans, and progress toward meeting such commitments and implementing such plans.

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Section 30113. Environmental Product Declaration Assistance Program.

This section provides EPA \$250 million to establish and carry out an Environmental Product Declaration (EPD) Assistance program to support development and enhanced standardization and transparency of environmental product declaration for construction materials and products.

Section 30114. Methane Emissions Reduction Program.

This section provides EPA \$775 million for grants, rebates, contracts, and loans to reduce methane emissions from petroleum and natural gas systems. This section also requires the EPA Administrator to establish waste emissions thresholds for petroleum and natural gas facilities, and to impose and collect a charge on waste emissions that exceed such thresholds. The charge starts at \$900 per ton of methane in 2023 and ramps up to \$1,500 per ton by 2025.

Section 30115. Funding for the Office of the Inspector General of the Environmental Protection Agency.

This section appropriates \$50 million to the Office of the Inspector General of the EPA for oversight of activities supported with funding provided to the agency under this Act.

Section 30116. Climate Pollution Reduction Grants.

This section provides \$5 billion to EPA to carry out CAA section 137, as added by this section. Section 137 provides \$250 million for grants for the costs of developing plans to reduce greenhouse gas air pollution and directs EPA to make such a grant to at least one eligible entity in each state. Section 137 further provides \$4.75 billion for EPA to competitively award grants to implement greenhouse gas air pollution reduction plans. Section 137(c) establishes an application requirement and terms and conditions. Section 137(d) defines an eligible entity to mean a state, air pollution control agency, municipality, Indian Tribe, or a group of one or more such entities.

Section 30117. Environmental Protection Agency Efficient, Accurate, and Timely Reviews.

This section provides EPA \$20 million to develop efficient, accurate, and timely reviews for permitting and approval processes.

Section 30118. Low-Embodied Carbon Labeling for Construction Materials for Transportation Projects

This section provides EPA \$100 million to develop and carry out a program to identify and label, based on environmental product declarations, low-embodied carbon construction materials and products used for transportation projects.

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SUBTITLE B — HAZARDOUS MATERIALS

Section 30201. Grants to Reduce Waste in Communities.

This section provides \$190 million for investments in waste reduction infrastructure, incentives, and related activities located in, or directly serving, low-income and disadvantaged communities.

Section 30202. Environmental and Climate Justice Block Grants.

This section provides \$3 billion for investments in community led projects in disadvantaged communities and community capacity building centers to address disproportionate environmental and public health harms related to pollution and climate change.

Section 30203. Funding for Data Collection on National Recycling Efforts.

This section provides \$10 million to support data collection activities related to recycling efforts throughout the United States, with a focus on assessing recycling efforts and needs in low-income, disadvantaged, and rural communities.

SUBTITLE C — DRINKING WATER

Section 30301. Lead Remediation Projects.

This section provides \$9 billion for lead remediation projects, including lead service line replacement funding to be distributed pursuant to Section 1459B of the Safe Drinking Water Act. Funding can also go to grants to assist schools in the installation and maintenance of lead filtration stations, grants for school and childcare program lead testing, and grants to schools for the replacement of school drinking water fountains that may contain lead. Makes clear that recipients of funds under the section will not be required to provide a cost-share. Provides 7 percent of the funds for administrative costs.

Section 30302. Funding for Water Assistance Program.

This section provides \$225 million for grants, to be provided by the Environmental Protection Agency, to states and Tribes to provide assistance for low-income water customers to reduce arrearages and water rates for those customers.

SUBTITLE D — ENERGY

Section 30411. Home Energy Performance-Based, Whole-house Rebates and Training Grants

This section provides the Department of Energy (DOE) with funding to institute guidelines and administer funding for state energy offices to provide rebates for whole-house energy saving retrofits. It appropriates \$360 million for contractor training grants to support home energy efficiency retrofits and \$5.89 billion for state energy offices to provide rebates for retrofits. Specifies rebate amounts for single-family and multifamily energy efficiency retrofits. Provides

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that home energy efficiency retrofit rebates for high-efficiency natural gas heating, ventilation, air conditioning and cooling (HVAC) systems and water heaters are eligible for six years after the date of enactment.

Section 30412. High-Efficiency Electric Home Rebate Program.

This section amends section 124 of the Energy Policy Act of 2005 (EPACT05) to appropriate \$2.226 billion for DOE to provide homeowners and owners of multifamily buildings rebates for qualifying electrification projects, and \$3.8 billion for rebates carried out in tribal communities or for low- or moderate-income households. Specifies rebate amounts for the program. It also appropriates \$4 million for community and consumer education and outreach and \$220 million to administer the program and provide technical support.

Section 30421. Critical Facility Modernization.

This section appropriates \$500 million for DOE to provide funding to states for the purposes of resiliency, energy efficiency, renewable energy, and grid integration improvements at public and non-profit buildings.

Section 30422. Assistance for Latest and Zero Building Energy Code Adoption.

This section appropriates funding for State Energy Program grants to assist states and local communities adopting updated building energy codes for residential and commercial buildings. It appropriates \$100 million for the adoption and implementation of the latest building energy codes, and \$200 million for the adoption and implementation of zero energy and equivalent stretch codes.

Section 30431. Zero-Emissions Vehicle Infrastructure Grants.

This section appropriates \$600 million to DOE to provide financial assistance through State Energy Programs for Level 2 publicly accessible electric vehicle supply equipment. This section also appropriates \$200 million for direct current fast charging infrastructure, and \$200 million for hydrogen fueling equipment through State Energy Programs. The financial assistance provided in this section targets the buildout of infrastructure in rural, underserved, and disadvantaged areas.

Section 30441. Funding for Department of Energy Loan Programs Office.

This section provides the Secretary of Energy with authority to make commitments up to a total principal amount of \$40 billion to guarantee loans for eligible projects under EPACT05 section 1703. The section further appropriates \$3.6 billion for the costs of guarantees made under section 1703

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Section 30442. Advanced Technology Vehicle Manufacturing.

This section appropriates \$3 billion to the Secretary of Energy for the costs of providing direct loans under Energy Independence and Security Act section 136, known as the Advanced Technology Vehicles Manufacturing program, to produce advanced technology medium and heavy-duty vehicles, trains or locomotives, maritime vessels, aircraft, or hyperloop technology. This section also removes the cap on the amount of direct loans the Secretary can issue under this program

Section 30443. Domestic Manufacturing Conversion Grants.

This section appropriates \$3.5 billion to the Secretary of Energy for domestic manufacturing conversion grants relating to domestic production of plug-in electric hybrid, plug-in electric drive, and hydrogen fuel cell electric vehicles and components of such vehicles under EPACT05 section 712.

Section 30444. Energy Community Reinvestment Financing.

This section appropriates \$5 billion to the Secretary of Energy for the cost of providing financial support to the Energy Community Reinvestment Financing Program under EPACT05 section 1706, as added by this subtitle. Section 1706(b) directs the Secretary to establish a program to provide financial support to eligible entities for the purpose of enabling low-carbon reinvestments in energy communities. Section 1706(c) establishes an application process, while 1706(d) sets out fees and other requirements, and 1706(e) defines terms used in this section.

Section 30445. Tribal Energy Loan Guarantee Program.

This section appropriates \$200 million to the Secretary of Energy to carry out the tribal energy loan guarantee program. This section also enables that program to guarantee 100 percent of unpaid principal and interest and to access the Federal Financing Bank, and increases the cap on loan guarantees under the program to \$20 billion.

Section 30451. Transmission Line and Intertie Grants and Loans.

This section appropriates \$2 billion to DOE to provide grants and loans for the purpose of constructing new high-capacity transmission lines and for upgrading interties between the various interconnections.

Section 30452. Grants to Facilitate the Siting of Interstate Electricity Transmission Lines.

This section appropriates \$800 million to DOE for the issuance of grants to siting authorities, including state, local, or Tribal governmental entities, for the purpose of studying and analyzing the impacts of covered transmission projects, examining alternate transmission siting corridors, hosting negotiations regarding covered transmission projects, participating in regulatory proceedings, and for economic development activities for communities that may be affected by the construction and operation of a covered transmission project.

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Section 30453. Organized Wholesale Electricity Market Technical Assistance Grants.

This section appropriates \$50 million to DOE for the purpose of providing states with technical assistance and grants to evaluate forming, expanding, or improving organized wholesale electricity markets, and aligning the policies of organized wholesale electricity markets with relevant state policies

Section 30454. Interregional and Offshore Wind Electricity Transmission Planning, Modeling, and Analysis.

This section appropriates \$100 million to DOE to perform transmission planning, modeling, and analyses regarding the development of interregional and offshore wind transmission projects and to convene stakeholders to address the development of such transmission projects.

Section 30461. Department of Energy

This section appropriates \$125 million to DOE for the development of more efficient, accurate, and timely reviews for planning, permitting, and approval processes.

Section 30462. Federal Energy Regulatory Commission

This section appropriates \$75 million to the Federal Energy Regulatory Commission (FERC) for the development of more efficient, accurate, and timely reviews for planning, permitting, and approval processes.

Section 30471. Advanced Industrial Facilities Deployment Program

This section appropriates \$4 billion to DOE to provide financial assistance, on a competitive basis, to projects for installing and implementing advanced industrial technology at energy-intensive industrial and manufacturing facilities.

Section 30481. Oversight.

This section appropriates \$5 million to the DOE Inspector General for oversight of activities for which funding is appropriated in this subtitle.

SUBTITLE E — AFFORDABLE HEALTHCARE COVERAGE

Section 30601. Ensuring Affordability of Coverage for Certain Low-Income Populations.

This section provides temporary enhanced Affordable Care Act (ACA) Marketplace cost-sharing reduction assistance to individuals with household incomes below 138 percent of the federal poverty level (FPL) for calendar years 2022 through 2025. Consistent with current law, individuals who qualify for government sponsored insurance would not qualify for the temporary cost-sharing assistance.

Section 30602. Establishing a Health Insurance Affordability Fund.

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This section makes available \$10 billion annually to states for calendar years 2023 through 2025, providing the option for states to establish a state reinsurance program or use the funds to provide financial assistance to reduce out-of-pocket costs. The section also requires the Centers for Medicare and Medicaid Services (CMS) to establish and implement a temporary reinsurance program in states that are not expending amounts under the State plan for all individuals described in section 1902(a)(10)(A)(i)(VIII).

Section 30603. Funding for the Provision of Health Insurance Consumer Information.

This section provides \$100 million for the ACA’s health insurance consumer information grants for calendar years 2022 through 2025

Section 30605. Cost-Sharing Reductions for Individuals Receiving Unemployment Compensation.

This section provides the ACA cost-sharing reduction assistance to individuals receiving unemployment compensation for calendar years 2022 through 2025.

SUBTITLE F — MEDICAID

PART 1 — INVESTMENTS IN HOME AND COMMUNITY-BASED SERVICES

Section 30711. HCBS Improvement Planning Grants.

This section provides grants to states to develop plans to expand access to home and community-based services (HCBS) and strengthen the HCBS workforce.

Section 30712. HCBS Improvement Program.

This section provides states with a permanent six percentage point increase to the federal medical assistance percentage (FMAP) if the state implements an HCBS improvement program to strengthen and expand HCBS. It provides an enhanced FMAP of 80 percent for administrative costs associated with improving HCBS. It also provides a six-quarter increase to the FMAP of two percentage points if a state adopts an HCBS model that promotes self-direction of care and meets certain other requirements.

Section 30713. Funding for Federal Activities.

This section requires the Secretary of Health and Human Services (HHS) to report on the implementation and outcomes of state HCBS improvement programs, and to provide states with technical assistance to implement HCBS improvement programs.

Section 30714. Funding for HCBS Quality Measurement and Improvement.

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This section requires HHS to develop and publish HCBS quality measures for state Medicaid programs.

Section 30715. Permanent Extension of Medicaid Protections Against Spousal Impoverishment for Recipients of Home and Community-Based Services.

This section permanently extends the protection against spousal impoverishment for individuals whose partners receive Medicaid HCBS.

Section 30716. Permanent Extension of Money Follows the Person Rebalancing Demonstration.

This section provides permanent funding for the Money Follows the Person Rebalancing Demonstration to help states transition folks out of institutions and into HCBS.

PART 2 — OTHER MEDICAID

Section 30721. Investments to Ensure Continued Access to Health Care for Children, Pregnant Individuals, and Other Individuals.

This section makes several improvements to expand access and continuity of care to some of our most vulnerable citizens, including low-income children and new moms. It requires that state Medicaid programs provide 12 months of continuous Medicaid and CHIP eligibility to postpartum women; 12 months of continuous eligibility to children enrolled in Medicaid and CHIP; and coverage to justice-involved individuals 30 days prior to their release. It also allows states to smoothly transition out of the coverage requirements put in place during the public health emergency. This section also permanently extends the state option to simplify children's enrollment in Medicaid and CHIP. Finally, it authorizes a new option for states to provide coordinated care for pregnant and postpartum women through a health home.

Section 30722. Investments to Expand Access to Behavioral Health.

This section makes important investments to strengthen and expand access to behavioral health. It provides all states with incentives to cover Certified Community Behavioral Health Care Clinics. It also permanently extends the option for states to cover Community-Based Mobile Crisis Intervention Services to help individuals experiencing a crisis quickly get the treatment they need.

Section 30723. Extension of 100 Percent Federal Medical Assistance Percentage for Urban Indian Health Organizations and Native Hawaiian Health Care Systems.

This section extends for an additional two years the 100 percent FMAP for urban Indian organizations and Native Hawaiian Health Centers that was first authorized in the American Rescue Plan.

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Section 30724. Requiring Coverage of Dental and Oral Health Services, Vision Services, and Hearing Services for Adults.

This section adds comprehensive dental, vision, and hearing services as mandatory benefits in Medicaid.

Section 30725. Adjustments to Uncompensated Care Pools and Disproportionate Share Hospital Payments.

This section ends wasteful and duplicative payments to states where individuals below 100 percent of poverty will be able to enroll in Marketplace coverage. It also adjusts Medicaid disproportionate share hospital (DSH) allotments for these states to reflect the lower rates of uncompensated care.

PART 3 — TERRITORIES

Section 30731. Increasing Medicaid Cap Amounts and the Federal Medical Assistance Percentage for the Territories.

This section permanently increases federal Medicaid funding for the territories and corrects a long-standing historical injustice by permanently increasing each territory's FMAP to 83 percent.

PART 4 — MAINTENANCE OF EFFORT; OTHER PROVISIONS

Section 30741. Encouraging Continued Access After the End of the Public Health Emergency.

This section encourages states to maintain Medicaid eligibility standards that were in place prior to the public health emergency.

Section 30742. Ensuring Accurate Payments to Pharmacies Under Medicaid.

This section ensures Medicaid accurately reimburses for prescription drugs.

Section 30743. Further Increase in FMAP for Medical Assistance for Newly Eligible Mandatory Individuals.

This section increases the Medicaid expansion FMAP to 93 percent through 2025.

SUBTITLE G — CHILDREN'S HEALTH INSURANCE PROGRAM

Section 30801. Investments to Strengthen CHIP.

This section makes comprehensive improvements to the Children's Health Insurance Program (CHIP) for low-income children. It authorizes permanent funding for CHIP. It provides permanent funding for several programs related to CHIP, including the pediatric quality

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measures program and the child enrollment contingency fund to provide states with additional funding in the event its CHIP allotment is insufficient. It also closes a longstanding loophole and ensures that all CHIP programs are able to receive low-cost prescription drugs. Finally, this section provides states with the option to increase CHIP income eligibility levels above the existing statutory ceiling.

SUBTITLE H — MEDICARE COVERAGE OF HEARING SERVICES

Section 30901. Providing Coverage for Hearing Care under the Medicare Program.

This section allows for qualified audiologists, beginning January 1, 2024, to deliver aural rehabilitation and treatment services in addition to the hearing and balance assessment services provided under current law. It also allows for qualified hearing aid professionals to deliver hearing assessment services, beginning January 1, 2024. This section defines qualified hearing aid professionals as state licensed hearing aid dispensers, hearing aid specialists, hearing instrument dispensers, or related professionals who meet other requirements, as determined appropriate by the Secretary.

This section also provides for coverage of hearing aids under Medicare Part B for individuals with severe or profound hearing loss in one or both ears, once every five years, and if furnished through a written order by a physician, qualified audiologist, hearing aid professional, physician assistant, nurse practitioner, or clinical nurse specialist, qualified to write such order by the state.

SUBTITLE I — PUBLIC HEALTH

PART 1 — HEALTH CARE INFRASTRUCTURE AND WORKFORCE

Section 31001. Funding to Support Core Public Health Infrastructure for State, Territorial, Local, and Tribal Health Departments at the Centers for Disease Control and Prevention.

This section provides \$7 billion in funding to support core public health infrastructure activities to strengthen the public health system through grants to state, territorial, local, or Tribal health departments, and expanding and improving activities of the Centers for Disease Control and Prevention (CDC). Such activities include: health equity activities; workforce capacity and competency; all hazards public health and preparedness; testing capacity, including test platforms, mobile testing units, and personnel; health information, health information systems, and health information analysis; epidemiology and disease surveillance; contact tracing; policy and communications; financing; community partnership development; and relevant components of organizational capacity.

Section 31002. Funding for Health Center Capital Grants.

This section provides \$1 billion in funding to award grants and enter into cooperative agreements for capital projects to health centers and federally qualified health centers look-alikes. Funds can be used for health center facility alteration, renovation, remodeling, expansion, construction, and other capital improvement costs.

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Section 31003. Funding for Teaching Health Center Graduate Medical Education.

This section provides \$3.37 billion in funding for payments to teaching health centers that operate graduate medical education programs and for the awarding of teaching health center development grants. In making such grants, the Secretary of Health and Human Services (HHS) shall make payments and awards that take into account states or territories in which there is no existing qualified teaching health center.

Section 31004. Funding for Children’s Hospitals that Operate Graduate Medical Education Programs.

This section provides \$150 million in funding for the Children’s Hospital Graduate Medical Education program, which supports the training of pediatric primary care, specialty, and dental residents.

Section 31005. Funding for the National Health Service Corps.

This section provides \$650 million in funding for the National Health Service Corps, which provides scholarships and loan repayment to qualified health care providers in exchange for their service in underserved areas across the country.

Section 31006. Funding for the Nurse Corps.

This section provides \$200 million in funding for the Nurse Corps, which provides scholarships and loan repayment assistance to registered nurses (RNs) and advanced practice registered nurses (APRNs), in return for a commitment to work at eligible health care facilities with a critical shortage of nurses or serve as nurse faculty in eligible schools of nursing.

Section 31007. Funding for Palliative Care and Hospice Education and Training.

This section provides \$30 million in funding to support training of health professionals in palliative and hospice care, foster patient and family engagement, integration of palliative and hospice care with primary care and other appropriate specialties, and collaboration with community partners to address gaps in health care for individuals in need of palliative or hospice care.

Section 31008. Funding for Palliative Medicine Physician Training.

This section provides \$20 million in funding for accredited schools of medicine, teaching hospitals, and graduate medical education programs to train physicians (including residents, trainees, and fellows) or specialists who plan to teach or practice palliative medicine.

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Section 31009. Funding for Palliative Care and Hospice Academic Career Awards.

This section provides \$20 million in funding for programs to promote the career development of individuals who are board certified or board eligible in hospice and palliative medicine and have a junior (non-tenured) faculty appointment at an accredited health professions school.

Section 31010. Funding for Hospice Palliative Care Nursing.

This section provides \$20 million in funding to accredited nursing schools, health care facilities, programs leading to certification, partnerships of such schools and facilities, and programs and initiatives to develop and implement programs to train and educate individuals in palliative care in educational, hospital, hospice, home, or long-term care settings.

Section 31011. Funding for Dissemination of Palliative Care Information.

This section provides \$10 million in funding for an awareness campaign to inform patients, families, caregivers, direct care workers, and health professionals about the benefits of palliative care and the services that are available to support patients with serious or life-threatening illnesses.

PART 2 — PANDEMIC PREPAREDNESS

Section 31021. Funding for Laboratory Activities at the Centers for Disease and Control.

This section provides \$1.4 billion in funding to support renovation, improvement, expansion, and modernization of state and local public health laboratory infrastructure; enhance the capacity of the laboratories at CDC; and enhance the ability of CDC to monitor and exercise oversight over the biosafety and biosecurity of state and local public health laboratories.

Section 31022. Funding for Public Health and Preparedness Research, Development, and Countermeasure Capacity.

This section provides \$1.3 billion in funding to the Assistant Secretary for Preparedness and Response to prepare for, and respond to, public health emergencies, including supporting surge capacity; supporting expanded global and domestic vaccine production capacity; supporting activities to mitigate supply chain risks and enhance supply chain elasticity and resilience; supporting activities conducted by the Biomedical Advanced Research and Development Authority; and supporting increased biosafety and biosecurity in research on infectious diseases.

Section 31023. Funding for Infrastructure Modernization and Innovation at the Food and Drug Administration.

Section 31023 provides \$300 million for improving infrastructure at the Food and Drug Administration (FDA), including technological infrastructure (including through the development of integrated systems and interoperability of IT systems) and laboratory and related facilities infrastructure.

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PART 3 — MATERNAL MORTALITY

Section 31031. Funding for Local Entities Addressing Social Determinants of Maternal Health.

This section provides \$100 million in funding to award grants to address social determinants of maternal health for pregnant and postpartum individuals.

Section 31032. Funding for the Office of Minority Health.

This section provides \$75 million in funding to the HHS Office of Minority Health to award grants to address social determinants of maternal health for pregnant and postpartum individuals.

Section 31033. Funding to Grow and Diversify the Nursing Workforce in Maternal and Perinatal Health.

This section provides \$170 million in funding to award grants to accredited schools of nursing to grow and diversify the perinatal nursing workforce.

Section 31034. Funding for Perinatal Quality Collaboratives.

This section provides \$50 million to carry out a program to establish or support perinatal quality collaboratives to improve perinatal care and perinatal health outcomes for pregnant and postpartum individuals and their infants.

Section 31035. Funding to Grow and Diversify the Doula Workforce.

This section provides \$50 million in funding to award grants to establish or expand programs to grow and diversify the doula workforce.

Section 31036. Funding to Grow and Diversify the Maternal Mental Health and Substance Use Disorder Treatment Workforce.

This section provides \$75 million in funding to award grants to establish or expand programs to grow and diversify the maternal mental health and substance use disorder treatment workforce.

Section 31037. Funding for Maternal Mental Health Equity Grant Programs.

This section provides \$100 million in funding to award grants to address maternal mental health conditions and substance use disorders with respect to pregnant, lactating, and postpartum individuals, including in areas with significant racial or ethnic disparities in maternal health outcomes.

Section 31038. Funding for Education and Training at Health Professions Schools to Identify and Address Health Risks Associated with Climate Change.

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This section provides \$85 million in funding to award grants to support the development and integration of education and training programs for identifying and addressing risks associated with climate change for pregnant, lactating, or postpartum individuals.

Section 31039. Funding for Minority-Serving Institutions to Study Maternal Mortality, Severe Maternal Morbidity, and Adverse Maternal Health Outcomes.

This section provides \$50 million in funding to award grants to minority-serving institutions to study maternal mortality, severe maternal morbidity, and adverse maternal health outcomes.

Section 31040. Funding for Identification of Maternity Care Health Professional Target Areas.

This section provides \$25 million in funding for identification of maternity care health professional target areas, as defined under section 332(k) of the Public Health Service Act.

Section 31041. Funding for Maternal Mortality Review Committees to Promote Representative Community Engagement.

This section provides \$50 million in funding to promote community engagement in maternal mortality review committees (MMRCs).

Section 31042. Funding for the Surveillance for Emerging Threats to Mothers and Babies.

This section provides \$100 million for the National Center on Birth Defects and Developmental Disabilities with respect to conducting surveillance for emerging threats to mothers and babies.

Section 31043. Funding for the Enhancing Reviews and Surveillance to Eliminate Maternal Mortality Program.

This section provides \$30 million to carry out the Enhancing Reviews and Surveillance to Eliminate Maternal Mortality program, including expanding the program and partnerships with state, territorial, and Tribal organizations to support MMRCs, as well as to provide technical assistance to existing MMRCs.

Section 31044. Funding for the Pregnancy Risk Assessment Monitoring System.

This section provides \$15 million to support the Pregnancy Risk Assessment Monitoring System, including supporting COVID-19 assessments and transitioning to an electronic system.

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Section 31045. Funding for the National Institute of Child Health and Human Development.

This section provides \$15 million to support the activities of the Eunice Kennedy Shriver National Institute of Child Health and Human Development, including to conduct or support research for interventions to mitigate the effects of COVID-19 on pregnant and postpartum individuals.

Section 31046. Funding for Expanding the Use of Technology-Enabled Collaborative Learning and Capacity Building Models for Pregnant and Postpartum Individuals.

This section provides \$30 million in funding to award grants to expand the use of technology-enabled collaborative learning and capacity building models for pregnant and postpartum individuals.

Section 31047. Funding for Promoting Equity in Maternal Health Outcomes through Digital Tools.

This section provides \$30 million in funding to award grants to reduce racial and ethnic disparities in maternal health outcomes by increasing access to digital tools related to maternal health care.

Section 31048. Funding for Antidiscrimination and Bias Training.

This section provides \$50 million in funding to award grants to develop, disseminate, review, research, and evaluate training for health professionals, with a focus on maternal health providers, to reduce discrimination and bias in the provision of health care, with a focus on maternal health care.

PART 4 — OTHER PUBLIC HEALTH INVESTMENTS

Section 31051. Funding for Mental Health and Substance Use Disorder Professionals.

