

OCTOBER 28, 2021

RULES COMMITTEE PRINT 117-17

TEXT OF H.R. 5376, BUILD BACK BETTER ACT

[Showing the text of H.R. 5376, as reported by the Committee
on the Budget, with modifications.]

1 **TITLE I—COMMITTEE ON**
2 **AGRICULTURE**
3 **Subtitle A—General Provisions**

4 **SEC. 10001. DEFINITIONS.**

5 In this title:

6 (1) The term “insular area” has the meaning
7 given such term in section 1404 of the National Ag-
8 ricultural Research, Extension, and Teaching Policy
9 Act of 1977 (7 U.S.C. 3103).

10 (2) The term “Secretary” means the Secretary
11 of Agriculture.

12 **Subtitle B—Forestry**

13 **SEC. 11001. NATIONAL FOREST SYSTEM RESTORATION AND**
14 **FUELS REDUCTION PROJECTS.**

15 (a) APPROPRIATIONS.—In addition to amounts other-
16 wise available, there are appropriated to the Secretary for
17 fiscal year 2022, out of any money in the Treasury not
18 otherwise appropriated, to remain available until Sep-
19 tember 30, 2031—

1 (1) \$10,000,000,000 for hazardous fuels reduc-
2 tion projects on National Forest System land within
3 the wildland-urban interface;

4 (2) \$4,000,000,000 for, on a determination
5 made solely by the Secretary that hazardous fuels
6 reduction projects within the wildland-urban inter-
7 face described in paragraph (1) have been planned
8 to protect, to the extent practicable, at-risk commu-
9 nities, hazardous fuels reduction projects on Na-
10 tional Forest System land outside the wildland-
11 urban interface that are—

12 (A) primarily noncommercial in nature,
13 provided that, in accordance with the best avail-
14 able science, the harvest of merchantable mate-
15 rials shall be ecologically appropriate for res-
16 toration and to enhance ecological health and
17 function, and any sale of merchantable mate-
18 rials under this paragraph shall be limited to
19 small diameter trees or biomass that are a by-
20 product of hazardous fuel reduction projects;

21 (B) collaboratively developed; and

22 (C) carried out in a manner that enhances
23 the ecological integrity and achieves the restora-
24 tion of a forest ecosystem; maximizes the reten-
25 tion of old-growth and large trees, as appro-

1 appropriate for the forest type; and prioritizes pre-
2 scribed fire as the primary means to achieve
3 modified wildland fire behavior;

4 (3) \$1,000,000,000 for vegetation management
5 projects carried out solely on National Forest Sys-
6 tem land that the Secretary shall select following the
7 receipt of proposals submitted in accordance with
8 subsections (a), (b), and (c) of section 4003 of the
9 Omnibus Public Land Management Act of 2009 (16
10 U.S.C. 7303);

11 (4) \$400,000,000 for vegetation management
12 projects on National Forest System land carried out
13 in accordance with a water source management plan
14 or a watershed protection and restoration action
15 plan;

16 (5) \$400,000,000 for vegetation management
17 projects on National Forest System land that—

18 (A) maintain, or contribute toward the res-
19 toration of, reference old growth characteristics,
20 including structure, composition, function, and
21 connectivity;

22 (B) prioritize small diameter trees and pre-
23 scribed fire to modify fire behavior; and

24 (C) maximize the retention of large trees,
25 as appropriate for the forest type;

1 (6) \$450,000,000 for the Legacy Roads and
2 Trails program of the Forest Service;

3 (7) \$350,000,000 for National Forest System
4 land management planning and monitoring,
5 prioritized on the assessment of watershed, ecologi-
6 cal, and carbon conditions on National Forest Sys-
7 tem land and the revision and amendment of older
8 land management plans that present opportunities
9 to protect, maintain, restore, and monitor ecological
10 integrity, ecological conditions for at-risk species,
11 and carbon storage;

12 (8) \$100,000,000 for maintenance of trails on
13 National Forest System land, with a priority on
14 trails that provide to underserved communities ac-
15 cess to National Forest System land;