This section provides \$50 million in funding for the Minority Fellowship Program at the Substance Abuse and Mental Health Services Administration (SAMHSA). The Minority Fellowship Programs seeks to improve behavioral health outcomes for communities of color by awarding scholarships to educate practitioners on mental health and substance use issues that commonly affect racial and ethnic minority populations; provide training to enhance the availability of culturally competent care; and improve the quality of behavioral health services provided to people of color.

Section 31052. Funding to Support Peer Recovery Specialists.

This section provides \$25 million to support SAMHSA's Recovery Community Services Program Statewide Network program, which seeks to strengthen recovery community organizations and their statewide network of recovery stakeholders. The program works to embed recovery stakeholders, including peers, into traditional substance use disorder treatment

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services; encourages states to allow for the reimbursement of peer billable recovery services; facilitates financial solvency for recovery services; and otherwise strengthens the delivery of peer recovery services nationwide.

Section 31053. Funding for Project Aware.

This section provides \$15 million in funding to support SAMHSA’s Project AWARE program, which helps build or expand coordination among state and local governments to increase awareness of mental health issues among school-aged youths, train school personnel to detect and respond to mental health issues, and connect school-aged youth who may have behavioral health issues to needed services.

Section 31054. National Suicide Prevention Lifeline.

This section provides \$75 million in funding to support the infrastructure of the National Suicide Prevention Lifeline, the 24/7, free, and confidential national suicide prevention hotline. This funding will help support the Lifeline and its network of local crisis centers in advance of the implementation of the new “988” Lifeline number in 2022.

Section 31055. Funding for Community Violence and Trauma Interventions.

This section provides \$2.5 billion in funding to support public health approaches to reduce community violence and trauma.

Section 31056. Funding for the National Child Traumatic Stress Network.

This section provides \$5 million to support the National Child Traumatic Stress Network at SAMHSA, which seeks to improve mental health and trauma support services for youth.

Section 31057. Funding for HIV Health Care Services Programs.

This section provides \$75 million in funding to support the Ryan White HIV/AIDS program to provide primary care, support services, and medications to communities disproportionately affected by HIV/AIDS.

Section 31058. Funding for Clinical Services Programs.

This section provides \$100 million in funding to support grants and contracts to public and private nonprofit clinics to carry out demonstration projects for the prevention and control of sexually transmitted infections.

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Section 31059. Funding to Support the Lifespan Respite Care Program.

This section provides \$5 million in funding to support the Lifespan Respite Care program, which provides accessible, community-based assistance to family caregivers of children and adults with special needs.

Section 31060. Funding to Increase Research Capacity at Certain Institutions.

This section provides \$75 million in funding for the National Institutes of Health to increase research capacity at minority serving institutions, including Historically Black Colleges and Universities. The funding can also be used to expand the recruitment and retention of individuals underrepresented in biomedical research.

Section. 31061. Funding for Research Related to Developmental Delays.

This section provides \$10 million in funding to the National Institutes of Health to support research, including longitudinal studies, of speech and language developmental delays in children.

Section. 31062. Supplemental Funding for World Trade Center Health Program.

This section provides \$2.86 billion to the World Trade Center Health Program through the establishment of a Supplemental Fund for the program.

PART 5 — NATIVE HAWAIIAN PROVISIONS

Section 31071. Native Hawaiian Health Care Systems.

This section provides \$50 million in funding to support grants to Papa Ola Lokahi, including for distribution to Native Hawaiian Health Care Systems that receive grants or enter into contracts under the Native Hawaiian Health Care Improvement Act (NHHCIA) for construction projects, health information technology projects, and medical equipment acquisition.

Section 31072. Native Hawaiian Health Improvement Grants.

This section provides \$224 million in funding to award grants to Native Hawaiian entities to improve the health status of Native Hawaiians, including by providing comprehensive health promotion services, disease prevention services, and primary health services.

Section 31073. Native Hawaiian Health Care Systems Liability Coverage.

This section extends federal liability protections to Native Hawaiian health care systems that receive grants or enter into contracts under NHHCIA and their employees to the same extent and manner as Indian Tribes, Tribal organizations, or Indian contractors.

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SUBTITLE J — NEXT GENERATION 9-1-1

Section 31101. Deployment of Next Generation 9-1-1.

The section appropriates \$470 million to the National Telecommunications and Information Administration (NTIA) to make grants to eligible entities for deploying, operating, and maintaining Next Generation 9-1-1. This section also appropriates \$20 million to the Assistant Secretary for administrative costs associated with carrying out the grant program.

Section 31102. Establishment of Next Generation 9-1-1 Cybersecurity Center.

This section appropriates \$9 million to the NTIA to establish a Next Generation 9-1-1 Cybersecurity Center to coordinate with State, local, and regional partners to share cybersecurity information and strategies for intrusion detection and prevention with respect to Next Generation 9-1-1 networks.

Section 31103. Public Safety Next Generation 9-1-1 Advisory Board.

This section appropriates \$1 million to the NTIA to establish a 16-member advisory board, consisting of public safety officials and 9-1-1 professionals, to make recommendations to the Assistant Secretary related to Next Generation 9-1-1 and the grant program established in this subtitle.

Section 31104. Definitions.

This section provides definitions for the following terms: 9-1-1 fee or charge, Assistant Secretary, commonly accepted standards, eligible entity, Next Generation 9-1-1, and State.

SUBTITLE K — OTHER MATTERS RELATED TO CONNECTIVITY

Section 31201. Outreach.

The section appropriates \$100 million to the Federal Communications Commission (FCC) to provide information and outreach to the public about the broadband and communications affordability programs administered by the agency.

Section 31202. Future of Telecommunications Council.

This section appropriates \$7 million for the Secretary of Commerce to create a Future of Telecommunications Council to advise Congress on the development and adoption of 6G and other advanced wireless communications technologies.

Section 31203. Affordability.

This section appropriates \$295 million to NTIA to establish a pilot program that will provide grants to public-private partnerships for projects that increase access to affordable broadband

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service in urban communities, including communities of color and to low- and middle-income consumers, through long-term solutions. It also appropriates \$5 million to the NTIA for an “Affordable Urban and Suburban Broadband Advisory Committee” to advise the NTIA, FCC, and Congress on ways to make broadband more affordable for urban and suburban subscribers through long-term solutions.

Section 31204. Access to Devices.

This section appropriates \$475 million to the NTIA to provide grants for affordable connected device programs. The funding will provide eligible households with new or refurbished computers, laptops, or tablets for free, or at reduced rates. An additional appropriation of \$20 million is provided to NTIA to administer the program, and \$5 million is appropriated for the agency to engage in outreach in support of the program.

SUBTITLE L — DISTANCE LEARNING

Section 3101. Additional Funds for Distance Learning.

This section appropriates an additional \$300 million to the Emergency Connectivity Fund to allow schools and libraries to provide students, teachers, and library patrons with internet connectivity and connected devices. It explicitly prohibits the funds from being used to purchase devices or services from untrusted suppliers like Huawei or ZTE.

SUBTITLE M — MANUFACTURING SUPPLY CHAIN AND TOURISM

Section 31401. Manufacturing Supply Chain Resilience.

The section appropriates \$5 billion to the Department of Commerce to support the reliance of supply chains by mapping and monitoring manufacturing supply chains; facilitating and supporting the establishment of voluntary standards, guidelines, and best practices; identifying, accelerating, promoting, demonstrating, and deploying technological advances for manufacturing supply chains; and providing grants, loans, and loan guarantees to maintain and improve manufacturing supply chain resiliency.

Section 31402. Destination Marketing Organization Grant Program to Promote Safe Domestic Travel.

This section appropriates \$50 million to the Department of Commerce to award grants to destination marketing organizations to conduct marketing activities to promote safe domestic travel in the United States and to collect data on domestic travel and tourism, including the effect of the COVID-19 pandemic on domestic travel.

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SUBTITLE N — FTC PRIVACY ENFORCEMENT

Section 31501. Federal Trade Commission Funding for A Privacy Bureau and Related Expenses.

This section appropriates \$500 million to the Federal Trade Commission (FTC) to create and operate a bureau, including by hiring technologists, user experience designers, and other experts, to accomplish its consumer protection work relating to privacy, data security, identity theft, data abuses, and related matters.

SUBTITLE O — DEPARTMENT OF COMMERCE INSPECTOR GENERAL

Section 31601. Funding for the Office of Inspector General of the Department of Commerce.

This section appropriates \$5 million for the Department of Commerce Inspector General to oversee the activities supported by funds appropriated to the Department of Commerce in this Act.

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TITLE IV — COMMITTEE ON FINANCIAL SERVICES

SUBTITLE A — CREATING AND PRESERVING AFFORDABLE, EQUITABLE AND ACCESSIBLE HOUSING FOR THE 21ST CENTURY

Section 40001. Public Housing Investments.

This section provides \$65 billion to fully address the capital needs backlog of public housing. Of these funds, \$2.25 billion is provided to make comprehensive investments in public housing and surrounding neighborhoods.

Section 40002. Investments in Affordable and Accessible Housing Production.

This section provides \$10 billion for the HOME Investment Partnerships Program to fund the construction, purchase, or rehabilitation of affordable homes for low-income people. This section also provides \$15 billion for activities to support the preservation and creation of new rental homes affordable to the lowest income households.

Section 40003. Housing Investment Fund.

This section provides \$250 million to a new fund called the Housing Investment Fund within the Community Development Financial Institutions (CDFI) Fund to provide competitive grants to CDFIs and non-profit developers.

Section 40004. Section 811 Supportive Housing for People with Disabilities.

This section provides \$500 million for HUD's Section 811 program which provides project-based rental assistance to very low- and extremely low-income persons with disabilities to live independently in integrated housing settings with community-based support and services.

Section 40005. Section 202 Supportive Housing for the Elderly.

This section provides \$500 million for the 202 Supportive Housing for the Elderly program, which expands the supply of affordable housing with supportive services for the elderly through capital advances and project rental assistance contracts to non-profit developers.

Section 40006. Improving Energy Efficiency or Water Efficiency or Climate Resilience of Affordable Housing.

This section provides \$2 billion to establish a grant program for owners of federally assisted housing affordable housing to make energy efficiency upgrades, including electrification of systems and appliances, and installation of renewable energy types and improve property resiliency.

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Section 40007. Revitalization of Distressed Multifamily Properties.

This section provides \$1.5 billion to preserve, and improve safety conditions in, properties receiving Section 8 project-based rental assistance (PBRA).

Section 40008. Investments in Rural Rental Housing.

This section provides \$2 billion to carry out new construction, make improvements to energy and water efficiency or climate resilience, to remove health and safety hazards, and to preserve housing under the Section 515 Rural Rental Housing and Section 514/516 Farm Labor Housing programs. This section also provides additional rental assistance to eligible households.

Section 40009. Housing Vouchers.

This section provides \$24 billion to fund incremental Housing Choice Vouchers and supportive services. Of this funding, \$7.2 billion is provided for individuals and families experiencing or at risk of homelessness, and survivors of domestic violence, dating violence, sexual assault, stalking and human trafficking. \$300 million is provided for competitive grants for mobility-related services and \$230 million is provided for landlord incentives to participate in the program.

Section 40010. Project-Based Rental Assistance.

This section provides \$1 billion to the Project Based Rental Assistance (PBRA) program, which provides rental assistance to eligible households, but unlike Housing Choice Vouchers, the assistance is fixed to a property rather than tied to the household. PBRA is instrumental in developing permanent supportive housing for people experiencing homelessness.

Section 40011. Investments in Native American Communities.

This section provides \$1 billion to Native American, Alaska Native, and Native Hawaiian communities to address their most pressing housing and community development needs.

SUBTITLE B — 21ST CENTURY SUSTAINABLE AND EQUITABLE COMMUNITIES

Section 40101. Community Development Block Grant Funding for Affordable Housing and Infrastructure.

This section provides \$3 billion for the Community Development Block Grant program (CDBG). This section includes \$700 million and \$500 million to address the housing and community infrastructure needs of colonias and resident-owned manufactured housing communities, respectively.

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Section 40102. Lead-Based Paint Hazard Control and Housing-Related Health and Safety Hazard Mitigation in Housing of Families with Lower Incomes.

This section provides \$5 billion to address lead paint and other health hazards in the housing stock of the United States.

Section 40103. Unlocking Possibilities Program.

This section provides \$1.75 billion in grants to States, local governments and local entities, and Native American tribes on a competitive basis improve and implement housing plans and strategies.

Section 40104. Strengthening Resilience Under National Flood Insurance Program.

This section forgives \$20.5 billion in National Flood Insurance Program (NFIP) debt, directs \$600 million to support flood mapping, and provides \$600 million for FEMA to set up a means-tested assistance to NFIP policyholders with household incomes up to 120 percent of area median income.

Section 40105. Community Restoration and Revitalization Fund.

This section provides a total of \$3 billion in competitive grants to eligible local partnerships that are led by nonprofits to conduct affordable, accessible housing activities and neighborhood revitalization activities in rural, suburban and urban localities, including in neighborhoods experiencing cycles of blight and abandonment. Of the amounts provided, \$500 million is for Community Land Trusts and Shared Equity Homeownership Programs.

Section 40106. Fair Housing Activities and Investigations.

This section provides \$700 million for the Fair Housing Initiatives Program, which supports local enforcement of fair housing laws.

SUBTITLE C — HOMEOWNERSHIP INVESTMENTS

Section 40201. First-Generation Downpayment Assistance.

This section provides \$10 billion to provide first-time, first-generation homebuyers with the greater of \$20,000 or 10% of the purchase price of an eligible home in financial assistance, including for downpayment costs, closing costs, and costs to reduce the rates of interest. Of this amount, \$500 million is provided for housing counseling agencies.

Section 40202. Home Loan Program.

This section provides \$5 billion to subsidize 20-year mortgages for first-generation homebuyers.

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Section 40203. Investments in Rural Homeownership.

This section provides \$100 million in grant funding through the Department of Agriculture's Section 504 program to help low-income homeowners in rural areas repair, upgrade, and preserve affordable homes, including manufactured homes.

SUBTITLE D — HUD ADMINISTRATION, CAPACITY BUILDING, TECHNICAL ASSISTANCE, AND AGENCY OVERSIGHT

Section 40301. Program Administration, Training, Technical Assistance, Capacity-Building, and Oversight.

This section provides \$1 billion for HUD to staff and oversee the administration of investments in this Act and provide technical assistance. This section also provides funding for the HUD Inspector General, the USDA Inspector General, and the Treasury Inspector General.

SUBTITLE E — ECONOMIC DEVELOPMENT

Section 40401. Minority Business Development Agency.

This section provides \$1.6 billion to the Minority Business Development Agency, of which \$1 billion is provided to support the business centers program, minority business enterprises, entrepreneurship education and nonprofits that support minority business enterprises; \$400 million to establish regional offices, perform research and evaluation and enhance administrative operations; and \$200 million is provided for establishing rural business centers.

Section 40402. Enhanced use of the Defense Production Act of 1950.

This section provides \$500 million through the Defense Production Act of 1950 (DPA) to support the domestic industrial base, including strengthening the resiliency of supply chains in critical industries, and promote economic competitiveness in the United States.

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TITLE V — COMMITTEE ON HOMELAND SECURITY

Section 50001. Cybersecurity and Infrastructure Security Agency.

Section 50001(a) appropriates \$100,000,000 to CISA for fiscal year 2022 to be available for improving the cybersecurity of Federal information systems that are not national security systems. This subsection was not in the Committee Print.

Section 50001(b) appropriates \$15,000,000 to CISA for cybersecurity training, namely the Cybersecurity Education and Training Assistance Program, Federal assistance grants under the Cybersecurity Education and Training Assistance Program, and necessary mission support activities. In the Committee Print, these funds were found in paragraph (10), which appropriated \$100 million to CISA for workforce development and education, including providing education, training, and capacity development, in collaboration with historically Black colleges and universities (HBCUs), other minority-serving institutions (MSIs), and community colleges, and to the Cybersecurity Education and Training Program for cybersecurity training and upskilling veterans; implementing cybersecurity apprenticeships at the Agency; and cybersecurity programs for under-served communities, as a focus for activities authorized under section 2217 of the Homeland Security Act of 2002 (6 U.S.C. 665f). The ANS broadly appropriates \$40 million to the Cybersecurity Education and Training Assistance Program, Federal assistance grants under the Cybersecurity Education and Training Assistance Program, and necessary mission support activities. The remaining programs found in Committee Print section 50001(10) are found in the ANS section 50001(d).

Section 50001(c) appropriates \$100,000,000 to CISA for improving cybersecurity awareness, training, and workforce development, including necessary mission support activities. These funds had been found in Committee Print section 50001(10). The revised amount in the ANS has been increased by \$60 million. The language was broadened and does not include specific references to collaboration with historically Black colleges and universities, other minority-serving institutions, and community colleges.

Section 50001(d) appropriates \$35,000,000 to CISA for Federal assistance through cooperative agreements with the Multi-State Information Sharing and Analysis Center (MS-ISAC). The MS-ISAC supports the overall cybersecurity posture of the Nation's State, local, Tribal, and Territorial governments through focused cyber threat prevention, protection, response, and recovery services and support. This subsection was originally found in paragraph (1) of the Committee Print.

Section 50001(e) appropriates \$50,000,000 to CISA for the purpose of protecting critical infrastructure industrial control systems and the CyberSentry program. This is a voluntary program that leverages commercial off-the-shelf technologies, such as network intrusion detection tools, to identify malicious activity in critical infrastructure industrial control systems and corporate networks. This subsection was originally found in paragraph (6) of the Committee Print.

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Section 50001(f) appropriates \$50,000,000 to CISA for the purpose of executing the secure cloud architecture activities, migration advisory services, and cloud threat hunting capabilities of the Cybersecurity and Infrastructure Security Agency. With the rapid shift toward cloud computing, many of CISA's existing security services do not fully account for recent changes in technology. These necessary investments provide CISA with the capacity to keep up with current technology and respond to threats, specifically the ability to improve threat hunting in commercial cloud environments and to better advise its partners and incident response victims. This subsection was originally found in paragraph (11) of the Committee Print.

Section 50001(g) appropriates \$50,000,000 to CISA for the purpose of researching and developing the means by which to secure operational technology and industrial control systems against security vulnerabilities. These resources should accelerate CISA's efforts to address cybersecurity challenges associated with industrial control systems. Industrial control systems are generally more specialized to their industries and can be challenging to patch and update because of their direct effect on physical operations. This investment will support CISA's research to better detect threats and vulnerabilities to operational technology, prevent incidents, and respond when incidents do occur. This subsection was originally found in paragraph (9) of the Committee Print.

Section. 50002. Cybersecurity Assistance.

Section 50002(a) appropriates \$80,000,000 to the Administrator of FEMA, in consultation with CISA, to award grants, contracts, or cooperative agreements to State, local, Tribal, and territorial governments for cybersecurity recruitment and training to address cybersecurity risks and threats, as defined by relevant sections of the Homeland Security Act. This subsection was not in the Committee Print.

Section 50002(b) appropriates \$20,000,000 to the Administrator of FEMA, in consultation with CISA, to award grants, contracts, or cooperative agreements to State, local, Tribal, and territorial governments to carry out activities to migrate the online services of such governments to the .gov internet domain to address cybersecurity risks and threats, as defined by relevant sections of the Homeland Security Act. This subsection was not in the Committee Print.

Section 50002(c) clarifies that the FEMA Administrator may not use the funds in the subtitle for activities under the National Flood Insurance Act of 1968 or a FEMA function relating to that Act. This section was not in the Committee Print.

Section 50003. Nonprofit Security Grant Program.

Section 50003(a) appropriates \$50,000,000 to the Administrator of FEMA for the Nonprofit Security Grant Program for grants to nonprofits under the Urban Area Security Initiative. This subsection was not in the Committee Print.

Section 50003(b) appropriates \$50,000,000 to the Administrator of FEMA for the Nonprofit Security Grant Program for grants to nonprofits under the State Homeland Security Grant Program. This subsection was not in the Committee Print.

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Section 50003(c) clarifies that the FEMA Administrator may not use the funds in the subtitle for activities under the National Flood Insurance Act of 1968 or a FEMA function relating to that Act. This section was not in the Committee Print.

Section. 50004. Office of Chief Readiness Support Officer.

This section appropriates \$500,000,000 to the Secretary of Homeland Security for the Office of the Chief Readiness Support Officer to carry out sustainability and environmental programs. This section was not in the Committee Print.

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TITLE VI — COMMITTEE ON THE JUDICIARY

SUBTITLE A — IMMIGRATION PROVISIONS

Section 60001. Registry.

Section 60001(a) amends section 249 of the Immigration and Nationality Act (INA) to advance the registry cut-off date, allowing individuals who entered the United States prior to January 1, 2010 to receive a record of admission for permanent residence.

Section 60001(b) requires the Secretary of Homeland Security to collect a supplemental fee of \$1,500 in connection with each application under section 249, for individuals who entered the United States during the period beginning on January 1, 1972 and ending on December 31, 2009.

Section 60001(c) establishes the effective date of this section as the earlier of the date that is 180 days from the date of the enactment of this Act or May 1, 2022.

Section 60002. Recapture of Unused Immigrant Visa Numbers.

Sec 60002(a) amends section 201(c)(1) of the INA to prevent future loss of unused employment-based visas.

Section 60002(b) amends section 201 of the INA to recapture family-sponsored and employment-based visas that went unused during fiscal years 1992 through 2021. This section also allows certain individuals who were selected to apply for diversity visas in fiscal years 2017, 2018, 2019, 2020, or 2021, but who were refused a visa or denied admission to the United States because of specific executive orders, or who were unable to complete the visa or admissions process because of COVID-19-related restrictions, to reapply for such visas.

Section 60003. Adjustment of Status.

Section 60003 creates a new section 245(n) of the INA.

New Section 245(n)(1) allows an individual who is eligible for adjustment of status but who is waiting for a visa number to become available, to submit an application for adjustment to LPR status if such individual pays a supplemental fee of \$1,500 (plus \$250 for each derivative beneficiary).

New Section 245(n)(2) allows an individual to receive an exemption from the per-country and worldwide limitations on immigrant visas and have their status adjusted to LPR by the Secretary of Homeland Security if such individual—

(A) is the beneficiary of an approved family-based visa petition that bears a priority date that is more than 2 years before the date the alien requests an exemption from the numerical limitations and pays a supplemental fee of \$2,500;

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(B) is the beneficiary of an employment-based first, second, or third preference visa petition that bears a priority date that is more than 2 years before the date the alien requests an exemption from the numerical limitations and pays a supplemental fee of \$5,000;

(C) is the beneficiary of an employment-based fifth preference petition that bears a priority date that is more than 2 years before the date the alien requests an exemption from the numerical limitations and pays a supplemental fee of \$50,000.

New Section 245(n)(3) establishes the effective date of this subsection as the earlier of the date that is 180 days after the date of enactment of this subsection or May 1, 2022. This subsection sunsets on September 30, 2031.

Section 60004. Additional Supplemental Fees.

Section 60004 provides that the fees collected under Subtitle A shall be deposited into the general fund of the Treasury and may not be waived. This section also establishes additional supplemental fees as follows:

- \$100 for certain family-sponsored immigrant visa petitions (Form I-130)
- \$800 for each employment-based immigrant visa petition (Form I-140)
- \$15,000 for each employment-based fifth preference petition (Form I-526)
- \$19 for each Form I-94/I-94W issued to nonimmigrants who enter the United States
- \$250 for each F-1 and M-1 nonimmigrant student and J-1 exchange visitor to be paid by the approved educational institution or designated exchange visitor program
- \$500 for each application to replace an LPR card that has expired or is expiring
- \$500 for each petition for E, H-1B, L, O, or P status (Form I-129)
- \$500 for each application to change or extend nonimmigrant status (Form I-539)
- \$500 for applications for employment authorization (Form I-765) filed by spouses of certain nonimmigrants, students seeking optional practical training, and applicants for adjustment of status
- \$75 for each approved nonimmigrant visa

Section 60005. U.S. Citizenship and Immigration Services.

Section 60005 appropriates \$2.8 billion to U.S. Citizenship and Immigration Services (USCIS) in fiscal year 2022, to remain available until expended, for the purpose of increasing the capacity of USCIS to efficiently adjudicate applications described in sections 60001 and 60003 and to reduce case processing backlogs.

SUBTITLE B — COMMUNITY VIOLENCE PREVENTION

Section 61001. Funding for Community-Based Violence Intervention Programs.

Section 61001 provides funding for Community-Based Violence Intervention Initiatives.

Section 61001(a) appropriates \$2.5 billion to the Attorney General to remain available until September 30, 2031 for purposes outlined in (b).

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Section 61001(b) provides that the Attorney General, through the Assistant Attorney General of the Office of Justice Programs, the Director of the Office of Community Oriented Policing Services, and the Director of the Office on Violence Against Women, shall use the appropriated amount of \$2.5M in subsection (a).

Section 61001(b)(1) states that the funding in (a) shall be used to award competitive grants or contracts to various entities as determined by the Attorney General, to support evidence-informed intervention strategies to reduce community violence.

Section 61001(b)(2) states that the appropriated amount in (a) shall be used to support training, technical assistance, research, evaluation, and data collection on the strategies that are most effective at reducing community violence and ensuring public safety.

Section 61001(b)(3) states that the appropriated amount in (a) shall be used to support research, evaluation, and data collection on the differing impact of community violence on demographic categories

SUBTITLE C — ANTITRUST

Section 62001 Antitrust Division.

Section 62001 provides \$900 million to the Department of Justice Antitrust Division for carrying out work related to competition or enforcement of the antitrust laws.

Section 62002 Federal Trade Commission Funding for Unfair Competition and Antitrust Enforcement Work.

Section 62002 provides \$100 million to the Federal Trade Commission for work related to unfair methods of competition or enforcement of the antitrust laws.

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TITLE VII – COMMITTEE ON NATURAL RESOURCES

SUBTITLE A — NATIVE AMERICAN AND NATIVE HAWAIIAN AFFAIRS

Section 70101. Tribal Climate Resilience.

(a) Tribal Climate Resilience and Adaptation

This subsection provides \$441,000,000 to the Director of the Bureau of Indian Affairs, to remain available until September 30, 2031, for tribal climate resilience and adaptation programs.

(b) Bureau of Indian Affairs Fish Hatcheries

This subsection provides \$19,600,000 to the Director of the Bureau of Indian Affairs, to remain available until September 30, 2031, for Bureau of Indian Affairs fish hatchery operations and maintenance programs.

(c) Administration

This subsection provides \$9,400,000 to the Director of the Bureau of Indian Affairs, to remain available until September 30, 2031, for the administrative costs of carrying out tribal climate resilience and adaptation programs and fish hatchery operations and maintenance programs.

Section 70102. Native Hawaiian Climate Resilience.

(a) Native Hawaiian Climate Resilience

This subsection provides \$49,000,000 to the Senior Program Director of the Office of Native Hawaiian Relations, to remain available until September 30, 2031, to carry out climate resilience and adaptation activities that serve the Native Hawaiian community by providing funding and technical assistance.

(b) Administration

This subsection provides \$1,000,000 to the Senior Program Director of the Office of Native Hawaiian Relations, to remain available until September 30, 2031, for the administrative costs of carrying out this section.

Section 70103. Tribal Electrification Program.

(a) Tribal Electrification Program

This subsection provides \$294,000,000 to the Director of the Bureau of Indian Affairs, to remain available until September 30, 2031, for the provision of electricity to unelectrified tribal homes through renewable energy systems, as well as the transition of electrified tribal homes to renewable energy systems and associated retrofitting necessary to install renewable energy systems.

(b) Administration

This subsection provides \$6,000,000 to the Director of the Bureau of Indian Affairs, to remain available until September 30, 2031, for the administrative costs of the Tribal Electrification Program.

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Section 70104. Emergency Drought Relief for Tribes.

This section provides \$25,000,000 to the Commissioner of the Bureau of Reclamation, to remain available until expended or until September 30, 2026, for near-term drought relief actions to mitigate drought impacts for Indian Tribes.

Section 70105. Native American Consultation Resource Center.

This section provides \$33,000,000 to the Secretary of the Interior, to remain available until September 30, 2031, to establish and administer a Native American Consultation Resource Center to support federal consultation and coordination for projects that impact Indian Tribes and Native Hawaiians.

Section 70106. Indian Health Service.

(a) Maintenance and Improvement

This subsection provides \$945,000,000 to the Director of the Indian Health Service, to remain available until September 30, 2031, for the maintenance and improvement of Indian Health Service and tribal healthcare facilities.

(b) Mental Health and Substance Use Disorders

This subsection provides \$123,716,000 to the Director of the Indian Health Service, to remain available until September 30, 2031, for mental health and substance use prevention and treatment services, including facility renovation, construction, or expansion relating to mental health and substance use prevention and treatment services, and for other related activities.

(c) Priority Health Care Facilities

This subsection provides \$1,000,000,000 to the Director of the Indian Health Service, to remain available until September 30, 2031, for projects identified through the health care facility priority system.

(d) Small Ambulatory

This subsection provides \$40,000,000 to the Director of the Indian Health Service, to remain available until September 30, 2031, for the small ambulatory construction program.

(e) Urban Indian Organizations

This subsection provides \$100,000,000 to the Director of the Indian Health Service, to remain available until September 30, 2031, for the renovation, construction, expansion, and improvement of facilities owned or leased by an urban Indian organization.

(f) Epidemiology Centers

This subsection provides \$25,000,000 to the Director of the Indian Health Service, to remain available until September 30, 2031, for epidemiology centers.

(g) Environmental Health and Facilities Support Activities

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This subsection provides \$113,284,000 to the Director of the Indian Health Service, to remain available until September 30, 2031, for environmental health and facilities support activities of the Indian Health Service.

Section 70107. Tribal Public Safety.

(a) Public Safety and Justice

This subsection provides \$490,000,000 to the Assistant Secretary for Indian Affairs, to remain available until September 30, 2031, for public safety and justice programs and safety.

(b) Administration

This subsection provides \$10,000,000 to the Assistant Secretary for Indian Affairs, to remain available until September 30, 2031, for administrative costs of carrying out this section.

Section 70108. Bureau of Indian Affairs and Tribal Roads.

(a) Roads

This subsection provides \$715,400,000 to the Director of the Bureau of Indian Affairs, to remain available until September 30, 2026, for the Bureau of Indian Affairs Road System and Tribal transportation facilities for road maintenance, planning, design, construction, and to address the deferred road maintenance backlog.

(b) Administration

This subsection provides \$14,600,00 to the Director of the Bureau of Indian Affairs, to remain available until September 30, 2026, for administrative costs.

SUBTITLE B — NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Section 70201. Investing in Coastal Communities and Climate Resilience.

This section provides \$6,000,000,000 to the National Oceanic and Atmospheric Administration (NOAA), to remain available until September 30, 2026, to provide direct funding, grants, cooperative agreements, and technical assistance to states, Tribes, the District of Columbia, nonprofit organizations, local governments, and institutions of higher education for projects that conserve, restore, and protect coastal and marine habitats to increase climate resilience of coastal communities or sustain coastal and marine resource-dependent communities. Funds may also be used for administrative expenses. None of the funds shall be subject to cost-sharing or matching requirements.

Section 70202. Pacific Salmon Restoration and Conservation.

This section provides \$1,000,000,000 to the National Oceanic and Atmospheric Administration, to remain available until September 30, 2026, for supporting habitat restoration and conservation projects for Pacific salmon and steelhead populations and their habitats, including projects that increase climate resilience and adaptation.

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Section 70203. Marine Fisheries Infrastructure.

This section provides \$400,000,000 to the National Oceanic and Atmospheric Administration, to remain available until September 30, 2026, to provide grants to states and Tribes to repair, replace, and upgrade marine fishery hatchery infrastructure. Funds may also be used for administrative expenses.

Section 70204. Marine Fisheries and Marine Mammal Stock Assessments, Surveys, and Research and Management.

This section provides \$500,000,000 to the National Oceanic and Atmospheric Administration, to remain available until September 30, 2026, for carrying out stock assessments, science, surveys, ecosystem-based assessments, marine fisheries data collection, scientific research, acquisition of electronic monitoring equipment, and transitional gear research.

Section 70205. Facilities of the National Oceanic and Atmospheric Administration and National Marine Sanctuaries.

This section provides \$300,000,000 to the National Oceanic and Atmospheric Administration (NOAA), to remain available until September 30, 2026, to construct or replace aging facilities that need replacement, including piers, marine operations facilities, fisheries laboratories, and other laboratories. This section also provides \$100,000,000 for the construction of facilities to support the National Marine Sanctuary System.

Section 70206. NOAA Efficient and Effective Reviews.

This section provides \$20,000,000 to the National Oceanic and Atmospheric Administration, to remain available until September 30, 2031, to provide for the development of more efficient, accurate, and timely reviews, including through the training of personnel, development of programmatic documents, procurement of technical or scientific services, development of data or information systems, stakeholder and community engagement, the purchase of new equipment, and the development of geographic information systems and other analysis tools, techniques, and guidance.

Section 70207. Seafood Import Monitoring Program.

This section provides \$2,000,000 to the National Oceanic and Atmospheric Administration, to remain available until September 30, 2026, to provide funding for the agency to implement the Seafood Import Monitoring Program.

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SUBTITLE C — UNITED STATES FISH AND WILDLIFE SERVICE

Section 70301. Endangered Species Act Recovery Plans.

This section provides \$180,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, for developing and carrying out recovery plans under section 4(f) of the Endangered Species Act.

Section 70302. Island Plant Conservation.

This section provides \$5,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of plants in the Hawaiian Islands and the Pacific Island Territories of the United States. Three percent of the funds shall be used for administrative expenses.

Section 70303. Pollinator Conservation.

This section provides \$5,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of pollinators in the United States. Three percent of the funds shall be used for administrative expenses.

Section 70304. Mussel Conservation.

This section provides \$5,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of freshwater mussels in the United States. Three percent of the funds shall be used for administrative expenses.

Section 70305. Desert Fish Conservation.

This section provides \$5,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of desert fish in the United States. Three percent of the funds shall be used for administrative expenses.

Section 70306. Funding for the United States Fish and Wildlife Service to Address Climate-Induced Weather Events.

This section provides \$250,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to rebuild and restore infrastructure and habitats and control invasive species on U.S. Fish and Wildlife Service lands and state wildlife conservation areas. These projects should increase the resilience of habitats and infrastructure to future climate change-induced impacts. Three percent of the funds shall be used for administrative expenses, and the Fish and Wildlife Service may provide grants without requiring a cost-share.

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Section 70307. Wildlife Corridor Conservation.

This section provides \$10,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to map and restore wildlife corridors, including corridors on private lands through the Partners for Fish and Wildlife Program, the Coastal Program, and the Migratory Bird Joint Ventures. Three percent of the funds shall be used for administrative expenses.

Section 70308. Grassland Restoration.

This section provides \$40,000,000 to the U.S. Fish and Wildlife Service, to remain available until expended, for direct expenditures, grants, and cooperative agreements for grassland restoration and conservation projects. Three percent of the funds shall be used for administrative expenses.

SUBTITLE D — WATER RESOURCES RESEARCH AND TECHNOLOGY INSTITUTES

Section 70401. Water Resources Research and Technology Institutes.

This section provides \$50,000,000 to the United States Geological Survey, to remain available until September 30, 2031, to support the Water Resources Research Institutes and Centers across the United States.

SUBTITLE E — COUNCIL ON ENVIRONMENTAL QUALITY

Section 70501. Environmental and Climate Data Collection.

This section provides \$65,000,000 to the Council on Environmental Quality, to remain available until September 30, 2026, to support data collection efforts relating to disproportionate negative environmental harms and climate impacts and the cumulative impacts of pollution and temperature rise, to track disproportionate burdens and cumulative impacts, and to ensure mapping and screening tool efforts are accessible to community-based organizations and community members.

Section 70502. Council on Environmental Quality Efficient and Effective Environmental Reviews.

This section provides \$15,000,000 to the Council on Environmental Quality, to remain available until September 30, 2026, to train personnel, develop programmatic environmental documents, and develop tools, guidance, and techniques to improve stakeholder community engagement.

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SUBTITLE F — DEPARTMENT OF THE INTERIOR EFFICIENT AND EFFECTIVE REVIEWS

Section 70601. Department of the Interior Efficient and Effective Reviews.

This section provides \$100,000,000 to the Department of the Interior, to remain available until September 30, 2031, to provide for the development of more efficient, accurate, and timely reviews for the planning, permitting and approval processes for specified DOI agencies, including through the training of personnel, development of programmatic documents, procurement of technical or scientific services, development of environmental data or information systems, stakeholder and community engagement, the purchase of new equipment, and the development of geographic information systems and other environmental analysis tools, techniques, and guidance.

SUBTITLE G — PUBLIC LANDS

Section 70701. National Parks and Public Lands Ecosystem Resilience.

This section provides \$1,250,000,000 to the Secretary of the Interior, to remain available until September 30, 2031, for the protection and resiliency of lands administered by the National Park Service and Bureau of Land Management. None of the funds provided in this section shall be subject to cost-share requirements.

Section 70702. National Parks and Public Lands Ecosystem Restoration.

This section provides \$750,000,000 to the Secretary of the Interior, to remain available until September 30, 2031, to carry out ecosystem and habitat restoration projects on lands administered by the National Park Service and Bureau of Land Management. None of the funds provided in this section shall be subject to cost-share requirements.

Section 70703. Land Corps.

This section provides \$500,000,000 to the Secretary of the Interior, to remain available until September 30, 2031, to provide for direct expenditure, grants, contracts, and cooperative agreements, with any eligible corps program to perform conservation projects or resiliency and restoration projects on public lands administered by the National Park Service or Bureau of Land Management. None of this funding shall be subject to cost-share requirements.

Section 70704. Wildfire Management.

This section provides \$500,000,000 to the Secretary of the Interior, to remain available until September 30, 2031, for wildland fire management by the Bureau of Land Management or the National Park Service, including improvement, relocation, renovation, or construction of firefighting facilities; reduction of wildfire hazards to communities through fuels projects within the wildland-urban interface, burned area rehabilitation, and rural fire assistance; wildfire-related information technology and geospatial analysis, deployment of remote sensing technologies;

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wildfire science and research, including firehosed mapping; purchase, lease or contract of fixed-wing aircraft; assessment and deployment of technologies to limit disruptions to firefighting operations at night, in a degraded visual environment, or by unauthorized unmanned aircraft system, including the feasibility of optionally-piloted rotor-wing aircraft, and containerized retardant-delivery systems; and for salaries and expenses for wildland firefighters.

Section 70705. National Park Service Deferred Maintenance and Department of the Interior Housing.

This section provides \$400,000,000 to the Secretary of the Interior, to remain available until September 30, 2026, for carrying out priority deferred maintenance projects within the boundaries of the National Park System and to provide housing, including all expenses necessary to provide housing, for employees of the National Park Service, Bureau of Land Management, and participants in corps programs performing appropriate conservation, resilience, or restoration projects through financial agreements with the Bureau of Land Management and the National Park Service.

Section 70706. Urban Parks.

(a) Grant Program

This subsection provides \$100,000,000 to the National Park Service, to remain available until September 30, 2026, to carry out direct, competitive grants to localities for acquisition of land or interests in land, or for development of recreation facilities to create or significantly enhance access to parks or outdoor recreation in urban areas. No property acquired or developed under this section shall be converted to non-recreational uses without the approval of the Secretary.

(b) Administrative Expenses

This subsection provides \$10,000,000 to the Director of the National Park Service for necessary administrative expenses to carry out this section.

Section 70707. Historic Preservation.

This section provides \$25,000,000 to the Director of the National Park Service, to remain available until September 30, 2031, to provide funding through direct expenditure, contracts, grants, cooperative agreements, or technical assistance to States, Indian Tribes, the District of Columbia, and Territories to carry out preservation or historic preservation activities as defined by the National Historic Preservation Act (54 U.S.C. 300315).

Section 70708. National Heritage Areas.

This section provides \$50,000,000 to the Director of the National Park Service, to remain available until September 30, 2026, to carry out funding for National Heritage Area Partnerships, including funding in the fiscal year 2022 for any national heritage area, national heritage corridor, cultural heritage corridor, national heritage partnership, national heritage canalway, national heritage route, and battlefields national historic district authorized to receive federal funds as of September 1, 2021.

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Section 70709. Withdrawals.

This section requires the Secretary of the Interior to reduce receipts payable to the Treasury between the date of enactment of this section and the end of fiscal year 2031 by \$10,000,000, through the withdrawal, permanently or for a set term, of land and interests in land administered by the Bureau of Land Management from entry, appropriation, disposal, location, and patent

SUBTITLE H — DROUGHT RESPONSE AND PREPAREDNESS

Section 70801. Bureau of Reclamation Potable Water Supply Projects.

(a) Funding for Potable Water Supply Projects

This subsection provides \$550,000,000 in fiscal year 2022 to the Bureau of Reclamation, to remain available until expended. for the planning, design, and construction of potable water supply projects for communities in the Bureau of Reclamation service area that do not have reliable access to potable water.

(b) Additional Funding

This subsection provides \$50,000,000 annually for the same purposes beginning in fiscal year 2032.

Section 70802. Large Scale Water Reuse.

This section provides \$100,000,000 to the Bureau of Reclamation, to remain available until September 30, 2031, to fund the planning, design, and construction of large-scale water reuse projects that reduce water diversions from drought-stricken river basins.

Section 70803. Addressing Reduced Water Availability for Inland Water Bodies.

This section provides \$100,000,000 to the Bureau of Reclamation, to remain available until September 30, 2031, to mitigate the impact of reduced water inflows into inland water bodies affected by Bureau of Reclamation water projects.

Section 70804. Canal Repair and Improvement.

(a) Conveyance Repairs

This subsection provides \$25,000,000 to the Bureau of Reclamation, to remain available until September 30, 2031, to provide competitive grants for the planning, design, and construction of projects that make major repairs to water delivery canals in need of emergency restoration.

(b) Solar Canal Integration

This subsection provides \$25,000,000 to the Bureau of Reclamation, to remain available until September 30, 2031, to integrate solar panels over repaired canals if such solar projects are found feasible or for other solar projects associated with Bureau of Reclamation water projects.

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SUBTITLE I — INSULAR AFFAIRS

Section 70901. Insular Affairs Critical Infrastructure Funding.

This section provides \$1,000,000,000 to the Department of the Interior’s Office of Insular Affairs, to remain available until September 30, 2031, for critical capital infrastructure in the U.S. Territories under its jurisdiction. Amounts made available under this section shall be divided between the territories.

Section 70902. Office of Insular Affairs Climate Change Technical Assistance.

This section provides \$30,000,000 to the Office of Insular Affairs, to remain available until September 30, 2026, to offer technical assistance for climate change planning, mitigation, adaptation, and resilience to the U.S. Territories and Freely Associated States under its jurisdiction. No more than two percent of the funds shall be used for administrative expenses.

SUBTITLE J — OFFSHORE WIND

Section 71001. Renewable Energy Leasing on the Outer Continental Shelf.

This section raises revenue by directing the Department of the Interior to hold offshore wind lease sales in federal waters in the Eastern Gulf of Mexico and the Atlantic off the coast of North Carolina, South Carolina, Georgia, and Florida.

Section 71002. Offshore Wind for the Territories.

This section raises revenue by requiring the Department of the Interior to hold offshore wind lease sales in federal waters around American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.

SUBTITLE K — HARDROCK MINING RECLAMATION

Section 71101. Hardrock Mining.

This section provides \$997,000,000 in funding to the Secretary of the Interior, to remain available until September 30, 2031, to clean up and reclaim abandoned hardrock mines. It includes funding to revise rules and regulations to prevent undue degradation of public lands due to hardrock mining activities.

This section additionally raises revenue by establishing a hardrock mineral royalty on existing mines (two percent of gross income) and future mines (four percent of gross income). There is an exemption for small miners with an annual gross income from mining below \$100,000.

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SUBTITLE L — ARCTIC NATIONAL WILDLIFE REFUGE

Section 71201. Repeal of the Arctic National Wildlife Refuge Oil and Gas Program.

This section repeals section 20001 of the 2017 Tax Act (P.L. 115-97), which established the Arctic National Wildlife Refuge oil and gas leasing program, cancels the leases sold in January 2021, and returns the payments to the lessees.

SUBTITLE M — OUTER CONTINENTAL SHELF OIL AND GAS LEASING

Section 71301. Protection of the Eastern Gulf, Atlantic, and Pacific Coasts.

This section permanently bans new offshore oil and gas leasing along the entire Atlantic and Pacific coasts and in the Eastern Gulf of Mexico.

SUBTITLE N — FOSSIL FUEL RESOURCES

Section 71401. Onshore Fossil Fuel Royalty Rates.

This section raises the onshore royalty rates to 18.75 percent for all new oil, gas, and coal leases. The federal onshore oil and gas royalty rate of 12.5 percent has not been adjusted in over a century and is considerably below royalty rates charged by states.

Section 71402. Offshore Oil and Gas Royalty Rate.

This section raises the minimum offshore royalty rate to 14 percent for all new oil and gas leases.

Section 71403. Oil and Gas Minimum Bid.

This section raises the current onshore oil and gas minimum bid from \$2 to \$10 and requires it to be indexed to inflation. The current minimum bid amount for onshore oil and gas leases has not been adjusted since 1987.

Section 71404. Deferred Coal Bonus Payments.

This section repeals the requirement that the Bureau of Land Management offers at least 50 percent of total acreage for coal leasing in any one year under a deferred bonus payment system.

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Section 71405. Fossil Fuel Rental Rates.

This section raises the onshore rental rate for oil and gas leases from their current values of \$1.50 for the first five years and \$2 for the second five years, to \$3 for the first two years and \$5 in each subsequent year.

Section 71406. Fossil Fuel Lease Term Length.

This section shortens the primary onshore oil and gas lease term from ten to five years and the primary coal lease term from twenty to ten years.

Section 71407. Expression of Interest Fee.

This section requires the Secretary of the Interior to charge a cost-recovery fee to each person that submits an oil and gas Expression of Interest and requires the fee to be at least \$15 per acre and not more than \$50 per acre. The fee would be regularly adjusted to reflect inflation and if the Secretary determines a higher fee is necessary to enhance financial returns to the United States.

Section 71408. Elimination of Noncompetitive Leasing.

This section prohibits noncompetitive oil and gas leasing on public lands. Currently, if a parcel of public land does not receive a bid during a competitive auction, it is made available for noncompetitive leasing on a first-come, first-serve basis the following business day, at which point companies can obtain a lease without having to pay a bonus bid, only paying the yearly rental fee and an administrative fee.

Section 71409. Oil and Gas Bonding Requirements.

This section requires the Secretary of the Interior to publish a final rule that requires oil and gas leaseholders on public land to provide the agency with a bond, surety, or another financial instrument that ensures the complete and timely reclamation of the lease tract and restoration of land and waters adversely affected by lease operations.

Section 71410. Per-Acre Lease Fees.

This section establishes a \$4 per-acre per-year Conservation of Resources Fee for all new producing onshore and offshore oil and gas leases and establishes a \$6 per-acre per-year Speculative Leasing Fee for all new nonproducing onshore and offshore oil and gas leases.

Section 71411. Offshore Oil and Gas Inspection Fees.

This section requires companies to pay annual user fees to cover the cost of the offshore oil and gas inspection program.

Section 71412. Onshore Oil and Gas Inspection Fees.

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This section requires companies to pay annual user fees to cover the cost of the onshore oil and gas inspection program.

Section 71413. Severance Fees.

This section requires the Secretary of the Interior to collect annual, non-refundable fees on fossil fuels produced from federal lands and the Outer Continental Shelf in amounts of \$0.50 per barrel of oil equivalent on oil and gas production and \$2 per metric ton on coal production.

Section 71414. Idled Well Fees.

This section requires oil and gas operators to pay an annual fee for idled wells on federal land. The yearly fee for each well increases the longer the well has been idle on federal land, starting at \$500 for wells idle between 1 and 5 years, and ending at \$7,500 for wells idle at least 15 years.

Section 71415. Annual Pipeline Owners Fee.

This section requires the Bureau of Safety and Environmental Enforcement to charge owners of offshore oil and gas pipelines annual fees of \$10,000 per mile for pipelines in water depths of 500 feet or greater and \$1,000 per mile for pipelines in water depths less than 500 feet.

Section 71416. Royalties on All Extracted Methane.

This section eliminates the royalty waiver for natural gas produced and used on the lease and, with limited exceptions, requires royalties to be paid on all gas vented, flared, or lost through leakage.

Section 71417. Elimination of Royalty Relief.

This section prohibits the Secretary of the Interior from reducing, eliminating, or suspending royalties for oil and gas leases on the Outer Continental Shelf and repeals the royalty relief authority under the Mineral Leasing Act.

SUBTITLE O — UNITED STATES GEOLOGICAL SURVEY

Section 71501. United States Geological Survey 3D Elevation Program.

This section provides \$50,000,000 to the United States Geological Survey, to remain available until September 30, 2031, for its Digital High-Resolution Elevation Collection (3DEP) Program.

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Section 71502. Climate Adaptation Science Centers.

This section provides \$50,000,000 to the United States Geological Survey, to remain available until September 30, 2031, for the National and Regional Climate Adaptation Science Centers to provide localized information to help regions, states, tribes, and local governments respond to climate change.

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TITLE VIII — COMMITTEE ON OVERSIGHT AND REFORM

Section 80001. General Services Administration Clean Fleets.

This section would provide the General Services Administration (GSA) \$2,995 billion, to remain available until September 30, 2026, for the procurement of electric vehicles and related costs.

Section 80002. Funding for the General Services Administration Office of Inspector General.

This section would provide the GSA Office of Inspector General \$5 million, to remain available until September 30, 2031, for oversight of GSA activities implemented pursuant to this Act.

Section 80003. United States Postal Service Clean Fleets.

This section would provide the United States Postal Service \$2.57355 billion, to remain available until September 30, 2031, to acquire electric vehicles and \$3.41145 billion to purchase related support infrastructure, such as charging stations.

Section 80004. United States Postal Service Office of Inspector General.

This section would provide the Office of Inspector General of the Postal Service \$15 million, to remain available until September 30, 2031, to perform oversight of Postal Service activities authorized by this Act.

Section 80005. Government Accountability Office Oversight.

This section would provide the Government Accountability Office (GAO) \$25 million, to remain available until September 30, 2031, to conduct oversight of the receipt and disbursement of funds in this Act. This oversight shall include oversight of the equitable distribution and use of funds and their economic, social, and environmental impacts.

Section 80006. Office of Management and Budget Oversight.

This section would provide the Office of Management and Budget (OMB) \$25 million, to remain available until September 30, 2026, to support implementation of this Act and the Justice40 Initiative. This funding would also support OMB's efforts to track labor, equity, and environmental standards and performance across agencies in implementing Federal programs.

Section 80007. General Services Administration Emerging Technologies.

This section would provide GSA \$975 million, to remain available until September 30, 2031, for GSA's environmental sustainability programs.

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Section 80008. General Services Administration Procurement and Technology.

This section would provide GSA \$3.25 billion, to remain available until September 30, 2031, for the purchase of goods, services, and systems to improve energy efficiency, promote the purchase of lower-carbon materials, and reduce the carbon footprint.

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TITLE IX — COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

Section 90001. Department of Energy Research, Development, and Demonstration Activities.