16 (9) \$100,000,000 for capital maintenance and
17 improvements on National Forest System land, with
18 a priority on maintenance level 3, 4, and 5 roads
19 and improvements that restore ecological integrity
20 and conditions for at-risk species;

21 (10) \$100,000,000 to provide for more efficient
22 and more effective environmental reviews by the
23 Chief of the Forest Service in satisfying the obliga-
24 tions of the Chief of the Forest Service under the

1 National Environmental Policy Act of 1969 (42
2 U.S.C. 4321 through 4370m–12);

3 (11) \$50,000,000 to develop and carry out ac-
4 tivities and tactics for the protection of older and
5 mature forests on National Forest System land, in-
6 cluding completing an inventory of older and mature
7 forests within the National Forest System;

8 (12) \$50,000,000 to develop and carry out ac-
9 tivities and tactics for the maintenance and restora-
10 tion of habitat conditions necessary for the protec-
11 tion and recovery of at-risk species on National For-
12 est System land;

13 (13) \$50,000,000 to carry out post-fire recovery
14 plans on National Forest System land that empha-
15 size the use of locally adapted native plant materials
16 to restore the ecological integrity of disturbed areas
17 and do not include salvage logging; and

18 (14) \$50,000,000 to develop and carry out non-
19 lethal activities and tactics to reduce human-wildlife
20 conflicts on National Forest System land.

21 (b) PRIORITY FOR FUNDING.—For projects described
22 in paragraphs (1) through (5) of subsection (a), the Sec-
23 retary shall prioritize for implementation projects—

24 (1) for which an environmental assessment or
25 an environmental impact statement required under

1 the National Environmental Policy Act of 1969 (42
2 U.S.C. 4321 through 4370m–12) has been com-
3 pleted;

4 (2) that are collaboratively developed; or

5 (3) that include opportunities to restore sus-
6 tainable recreation infrastructure or access or ac-
7 complish other recreation outcomes on National For-
8 est System lands, if the opportunities are compatible
9 with the primary restoration purposes of the project.

10 (c) LIMITATIONS.—None of the funds made available
11 by this section may be used for any activity—

12 (1) conducted in a wilderness area or wilderness
13 study area;

14 (2) that includes the construction of a perma-
15 nent road or permanent trail;

16 (3) that includes the construction of a tem-
17 porary road, except in the case of a temporary road
18 that is decommissioned by the Secretary not later
19 than 3 years after the earlier of—

20 (A) the date on which the temporary road
21 is no longer needed; and

22 (B) the date on which the project for
23 which the temporary road was constructed is
24 completed;

1 (4) inconsistent with the applicable land man-
2 agement plan;

3 (5) inconsistent with the prohibitions of the rule
4 of the Forest Service entitled “Special Areas;
5 Roadless Area Conservation” (66 Fed. Reg. 3244
6 (January 12, 2001)), as modified by subparts C and
7 D of part 294 of title 36, Code of Federal Regula-
8 tions; or

9 (6) carried out on any land that is not National
10 Forest System land, including other forested land on
11 Federal, State, Tribal, or private land.

12 (d) DEFINITIONS.—In this section:

13 (1) AT-RISK COMMUNITY.—The term “at-risk
14 community” has the meaning given the term in sec-
15 tion 101 of the Healthy Forests Restoration Act of
16 2003 (16 U.S.C. 6511).

17 (2) COLLABORATIVELY DEVELOPED.—The term
18 “collaboratively developed” means, with respect to a
19 project located exclusively on National Forest Sys-
20 tem land, that the project is developed and imple-
21 mented through a collaborative process that—

22 (A) includes multiple interested persons
23 representing diverse interests, except such per-
24 sons shall not be employed by the Federal gov-

1 ernment or representatives of foreign entities;
2 and

3 (B)(i) is transparent and nonexclusive; or
4 (ii) meets the requirements for a resource
5 advisory committee under subsections (e)
6 through (f) of section 205 of the Secure Rural
7 Schools and Community Self-Determination Act
8 of 2000 (16 U.S.C. 7125).