Provides \$1 billion for demonstration projects carried out by DOE's Office of Energy Efficiency and Renewable Energy (EERE); provides \$985 million to support research at the Office of Science; provides \$10 million to carry out demonstration projects to reduce the environmental impacts of produced water; and provides \$5 million for support of DOE's Office of Economic Impact and Diversity to improve diversity across the Department's research, development, and demonstration activities.

Section 90002. Air Quality and Climate Research.

This section provides \$100,000,000 to the EPA to conduct air quality and climate research.

Section 90003. PFAS Replacement Assistance to Firefighter Grants.

Provides \$95 million for grants for PFAS-free personal protective firefighting equipment and firefighting foam and \$5 million for program administration.

Section 90004. National Aeronautics and Space Administration Infrastructure.

Provides \$750 million to NASA for repair, recapitalization, modification, modernization, and construction of physical infrastructure and facilities.

Section 90005. National Aeronautics and Space Administration Climate Research and Development.

Provides to NASA \$85 million for climate research and development-related activities to understand, observe, and mitigate climate change and its impacts; \$30 million for investments in data management and processing to support climate research and development activities; \$25 million for research and development to support the wildfire community and improve wildfire fighting operations; and \$225 million for aeronautics research and development on sustainable aviation.

Section 90006. National Institute of Standards and Technology Research.

Provides \$100 million for research at NIST related to wildfire impact on structures and communities.

Section 90007. National Institute of Standards and Technology Hollings Manufacturing Extension Partnership.

Provides \$260 million to NIST for the Hollings Manufacturing Extension Partnership. Provides for a cost-share waiver for these funds.

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Section 90008. National Institute of Standards and Technology Manufacturing.

Provides \$220 million, through existing programs, for advanced manufacturing research, development, and testbeds; provides \$20 million for a cybersecurity workforce training center.

Section 90009. National Institute of Standards and Technology Research Infrastructure.

Provides \$650 million to NIST for the upgrade, replacement, maintenance, or renovation of facilities and equipment necessary to conduct laboratory activities.

Section 90010. Oceanic and Atmospheric Research and Forecasting for Weather and Climate.

Provides \$200 million to NOAA to accelerate advancements in research, observations, modeling and dissemination related to weather, coasts, oceans, and climate; provides \$100 million to NOAA for competitive climate research grants; and provides \$100 million to NOAA for development and dissemination of climate science information products and services, and for education and training, in support of climate adaptation activities.

Section 90011. Climate Education.

Provides \$20 million to NOAA for contracts, grants, and technical assistance for education activities and materials to improve public understanding of climate change.

Section 90012. Computing Capacity and Research for Weather, Oceans, And Climate.

Provides \$200 million to NOAA to procure high performance computing, data processing capacity, data management, and storage assets.

Section 90013. Acquisition of Hurricane Forecasting Aircraft.

Provides \$139 million to NOAA for acquisition of hurricane hunter aircraft.

Section 90014. National Science Foundation Core Research.

Provides \$675 million to NSF for research awards, traineeships, scholarships, and fellowships across all STEM disciplines; provides \$25 million for activities to ensure broad demographic representation in NSF activities; and provides \$500 million for research related to climate change.

Section 90015. National Science Foundation Technology, Innovation, and Partnerships Directorate.

Provides \$1.52 billion to NSF to fund and administer the Directorate for Technology, Innovation, and Partnerships to accelerate use-inspired and translational research in technologies and innovations of national importance; provides \$25 million for research security activities;

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provides \$200 million for research capacity building at minority serving institutions; and provides \$55 million for cybersecurity education and training.

Section 90016. National Science Foundation Research Infrastructure.

Provides \$200 million for the repair, renovation, or, in exceptional cases, replacement of obsolete science and engineering facilities; provides \$200 million for mid-scale and major research instrumentation, equipment, and infrastructure; and provides \$100 million for academic research facilities modernization and research instrumentation at minority-serving institutions.

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TITLE X — COMMITTEE ON SMALL BUSINESS

**SUBTITLE A — INCREASING FEDERAL CONTRACTING OPPORTUNITIES FOR SMALL
BUSINESSES**

Section 100101. Veteran Federal Procurement Entrepreneurship Training Program.

This section provides \$35 million for the creation of a grant for non-profits to operate federal procurement entrepreneurship training programs to assist veteran small business contractors from fiscal years 2022 through 2030.

Section 100102. Expanding surety bond program.

This section provides funding to raise SBA’s guarantee on federal contracts from \$10 million to \$20 million, raise the guarantee on non-federal contracts from \$6.5 million to \$10 million, and directly appropriates \$100 million, of which \$15 million is for administrative expenses, to the Surety Bond Guarantees Revolving Fund to remain available until September 30, 2031.

**SUBTITLE B — EMPOWERING SMALL BUSINESS CREATION AND EXPANSION IN
UNDERREPRESENTED COMMUNITIES**

Section 100201. Funding for Uplift Incubators.

This section provides a total of \$1 billion over a 10-year period to establish a national network of uplift incubators. The section establishes a program to support uplift incubator spaces for Main Street small businesses to spur economic development in underrepresented communities to assist new businesses and small government contractors.

Section 100202. Office of Native American Affairs.

This section invests \$10 million to enhance the Small Business Administration’s Office of Native American Affairs to establish a Native American Outreach Program to target SBA programs and assistance to these communities.

Section 100203. Office of Rural Affairs.

This section provides \$10 million to establish Rural Small Business Conferences within the Small Business Administration’s Office of Rural Affairs to promote policies and programs to support rural businesses and entrepreneurs.

Section 100204. Office of Emerging Markets.

This section provides \$10 million and establishes an Office of Emerging Markets within the Office of Capital Access to coordinate all access to capital initiatives dealing with small businesses in emerging markets.

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Section 100205. State Trade Expansion Program.

This section provides \$60 million over a two-year period to the Small Business Administration's State Trade Expansion Program (STEP) which provides grants to states to assist small businesses in export development.

SUBTITLE C — ENCOURAGING SMALL BUSINESSES TO FULLY ENGAGE IN THE INNOVATION ECONOMY

Section 100301. Growth Accelerator Competition.

This section provides a total of \$200 million over 10 years to provide cash grants of not less than \$100,000 to growth accelerators to expand their capabilities to assist small businesses focused on technology, research, and development. The grant recipient must assist at new small businesses and specifically prioritize small business owners that are underrepresented.

SUBTITLE D — INCREASING EQUITY OPPORTUNITIES

Section 100401. Increasing Equity Investment in the SBIC Program.

The section provides \$20 million to implement the Emerging Managers Program which is a mentorship program to pair less-experienced fund managers interested in getting their first SBIC license with highly-experienced SBIC managers to provide guidance and advice.

Section 100402. Microcap Small Business Investment Company License.

This section provides \$40 million to implement the MicroCap SBIC license subprogram to increase SBIC diversity. This license allows for less initial private sector investment to receive SBA leverage, requires a percentage of investments be made in underserved markets, and increases the pool of eligible fund manager applicants.

Section 100403. Funding for SBIC Outreach and Education.

This section invests \$2.5 million to be used for outreach and education to expand awareness and utilization of the program.

SUBTITLE E — INCREASING ACCESS TO LENDING AND INVESTMENT CAPITAL

Section 100501. Funding for Community Advantage Loan Program.

This section provides \$275.9 million over 10 years to enhance, improve, and expand the Community Advantage program. It also gives SBA authority to partner with mission-oriented, nonprofit lenders to deliver capital through the 7(a) Loan Program. It invests \$5 million into free or low-cost program training.

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Section 100502. Funding for Credit Enhancement and Small Dollar Loan Funding.

This section provides \$1,964,6000,000 in total funding over a 10-year period to fund a direct loan product under the current 7(a) lending program administered by the SBA.

Section 100503. Extension of Temporary Fee Reductions.

This section invests an additional \$950 million to the temporary fee reduction levels enacted in the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, which apply to the SBA 7(a) and 504 lending programs. Funding is available until September 30, 2026 to reduce waiver fees for loans less than or equal to \$2 million.

Section 100504. Funding for Cooperatives.

This section provides \$100 million to fund a pilot program for eligible cooperatives and employee-owned businesses to receive SBA loan products without the requirement of a personal or entity guarantee.

SUBTITLE F — SUPPORTING ENTREPRENEURIAL SECOND CHANCES

Section 100601. Reentry Entrepreneurship Counseling and Training For Incarcerated and Formerly Incarcerated Individuals.

This section provides \$70 million over 8 years to invest in initiatives through Women Business Centers, Small Business Development Centers, and other entities for formally incarcerated individuals.

The first subsection provides funding for assistance to incarcerated and formerly incarcerated individuals through trainings covering how to start or expand a small business and the tools, skills, and knowledge necessary to identify a business opportunity.

The second subsection provides funding for mentoring formerly incarcerated individuals in their small business ventures and connecting them to local resources and SBA programs.

Section 100602. New Start Entrepreneurial Development Program For Formerly Incarcerated Individuals.

This section provides \$35 million over a 8-year period for the SBA to establish a pilot program to award grants to organizations or partnerships of organizations to support existing entrepreneurial development programs for formerly incarcerated individuals to gain assistance to job training, business assistance, and access to capital.

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SUBTITLE G — ADMINISTRATIVE AND OVERSIGHT FUNDING

Section 100701. Administrative Funding.

This section provides \$125 million to the Small Business Administration over 9 years to carry out Title X, including issuing rules.

Section 100702. SBA Office of Inspector General Funding.

This section provides \$12.5 million for SBA’s Office of Inspector General for oversight, to remain available until September 30, 2030.

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TITLE XI — COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Section 110001. Affordable Housing Access Program.

This section provides \$10 billion to support access to affordable housing and enhance mobility for low-income individuals and residents of disadvantaged or persistent poverty communities. Funds will be administered through a competitive process jointly established by the Secretary of Housing and Urban Development and the Federal Transit Administrator to support projects that provide access to affordable housing, improve mobility for low-income riders, and enhance access to job and educational opportunities and community services. Funds provided under the program will support the establishment of new transit routes; the expansion of service areas; improved frequency on existing routes; the provision of fare-free and reduced-fare transit service; state of good repair for transit facilities; research and training activities; route planning; and projects to improve accessibility.

Section 110002. Community Climate Incentive Grant Program.

This section provides \$4 billion to reduce on-road greenhouse gas emissions. Includes \$50 million for the Federal Highway Administration to establish a greenhouse gas performance measure; establish an incentive structure for states that demonstrate significant carbon reductions; issue requirements, guidance, and regulations necessary to ensure the reduction of on-road greenhouse gas emissions; and for other administrative expenses for the Federal Highway Administration to carry out the section. Also includes \$950 million for incentive grants to states that make significant progress in reducing emissions or that adopt strategies to achieve net-zero surface transportation emissions by 2050, and \$3 billion for non-state entities for projects to reduce carbon emissions.

Section 110003. Neighborhood Access and Equity Grant Program.

This section provides \$4 billion to support neighborhood equity, safety, and affordable transportation access. Includes \$2.37 billion for competitive grants administered by the Federal Highway Administration to reconnect communities divided by existing infrastructure barriers, mitigate negative impacts of transportation facilities or construction projects on disadvantaged or underserved communities, and support equitable transportation planning and community engagement activities. Ensures that \$1.58 billion is provided for the above-described purposes and dedicated to projects in disadvantaged or underserved communities or in communities that have taken steps to ensure that projects do not lead to gentrification or displacement of existing residents. Also includes \$50 million to the Federal Highway Administration to provide technical assistance to local governments to improve project delivery, provide direct capacity-building grants for local project administration, and for other administrative expenses of the Federal Highway Administration.

Section 110004. Territorial Highway Program Funding.

This section provides \$320 million for territories distributed through the Territorial Highway Program.

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Section 110005. Traffic Safety Clearinghouse.

This section provides \$47.5 million to the National Highway Traffic Safety Administration (NHTSA) for awarding grants, cooperative agreements, or contracts to one or more eligible non-profit institutions of higher education to establish and operate a national clearinghouse, identify innovative methods for states to ensure equity in traffic safety enforcement, provide technical assistance to states, and research and develop recommendations and best practices to promote fair and equitable traffic safety enforcement. Also provides funds to NHTSA to administer this section.

Section 110006. Passenger Rail Improvement, Modernization, and Emissions Reduction Grants.

This section provides \$10 billion for high-speed rail corridor assistance under Chapter 261 of Title 49, supporting the planning and development of public high-speed rail projects.

Section 110007. Alternative Fuel and Low-Emission Aviation Technology Program.

This section provides \$300 million for the Department of Transportation to support investments for projects that develop, demonstrate, or apply low-emission aviation technologies or produce, transport, blend, or store sustainable aviation fuels.

Section 110008. Assistance to Update and Enforce Hazard Resistant Codes and Standards.

This section provides the Federal Emergency Management Agency (FEMA) \$145.5 million for grants to state, local, tribal, and territorial governments for implementation and enforcement activities of the latest published editions of relevant performance-based and consensus-based codes, specifications, and standards that incorporate hazard-resistant designs and the latest requirements for the maintenance and inspection of existing buildings to address hazard risk. These grants will not be subject to any non-federal cost share. Also provides funds to FEMA to administer this section.

Section 110009. Economic Development Administration.

This section provides \$3.36 billion to invest in the creation of regional innovation hubs; \$480 million for the Economic Development Administration's (EDA) Economic Adjustment Assistance program to fund predevelopment activities and provide assistance to energy and industrial transition communities; \$1.2 billion to establish a grant pilot program at EDA to improve an eligible area's prime age employment rate by providing long term assistance to persistently distressed communities; and funds for EDA to administer this section.

Section 110010. Assistance for Federal Buildings.

This section provides \$500 million for the General Services Administration's Federal Buildings Fund to convert GSA owned or managed buildings to high-performance green buildings.

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Section 110011. Climate Resilient Coast Guard Infrastructure.

This section provides \$650 million to the Coast Guard Procurement, Construction, and Improvements account for the acquisition, design, and construction of new, or replacement of, existing facilities impacted by climate change.

Section 110012. Great Lakes Icebreaker Acquisition.

This section provides \$350 million to the Coast Guard for the acquisition of a Great Lakes Icebreaker.

Section 110013. Port Infrastructure and Supply Chain Resilience.

This section provides \$600 million to the Maritime Administration for grants for projects to support supply chain resilience, reduction in port congestion, the development of offshore wind support infrastructure, environmental remediation, and projects to reduce the impact of ports on the environment.

Section 110014. Alternative Water Source Project Grants.

This section provides \$125 million to support investment in alternative water source projects, including projects for groundwater recharge and potable reuse.

Section 110015. Sewer Overflow and Stormwater Reuse Municipal Grants.

This section provides \$1.850 billion to invest in sewer overflow and stormwater reuse projects, as well as provides for a greater federal cost share of projects that serve financially distressed communities.

Section 110016. Individual Household Decentralized Wastewater Treatment System Grants.

This section supports \$150 million in investment for the installation, repair, or replacement of domestic septic systems, including investment in connecting households with failing septic systems to public sewer systems. This section targets one-half of this investment to low-income households that lack access to sewage treatment technologies, including households that currently use cesspools to capture sewage.

Section 110017. Disaster Relief.

This section provides FEMA with additional resources to incentivize green procurement during disaster recovery and mitigation projects.

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Section 110018. Environmental Review Implementation.

This section provides \$50 million to the Federal Highway Administration for grants and administrative activities to facilitate the completion of environmental reviews for surface transportation projects.

Section 110019. Low-Carbon Transportation Materials Grants.

This section provides \$900 million to the Federal Highway Administration to reimburse the cost difference between low-embodied carbon construction materials and traditional materials in highway construction projects.

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TITLE XII — COMMITTEE ON VETERANS' AFFAIRS

Section 120001. Department of Veterans Affairs infrastructure improvements.

Section 120001 provides \$2.4 billion to address immediate and long-term infrastructure needs of the Department of Veterans Affairs (VA).

Section 120002. Modifications to enhanced-use lease authority of department of veterans' affairs.

Section 120002 provides \$455 million to expand the circumstances under which VA can use its Enhanced-Use Lease (EUL) authority to lease underutilized VA property or buildings to third parties for veteran-focused uses compatible with VA's mission.

Section 120003. Major medical facility leases of the Department of Veterans Affairs.

Section 120003 provides \$1.8 billion to be appropriated and the authority for the Secretary to obligate or expend funds to enter into certain VA major medical leases or clinics.

Section 120004. Increase in number of health professions residency positions at Department of Veterans Affairs medical facilities.

Section 120004 provides \$268 million for the Department of Veterans Affairs (VA) to invest in its statutory mission to conduct an education and training program for health professional students and residents by authorizing VA to increase the number of health professions residency positions at its medical facilities by up to 500 over 7 years.

Section 120005. Veteran records scanning.

Section 120005 provides \$50 million to enable VA to scan veteran service records held at National Archives and Records Administration (NARA) for living or recently deceased veterans to prevent claims processing delays due to the inability to access information currently in paper form.

Section 120006. Funding for Department Of Veterans Affairs Office of Inspector General.

Section 120006 provides \$5 million for the VA Office of Inspector General (OIG) to provide oversight of VA projects and activities carried out pursuant to the title.

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TITLE XIII — COMMITTEE ON WAYS AND MEANS

SUBTITLE A —

PART 1 — PROVISIONS RELATING TO PATHWAYS TO HEALTH CAREERS

Section 134101. Pathways to Health Careers.

Career Pathways Through Health Profession Opportunity Grants. Amends Title XX of the *Social Security Act* to authorize new HPOG competitive grants in states, the District of Columbia, U.S. territories, and tribal communities, as described in the subsections below.

Subsection (a). Application requirements.

Eligible entities seeking HPOG funds are required to submit qualified applications to the HHS Secretary as a condition of receiving funding. Grant applications must include:

- Descriptions of how the applicant will implement or provide: a career pathway, adult basic skills, case management and career coaching, and staff recruitment and retention.
- Demonstration that the applicant has experience working with low-income populations or has a partner with such experience, a plan for post-employment services, and a plan for providing supportive services during the training program.
- Certification that project development included consultation with the local workforce board, consideration of apprenticeship and existing career pathway programs.
- Local labor market analysis of local health care workforce shortages, in-demand jobs, and certification that they will train to fill such jobs.
- Commitment to provide all requested data, hire a project director, and accept TA

Subsection (b). Additional Application Element.

As a condition of funding, qualified applicants must have at least one of the following application elements: Is a prior HPOG grantee; applicant has cross-sector partnerships; training model includes coaching and mentoring; applicant serves rural areas; training model includes a cash stipend, or reserve fund to help participants with emergencies that might force them to drop out of training.

Subsection (c). Grants.

Provides the HHS Secretary with authority to award HPOG funds to eligible entities that have submitted qualified applications to train low-income individuals for health care career pathways. Requires HHS to award at least 2 grants per state and the District of Columbia, and if there are not a sufficient number of qualified eligible applicants to fulfill this requirement, requires the Secretary to substitute a grant award to a qualified applicant in another state. The subsection also requires that the Secretary award at least 10 tribal grants, and at least 2 territory grants, per grant cycle. The grant period shall be not less than 5 years, which may include a planning period of no more than the first 12 months of the grant cycle.

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Subsection (d). Use of Grant.

Requires grantees to use their awarded funds to provide: basic skills education if needed; access to child care if needed; case management that includes career coaching; and access to transportation if needed.

Funds may also be spent on: a stipend; emergency fund to help participants with emergencies that would otherwise affect their ability to successfully complete training; training materials such as certification exam fees, connection to the internet, uniforms, and personal protective equipment; in-kind donations such as interview clothing; basic education or high school equivalency, supports necessary to address barriers to work.

Grantees must provide at least the number of hours of training required to qualify for a postsecondary or industry-recognized credential in the state in which the project is conducted. And at least 10 percent of enrolled participants must meet the income threshold for the state Temporary Assistance for Needy Families program regardless of whether they participate in the program.

Grantees may not spend funds on ineligible individuals, and may not use funds for the purposes of entertainment, with the exception of career-based milestones such as hosting a graduation.

Subsection (e). Technical Assistance.

Requires HHS to use administrative funding provided to provide tailored Technical Assistance (TA) to applicants and to grantees to assist with all stages of project administration, including the needs of new demonstration projects, tribal and territory applicants and grantees. HHS must also provide TA for the purpose of peer information exchange among eligible entities regarding best practices.

Subsection (f). Evaluation of Dedicated Career Pathways.

Requires HHS to conduct evaluations of dedicated career pathway projects as described in subsections (h) and (i). For the dedicated career pathway described in (i), the evaluation must include identification of successful activities for developing and sustaining job training programs for people with records who seek a health care career. For the dedicated career pathway described in (h), the evaluation must include identification of successful activities for developing and sustaining a career pathway for people seeking a career in birth, pregnancy, and post-partum fields.

Subsection (g). Reports.

As a condition of funding, grantees must submit reports and a final report to the Secretary regarding the activities carried out under the grant.

Subsection (h). Maternal Mortality Career Pathway.

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This subsection requires the Secretary to award grants to eligible entities to train low-income individuals for health care careers in the field of pregnancy, birth, or post-partum services in a state that recognizes doulas or midwives as health care providers and that permits payment for such services. Eligible entities are required to submit funding applications that include the following: a description of partnerships, staffing, program activities and other elements to support a career pathway in pregnancy, birth, or post-partum services; a demonstration that local laws permit doulas and midwives to practice; a demonstration that the applicant has experience working with low-income populations or a plan to work with a partner that has such experience. Applicants are required to provide the same supportive services as the other competitive HPOG awardees.

Subsection (i). Second Chance Career Pathway.

This subsection requires the Secretary to award grants to eligible entities to train low-income individuals with arrest or conviction records for health care careers. Eligible entities are required to submit funding applications that include the following: certification that local laws allow for credentials to be awarded in the professions for which the applicant will be training, description of local policies or appeals processes that offer opportunity to demonstrate rehabilitation to obtain health care credentials, a staffing plan to ensure project staff are experienced in working with people with records, a demonstration that the applicant has experience working with low-income populations or a plan to work with a partner that has such experience, proof of concept, and a plan for participant recruitment and job placement. Applicants are required to provide access to legal assistance and other support necessary to address arrest or conviction records as an employment barrier, and are also required to provide the same supportive services as the other competitive HPOG awardees.

Subsection (j). Definitions.

Provides definitions for the following terms: Allied health profession, Career pathway, doula, Eligible entity, Eligible individual, Federal poverty level, Indian Tribe or Tribal organization, Institution of higher education, Territory, Tribal college or university.

Subsection (k). Funding.

Directly appropriates the following amounts to this Section:

- \$318,750,000 for competitive HPOG awards for each of fiscal years 2022 through 2026,
- \$17,000,000 for Tribal HPOG awards for each of fiscal years 2022 through 2026,
- \$21,250,000 for Territory HPOG awards for each of fiscal years 2022 through 2026,
- \$25,500,000 for HPOG awards for the Maternal Mortality Career Pathway and the Second Chance Career Pathway for each of fiscal years 2023 through 2026,
- \$25,500,000 for providing technical assistance and for administration of HPOG awards,
- \$17,000,000 for evaluating HPOG awards including the dedicated career pathways.

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PART 2 — PROVISIONS RELATING TO ELDER JUSTICE

Section 134201. Reauthorization of Funding for Programs to Prevent and Investigate Elder Abuse, Neglect, and Exploitation.

Subsection (a). Post-acute and long-term care workforce development.

This subsection replaces the language in Section 2041 of Title XX of the SSA with new language to authorize and directly appropriate funds to promote recruitment and retention of post-acute and long-term care workers. The new provisions are as described below:

Section 2041. Nursing home worker training grants.

Subsection (a). Appropriation.

This section directly appropriates \$392 million for states for each of FYs 2023 through 2026 and \$8 million for Indian tribes and tribal organizations for FY 2023 through FY 2026 to invest in state worker recruitment and retention. It provides direct appropriations for grants to states to support workers providing aid, nursing, and social work services in post-acute and long-term care (LTC) settings.

Subsection (b). Grants.

The grants are provided to states and territories, based on their population of adults over 65 years of age or with disabilities, and to tribes and tribal organizations through a consultation process.

Subsection (c). Use of funds.

The funds must be used to:

- provide wage subsidies to employees in post-acute and LTC positions
- provide student loan repayment or tuition assistance to eligible individuals
- guarantee affordable and accessible child care for eligible individuals
- provide transportation assistance to eligible individuals

The funds may be used to:

- establish a reserve fund for emergency financial assistance
- provide in-kind resource donations, such as interview clothing and conference attendance fees
- provide assistance with activities designed to lower barriers to employment, including legal assistance
- support eligible employers in offering not less than two weeks of paid leave per year

Funds are provided only for the benefit of eligible individuals in eligible settings, which are both defined in subsection (e).

Funds must be used to supplement, not supplant, any existing state funding.

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Subsection (d). Administration.

States shall reserve not more than 10 percent of their total funding for administering subgrants, providing technical support, publicizing subgrant availability, carrying out activities to increase the supply of eligible individuals, and providing technical assistance to subgrantees.

Subsection (e). Definitions.

This subsection defines the following terms:

- **Eligible individual:** An individual who holds or is studying for one of a variety of certifications or licenses relating to nursing care and who provides (or intends to provide upon completion of a license or certification) services in an eligible setting.
- **Eligible setting:** One of several types of nursing facilities, home health agencies, or other providers of care.
- **Tribal organization:** The meaning given in section 4 of the Indian Self-Determination and Education Assistance Act.

Subsection (b). Funding for adult protective services functions and grant programs.

This subsection revises Section 2042 of the SSA to authorize and directly appropriate funding for adult protective services. This subsection provides \$8 million for Department of Health and Human Services administrative costs for each of FYs 2023 through 2025.