9 (3) DECOMMISSION.—The term “decommis-
10 sion” means, with respect to a road—

11 (A) reestablishing native vegetation on the
12 road;

13 (B) restoring any natural drainage, water-
14 shed function, or other ecological processes that
15 were disrupted or adversely impacted by the
16 road by removing or hydrologically dis-
17 connecting the road prism and reestablishing
18 stable slope contours; and

19 (C) effectively blocking the road to vehic-
20 ular traffic, where feasible.

21 (4) ECOLOGICAL INTEGRITY.—The term “eco-
22 logical integrity” has the meaning given the term in
23 section 219.19 of title 36, Code of Federal Regula-
24 tions (as in effect on the date of enactment of this
25 Act).

1 (5) HAZARDOUS FUELS REDUCTION
2 PROJECT.—The term “hazardous fuels reduction
3 project” means an activity, including the use of pre-
4 scribed fire, to protect structures and communities
5 from wildfire that is carried out on National Forest
6 System land.

7 (6) RESTORATION.—The term “restoration”
8 has the meaning given the term in section 219.19 of
9 title 36, Code of Federal Regulations (as in effect on
10 the date of enactment of this Act).

11 (7) VEGETATION MANAGEMENT PROJECT.—The
12 term “vegetation management project” means an ac-
13 tivity carried out on National Forest System land to
14 enhance the ecological integrity and achieve the res-
15 toration of a forest ecosystem through the removal
16 of vegetation, the use of prescribed fire, the restora-
17 tion of aquatic habitat, or the decommissioning of an
18 unauthorized, temporary, or system road.

19 (8) WATER SOURCE MANAGEMENT PLAN.—The
20 term “water source management plan” means a plan
21 developed under section 303(d)(1) of the Healthy
22 Forests Restoration Act of 2003 (16 U.S.C.
23 6542(d)(1)).

24 (9) WATERSHED PROTECTION AND RESTORA-
25 TION ACTION PLAN.—The term “watershed protec-

1 tion and restoration action plan” means a plan de-
2 veloped under section 304(a)(3) of the Healthy For-
3 ests Restoration Act of 2003 (16 U.S.C.
4 6543(a)(3)).

5 (10) WILDLAND-URBAN INTERFACE.—The term
6 “wildland-urban interface” has the meaning given
7 the term in section 101 of the Healthy Forests Res-
8 toration Act of 2003 (16 U.S.C. 6511).

9 (e) LIMITATIONS.—Nothing in this section shall be
10 interpreted to authorize funds of the Commodity Credit
11 Corporation for activities under this section if such funds
12 are not expressly authorized or currently expended for
13 such purposes.

14 (f) COST-SHARING REQUIREMENT.— Any partner-
15 ship agreements, including cooperative agreements and
16 mutual interest agreements, using funds made available
17 under this section shall be subject to a non-Federal cost-
18 share requirement of not less than 20 percent of the
19 project cost, which may be waived at the discretion of the
20 Secretary.

21 **SEC. 11002. NON-FEDERAL LAND FOREST RESTORATION**
22 **AND FUELS REDUCTION PROJECTS AND RE-**
23 **SEARCH.**

24 (a) APPROPRIATIONS.—In addition to amounts other-
25 wise available, there are appropriated to the Secretary for

1 fiscal year 2022, out of any money in the Treasury not
2 otherwise appropriated, to remain available until Sep-
3 tember 30, 2031—

4 (1) \$2,000,000,000 to award grants to Tribal,
5 State, or local governments or the government of the
6 District of Columbia, regional organizations, special
7 districts, or nonprofit organizations to support, on
8 non-Federal land, forest restoration and resilience
9 projects, including projects to reduce the risk of
10 wildfires and establish defensible space around struc-
11 tures within at-risk communities (as defined in sec-
12 tion 101 of the Healthy Forests Restoration Act of
13 2003 (16 U.S.C. 6511));