This subsection also funds two existing grant programs. The first awards grants to enhance state and local APS services. For each of FYs 2023 through 2025, this provision directly appropriates \$392 million for purposes of grants to states and the District of Columbia and \$8 million for grants to Indian tribes and tribal organizations (which are to be spent through a consultation with Indian tribes and tribal organizations). The second grant program awards funds to states to conduct APS demonstration programs. For each of FYs 2023 through 2025, this provision directly appropriates \$75 million for APS demonstration grants.

Subsection (c). Funding for long-term care ombudsman program grants and training.

This subsection reauthorizes and revises Section 2043 and directly appropriates \$22.5 million for FY 2023 and \$30 million for each of fiscal years 2024 and 2025 for grants to states for long-term care (LTC) ombudsman programs. Grants may be used to increase the capacity of state LTC ombudsman programs to respond to and resolve abuse and neglect complaints as well as to conduct and support pilot programs with state or local LTC ombudsman offices.

The revised Section 2043 also requires the Secretary to establish programs that provide and improve ombudsman training for national organizations and state LTC ombudsman programs, with a focus on elder abuse, neglect, and exploitation. This provision directly appropriates an additional \$30 million for each of FYs 2023 through 2025 for this purpose.

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Subsection (d). Incentives for developing and sustaining structural competency in providing health and human services.

This subsection creates a new Section 2047 in Title XX of the SSA to provide funding to address structural gaps in providing older adults and people with disabilities the services and supports they need. The new Section 2047 includes the following:

Subsection (a). Grants to states to support linkages to legal services and medical-legal partnerships. This section directly appropriates \$500 million to be outlayed by the end of FY 2028 to establish a grant program for states to support the adoption of evidence-based approaches to establish, improve, or maintain linkages between health and social services and supports for vulnerable older adults. States must use the funds to develop medical-legal partnerships (MLPs) – multidisciplinary teams that combine clinical staff with social workers and lawyers at a single site of care to ensure patients’ social needs (e.g., housing, food, education, and access to care) are met. Grants will also fund the development and expansion of legal assistance hotlines to help facilitate the identification of older adults who could benefit from linkages to available services.

Subsection (b). Grants and training to support community-based organizations in addressing social isolation. This subsection directly appropriates \$250 million to be outlayed by the end of FY 2028 to make grants to eligible Area Agencies on Aging (AAAs) or other community-based organizations to conduct outreach to individuals at risk for social isolation or loneliness, develop community-based interventions to mitigate loneliness and social isolation, connect at-risk individuals with social and clinical supports, and evaluate the effect of the programs developed and implemented in this section.

Additionally, the subsection provides funding to the Secretary to establish programs to provide and improve training for AAAs or other community-based organizations to address and prevent social isolation and loneliness.

The Secretary must evaluate the programs established under this section and submit a Report to Congress at least every three years after this section is enacted.

Subsection (c). Definitions.

This subsection defines several terms used in the subsection, including:

- Area agency on aging: an area agency on aging designated under section 305 of the Older Americans Act of 1965.
- Social isolation: objectively being alone, or having few relationships or infrequent social contact.
- Loneliness: subjectively feeling alone, or the discrepancy between one’s desired level of social connection and one’s actual level of social connection.
- Social connection: the variety of ways one can connect to others socially, through physical, behavioral, social-cognitive, and emotional channels.

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- **Community-based organization:** a non-profit community-based organization, a consortium of nonprofit community-based organizations, a national nonprofit organization acting as an intermediary for a community-based organization, or a community-based organization that has a fiscal sponsor that allows the organization to function as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code.

Subsection (e). Technical amendment.

This section corrects an outdated reference to the meaning of the term “Indian tribe and tribal organization” under Section 4 of the Indian Self-Determination and Education Assistance Act with the definition provided at 25 U.S.C 5304.

Section 134202. Appropriation for Assessments.

This provision directly appropriates \$5 million for each of FYs 2023 through 2026 to carry out assessments of the programs funded under the Elder Justice Act. This provision requires the Secretary to submit a Report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the programs, coordinating bodies, registries, and activities under the Elder Justice Act. Reports, issued at the mid-point of the funding and after all funding in this title has been disbursed, must assess the extent to which such programs have improved access to and quality of resources for aging Americans and their caregivers to ultimately prevent, detect, and treat abuse, neglect, and exploitation.

PART 3 — SKILLED NURSING SERVICES

Section 134301. Funding to Improve the Accuracy and Reliability of Certain Skilled Nursing Facility Data.

Section 134301 amends section 1888 of the SSA in paragraph (h)(12) by directly appropriating \$50 million to the Secretary of HHS beginning in fiscal year (FY) 2026, available until FY 2031, for the purposes of conducting data validation of nursing home quality data submitted through the Minimum Data Set (MDS), skilled nursing facility (SNF) Value-Based Purchasing Program, or Payroll Based Journal (PBJ) staffing dataset. Based on this data validation, the policy also amends subparagraph 1888(e)(6)(A) of the Social Security Act to reduce SNF payments by two percentage points beginning in FY 2026 for SNFs that submit inaccurate data through any of these three data systems.

Section 134302. Ensuring Accurate Information on Cost Reports.

Section 134302 amends subsection 1888(f) of the SSA to appropriate \$250 million to the Secretary of HHS for the purposes of auditing the Medicare cost reports SNFs are required to submit, beginning in Fiscal Year (FY) 2023 and ending in 2031.

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Section 134303. Survey Improvements.

Section 134303 amends section 1819 of the SSA by inserting a new subsection (l) that appropriates \$325 million for FYs 23 through 2031 to the Secretary of HHS for the purposes of improving existing surveys and enforcement processes to improve compliance with the SNF conditions of participation. It requires the Secretary to consider several factors as part of the review, including the ability of state survey agencies to identify infection control and emergency preparedness deficiencies as well as sufficiently hire, train, and retain individuals to conduct surveys.

Section 134304. Nurse Staffing Requirements.

Section 134304 amends section 1819 of the SSA in subsection (d) to insert a new paragraph (5), entitled “Nurse Staffing Requirements.” The new Section 1819(d)(5) appropriates \$50 million to the Secretary of HHS for FYs 2023 through 2031, for the purposes of (not later than three years after the date of enactment and no less than once every five years thereafter) conducting studies on the appropriateness of establishing minimum staff-to-resident ratios in SNFs. Such reports must include recommendations on minimum staffing levels for Registered Nurses (RNs), Licensed Practical Nurses (LPNs) or Licensed Vocational Nurses (LVNs), and Certified Nursing Assistants (CNAs), which the Secretary shall promulgate through regulations. Through those regulations, the Secretary must apply the recommended staffing minimums to the Medicare conditions of participation, subject to limited waivers, within one year of each report (updated periodically to reflect any changes in recommendations from the latest report).

SUBTITLE B — INFRASTRUCTURE FINANCING AND COMMUNITY DEVELOPMENT

Section 135002. Possessions economic activity credit.

This provision creates a new economic activity credit related to active businesses conducted in U.S. territories or possessions. The new credit is a general business credit equal to 20 percent of the sum of the qualified possession wages and allocable employee fringe benefit expenses paid or incurred by a qualified domestic corporation for the taxable year up to \$50,000 with respect to each full-time employee. In the case of a Qualified Small Domestic Corporation (QSDC), the credit increases to 50 percent of the sum of the qualified wages and fringe benefit expenses paid up to \$142,800 for each full-time employee. To be a QSDC, a qualified domestic corporation must have at least 5 full-time employees in a possession and no more than a total of 30 employees, and no more than \$50 million in annual gross receipts. For purposes of the credit, “possessions” include the territories of American Samoa, Guam, Commonwealth of Northern Marianas, Commonwealth of Puerto Rico, and the U.S. Virgin Islands.

Section 135003. Tax treatment of assistance to certain farm loan borrowers.

This provision addresses the tax treatment of certain payments to farm loan borrowers that is described in section 1005(b) of American Rescue Plan Act of 2021 as amended by prior section. Such payment will not be included in the gross income to the payee, and any otherwise-

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allowable deductions continue to be deductible notwithstanding the tax-free treatment of the payment.

SUBTITLE D — GREEN ENERGY

Overview.

This subtitle structures various new and existing renewable energy and energy efficiency incentives within the tax code as two-tiered incentives, providing either a “base rate” or a “bonus rate.” The bonus rate is equal to five times the “base rate” and is applied to projects which meet certain prevailing wage and apprenticeship requirements.

Prevailing wage requirements referred to throughout this subtitle require that, in order to claim the “bonus rate” with respect to a project, the taxpayer must ensure that any laborers and mechanics employed by contractors and subcontractors are paid prevailing wages during the construction of such project and, in some cases, for the alteration and repair of such project for a defined period after the project is placed into service.

In the event the taxpayer fails to satisfy these requirements, the taxpayer may cure the discrepancy by compensating each worker the difference between wages paid and the prevailing wage, plus interest, in addition to paying a \$5,000 penalty to the Treasury for each worker paid below the prevailing wage during the taxable year. If the Secretary determines that such discrepancy is the product of intentional disregard, the taxpayer must compensate each worker three times the difference in wages and the penalty to the Treasury is increased to \$10,000 per employee.

If the Secretary determines that a discrepancy occurred, the taxpayer must make payments to the employees and the Treasury within 180 days of the determination in order to remain in compliance with these requirements.

Apprenticeship requirements referred to throughout this subtitle require that, in order to claim the “bonus rate” with respect to a project, the taxpayer must ensure that no fewer than the applicable percentage of total labor hours of the project are performed by qualified apprentices. The applicable percentage for purposes of this requirement is 10% for projects for which construction begins in 2022. This rate is increased to 12.5% in 2023, and 15% thereafter.

This provision requires that each contractor and subcontractor who employs 4 or more individuals to perform construction on an applicable project shall employ at least one qualified apprentice to perform such work.

In the event a taxpayer fails to satisfy these requirements, the taxpayer may cure the discrepancy by paying a penalty to the Treasury equal to \$50 multiplied by the total labor hours for which the requirements are not satisfied. This penalty is increased to \$500 per hour in the event the Secretary determines that such discrepancy was the product of intentional disregard.

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This provision provides for an exception by which taxpayers may be deemed as having made a good faith effort to hire qualified apprentices with respect to the construction of such project and thus be eligible for the bonus rate.

These requirements shall apply to projects which begin construction 60 days after the Secretary has published guidance with respect to these requirements.

Domestic content requirements referred to throughout this subtitle require that, with respect to the project for which a tax credit is claimed, the taxpayer must ensure that any steel, iron, or manufactured product is which part of the project at the time of completion was produced in the United States.

For purposes of these requirements, steel and iron that are not part of a manufactured product (other than manufacturing products that are primarily steel or iron) must be 100% produced in the United States.

Manufactured products shall be deemed to have been manufactured in the United States if not less than the adjusted percentage of the total cost of the components and subcomponents across the project is attributable to components which are mined, produced, or manufactured in the United States.

For purposes of this requirement, the adjusted percentage is 40% for projects that begin construction before 2025, 45% for projects that begin construction in 2025, 50% for projects that begin construction in 2026, and 55% percent for projects that begin construction thereafter.

For offshore wind facilities, the adjusted percentage is 20% for projects that begins construction before 2025, 27.5% for projects that begin construction in 2025, 35% for projects that begin construction in 2026, and 45% percent for projects that begin construction thereafter.

PART 1 - RENEWABLE ELECTRICITY AND REDUCING CARBON EMISSIONS

Section 136101. Extension and modification of credit for electricity produced from certain renewable resources.

The provision extends the production tax credit (PTC), which allows energy producers to claim a credit based on electricity produced from renewable energy resources. The provision provides a base credit rate of 0.5 cents/kilowatt hour, or a bonus credit rate of 2.5 cents/kilowatt hour. In order to claim the credit at the bonus credit rate, taxpayers must satisfy 1.) prevailing wage requirements for the duration of the construction of the project and for each year during the ten year credit period and 2.) apprenticeship requirements during the construction of the project.

Most facilities: The PTC for the following facilities is extended through the end of 2026:

- landfill gas (municipal solid waste),
- trash (municipal solid waste),
- qualified hydropower,

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- marine and hydrokinetic renewable energy facilities, and
- geothermal.

Wind: The PTC for wind energy is increased to the full applicable credit rate through the end of 2026.

Solar: The PTC for solar energy is revived and extended through 2026.

Taxpayers may claim an increased credit for facilities placed into service after December 31, 2021 if such facilities meet domestic content requirements described in this subtitle. This provision provides a credit increase of 10% of the amount otherwise allowable with respect to such facility.

In the case of a facility financed using tax exempt bonds which begins construction after date of enactment, the amount of credit allowed under this section with respect to such facility shall be reduced by the lesser of 15% or the fraction of proceeds of a tax-exempt obligation used to finance such project over the aggregate amount of additions to the capital account of such project.

No credit shall be allowed under this section for a facility which begins construction after 2027.

These amendments made by this provision shall apply to facilities placed into service after December 31, 2021.

Section 136102. Extension and Modification of Energy Credit

The provision extends the investment tax credit (ITC), which allows taxpayers to claim a tax credit for the cost of energy property. In most cases, the provision extends the credit for property for which constructions begins by the end of 2026.

The provision provides a base credit rate of 6% of the basis of energy property or a bonus credit rate of 30% of the basis of energy property. These credit rates apply with respect to facilities placed into service after December 31, 2021.

In order to claim the ITC at the bonus credit rate, taxpayers must satisfy 1.) prevailing wage requirements for the duration of the construction of the project and for five years after the project is placed into service, and 2.) apprenticeship requirements during the construction of the project.

Solar: In addition to allowing taxpayers to claim the PTC for solar energy facilities, the ITC for solar energy property is extended, providing a base credit rate of 6% or a bonus credit rate of 30% through the end of 2026.

Geothermal: The ITC for geothermal energy property and geothermal heat pumps are modified to match the credit timeline for solar energy property. Therefore, the ITC for such property is extended, providing a base credit rate of 6% or a bonus credit rate of 30% through the end of 2026.

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Other currently eligible property: The ITC for fiber-optic solar equipment, fuel cell property, microturbine property, combined heat and power property, small wind energy property, biogas property, waste energy recovery property, and offshore wind property is extended, providing a base credit rate of 6% or a bonus credit rate of 30% through the end of 2026. The ITC for other property is provided a base credit rate of 2% or a bonus credit rate of 10% through the end of 2026.

Newly eligible property: The ITC is expanded to include energy storage technology, biogas property, microgrid controllers, dynamic glass, and linear generators. These technologies are eligible for a 6% base credit rate or a 30% bonus credit rate through the end of 2026. These technologies are briefly described as follows:

- Energy storage technology uses batteries and other storage technology to store energy for conversion to electricity and has a minimum capacity of 5 kWh, or stores energy to heat or cool a structure.
- Linear generators convert fuel into electricity through electromechanical means using a linear generator assembly without the use of rotating parts. The credit for linear generators is limited to systems with a nameplate capacity of at least 1 kW.
- Microgrid Controllers control the energy resources of a microgrid capable of operating as a single controllable entity independent from the electrical grid.
- Dynamic Glass or electrochromic glass which uses electricity to change its light transmittance properties to heat or cool a structure.
- Biogas property which converts biomass into a gas which consists of not less than 52% methane by volume, or is concentrated by such system into a gas which consists of not less than 52 % methane by volume, and captures such gas for sale or productive use and not for flaring.

Taxpayers may claim an increased credit with respect to energy property placed into service after December 31, 2021 if such property meets the domestic content requirements described in this subtitle. The increase is 2 percentage points (or 10 percentage points, if the taxpayer meets the prevailing wage and apprenticeship requirements.)

For any energy property that is placed in service within an energy community, the credit percentage is increased by 2 percentage points (or 10 percentage points, if taxpayer meets the prevailing wage and apprenticeship requirements). Energy community means a census tract or any adjacent census tract that 1) for the calendar in which construction of the energy property began, not less than 5 percent of the employment in such tract is within the oil and gas sector, 2) after December 31, 1999, a coal mine has closed, or 3) after December 31, 2009, a coal-fired electric generating unit has been retired.

In the case of energy property financed using tax exempt bonds which begins construction after date of enactment, the basis of such energy property shall be reduced by the proceeds of a tax-exempt obligation in a manner similar to the rule under section 45(b)(3).

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For purposes of this credit, energy property shall include expenditures paid or incurred for interconnection property in connection with the installation of energy property (excluding microgrid controllers) which has a maximum net output of not greater than 5 megawatts.

These amendments made by this provision shall apply to facilities placed into service after December 31, 2021. The amendments pertaining to newly eligible property apply to property placed in service after December 31, 2021, but only to the extent the basis of such property is attributable to the construction, reconstruction, or erection after December 31, 2021.

Section 136103. Increase in energy credit for solar and wind facilities placed in service in connection with low-income communities.

This provision provides for an enhanced incentive for solar and wind facilities qualifying for the section 48 ITC with respect to which the Secretary makes an allocation of environmental justice solar and wind capacity limitation. Property eligible for the credit includes energy storage technology related to such solar or wind property.

In determining which solar facilities to allocate environmental justice solar and wind capacity limitation, the Secretary shall consider:

- the greatest health and economic benefits (including ability to withstand extreme weather events) for individuals in low-income communities,
- the greatest employment and wages for such individuals, and
- the greatest engagement with outreach to, or ownership by, such individuals, including through partnerships with local governments and community based organizations.

The annual capacity limitation is 1.8 gigawatts for each calendar year 2022 through 2026 and zero for calendar years thereafter. The annual capacity limitation shall be increased by the amount of any unused allocations from the preceding calendar year. Any excess capacity limitation after 2026 shall be carried over to the annual capacity limitation under section 48F.

Such projects receiving an allocation of environmental justice solar capacity limitation receive an additional 10% credit if located in a low-income community (as defined within the New Markets Tax Credit program under section 45D) or on Indian land or an additional 20% credit if such project is a qualifying low-income residential building project or a low-income economic benefit project.

A solar facility may qualify as low-income residential building project if such facility is installed on a residential building which participates in a covered housing program (as defined in Section 41411(a) of the Violence Against Women's Act of 1994), a Housing Development Fund Corporation cooperative under article XI of the New York State Private Housing Finance Law, multifamily housing program under the U.S. Department of Agriculture's Rural Housing Service, a housing program administered by a tribally designated housing entity (as described in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996), or such other affordable housing programs as the Secretary may provide, and the financial benefits of the electricity produced by such facility are allocated equitably to the occupant of the dwelling units of such building.

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A solar facility may qualify as part of a low-income economic benefit project if at least 50% of the financial benefits of the electricity produced by such facility are provided to households with income of less than 200% of the poverty line or at or below 80% of area median income (such as through a community solar agreement).

This section shall take effect on January 1, 2022.

Section. 136104. Elective Payment for energy property and electricity produced from certain renewable resources.

The provision allows taxpayers to elect to be treated as having made a payment of tax equal to the value of the credit they would otherwise be eligible for und

- section 48 ITC,
- section 45 PTC,
- section 45Q credit for carbon capture and sequestration,
- section 30C alternative fuel vehicle refueling property credit,
- section 48C advanced energy project credit
- section 48D investment credit for transmission property,
- section 45W zero-emission nuclear power production credit,
- section 45X clean hydrogen production credit,
- Section 48E advanced manufacturing investment credit
- Section 45AA advanced manufacturing production credit
- section 45BB clean electricity production credit,
- section 48F clean electricity investment credit,
- Section 45CC clean fuel production credit.

Rather than opting to carry forward credits to years when their credits can offset their tax liability, taxpayers can elect to treat the amount of credit as a payment of tax.

This allows entities with little or no tax liability to accelerate utilization of these credits, including tax-exempt and tribal entities.

Taxpayers electing this treatment with respect to facilities placed into service under Sections 45, 45Q, 45X, and 45BB must make a one-time, irrevocable election to have this section apply during the taxable year the facility is placed into service.

This provision provides that, in the case of a real estate investment trust (REIT), section 46(e)(1)(B) and (2)(B) referred to in section 50(d)(1) shall not apply to any qualified investment credit property of a REIT. Under former section 46(e)(1)(B) and (2)(B), in general, in the case of a REIT, qualified investment is limited to the REIT's ratable share of such qualified investment. The ratable share is a ratio, the numerator of which is its taxable income and the denominator of which is its taxable income computed without regard to the deduction for dividends paid (provided by section 852(b)(2)(D) or section 857(b)(2)(B)).

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In the case of a facility placed in service after December 31, 2021, for which a credit is allowed under the section 48 ITC, section 45 PTC, or section 48D, the amount of payment allowed under this provision shall be equal to the amount of credit the taxpayer would otherwise be eligible with respect to such facility multiplied by the applicable percentage. The applicable percentage for facilities which satisfy domestic content requirements and facilities with a maximum net output of less than 1 megawatt shall be 100%.

The Secretary shall provide appropriate exceptions to domestic content requirements if such requirements would increase the overall cost of construction of the project by more than 25 percent or if the relevant domestic products are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality.

This provision does not apply to mirror-code jurisdictions.

This provision applies to taxable years beginning after December 31, 2021. Projects can make elections under this section starting 270 days after date of enactment.

This provision amends section 7701(e)(3) to apply special rules for contracts or arrangements to the operation of a storage facility for purposes of determining whether a contract that is purported to be a service contract should be treated as a service contract.

Section 136105. Investment credit for electric transmission property.

This provision provides for a tax credit for the basis of qualifying electric transmission property placed in service by the taxpayer.

The provision provides for a base credit rate of 6% of the basis of qualified electric transmission property or a bonus credit rate of 30% of the basis of qualified electric transmission property. In order to claim the ITC at the bonus credit rate, taxpayers must satisfy 1.) prevailing wage requirements for the duration of the construction of the project and for five years after the project is placed into service, and 2.) apprenticeship requirements during the construction of the project.

Qualifying electric transmission property is defined as tangible, depreciable property which is:

- An electric transmission line which is capable of transmitting electricity at a voltage of not less than 275 kilowatts and has a transmission capacity of not less than 500 megawatts; or
- Related transmission property.

Related transmission property, with respect to any electric transmission line, is any property which is listed as a ‘transmission plant’ in the Uniform System of Accounts for the Federal Energy Regulatory Commission (FERC), and which is necessary for the operation of such electric transmission line or conversion equipment along such electric transmission line. No credit is allowable with respect to related transmission property unless the taxpayer is also allowed a credit for the qualifying electric transmission property to which it relates.

Upgrades of an existing electric transmission line are treated as a replacement line. In the case of a qualifying electric transmission line which replaces an existing line, the 500 megawatt capacity

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requirement shall be increased by the transmission capacity of such existing electric transmission line, and the basis attributable to such existing transmission line is not eligible for the credit. No credit shall be allowed with respect to any property that is selected in a regional transmission plan by a regional transmission organization or an independent system operator prior to January 1, 2022 or any property if construction begins before January 1, 2022 or construction of any portion of the qualifying electric transmission line to which such property relates begins before such date. Construction of property begins when the taxpayer has begun on-site physical work of a significant nature.

In the case of a facility financed using tax exempt bonds which begins construction after December 31, 2021, rules similar to the rules of section 45(b)(3) shall apply. This credit is effective for property placed in service after December 31, 2021, and before January 1, 2032.

Section 136106. Extension of credit for carbon oxide sequestration.

The provision extends the credit for carbon oxide sequestration facilities that begin construction before the end of 2031

To qualify for the credit, direct air capture facilities must capture no less than 1,000 metric tons of carbon oxide per year. Electricity generating facilities must capture no less than 18,750 metric tons of carbon oxide and 75% of total carbon emissions. Other facilities must capture no less than 12,500 metric tons of carbon oxide.

In the case of a qualified facility the construction of which begins before the date of enactment, for which additional carbon capture equipment is installed at such facility and the construction of the equipment begins after the date of enactment, the credit is available for the incremental amount of qualified carbon oxide.

The provision provides a base credit rate of \$17 or a bonus credit rate of \$85 per metric ton of carbon oxide captured for geological storage and a base credit rate of \$12 or a bonus credit rate of \$60 per metric ton of carbon oxide captured and utilized for an allowable use by the taxpayer.

The provision provides an enhanced credit for direct air capture facilities at a base rate of \$36 or a bonus rate of \$180 per metric ton of carbon oxide captured for geological storage and base rate of \$26 or a bonus rate of \$130 per metric ton of carbon captured and utilized for an allowable use by the taxpayer.

In order to claim this credit at the bonus credit rate, taxpayers must satisfy 1.) in the case of any qualified facility the construction of which begins on or after the date of enactment, as well as any carbon capture equipment placed in service at such facility, prevailing wage and apprenticeship requirements for the duration of the construction of such facility and carbon capture equipment, and prevailing wage requirements for each year during the twelve-year credit period for the alteration or repair of such facility or such equipment, and 2.) in the case of any carbon capture equipment the construction of which begins after the date of enactment and which is installed at a qualified facility the construction of which began prior to the date of enactment, prevailing wage and apprenticeship requirements for the construction of the equipment and

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prevailing wage requirements for each year during the twelve-year credit period, for the alteration or repair of such facility or such equipment.

In the case of carbon capture equipment financed using tax exempt bonds which begins construction after date of enactment, the amount of credit allowed under this section with respect to such equipment shall be reduced by the lesser of 15% or the fraction of proceeds of a tax-exempt obligation used to finance such project over the aggregate amount of additions to the capital account of such project.

These amendments shall apply for facilities or equipment the construction of which begins after December 31, 2021.

In the case of any carbon capture equipment placed in service before the date of enactment of the Bipartisan Budget Act of 2018, no credit shall apply with respect to carbon oxide captured after the earlier of December 31, 2022 or the end of the calendar year in which the Secretary certifies that a total of 75,000,000 metric tons of qualified carbon oxide have been taken into account.

In the case of facilities placed into service on or after the enactment of the Bipartisan Budget Act of 2018, the taxpayer may elect to have the 12-year credit period begin on the first day in which a credit under this section after date of enactment of the Bipartisan Budget Act of 2018. A taxpayer may only make such an election provided that 1. no taxpayer claimed a credit under this section with respect to such carbon capture equipment for any prior taxable year, 2. the qualified facility at which such carbon capture equipment is placed in service is located in an area affected by a federally declared disaster, and 3. the federally declared disaster referred resulted in a cessation of the operations of the qualified facility after the carbon capture equipment was originally placed in service.

Section 136107. Green energy publicly traded partnerships.

The provision expands the definition of qualified income for publicly traded partnerships from certain income derived from minerals and natural resources to include income derived from green and renewable energy. These additions include income from certain activities related to energy production eligible for the PTC, property eligible for the ITC, renewable fuels, and energy and fuel from carbon sequestration projects eligible for credits under Section or 45Q.

Section 136108. Zero-emission nuclear power production credit.

The provision provides a credit for the production of electricity from a qualified nuclear power facility. The provision provides a base credit rate of 0.3 cents/kilowatt hour and a bonus credit rate of 1.5 cents/kilowatt hour for electricity produced by the taxpayer and sold to an unrelated person during the taxable year. The credit is reduced as the sale price of such electricity increases. Under the credit reduction formula, the credit with respect to any qualified nuclear power facility for any taxable year is reduced (but not below zero) by 80 percent of the excess of the gross receipts (excluding certain State and local zero-emissions grants) from any electricity produced and sold by such facility over the product of 0.5 cents times the amount of electricity sold during the taxable year.

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In order to claim the PTC at the bonus credit rate, taxpayers must satisfy prevailing wage and apprenticeship requirements for the taxable year.

Qualified nuclear power facility is any nuclear facility that is owned by the taxpayer, that uses nuclear energy to produce electricity, that is not defined as advanced nuclear power facility under section 45J(d)(1), and is placed in service before date of enactment.

This provision terminates on December 31, 2029.

This provision shall apply to electricity produced and sold after December 31, 2021, in taxable years beginning after such date.

PART 2 – RENEWABLE FUELS

Section. 136201. Extension of incentives for biodiesel, renewable diesel, and alternative fuels.

The provision extends the income and excise tax credits for biodiesel and biodiesel mixtures at \$1.00 per gallon through 2026.

The provision extends the \$0.10-per-gallon small agri-biodiesel producer credit through the end of 2031.

The provision extends the \$0.50 per gallon excise tax credits for alternative fuels and alternative fuel mixtures through 2026.

Section 136202. Extension of second generation biofuel incentives.

The provision extends the second generation biofuel income tax credit through 2026.

Section 136203. Sustainable aviation fuel credit.

Beginning in 2023, this provision provides a refundable blenders tax credit for each gallon of sustainable aviation fuel sold as part of a qualified fuel mixture. The value of the credit is determined on a sliding scale, equal to \$1.25 plus an additional \$.01 for each percentage point by which the lifecycle emissions reduction of such fuel exceeds 50%. Taxpayers may elect to claim this credit as an excise tax credit against section 4041 excise tax liability.

To claim the credit taxpayers must certify to the Secretary that such fuel reduces lifecycle greenhouse gas emissions by at least 50%, determined in accordance with the requirements of the most recent Carbon Offsetting and Reduction Scheme for International Aviation adopted by the International Civil Aviation Organization with the support of the United States, or under any similar methodology which satisfies the criteria under section 211(o)(11) of the Clean Air Act. This provision terminates the \$1.00 section 40A tax credit for aviation fuel produced from biodiesel beginning after December 31, 2022.

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This provision shall apply for fuel sold or used after December 31, 2022. The credits allowed under this provision expire after December 31, 2026.

Section 136204. Clean Hydrogen.

This provision creates a new tax credit for the production of clean hydrogen produced by a taxpayer at a qualified clean hydrogen facility beginning in 2022 during the ten-year period beginning on the date such facility is placed in service.

The amount of the credit is equal to the applicable percentage of the base rate of \$0.60 or the bonus rate of \$3.00, indexed to inflation, multiplied by the volume (in kilograms) of clean hydrogen produced by the taxpayer at a qualified facility during such taxable year.

In order to claim the hydrogen production credit at the bonus credit rate, taxpayers must satisfy 1.) prevailing wage requirements for the duration of the construction of the project and for each year during the ten-year credit period, and 2.) apprenticeship requirements during the construction of the project.

The applicable percentage is determined by the lifecycle greenhouse gas emission rate achieved in producing clean hydrogen.

- For hydrogen produced through a process in a facility placed into service before 2027 that results in achieving a lifecycle greenhouse gas emissions rate of not greater than 6 kg of CO₂e per kg of hydrogen and not less than 4 kg of CO₂e per kg of hydrogen, the applicable percentage is 8.4%.
- For hydrogen produced through a process that result in achieving a lifecycle greenhouse gas emissions rate of less than 4 kg of CO₂ per kg of hydrogen and not less than 2.25 kg of CO₂ per kg of hydrogen, the applicable percentage is 20%.
- For hydrogen achieving a lifecycle greenhouse gas emissions rate of less than 2.5 kg of CO₂e per kg of hydrogen and not less than 1.5 kg of CO₂e per kg of hydrogen, the applicable percentage is 33.4%.
- For hydrogen achieving a lifecycle greenhouse gas emissions rate of less than 1.5 kg of CO₂e per kg of hydrogen and not less than 0.45 kg of CO₂e per kg of hydrogen, the applicable percentage is 50%.
- For hydrogen achieving a lifecycle greenhouse gas emissions rate of less than 0.45 kg of CO₂e per kg of hydrogen, the applicable percentage is 100%.

Taxpayers may claim the section 45 PTC for electricity produced from renewable resources by the taxpayer if such electricity is used at a qualified clean hydrogen facility to produce qualified clean hydrogen. A taxpayer may elect to treat a qualified clean hydrogen facility as energy property for purposes of the section 48 ITC in lieu of the credit for the production of clean hydrogen. For taxpayers making such election, the credit allowed under section 48 shall equal the applicable percentage multiplied by the energy percentage. No credit shall be allowed for clean hydrogen produced at a facility which includes property for which a credit is allowed under section 45Q.

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With respect to facilities for which the taxpayer elects to claim the section 48 ITC in lieu of the hydrogen production credit, the provision provides a base credit rate of 6%, or a bonus credit rate of 30%, of the basis of qualified energy property.

In the case of a facility financed using tax exempt bonds which begins construction after date of enactment, the amount of credit allowed under this section with respect to such facility shall be reduced by the lesser of 15% or the fraction of proceeds of a tax-exempt obligation used to finance such project over the aggregate amount of additions to the capital account of such project.

Not later than one year after the date of enactment of this section, the Secretary shall issue regulations or other guidance to carry out this section, including for determining lifecycle greenhouse gas emissions and the process for requiring verification by unrelated third parties of production and sale of clean hydrogen.

No credit shall be allowed for facilities which begin construction in 2029 and thereafter.

PART 3 – GREEN ENERGY AND ENERGY EFFICIENCY INCENTIVES FOR INDIVIDUALS

Section 136301. Extension, increase, and modifications of nonbusiness energy property credit.

The provision extends the nonbusiness energy property credit to property placed in service before the end of 2031. Beginning in 2022, the provision modifies and expands the credit, including by:

- increasing the percentage of the credit for installing qualified energy efficiency improvements from 10% of the cost to 30%,
- replaces the lifetime cap on credits with a \$1,200 annual credit limitation, which excludes expenditures for geothermal and air source heat pumps and biomass stoves.
- updating various standards and associated limits to reflect advances in energy efficiency and removing eligibility of roofs, advanced main air circulating fans, and certain windows, and
- requiring that manufacturers and taxpayers comply with reporting the identification number of certain property placed into service in order to access the credit,
- expanding the credit to cover the costs of home energy audits, allowing a credit of 30% of such costs up to a maximum credit of \$150.

Section 136302. Residential energy efficient property.

The provision extends the credit for the cost of qualified residential energy efficient property expenditures, including solar electric, solar water heating, fuel cell, and small wind energy, and geothermal heat pumps. The provision extends the full 30% credit for eligible expenditures through the end of 2031. The credit then phases down to 26% in 2032 and 22% in 2033. The credit expires after the end of 2033. The provision also expands the definition of eligible property to include battery storage technology.

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This credit is made refundable starting in 2023.

In order to claim the credit, the provision requires that installers and taxpayers comply with reporting the installation identification number with respect to qualified expenditures incurred by taxpayers for energy efficient property.

The Secretary shall make payments to mirror code territories for the amount of revenue lost with respect to this provision. The Secretary shall make payments to non-mirror code territories for the amount of revenue lost with respect to operating a similar credit for residential energy efficient property.

Section 136303. Energy efficient commercial buildings deduction.

Starting in 2022, the provision updates and expands the energy efficient commercial buildings deduction by increasing the maximum deduction, determined on a sliding scale. It also changes this maximum from a lifetime cap to a three- year cap. The provision updates the eligibility requirements so that property must reduce associated energy costs by 25% or more in comparison to a building that meets the ASHRAE standard affirmed by the Secretary as of four years prior to the date such building is placed into service.

The maximum value of the base deduction is \$.50 per square foot, increased by \$.02 per square foot for every percentage point by which the designed energy cost savings exceed 25% against the reference standard, not to exceed \$1.00 per square foot. The value of the bonus deduction is \$2.50 per square foot, increased by \$.10 per square foot for every percentage point by which designed energy cost savings exceed 25% against the reference standard, not to exceed \$5.00 per square foot.

This provision allows taxpayers to elect to take an alternative, parallel deduction for energy efficient lighting, HVAC, and building envelope costs placed into service in connection with a qualified retrofit plan. The value of the base deduction is determined by the reduction in a building's energy usage intensity (EUI) upon completion of the retrofit, equal \$.50 per square foot, increased by \$.02 per square foot for every percentage point by which the reduction in EUI exceed 25%, not to exceed \$1.00 per square foot. The value of the bonus deduction is \$2.50 per square foot, increased by \$.10 per square foot for every percentage point by the reduction in EUI exceed 25% against the reference standard, not to exceed \$5.00 per square foot. In order to claim the bonus deduction amount, taxpayers must satisfy prevailing wage and apprenticeship requirements for the duration of the construction of the project.

In order to qualify for the alternative deduction, a building retrofit project must reduce a building's EUI by no less than 25%.

This provision allows tax-exempt entities to allocate the deduction to the designer of the building or qualified retrofit plan.

The amendments made by this provision expire after December 31, 2031.

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Section 136304. Extension, increase, and modifications of new energy efficient home credit.

The provision extends the Section 45L new energy efficient home credit through 2031.

Single family and Manufactured Homes. In the case of new homes acquired after 2022 which are eligible to participate in the ENERGY STAR Residential New Construction Program or Manufactured Homes Program, the provision provides a \$2,500 credit for energy efficient single family and manufactured new homes meeting certain energy star requirements.

- Single-family homes must meet the most recent Energy Star Single-Family New Homes Program requirements applicable to such dwelling location as in effect on 1.) the latter of January 1, 2022 or January 1 of two calendar years prior to the date the home is acquired and 2.) National Program Requirement Version 3.1 for homes acquired before 2025 and Version 3.2 thereafter.
- Manufactured homes must meet the most recent Energy Star Manufactured Home National Program requirements as in effect on the latter of January 1, 2022 or January 1 of two calendar years prior to the date the dwelling is acquired

This provision provides a higher tier credit of \$5,000 credit for eligible single family and manufactured new homes certified as a zero energy ready under the Department of Energy Zero Energy Ready Home Program.

Multifamily Homes. In the case of new homes acquired after 2022 which are eligible to participate in the ENERGY STAR Multifamily New Construction Program, provision provides a base credit of \$500 and a bonus credit of \$2,500 for multifamily units which meet

- the most recent Energy Star Manufactured Home National Program requirements as in effect on the latter of January 1, 2022 or January 1 of two calendar years prior to the date the dwelling is acquired and
- the most recent Energy Star Manufactured Home Regional Program requirements applicable to such unit as in effect on the latter of January 1, 2022 or January 1 of two calendar years prior to the date the dwelling is acquired.

This provision provides a higher tier base credit of \$1,000 or a bonus credit of \$5,000 for eligible multifamily units certified as a zero energy ready under the Department of Energy Zero Energy Ready Home Program.

In order to claim the bonus credit amount with respect to a multifamily unit, taxpayers must satisfy prevailing wage requirements for the duration of the construction of such units.

Section 136305. Modifications to income exclusion for conservation subsidies.

The provision excludes from gross income water conservation, storm water management, and wastewater management subsidies provided by public utilities, state or local governments, or storm water management providers.

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Section 135306. Credit for qualified wildfire mitigation expenditures.

This provision creates a tax credit equal to 30% of qualified expenditures for individuals and businesses who participate in a qualified state-based wildfire resiliency program. The provision applies to expenditures paid or incurred after the date of enactment.

PART 4 – GREENING THE FLEET AND ALTERNATIVE VEHICLES

Section 136401. Refundable new qualified plug-in electric drive motor vehicle credit for individuals.

This provision provides for a refundable income tax credit for new qualified plug-in electric drive motor vehicles placed into service by the taxpayer during the taxable year.

The amount of credit allowed by this provision with respect to a qualified vehicle is equal to the base amount of \$4,000 plus an additional \$3,500 for vehicles placed into service before January 1, 2027 with battery capacity no less than 40 kilowatt hours and a gasoline tank capacity not greater than 2.5 gallons, and for vehicles with battery capacity of no less than 50 kilowatt hours thereafter.

The amount credit allowed for a qualified vehicle is increased by \$4,500 if the final assembly of the vehicle is at a facility in the United States which operates under a union-negotiated collective bargaining agreement.

The amount of credit allowed for a qualified vehicle is increased by \$500 if the vehicle model are powered by battery cells which are manufactured within the United States.

The amount of credit allowed for a qualified vehicle is limited to 50 percent of its purchase price.

Beginning in 2027, this credit shall only apply with respect to vehicles for which final assembly is within the United States.

For purposes of this credit, a new qualified plug in electric drive motor vehicle means a vehicle

- the original use of which commences with the taxpayer,
- is acquired for use or leased by the taxpayer and not for resale, which is made by a qualified manufacturer,
- which is treated as a motor vehicle for purposes of title II of the Clean Air Act,
- which has a gross vehicle rating of less than 14,000 pounds,
- which is propelled to a significant extent by an electric motor which draws electricity from a battery which has a capacity of not less than ten kilowatt hours and is capable of being recharged from an external source of electricity,
- does not have a gasoline tax capacity of greater than 2.5 gallons, and
- is not depreciable property.

A qualified manufacturer means any manufacturer which enters into written agreement with the Secretary to ensure each vehicle manufactured meets the requirements of this provision and is

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labeled with a unique vehicle identification number, and that such manufacture will periodically provide such vehicle identification numbers to the secretary in such a manner as the Secretary may prescribe.

No credit shall be allowed for vehicle by which the manufacturer's suggested retail price exceeds the applicable limitation, which is as follows:

- Vans : \$64,000
- SUVs: \$69,000
- Pick Up Trucks: \$74,000
- For any other vehicle: \$55,000

The credit is phased out by \$200 for each \$1,000 of the taxpayer's modified adjusted gross income as exceeds \$800,000 for married filing jointly, \$600,000 for head of household, and \$400,000 in any other case. For a given taxable year, the taxpayer may use modified adjusted gross income for that year or the immediately preceding year, whichever is lower.

The taxpayer may elect to transfer the credit to the vehicle dealer, provided the dealer is registered as an eligible entity with the Secretary, discloses the MSRP, credit amount, associated fees, and the amount to be paid to the taxpayer in the form of a down payment or otherwise with respect to the transfer of credit. The Secretary shall establish a program to make advance payments to any eligible dealer equal to the cumulative amount of transferred credits.

This provision provides for a 30% credit, not to exceed \$7,500, for two and three wheeled plug in electric vehicles which have a battery capacity of no less than two and a half kilowatt hours, are manufactured primarily for use on roads and highways, and are capable of achieving a speed of 45 miles per hour or greater, and otherwise meet the requirements of this section.

The Secretary shall make payments to mirror code territories for the amount of revenue lost with respect to this provision. The Secretary shall make payments to non-mirror code territories for the amount of revenue lost with respect to operating a similar credit for electric vehicles. This provision is made effective beginning after December 31, 2021, replacing section 30D, the plug-in electric drive motor vehicles credit.

No credit shall be allowed under this provision for vehicles acquired after December 31, 2031.

Section 136402. Credit for previously-owned qualified plug-in electric drive motor vehicles. The provision creates a new refundable credit for the purchase of used battery and fuel-cell electric cars after date of enactment through 2031. Buyers can claim a base credit of \$2,000 for the purchase of qualifying used EVs, with an additional \$2,000 based on battery capacity. The credit is capped at the lesser of \$4,000 or 50% of the sale price.

To qualify for this credit, used EVs must generally meet the eligibility requirements in the existing Section 30D credit for new EVs, not exceed a sale price of \$25,000, and be a model year that is at least two years earlier than the date of sale.

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Buyers with up to \$75,000 (\$150,000 for married couples filing jointly and \$112,500 for head of household filers) in adjusted gross income can claim the full amount of the credit. The credit phases out by \$200 for every \$1,000 in AGI in excess of the limitation. Buyers must purchase the vehicle from a dealership for personal use and cannot claim the credit more than once every three years. The credit only applies to the first resale of a used EV and includes restrictions on sales between related parties. A “look-back rule” for the phaseout threshold allows taxpayers to use prior-year income for purposes of determining the phaseout of the credit. This rule keeps taxpayers eligible for the credit even when their income rises above the phaseout range in a single year.

The Secretary shall make payments to mirror code territories for the amount of revenue lost with respect to this provision. The Secretary shall make payments to non-mirror code territories for the amount of revenue lost with respect to operating a similar credit for previously-owned electric vehicles.

Section 136403. Credit for qualified commercial electric vehicles.

This provision creates a new credit for qualified commercial electric vehicles placed into service by the taxpayer.

The amount of credit allowed by this provision with respect to a qualified commercial electric vehicle is equal to 30% of the cost of such vehicle. A leasing company may elect to determine the credit using the structure of the individual credit under section 36C if the vehicle is leased to an individual. Tax-exempt entities have the option of electing to receive direct payments.

For purposes of the credit a qualified commercial electric vehicle means any vehicle

- the original use of which commences with the taxpayer,
- which is acquired for use or lease by the taxpayer and not for resale,
- which is made by a qualified manufacturer,
- which is treated as a motor vehicle for purposes of title II of the Clean Air Act or mobile machinery for purposes of section 4053(8),
- which is propelled to a significant extent by an electric motor which draws electricity from a battery which has a capacity of not less than ten kilowatt hours and is capable of being recharged from an external source of electricity, or is a fuel cell vehicle based upon the requirements of section 30B,
- is not powered by an internal combustion engine, and is of a character subject to the allowance for depreciation.

A qualified manufacturer means any manufacturer which enters into written agreement with the Secretary to ensure each vehicle manufactured meets the requirements of this provision and is labeled with a unique vehicle identification number, and that such manufacture will periodically provide such vehicle identification numbers to the secretary in such a manner as the Secretary may prescribe. No credit shall be allowed with respect to any qualified vehicle unless the

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taxpayer includes the vehicle identification number of such vehicle on their return for that taxable year.

This provision shall take effect after December 31, 2021. No credit shall be allowed under this provision for a vehicle acquired after December 31, 2031.

Section 136404. Qualified fuel cell motor vehicles.

This provision extends the credit for the purchase of a qualified fuel cell motor vehicle through 2031, but only with respect to vehicles not of a character subject to depreciation. Beginning on January 1, 2022, commercial fuel cell vehicles otherwise eligible for this credit will be eligible for the new section 45Y credit for qualified commercial electric vehicles.

Section 136405. Alternative fuel refueling property credit.

The provision extends the alternative fuel vehicle refueling property credit through 2031. Beginning in 2022, the provision expands the credit for zero-emissions charging and refueling infrastructure by providing a base credit of 6% for expenses up to \$100,000 and 4% for allowable expenses in excess of such limitation (i.e., it allows a credit for expenses beyond the limit if certain requirements are met). The provision provides an alternative bonus credit level of 30% for expenses up to \$100,000 and 20% thereafter.

To qualify for the credit for expenses in excess of the \$100,000 limitation, the property must: 1) be intended for general public use and either accept credit cards as a form of payment or not charge a fee, or 2) be intended for exclusive use by government or commercial vehicle fleets. In order to claim the bonus credit amount with respect to eligible property, taxpayers must satisfy prevailing wage requirements for the duration of the construction of such property.

This provision also clarifies that bidirectional charging equipment is eligible property and expands the list of eligible property to include electric charging stations for electric 2- and 3-wheeled motor vehicles manufactured for use on public street, roads, and highways, but only if such stations are 1) intended for general public use and either accept credit cards as a form of payment or not charge a fee, or 2) intended for exclusive use by government or commercial vehicles.

Section 136406. Reinstatement and expansion of employer provided fringe benefits for bicycle commuting.

This provision eliminates the temporary suspension of the exclusion for qualified bicycle commuting benefits and increases the maximum benefit from \$20 per month to \$81 per month.

This provision expands the definition of qualified benefit to include the direct or indirect provision of qualified commuting property by an employer and employer reimbursement of expenses incurred for the purchase, financing, lease, rental (including bikeshare), improvement, or storage of qualified commuting property if the employee uses such property for travel between

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the employee's residence and place of employment or mass transit facility connecting an employee to place of employment.

Qualified community property includes bicycles, electric bicycles (within the meaning of Section 30E as established by this legislation, 2- or 3-wheeled scooters (other than scooters equipped with motors), and any 2- or 3-wheeled scooter propelled by an electric motor if such motor does not provide assistance in excess of 20 miles per hour.

Section 136407. Credit for certain new electric bicycles.

This provision provides for a 30% refundable tax credit for qualified electric bicycles placed into service before January 1, 2027.

Beginning in 2022, taxpayers may claim a credit of up to \$1,500 for electric bicycles placed into service by the taxpayer for use within the United States. A taxpayer may claim the credit for one electric bicycle per taxable year (two for joint filers). The credit phases out starting at \$75,000 of modified adjusted gross income (\$112,500 for heads of household and \$150,000 for married filing jointly) at a rate of \$200 per \$1,000 of additional income. For a given taxable year, the taxpayer may use modified adjusted gross income for that year or the immediately preceding year, whichever is lower.

A qualified electric bicycle is defined as a bicycle which is equipped with fully operable pedals, a saddle or seat for the rider, an electric motor of less than 750 watts which is designed to provide assistance in propelling the bicycle, and does not provide assistance if the bicycle is moving in excess of 20 miles per hour or only provides assistance when the rider is pedaling and does not provide assistance if the bicycle is moving in excess of 28 miles per hour.

In order to be eligible for the credit, the aggregate amount paid for the acquisition of such bicycle must not exceed \$8,000.

In order for an electric bicycle to be eligible for the credit, the manufacturer must assign each bicycle a unique vehicle identification number and report such information to the Treasury in a manner prescribed by the Secretary. Taxpayers must then provide the proper vehicle identification number assigned to the electric bicycle by the manufacturer in order to claim the credit.

The Secretary shall make payments to mirror code territories for the amount of revenue lost with respect to this provision. The Secretary shall make payments to non-mirror code territories for the amount of revenue lost with respect to operating a similar credit for electric bicycles.

PART 5 – INVESTMENT IN THE GREEN WORKFORCE

Section 136501. Extension of the advanced energy project credit.

The provision revives the Section 48C qualified advanced energy property credit, allowing the Secretary to allocate an additional \$5 billion in credits for each of calendar years 2022 through

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2023 and \$1.875 billion for each of calendar years 2024 through 2031. \$800 million in credits for each of calendar years 2022 through 2023 and \$300 million in credits for each of calendar years 2024 through 2031 are reserved for projects in automotive communities. Additionally, \$800 million in credits for each of calendar years 2022 through 2023, and \$300 million for each calendar year 2024 through 2031 are reserved for projects located in energy communities.

Projects receive a base credit rate of 6 percent of qualified investments in qualified advanced energy projects. To receive a bonus rate of 30 percent, taxpayers must satisfy 1.) prevailing wage requirements for the establishment, expansion, or re-equipping of a manufacturing facility and for five years after the project is placed into service, and 2.) apprenticeship requirements during the construction of the project.

Similar requirements to the original credit apply, with a few notable changes. Qualifying advanced energy project includes a project which re-equips a manufacturing facility with equipment designed to reduce greenhouse gas emissions by at least 20 percent, as determined by the Secretary.

The Secretary will determine allocations to projects each year with a requirement that property is placed in service within 4 years of the date of the allocation. Projects shall be given priority if the manufacturing is not for the assembly of parts or if they have the greatest potential for commercial deployment of new applications.

Additionally, the Secretary shall give consideration to projects with the greatest net impact in reducing greenhouse gas emissions, the greatest domestic job creation, and greatest job creation in historically underserved communities whose population is at significant risk of experiencing adverse health and environmental effects of greenhouse gas emissions.

Section 136502. Labor costs of installing mechanical insulation property.

The provision provides a credit of the labor costs incurred by a taxpayer in installing mechanical insulation property into a mechanical system which was originally placed in service not less than 1 year before the date on which such mechanical insulation property is installed. The base credit rate is 2 percent, which is increased to 10 percent for projects meeting prevailing wage and apprenticeship standards.

The credit is available for costs paid starting in 2022 through the end of 2031.

Sec 136503. Advanced Manufacturing Investment Credit.

The provision creates an investment tax credit worth up to 25% for advanced manufacturing facilities, and an advanced manufacturing production tax credit for eligible components. All taxpayers are eligible for an ITC of at least 5%. Taxpayers paying prevailing wages and utilizing registered apprenticeship programs are eligible for an elevated ITC of 25%.

The investment tax credit is available for property for the manufacturing of semiconductors and semiconductor tooling equipment, including buildings and equipment that are integral to such manufacturing, that commences construction before January 1, 2027.

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Sec 136504. Advanced Manufacturing Production Credit.

The provision provides a production credit for each eligible component which is produced and sold. Eligible components include solar polysilicon, wafers, cells, and modules, and wind blades, nacelles, towers, and offshore foundations. The credits are generally provided on a mass or watt-capacity basis.

The amount credit allowed for eligible components is increased by 10% if the final assembly of the such components is at a facility in the United States which operates under a union-negotiated collective bargaining agreement.

The credits are provided for eligible components produced and sold before January 1, 2027. For components sold after that date, the credit is reduced by 25% each year, and is unavailable for components sold in 2030 and beyond.

PART 6 – ENVIRONMENTAL JUSTICE

Section 136601. Qualified environmental justice program credit.

The provision creates a capped refundable competitive credit of \$1 billion for each year from 2022 through and including 2031 to institutions of higher education for environmental justice (EJ) programs.

The base credit is 20% of costs to be spent within five years by the receiving institution. Programs with material participation from Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs) are eligible for a higher credit of 30%. Qualifying EJ programs shall be designed to address or improve data about environmental stressors for the primary purpose of improving or facilitating the improvement of health and economic outcomes of individuals residing in low-income areas or areas that experience, or at risk of experiencing, multiple exposures to qualified environmental stressors.

Institutions receiving allocations shall make publicly available the application submitted to the Secretary and submit annual reports describing the amounts paid for and expected impact of the projects. The Secretary shall publicly disclose the identity of the institutions receiving the allocation and the amount of the allocation.

PART 7 – SUPERFUND

Section 136701. Reinstatement of Superfund.

This provision reinstates the Hazardous Substance Superfund Financing Rate on crude oil and imported petroleum products at the rate of 16.4 cents/per gallon, indexed to inflation, and reinstates the tax on taxable chemicals. This provision is made effective after December 31, 2021.

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This provision reinstates the authority for advances to be appropriated to the trust fund through December 31, 2029.

PART 8 – INCENTIVES FOR CLEAN ELECTRICITY AND TRANSPORTATION

Section 136801 and Section 136802 – Clean electricity production and investment credits.

The provision creates an emissions-based incentive that would be neutral and flexible between clean electricity technologies. Taxpayers are able to choose between a production tax credit (PTC) under section 45BB or an investment tax credit (ITC) under section 48F, which is provided based on the carbon emissions of the electricity generated – measured as grams of carbon dioxide equivalents (CO_{2e}) emitted per kWh generated. Any power facility of any technology can qualify for the credits, so long as the facility’s carbon emissions are at or below zero.

Taxpayers electing the PTC will receive a credit equal to up to 2.5 cents per kilowatt hour (kWh) of electricity produced and sold in the 10-year period after a qualifying facility is placed in service. Taxpayers electing the ITC will receive a credit worth up to 30% of the investment in the year the facility is placed in service. All taxpayers are eligible for a PTC or 0.5 cents per kilowatt hour or an ITC of 6%. Taxpayers who pay wages at not less than local prevailing rates and utilize registered apprenticeship programs are eligible to receive elevated credits of 2.5 cents per kilowatt hour or 30%. The prevailing wage and apprenticeship provisions apply in the same manner as for the section 45 PTC and section 48 ITC.

For combined heat and power systems (CHP), the emissions rate is calculated using both electrical and useful thermal energy. Under the proposal, the British thermal units (BTUs) of useful thermal energy in a CHP system are converted to kilowatt hours using the facility’s heat rate (the number of BTUs required to generate 1 kWh). These converted kWhs are also accounted for as production for purposes of the PTC. Qualifying microgrid systems may elect to use an avoided emissions calculation for purposes of determining their credit rates.

Qualifying grid improvements, which can enable the deployment of additional low-emission power and improve grid stability, are also eligible for the full 30% ITC. Qualifying grid improvements includes standalone energy storage property. Storage technologies, which are not limited to co-location with power plants, include any technologies that can receive, store, and provide electricity or energy for conversion to electricity.

Clean electricity projects smaller than 5 megawatts (MW) are allowed to include the costs of interconnection under the clean electricity ITC.

Taxpayers may receive larger credits under certain circumstances, including investments in clean electricity or grid improvement property in communities that have significant employment in the fossil fuel industry or that have seen a coal mine or coal plant closure. Projects that comply with certain domestic content requirements similarly qualify for elevated credit rates, including using steel, iron, and manufactured products which are mined, produced, or manufactured in the United States. These rules apply in a similar manner to those applied to sections 45 and 48.

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The elevated credits are generally equal to a 10% increase to the value of the PTC or a 10 percentage point increase to the value of the ITC. The maximum allowed ITC is limited to 50%. Carbon emission rates for the credits are determined by the Treasury Department, which is directed to publish safe harbor emission rates for similar technologies.

The credits are set to phase out the latter of 2031 or when emission targets are achieved: when the electric power sector emits 75% less carbon than 2021 levels, the incentives will be phased out over three years. Facilities will be able to claim a credit at 100% value in the first year, then 75%, then 50%, and then 0%.

Taxpayers are similarly provided the same ability to elect direct pay for the clean electricity PTC and ITC as for current section 45 and 48 PTC and ITC, including limitations with respect to domestic content.

Section 136803. Increase in clean electricity investment credit for facilities placed in service in connection with low-income communities.

This provision provides for an enhanced incentive for facilities qualifying for the section 48F ITC (not including certain facilities that produce electricity through combustion or gasification) with respect to which the Secretary makes an allocation of environmental justice capacity limitation. This is similar to the enhanced incentive under section 48 for solar and wind facilities placed in service in connection with low-income communities.

In determining which facilities to allocate environmental justice capacity limitation, the Secretary shall consider:

- the greatest health and economic benefits (including ability to withstand extreme weather events) for individuals in low-income communities,
- the greatest employment and wages for such individuals, and
- the greatest engagement with outreach to, or ownership by, such individuals, including through partnerships with local governments and community based organizations.

The annual capacity limitation is 1.8 gigawatts for each calendar year 2027 through 2031 and zero for calendar years thereafter. The annual capacity limitation shall be increased by the amount of any unused allocations from the preceding calendar year including any unused amount from section 48 after 2026. No unused amount may be carried forward to any calendar year after 2033.

Such projects receiving an allocation of environmental justice capacity limitation receive an additional 10% credit if located in a low-income community (as defined within the New Markets Tax Credit program under section 45D) or on Indian land or an additional 20% credit if such project is a qualifying low-income residential building project or a low-income economic benefit project.

This section shall take effect on January 1, 2027.

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Section 136804. Cost recovery for qualified facilities, qualified property, and grid improvement property.

This provision provides that any facility described in the clean electricity production credit and any qualified property or grid improvement property described in the clean electricity investment credit shall be treated as five-year property under GDS for purposes of section 168 of the Internal Revenue Code.

This provision shall apply to facilities and property placed in service after 2026.

Section 136805. Clean fuel production tax credit.

The provision creates a technology-neutral incentive for the domestic production of clean fuels. The level of the incentive depends on the lifecycle carbon emissions of a given fuel. Lifecycle emissions take into account the “well to wheel” emissions profile, from production of the feedstock for the fuel through to its use in a vehicle. Fuels may qualify for the credit if the fuel’s lifecycle emissions are at least 25% less than the current U.S. nationwide average. Zero emission fuels qualify for a base incentive of \$.20 per gallon or gallon equivalent. Sustainable aviation fuel that meets certain ASTM standards and is not derived from palm oil qualifies for a base incentive of \$.35 per gallon or gallon equivalent. Qualifying production is restricted to production in the United States of fuel that is used or sold.

The base incentive amounts are increased to the extent a fuel’s lifecycle emissions are below zero and reduced to the extent they are above zero, phasing out ratably between zero and the baseline emissions rate. Between now and 2030, qualifying fuels must become increasingly cleaner in order to qualify for the credit. Fuels produced before 2030 may qualify if the fuel’s lifecycle emissions are less than 50 kilograms of carbon dioxide equivalents per million British thermal units (35 kg CO_{2e} per mmBtu in the case of aviation fuel). These amounts are reduced to 25 kg CO_{2e} per mmBtu for 2031 and beyond.

Fuels must be at least transportation grade – suitable for use in a highway vehicle or aircraft – but may be used for any business purpose, including as transportation fuel, industrial fuel, or for residential or commercial heat. All taxpayers are eligible for credits of up to \$0.20 per gallon (\$0.35 in the case of aviation fuel). Taxpayers who pay wages at not less than local prevailing rates and utilize registered apprenticeship programs are eligible for elevated credit rates of \$1.00 per gallon (\$1.75 in the case of aviation fuel).

Taxpayers are provided the ability to elect direct payment of the credits, in a similar manner to other provisions.

The Treasury Department is to annually publish emissions rates for fuels that are produced using similar feedstocks and production pathways that taxpayers will use for purposes of determining their credit rates.

The credits are set to phase out the latter of 2031 or when emission targets are achieved, at which point the transportation sector emits 75% less carbon than 2021 levels, the incentives will be

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phased out over three years. Facilities will be able to claim a credit at 100% value in the first year, then 75%, then 50%, and then 0%.

PART 9 – APPROPRIATIONS

Section 136801. Appropriations.

This provision appropriates \$3,831,000,000 to remain available through 2031 for the IRS to carry out this subtitle.

SUBTITLE F — SOCIAL SAFETY NET

PART 1 – CHILD TAX CREDIT

Section 137101. Modifications Applicable Beginning in 2021.

Provides an exception to the safe harbor rule which provides that certain taxpayers who receive a larger advanced payment amount than they are eligible to claim are not subject to repayment.

The safe harbor does not apply if the Secretary determines that a child was taken into account for the advance payment due to fraud or intentional disregard of rules and regulations by the taxpayer.

Amends section 7527A to allow the Secretary to provide advance payment based on any other information known to the Secretary.

Section 137102. Extension and Modification of Child Tax Credit and Advance Payment for 2022.

Provides a one year extension of the increase in the child tax credit (CTC) as enacted in the American Rescue Plan, and a continuation of advance payments through 2022. Thus for 2022, the CTC is \$3,000 (\$3,600 for children under age 6), and for most taxpayers, the credit is advanceable. However, in 2022, unlike 2021, only taxpayers with income below \$150,000 (in the case of a joint filer), \$112,500 (in the case of a head of household) and \$75,000 in the case of any other filer will receive advance payments. The eligibility for advance payments will be based on the taxpayer's prior tax return information.

The provision increases the safe harbor amount to \$3,000 (\$3,600 for a child under the age of 6) for certain taxpayers in cases where repayment of excess advance payments may otherwise be required. The provision eliminates the Social Security Number requirement for qualifying children, which was added by the Tax Cuts and Jobs Act (TCJA).

The child tax credit begins to phase out for households with income above \$150,000 for joint filers, \$112,500 for heads of household and \$75,000 for all other filers. A "look-back rule" for the phaseout threshold allows taxpayers to use prior-year income for purposes of determining the phaseout of the credit. This rule will allow taxpayers who may have received an excess advance

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credit keeps eligible for the full value of the credit even when their income rises above the phaseout range in the next year.

Section 137103. Establishment of Fully Refundable Child Tax Credit After 2022.

Reinstates the child tax credit under section 24, as amended by prior sections, as fully refundable for taxable years after 2022. Thus, the refundable child tax credit is no longer subject to either the \$1,400 limitation on refundability, nor the earned income phase-in.

PART 2 – EARNED INCOME TAX CREDIT

Section 137201 Certain Improvements to the Earned Income Tax Credit Extended for 2022.

Extends the expansion of the eligibility and the amount of the earned income tax credit for taxpayers with no qualifying children (the “childless EITC”) enacted in the American Rescue Plan permanent. In particular, the minimum age to claim the childless EITC is reduced from 25 to 19 (except for certain full-time students) and the upper age limit for the childless EITC is eliminated. This section also increases the childless EITC amount by increasing the credit percentage and phaseout percentage from 7.65 to 15.3 percent, increasing the income at which the maximum credit amount is reached to \$9,820, and increasing the income at which phaseout begins to \$11,610 for non-joint filers. Under these parameters, in 2021, the maximum credit amount increases from \$543 to \$1,502. The provision contains special rules regarding the application of the credit for former foster youth and homeless youth. As with all other parameters of the EITC, these amounts are indexed for inflation, and will be indexed for 2022.

Also includes for 2022 the provision included in the American Rescue Plan allowing a taxpayer to use the taxpayer’s prior-year earned income for purposes of computing the EITC, in the event that a taxpayer’s earned income in the current taxable year has fallen. This provision allows consistency in the value of the EITC for taxpayers who may have lost a job, or whose income has fallen temporarily.

Section 137202. Funds for Administration of the Earned Income Tax Credit in the Territories.

Provides funds for the territorial revenue authorities to administer the earned income tax credit within the territories.

PART 3 – EXPANDING ACCESS TO HEALTH COVERAGE AND LOWERING COSTS

Section 137301. Improve Affordability and Reduce Premium Costs of Health Insurance for Consumers.

Extends the American Rescue Plan section 9661 affordability percentages used for 36 (B) premium tax credits through 2025 to increase generosity for individuals eligible for assistance with household incomes below 400 percent of the federal poverty level (FPL) and provides 36 (B) credits for taxpayers with household incomes above 400 percent of the FPL. Specifies that the applicable percentages are not indexed after 2025.

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Section 137302. Modification of Employer-Sponsored Coverage Affordability Test in Health Insurance Premium Tax Credit.

Revises the thresholds through 2025 to determine whether a taxpayer has access to affordable insurance through an employer-sponsored plan or a qualified small employer health reimbursement arrangement to 8.5 percent of income in order to access 36 (B) premium tax credits. Specifies that the thresholds are not indexed after 2025.

Section 137303. Treatment of Lump-Sum Social Security Benefits in Determining Household Income.

Excludes Social Security benefit lump-sum payments for Americans with disabilities, widows, new retirees, and others from calculation of household income for purposes of 36 (B) premium tax credits.

Section 137304. Temporary Expansion of Health Insurance Premium Tax Credits for Certain Low-Income Populations.

Modifies certain eligibility rules and requirements for 36B premium tax credits through 2025 , expands eligibility to taxpayers with household incomes below 100 percent of the FPL, specifies that taxpayers with household incomes below 138 percent of the FPL with access to employer-sponsored coverage or a qualified small employer health reimbursement arrangement can still receive credits, reduces the recapture limitation for taxpayers with household incomes below 200 percent of the FPL, exempts certain taxpayers from having to file a return, reconcile, or repay advance payments of 36B premium tax credits, and modifies when applicable large employers make an employer shared responsibility payment with respect to certain low-income taxpayers.

Section 137305. Special Rule for Individuals Receiving Unemployment Compensation.

Extends section 9663 of the American Rescue Plan through 2025, provides that a taxpayer can receive 36 (B) premium tax credits as if the taxpayer's household income was no higher than 150 percent of the FPL for individuals receiving unemployment compensation as defined in section 85(B) of the Internal Revenue Code.

Section 137306. Permanent Credit for Health Insurance Costs.

Makes the health coverage tax credit permanent, removing the uncertainty of annual extensions, and increases the amount of the qualified health insurance premium covered by the credit from 72.5 percent to 80 percent.

Section 137307. Exclusion of Certain Dependent Income for Purposes of Premium Tax Credit.

Excludes certain dependent income from the calculation of household income for purposes of determining 36 (B) premium tax credit amounts.

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PART 4 – PATHWAY TO PRACTICE TRAINING PROGRAMS

Section 137401. Administrative Funding of the Rural and Underserved Pathway to Practice Training Programs for Post-Baccalaureate Students, Medical Students, and Medical Residents.

This section invests \$6 million into implementation of the Pathway to Practice program.

Section 137402. Establishing Rural and Underserved Pathway to Practice Training Programs for Post-Baccalaureate Students and Medical Students.

This section establishes Section 1899C of the Social Security Act for the Rural and Underserved Pathway to Practice Training Program for Post-Baccalaureate and Medical Students. This section incentivizes those from rural and underserved communities to become physicians and to practice in those communities through a scholarship and stipend for qualifying medical students to attend medical school or post-baccalaureate and medical school.

Students eligible for this program include first generation college or professional students; Pell Grant recipients; those who lived in a medically underserved, rural, or health professional shortage areas.

Beginning in 2023, the Secretary shall award 1,000 scholarships per year, which includes tuition, academic fees, textbooks, equipment, and a monthly stipend tied to the amount in for the Armed Forces Health Professions Scholarship Program, which for 2021 is \$2,540. The Secretary shall prioritize those students who participated in the Health Careers Opportunity Program, were Area Health Education Scholars, are disadvantaged students as defined by the National Health Service Corps, or attended a Historically Black College or University or minority serving institution. Upon scholarship acceptance, the student agrees to complete medical school (and post-baccalaureate program as applicable), residency, and practice for at least one year per scholarship year in a health professional shortage area, a medically underserved area, or a rural area.

If the student is not compliant with the terms of the scholarship, the student must repay the amounts and the Secretary will collect these repayments with interest, except for the case of hardship.

Section 137403. Funding for the Rural and Underserved Pathway to Practice Training Programs for Post-Baccalaureate Students and Medical Students.

The provision creates a new refundable Pathway to Practice medical scholarship voucher credit under section 36G of the Internal Revenue Code for qualified educational institutions. The credit amount for a taxable year is equal to the aggregate amount paid or incurred by a qualified educational institution during the taxable year pursuant to an annual award of a Pathway to Practice medical scholarship voucher to a qualifying student.

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Section 137404. Establishing Rural and Underserved Pathway to Practice Training Programs for Medical Residents.

This section amends Section 1886 of the Social Security Act to incentivize additional residency training by, beginning on October 1, 2026, excluding from the residency slot cap those residents who participated in Rural and Underserved Pathway to Practice Training Programs at certain applicable hospitals that are recognized by the Accreditation Council for Graduate Medical Education (ACGME) for committing to train physicians with additional requirements, such as increased mentorship, structural and cultural competency training, and training in the community.

PART 5 – HIGHER EDUCATION

Section 137501. - Credit for Public University Research Infrastructure.

Provides a 40% general business credit for qualified cash contributions made by a taxpayer to a certified educational institution in connection with a qualifying research infrastructure program. Taxpayers may elect to claim this credit with respect to a qualifying cash contribution in lieu of treating such contribution as a charitable deduction.

Institutions of higher education may designate such contributions made by a taxpayer as qualified cash contributions only if such institution is certified as having been allocated a credit amount by the Secretary with respect to a qualifying project. The amount of cash contributions a certified educational institution may designate as qualified cash contributions may not exceed 250% of the credit amount allocated to such institution under this provision.

The provision provides \$500 million of credits for each of calendar years 2022, 2023, 2024, 2025, and 2026 to be awarded by the Secretary to eligible educational institutions on a project application basis. The Secretary shall award these credits based on the extent of expected expansion of a higher education institution's targeted research within disciplines in science, mathematics, engineering, and technology. The Secretary shall award these credits in a manner that ensures consideration is given to eligible education institutions with full-time student populations of less than 12,000. A certified educational institution's allocation may not exceed \$100 million per calendar year.

For purposes of this provision, an eligible educational institution is a public college or university, or a non-profit organization to which authority has been delegated by a public college or university to apply for administering credit amounts on behalf of such institution.

The provision provides authority for the secretary prescribe regulation necessary to carry out this provision and to recapture and reallocated undesignated credit amounts. In the event of noncompliance, contributions made to an institution of higher education under this section shall be treated as unrelated business income and subject to tax.

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Section 137502. - Modification of Excise Tax on Investment Income of Private Colleges and Universities.

Provides a reduction in an institution of higher education's investment income excise tax liability determined by the amount of qualified undergraduate scholarship and grant aid provided by such university relative to its aggregate undergraduate tuition and fees collected during the taxable year. An institution of higher education's liability shall be reduced proportionately as the amount of its qualified aid exceeds 20 percent of tuition and fees, up to 33 percent of tuition and fees (thus, tax liability falls by 1/13th for every percentage point by which grant aid exceeds 20 percent of tuition and fees).

Such reduction in excise tax liability shall not apply to an institution of higher education unless such institution furnishes to the secretary a statement detailing the average Federal student loan burden among:

- all first-time, full-time undergraduate students awarded a bachelor's degree during the calendar year;
- first-time, full-time undergraduate students awarded a bachelor's degree during the calendar year who received federal student loans;
- First-time, full-time undergraduate students awarded a bachelor's degree during the calendar year who received a Federal Pell Grant; and
- First-time, full-time undergraduate students awarded a bachelor's degree during the calendar year who were awarded federal work-study positions.

This provision amends the 500 tuition-paying student threshold such that the tax shall only apply to private colleges and universities with no fewer than 500 tuition-paying undergraduate students and indexes the \$500,000 aggregate value of assets per student threshold to inflation.

Section 137503. - Treatment of Federal Pell Grants for Income Tax Purposes.

Excludes Federal Pell grants from gross income. For purposes of the American Opportunity Tax Credit, Lifetime Learning Credit, and exclusion of qualified scholarship from income, qualified tuition and related expenses shall not be reduced by any amount paid for the benefit of an individual as a Federal Pell Grant

Section 137504. - Repeal of Denial for American Opportunity Tax Credit on Basis of Felony Drug Conviction.

Repeals the prohibition excluding students convicted of a state or felony drug offence from claiming the American Opportunity Tax Credit.

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SUBTITLE G — RESPONSIBILITY FUNDING OUR PRIORITIES

PART 1 – CORPORATE AND INTERNATIONAL TAX REFORMS

SUBPART A – CORPORATE TAX RATE

Section 138101. Corporate Alternative Minimum Tax

The corporate alternative minimum tax (AMT) proposal would impose a 15 percent minimum tax on adjusted financial statement income for corporations with such income in excess of \$1 billion. Under the proposal, an applicable corporation's minimum tax would be equal to the amount by which the tentative minimum tax exceeds the corporation's regular tax for the year. Tentative minimum tax is determined by applying a 15 percent tax rate to the adjusted financial statement income of the corporation for the taxable year (after taking into account the AMT foreign tax credit and the financial statement net operating losses).

For these purposes, adjusted financial statement income (AFSI) is the net income or loss of the taxpayer stated on the taxpayer's applicable financial statement with certain modifications. Generally an applicable financial statement is a corporation's form 10-K filed with the Securities and Exchange Commission, an audited financial statement, or other similar financial statement.

Certain adjustments are made to the income on a taxpayer's applicable financial statement to determine AFSI, including adjustments to: (1) align the period covered to the taxpayer's taxable year, (2) disregard any federal or foreign taxes taken into account, and (3) disregard certain direct-pay tax credits provided in the Clean Energy for America Act received by the taxpayer. Under regulations, the Secretary shall provide adjustments to: (1) prevent the omission or duplication of any item, (2) appropriately address corporate reorganizations and similar transactions, and (3) address the effect of these provisions on partnerships with income taken into account under the corporate AMT. Adjustments are also made with respect to certain cooperatives and Alaska Native Corporations, and to provide consistent treatment with respect to mortgage servicing income of a corporation other than a regulated investment company.

In general, an applicable corporation is any corporation (other than an S corporation, regulated investment company, or a real estate investment trust) with three-year average annual AFSI in excess of \$1 billion. To determine whether a corporation has met this requirement, corporations under common control are aggregated. In the case of foreign-parented corporations, the \$1 billion three-year average annual AFSI requirement is determined by aggregating the AFSI for all members of the international financial reporting group in which the applicable corporation is a member. As such, both U.S.-parented and foreign-parented corporations are tested on their global income for purposes of this \$1 billion requirement.

If the international financial reporting group of a foreign-parented corporation meets this \$1 billion requirement, a corporation that is a member of that group is not treated as an applicable corporation unless it also meets the requirement for the AFSI of the U.S. group. Under this requirement, in the same three-year period, the average annual AFSI of the U.S. group must be \$100 million or more. For purposes of determining the U.S. group's AFSI, all members under

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common control are aggregated, except the AFSI of a foreign corporation under common control is only included if the income is effectively connected to a U.S. trade or business or the foreign corporation is a controlled foreign corporation (CFC). Generally, this means that for a foreign-parented corporation, there is a global income requirement of \$1 billion and a U.S.-related income requirement of \$100 million (including the income of any CFCs).

Once a corporation is determined to be an applicable corporation, it remains an applicable corporation unless, as a result of an ownership change or a consistent reduction in AFSI below the applicable thresholds, the Secretary determines that it would not be appropriate to continue to treat such corporation as an applicable corporation.

Special rules apply in the case of related corporations included on a consolidated financial statement, and in the case of taxpayers filing a consolidated return. In addition, the AFSI of a corporation is required to include income from dividends and certain other amounts required to be included by such corporation for tax purposes. In the case of a U.S. shareholder of a CFC, AFSI includes the pro rata share of the AFSI of such CFC. The AFSI of CFCs are aggregated globally, and losses in one CFC may offset income of another CFC. Overall losses of CFCs may not reduce AFSI of a U.S. corporation, but may be carried forward and used to offset CFC income in future years. An applicable corporation must also include the income of any disregarded entity.

Similar to the rules under regular corporate income tax, AFSI may be reduced by financial statement net operating losses, not to exceed 80 percent of AFSI determined before taking into account such net operating losses. For this purpose, financial statement net operating losses are determined by taking into account adjusted financial statement losses for taxable years ending after December 31, 2019.

Tentative minimum tax may be reduced by a corporate AMT foreign tax credit, which applies for foreign income taxes that are paid or accrued (for federal income tax purposes) and taken into account on an applicable financial statement. Foreign income taxes paid or accrued by CFCs are subject to a single global limitation equal to 15 percent of the net aggregate AFSI of all CFCs. Foreign income taxes paid or accrued by a domestic corporation, such as withholding taxes or the taxes paid on income of a foreign branch, are not subject to a limitation. Excess foreign tax credits may be carried forward for five years.

Similar to the current rules applicable for general business credits of a corporation (such as R&D, clean energy, and housing tax credits), general business credits may generally offset up to approximately 75 percent of the sum of a corporation's normal income tax and alternative minimum tax.

Similar to the AMT tax credit under pre-2018 corporate AMT and the AMT currently in effect for individuals, corporations would be eligible to claim a tax credit for AMT paid in prior years against normal income tax, to the extent normal tax exceeds the tentative minimum tax for such taxable year.

The proposal would be effective for taxable years beginning after December 31, 2022.

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Section 138102. Excise Tax on Repurchase of Corporate Stock.

The provision imposes a 1 percent excise tax on publicly traded US corporation for the value of any of its stock that is repurchased by the corporation during the taxable year. The term repurchase means a redemption within the meaning of section 317(b) with regard to the stock of such corporation, and any other economically similar transaction as determined by the Secretary of Treasury.

The amount of repurchases subject to the tax is reduced by the value of any new issuance to the public and stock issued to the employees of the corporation.

A subsidiary of a publicly traded US corporation that performs the buyback for its parent or a US subsidiary of a foreign corporation that buys back its parent's stock is subject to the excise tax. The provision excludes certain repurchases from the excise tax to the extent: 1) the repurchase is part of a tax-free reorganization; 2) the repurchased stock or its value is contributed to an employee pension plan, ESOP, or similar plan; 3) the total amount of stock repurchases within the year is less than \$1 million; 4) the purchase is by a dealer in securities in the ordinary course of business; 5) the repurchase is treated as a dividend; and 6) the repurchase is by a RIC or REIT.

The provision provides authority for Treasury to issue guidance necessary or appropriate to administer and to prevent the avoidance of the purposes of this section.

The provision applies to repurchases of stock after December 31, 2021.

SUBPART B – INTEREST EXPENSE OF INTERNATIONAL FINANCIAL REPORTING GROUPS

Section 138111. Limitation on Deduction of Interest Expense.

This provision adds section 163(n) to limit the interest deduction of certain domestic corporations that are members in an international financial reporting group to an allowable percentage of 110% of the net interest expense. A domestic corporation's allowable percentage means the ratio of such corporation's allocable share of the group's net interest expense over such corporation's reported net interest expense. A domestic corporation's allocable share of the group's net interest expense is the portion of such expense which bears the same ratio to the total group expense as the corporation's EBITDA bears to the group's total EBITDA.

This interest limitation applies only to domestic corporations whose average excess interest expense over interest includible over a three year period exceeds \$12,000,000. The limitation does not apply to any small business exempted under section 163(j)(3). Nor does the limitation apply to any S corporation, real estate investment trust, or regulated investment company. This provision also modifies section 163(j)(4), which applies the limitation on deductibility of business interest under section 163(j) to partnerships and S corporations. Under the provision, section 163(j) generally will apply to a partner or shareholder, rather than to the partnership or S corporation as an entity.

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This provision also adds section 163(o), which allows the carryforward of interest expense disallowed by reason of both subsection (j)(1) and (n)(1). A taxpayer subject to both 163(j) and 163(n) is eligible to deduct only the lesser of the two limitations in a taxable year. Interest not allowed will be carried forward and treated as business interest in subsequent taxable years. The amendments made by this section apply to taxable years beginning after December 31, 2022.

SUBPART C – OUTBOUND INTERNATIONAL PROVISIONS

Section 138121. Modifications to Deduction for Foreign-Derived Intangible Income and Global Intangible Low-Taxed Income

This provision reduces the section 250 deduction with respect to both FDII (to 24.8%) and GILTI (to 28.5%). This yields a 15% GILTI rate and a 15.8% FDII rate. If the section 250 deduction with respect to GILTI or FDII exceeds taxable income, the excess is allowed as a deduction, which will increase the net operating loss for the taxable year. A transition rule is provided for taxable years that include but do not end on December 31, 2022. Amendments related to the section 250 deductions for GILTI and FDII are effective for taxable years beginning after December 31, 2022.

Section 138122. Repeal of Election for 1-Month Deferral in Determination of Taxable Year of Specified Foreign Corporations.

This provision strikes section 898(c)(2), which previously allowed the choice of a taxable year beginning 1 month earlier than the majority U.S. shareholder year. The amendments made by this section apply to taxable years of specified foreign corporations beginning after November 30, 2022.

Section 138123. Modifications of Foreign Tax Credit Rules Applicable to Certain Taxpayers Receiving Specific Economic Benefits.

Dual capacity taxpayers are U.S. companies that are both subject to levy in, and receive certain benefits from, a foreign country or possession of the United States. To ensure dual capacity taxpayers cannot claim foreign tax credits for payments that are not deemed to be income taxes, this section provides that any amount paid by a dual capacity taxpayer to a foreign country will not be considered a tax to the extent it exceeds the generally applicable income tax of that country. A generally applicable income tax means an income tax which is generally imposed under the laws of a foreign country on income derived from the conduct of trade or business within such country, and has substantial applicability to persons who are not dual capacity taxpayers and to citizens or residents of that country. The amendments made by this section apply to taxes paid or accrued after December 31, 2021.

Section 138124. Modifications to Foreign Tax Credit Limitations.

This provision amends section 904 to require foreign tax credit determinations on a country-by-country basis for purposes of sections 904, 907, and 960. These foreign tax credit computations

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entail assigning each item of income and loss to a taxable unit of the taxpayer which is a tax resident of a country (or, in the case of a branch, has a taxable presence in such country). Taxable units of the taxpayer are: (1) the person that is the taxpayer, (2) controlled foreign corporations, (3) interests held by the taxpayer or any controlled foreign corporations in a pass-through entity if such pass-through entity is a tax resident of a country other than the country of the taxpayer or the CFC, and (4) each branch the activities of which are carried on by the taxpayer or any CFC, and which give rise to a taxable presence in the country where it is located. Additionally, this provision repeals the foreign branch income basket.

The provision repeals the limitation on foreign tax credit carryforwards for GILTI category income. The provision limits the carryforward of excess foreign tax credit limitation with respect to the GILTI basket to five succeeding taxable years for taxes paid or accrued in taxable years beginning after December 31, 2022 and before January 1, 2031. With respect to all baskets, the carryback of foreign tax credits is repealed (compared with 1 year carryback under current law).

The provision amends section 904(b) such that, for the purpose of determining the foreign tax credit limitation with respect to the GILTI basket, the taxpayer's foreign source income is determined by allocating only such deductions that are directly allocable to such income, including the section 250 deduction for GILTI and taxes attributable to the section 250 deduction. Expenses that otherwise would be allocated to GILTI category income are allocated to income from sources within the United States.

The provision amends section 904(b) such that in the case of any covered asset dispositions, the principle of section 338(h)(16) shall apply in determining the source and character of any item for purposes of this part. A covered asset disposition means any transaction which, inter alia, is treated as a disposition of stock of a corporation for purposes of the tax laws of the relevant foreign country.

The rules related to covered asset dispositions apply to dispositions after the date of enactment. The other amendments made by this section apply to taxable years beginning after December 31, 2022.

Section 138125. Foreign Oil Related Income to Include Oil Shale and Tar Sands.

This provision expands the definition of foreign oil related income in section 907(c)(2)(A) to include oil shale or tar sands in addition to oil and gas wells. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138126. Modifications to Inclusion of Global Intangible Low-Taxed Income.

Currently a global blending regime, this provision amends section 951A to provide for country-by-country application of the GILTI regime. Under the provision, a United States shareholder's global intangible low-taxed income (GILTI) is the sum of the amounts of GILTI determined separately with respect to each country in which any CFC taxable unit of the United States shareholder is a tax resident. Other items and amounts including net CFC tested income, net deemed tangible income return, qualified business asset investment (QBAI), and interest expense

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shall be determined on a country-by-country basis as well. The definition of CFC taxable unit is found in new section 904(e)(2)(B).

The provision amends section 951A(c) to provide for carryover of country-specific net CFC tested loss to the succeeding taxable year.

The provision changes the amount of allowable net deemed tangible income return by replacing 10% of QBAI with 5% of QBAI. This reduction does not apply to CFC taxable units in the territories of the United States.

Currently, tested income and tested loss of a CFC are determined without regard to any foreign oil and gas extraction income (FOGEI) and any deductions properly allocable to it. This provision now includes FOGEI and related deductions in the determination of tested income and tested loss. The amendments made by this section apply to taxable years of foreign corporations beginning after December 31, 2022, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.

Section 138127. Modifications to Determination of Deemed Paid Credit for Taxes Properly Attributable to Tested Income.

This provision substantially reduces the 20% haircut on foreign tax credits by amending section 960(d)(1) by increasing from 80% to 95% the deemed paid credit for taxes attributable to GILTI (80% to 100% in the case of taxes paid or accrued to U.S. territories). The provision also ensures that a corporation is treated as a controlled foreign corporation only if it has direct United States shareholders, and applies special rules to foreign owned United States shareholders. The amendments made by this section apply to taxable years of foreign corporations beginning after December 31, 2022, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.

Section 138128. Deduction for Foreign Source Portion of Dividends Limited to Controlled Foreign Corporations, etc.

Currently, section 245A provides a 100% participation exemption for foreign portions of any dividends received from a specified 10-percent owned foreign corporation, even in cases where the foreign corporation is not a controlled foreign corporation (and therefore not subject to subpart F and GILTI regimes). This provision amends section 245A so that the exemption applies to foreign portions of dividends received only from controlled foreign corporations. This provision also provides an election to be treated as a controlled foreign corporation for certain foreign corporations with United States shareholders. These amendments apply to distributions made after date of enactment and to taxable years of foreign corporations beginning after date of enactment (and taxable years of United States persons in which or with which the taxable years of foreign corporations end).

Section 138129. Limitation on Foreign Base Company Sales and Services Income.

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The provision limits Foreign Base Company Sales and Services Income to residents of the United States and passthrough entities and branches in the United States. This provision applies to taxable years beginning after December 31, 2021. This provision also closes loopholes that cause shareholders of a controlled foreign corporation to avoid tax on some income from their controlled foreign corporations. The amendments made by this section apply to distributions occurring after, or taxable years of foreign corporations beginning after, December 31, 2021.

SUBPART D – INBOUND INTERNATIONAL PROVISIONS

Section 138131. Modifications to Base Erosion and Anti-Abuse Tax.

This provision makes several modifications to the Base Erosion and Anti-Abuse Tax (BEAT). First, the BEAT rate in section 59A(b)(1)(A) is amended to 10% in taxable years beginning after December 31, 2021, and before January 1, 2023; to 12.5% in taxable years beginning after December 31, 2022, and before January 1, 2024; 15% in any taxable year beginning after December 31, 2023 and before January 1, 2025; and 18% in any taxable year beginning after December 31, 2024. Second, the base erosion minimum tax amount is to be determined taking into account tax credits.

The provision modifies the rules in 59A(c) for determining modified taxable income. Modified taxable income means taxable income computed without regard to base erosion tax benefits; without adjusting the basis of inventory property due to base erosion payments; by determining net operating losses without regard to any deduction which is a base erosion tax benefit; and according to other adjustments under rules similar to the rules applicable to the alternative minimum tax. Base erosion payments are amended to include amounts paid to a foreign related party that are required to be capitalized in inventory under section 263A, as well as amounts paid to a foreign related party for inventory which exceed the costs of the property to the foreign related party. A safe harbor is available to deem base erosion payments attributable to indirect costs of foreign related parties as 20 percent of the amount paid to the related party.

The provision provides an exception for payments subject to U.S. tax, and for payments to foreign parties if the taxpayer establishes that such amount was subject to an effective rate of foreign tax not less than the applicable BEAT rate. The provision also limits the exception to the provision for taxpayers with a low base erosion percentage to taxable years beginning before January 1, 2024. The provision further provides that an applicable taxpayer remains an applicable taxpayer for the next ten succeeding calendar years after it is an applicable taxpayer. The provision is effective for taxable years beginning after December 31, 2021.

SUBPART E – OTHER BUSINESS TAX PROVISIONS

Section 138141. Credit for Clinical Testing of Orphan Drugs Limited to First Use or Indication.

This provision limits the credit for qualified clinical testing expenses to expenses related to the first use or indication for an orphan drug as designated under section 526 of the Federal Food, Drug, and Cosmetic Act. Additionally, the provision provides that clinical testing expenses for any drug that has received a marketing approval for any use or indication (either for use in rare

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disease or condition or non-rare disease or condition) do not qualify for the credit. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138142. Modifications to Treatment of Certain Losses.

The provision amends section 165(g) to provide that losses with respect to securities are treated as realized on the day that the event establishing worthlessness occurs. In addition, the provision provides that partnership indebtedness is treated in the same manner as corporate indebtedness under the section. The provision also clarifies that abandoned securities are treated as worthless at the time of abandonment. In addition, the rule amends section 165 to provide that a loss on a worthless partnership interest is subject to the same rules as a loss in a sale of a partnership interest. This provision is applicable for taxable years beginning after December 31, 2021. The rule also changes the treatment of taxable liquidations of corporate subsidiaries. Under the provision, a loss in a taxable liquidation (or dissolution of a corporation with worthless stock) is deferred until the property received in the liquidation is sold to a third party. This provision is applicable to liquidations after the date of enactment.

Section 138143. Adjusted Basis Limitation for Divisive Reorganization.

This provision amends section 361 to provide that a distributing corporation in a divisive reorganization recognizes gain to the extent of controlled corporation debt securities transferred to the creditors of the distributing corporation in excess of the basis in assets (reduced by amounts paid by the controlled corporation to the distributing corporation) transferred from the distributing corporation to the controlled corporation in the transaction. The provision applies to reorganizations after the date of enactment. A transition rule provides that amendments made by this provision do not apply to any exchange made pursuant to a written agreement that was binding as of the date of enactment and at all times thereafter, described in a ruling request submitted to the IRS on or before such date, or described on or before such date in a public announcement or filing with the S.E.C.

Section 138144. Rents from Prison Facilities not Treated as Qualified Income for Purposes of REIT Income Tests.

This provision amends section 856 to provide that income received with respect to property primarily used as a prison or other detention facility does not qualify for the purpose of REIT income tests. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138145. Modifications to Exemption for Portfolio Interest.

This provision modifies definition of “10-percent shareholder”, whose interest is exempt from portfolio interest. The provision provides that, in the case of an obligation issued by a corporation, any person who owns 10% or more of the total vote or value of the stock of such corporation is not eligible for the portfolio interest exemption. This amendment applies to obligations issued after the date of enactment.

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Section 138146. Certain Partnership Interest Derivatives

The provision amends section 871(m) to provide that payments pursuant to specified notional principal contracts and other similar payment as the Secretary provides with respect to publicly traded partnerships and other partnerships (as provided in regulations) are treated as dividend equivalents. The provision applies rules similar to the other paragraphs of section 871(m) to the provision. The provision also applies withholding rules similar to those under section 1446. The amendments made by this section apply to payments made on or after December 31, 2022.

Section 138147. Adjustments to Earnings and Profits of Controlled Foreign Corporations.

Currently, a special rule in section 952(c)(3) for determining earnings and profits of a controlled foreign corporation has limited application with respect to subpart F income. This provision relocates this rule to section 312(n) so that it is more generally applied in determining the earnings and profits of controlled foreign corporations, in this case without regard to LIFO inventory adjustments, installment sales, and completed contract method of accounting. The amendments made by this section apply to taxable years of foreign corporations beginning after December 31, 2021, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.

Section 138148. Certain Dividends from Controlled Foreign Corporations to United States Shareholders Treated as Extraordinary Dividends.

A general rule in section 1059 provides that if any corporation receives an extraordinary dividend with respect to any stock that such corporation has not held for more than 2 years prior to the dividend announcement date, the basis of the stock is reduced by the nontaxed portion of such dividends, and any excess is treated as gain from the sale or exchange of such stock. Under this new provision in section 1059(g), any disqualified CFC dividend is treated as an extraordinary dividend without regard to the period the taxpayer held the stock to which such dividend relates. For purposes of this new rule, a disqualified CFC dividend means any dividend paid by a controlled foreign corporation to a United States shareholder of such foreign corporation if such dividend is attributable to earnings and profits which were earned, or are attributable to gain on property which accrued, while such foreign corporation was not a controlled foreign corporation or such stock was not owned by a United States shareholder. The amendments made by this section apply to distributions made after the date of enactment.

Section 138149. Limitation on Certain Special Rules for Section 1202 Gains.

This provision amends section 1202(a) to provide that the special 75% and 100% exclusion rates for gains realized from certain qualified small business stock will not apply to taxpayers with adjusted gross income equal or exceeding \$400,000. The baseline 50% exclusion in 1202(a)(1) remains available for all taxpayers. The amendments made by this section apply to sales and exchanges after September 13, 2021, subject to a binding contract exception.

Section 138150. Constructive Sales.

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This provision includes digital assets in the constructive sale rules, anti-abuse rules previously applicable to other financial assets. The constructive sale rules in section 1259 treat the adoption of certain offsetting positions to previously owned positions as sales of the previously owned position. These rules prevent taxpayers from locking in investment gains without realizing taxable gain. The amendments made by this section apply to constructive sales after the date of enactment and contracts entered into after the date of enactment.

Section 138151. Rules Relating to Common Control.

The tax code aggregates certain business entities in order to apply various limitations (e.g., the gross receipts limitation in the use of the cash method of accounting under section 448(c), the exemption from interest deductibility limitations under section 163(j)). Section 52(a) addresses corporate entities and section 52(b) provides similar rules for corporate and non-corporate entities. Section 52(b) refers to “trades or business (whether or not incorporated)” and the treatment of certain for-profit activity is unclear.

The provision would provide that a taxpayer engaged in any activity in connection with a trade or business or any for-profit activity is subject to the aggregation rules under section 52(b). The provision would be effective for taxable years beginning after December 31, 2021.

Section 138152. Modification of Wash Sale Rules.

This section includes commodities, currencies, and digital assets in the wash sale rule, an anti-abuse rule previously applicable to stock and other securities. The wash sale rule in section 1091 prevents taxpayers from claiming tax losses while retaining an interest in the loss asset. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138153. Research and Experimental Expenditures.

This provision delays the effective date of section 13206 of Public Law 115-97. That section provides for amortization of the research and experimental expenditures starting taxable years beginning after December 31, 2021. Under this provision, the amortization of research and experimental expenditures will begin for amount paid or incurred in taxable years beginning after December 31, 2025.

PART 2 – TAX INCREASES FOR HIGH-INCOME INDIVIDUALS

Section 138201. Application of Net Investment Income Tax to Trade or Business Income of Certain High Income Individuals.

This provision amends section 1411 to expand the net investment income tax to cover net investment income derived in the ordinary course of a trade or business for taxpayers with greater than \$400,000 in taxable income (single filer) or \$500,000 (joint filer), as well as for trusts and estates. The provision clarifies that this tax is not assessed on wages on which FICA is already imposed. The amendments made by this section apply to taxable years beginning after December 31, 2021.

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Section 138202. Limitations on Excess Business Losses of Noncorporate Taxpayers.

This provision amends section 461(l) to permanently disallow excess business losses (i.e., net business deductions in excess of business income) for non-corporate taxpayers. The provision allows taxpayers whose losses are disallowed to carry those losses forward to the next succeeding taxable year. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138203. Surcharge on High Income Individuals, Estates, and Trusts.

This provision adds section 1A, which imposes a tax equal to 5% of a taxpayer's modified adjusted gross income in excess of \$10,000,000 (or in excess of \$20,000,000 for a married individual filing separately), and an additional tax of 3% of a taxpayer's modified adjusted gross income in excess of \$25,000,000. For this purpose, modified adjusted gross income means adjusted gross income reduced by any deduction allowed for investment interest (as defined in section 163(d)). The amendments made by this section apply to taxable years beginning after December 31, 2021.

PART 3 – FUNDING THE INTERNAL REVENUE SERVICE AND IMPROVING TAXPAYER COMPLIANCE

Section 138301. Funding of the Internal Revenue Service.

This provision appropriates funding for the IRS as follows:

- \$1,931,500,000 for taxpayer services,
- \$44,887,500,000 for enforcement,
- \$27,376,300,000 for operations support, and
- \$4,750,700,000 for business systems modernization.

The provision allows the IRS to utilize direct hire authority to recruit and appoint personnel with such funds. The Commissioner of the IRS is required to submit a plan to Congress detailing how such funds will be spent, and submit periodic reports thereafter detailing the progress of the plan. In addition, the provision appropriates \$403,000,000 to the Treasury Inspector General for Tax Administration to provide oversight of the IRS and \$104,533,803 to Treasury's Office of Tax Policy to carry out functions related to promulgating regulations under the Internal Revenue Code. Finally, \$153,000,000 is appropriated to the Tax Court for necessary expenses, including contract reporting, and not to exceed \$3,000 for official reception and representation expenses. These appropriated funds are to remain available until September 30, 2031 and no use of the funds is intended to increase taxes on any taxpayer with taxable income below \$400,000. The provision also provides \$15,000,000 of funds for the IRS to prepare and deliver a report to Congress on the cost of developing and running a free direct efile tax return system. The report shall include taxpayer opinions for such a system based on surveys and opinions of an independent third-party on the overall feasibility and IRS capacity to deliver such a system.

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Section 138302. Application of Backup Withholding and Third Party Network Transactions.

This provision amends section 3406(b) to add to the list of reportable payments any payments in settlement of third party network transactions, but only if the aggregate annual payment made by the third party settlement organization to the payee equals or exceeds \$600, the third party settlement organization was required under section 6050W to file a return for the preceding year with respect to the payee, or if during the preceding calendar year the payment organization made reportable payments to the payee with respect to which amounts were required to be deducted and withheld under 3406(a).

This provision is effective for calendar years beginning after December 31, 2021. A transition rule for 2022 adds the requirement that the aggregate number of annual transactions between the third party settlement organization and the payee exceeds 200.

Section 138303. Modification of Procedural Requirements Relating to Assessment of Penalties.

This provision repeals a requirement that any assessment of penalties must be approved by a supervisor of the employee making such determination. This amendment is effective as if included in section 3306 of the Internal Revenue Service Restructuring and Reform Act of 1998, which is notices issued, and penalties assessed, after December 31, 2000.

This provision also requires that each supervisor certify quarterly by letter to the Commissioner of Internal Revenue whether employees have followed the procedural requirements with respect to issuance of notices of penalty. This amendment applies to notices of penalty issued after the date of the enactment of this Act.

PART 4 – OTHER PROVISIONS

Section 138401. Modifications to Limitation on Deduction of Excessive Employee Remuneration.

This provision adds to the general rule under section 162(m)(1), an aggregation rule requiring two or more persons who are treated as a single employer under section 414 to be treated as a single employer. For purposes of this determination, the brother-sister-controlled group and combined group rules under section 1563(a) are disregarded. The provision also expands the IRS's regulatory authority under the general rule and expands the definition of applicable employee remuneration to clarify that such remuneration includes performance-based compensation, commissions, post-termination compensation, and beneficiary payments, whether or not paid directly by the publicly held corporation.

Section 138402. Extension of Tax to Fund Black Lung Disability Trust Fund.

This provision extends the tax to fund the Black Lung Disability Trust Fund through December 31, 2025. The amendment made by this section applies to sales after December 31, 2021.

Section 138403. Prohibited Transactions Relating to Holding DISC or FSC in Individual Retirement Account.

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This provision provides that holding an interest in a DISC or FSC that receives any commission or other payment from an entity owned by the individual for whose benefit the IRA is established is a prohibited transaction for purposes of section 4975. The provision also applies if the DISC or FSC is held indirectly through one or more corporations. For purposes of determining ownership of the entity that makes the payments, the constructive ownership rules in section 318 apply, substituting 10 percent for 25 percent. The tax imposed by section 4975 applies even if the account ceases to be treated as an IRA. The section applies to stock acquire or held on or after December 31, 2021.

Section 138404. Clarification of Treatment of DISC Gains and Distributions of Certain Foreign Shareholders.

This provision clarifies that gains from the sale or exchange of, and distributions by a DISC or FSC to a foreign shareholder are treated as effectively connected with the conduct of a trade or business conducted through a permanent establishment deemed to be had by the shareholder in the United States. This provision is effective for distributions on or after December 31, 2021.

SUBTITLE H — SUPPLEMENTAL SECURITY INCOME FOR THE TERRITORIES

Section 131001. Extension of the Supplemental Security Income program to Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

Section (a). Strike relevant section of the Social Security Amendments of 1972. This section strikes subsection (b) of Section 303 of the Social Security Amendments of 1972, which prohibits Puerto Rico, Guam, the United States Virgin Islands, and American Samoa from participating in the Supplemental Security Income (SSI) program.

Section (b). Conforming amendments. This section contains several conforming amendments to ensure that US territories have full access to the SSI program. Conforming amendments include striking the limitation on total payments to US territories for the purposes of SSI, striking and redesignating paragraphs in Section 1108 of the Social Security Act, clarifying that US nationals are treated equally to US citizens for the purposes of SSI, and including the US territories in the geographic meaning of the United States.

Section (c). Waiver authority. This section grants the Commissioner of Social Security authority to waive or modify statutory requirements relating to the provision of benefits in the US territories, to the extent that the Commissioner deems it necessary to adapt the program to the needs of the territory involved.

Section (d). Effective date. This section states that the effective date of these amendments is January 1, 2024.