14 (2) \$1,000,000,000 to award grants to Tribal,
15 State, or local governments or the government of the
16 District of Columbia, regional organizations, special
17 districts, or nonprofit organizations to implement
18 community wildfire protection plans (as defined in
19 section 101 of the Healthy Forests Restoration Act
20 of 2003 (16 U.S.C. 6511)) in existence on the date
21 of the enactment of this Act, purchase firefighting
22 equipment, provide firefighter training, and increase
23 the capacity for planning, coordinating, and moni-
24 toring projects on non-Federal land to protect at-
25 risk communities (as defined in section 101 of the

1 Healthy Forests Restoration Act of 2003 (16 U.S.C.
2 6511));

3 (3) \$250,000,000 to award grants to Tribal,
4 State, or local governments or the government of the
5 District of Columbia, regional organizations, special
6 districts, or nonprofit organizations for projects on
7 non-Federal land to aid in the recovery and rehabili-
8 tation of burned forested areas, including reforest-
9 ation;

10 (4) \$175,000,000 to award grants to Tribal,
11 State, or local governments or the government of the
12 District of Columbia, regional organizations, special
13 districts, or nonprofit organizations for projects on
14 non-Federal land to expand equitable outdoor access
15 and promote tourism on non-Federal forested land
16 for members of underserved groups;

17 (5) \$150,000,000 for the State Fire Assistance
18 and Volunteer Fire Assistance programs established
19 under the Cooperative Forestry Assistance Act of
20 1978 (16 U.S.C. 2101 through 2114) to be distrib-
21 uted at the discretion of the Secretary;

22 (6) \$150,000,000 for the implementation of
23 State-wide forest resource strategies under section
24 2A of the Cooperative Forestry Assistance Act of
25 1978 (16 U.S.C. 2101a);

1 (7) \$250,000,000 for the competitive grant pro-
2 gram under section 13A of the Cooperative Forestry
3 Assistance Act of 1978 (16 U.S.C. 2109a) for pro-
4 viding through that program a cost share to carry
5 out climate mitigation or forest resilience practices
6 in the case of underserved forest landowners, subject
7 to the condition that subsection (h) of that section
8 shall not apply;

9 (8) \$250,000,000 for the competitive grant pro-
10 gram under section 13A of the Cooperative Forestry
11 Assistance Act of 1978 (16 U.S.C. 2109a) for pro-
12 viding through that program grants to support the
13 participation of underserved forest landowners in
14 emerging private markets for climate mitigation or
15 forest resilience, subject to the condition that sub-
16 section (h) of that section shall not apply;

17 (9) \$250,000,000 for the competitive grant pro-
18 gram under section 13A of the Cooperative Forestry
19 Assistance Act of 1978 (16 U.S.C. 2109a) for pro-
20 viding through that program grants to support the
21 participation of forest landowners who own less than
22 2,500 acres of forest land in emerging private mar-
23 kets for climate mitigation or forest resilience, sub-
24 ject to the condition that subsection (h) of that sec-
25 tion shall not apply;

1 (10) \$500,000,000 for the competitive grant
2 program under section 13A of the Cooperative For-
3 estry Assistance Act of 1978 (16 U.S.C. 2109a) to
4 provide grants to states and other eligible entities to
5 provide payments to owners of private forest land
6 for implementation of forestry practices on private
7 forest land, that are determined by the Secretary,
8 based on the best available science, to provide meas-
9 urable increases in carbon sequestration and storage
10 beyond customary practices on comparable land,
11 subject to the conditions that—

12 (A) those payments shall not preclude
13 landowners from participation in other public
14 and private sector financial incentive programs;
15 and

16 (B) subsection (h) of that section shall not
17 apply;

18 (11) \$50,000,000 for the forest inventory and
19 analysis program established under section 3(e) of
20 the Forest and Rangeland Renewable Resources Re-
21 search Act of 1978 (16 U.S.C. 1642(e)) for activi-
22 ties and tactics to accelerate and expand existing re-
23 search efforts to improve forest carbon monitoring
24 technologies to better predict changes in forest car-
25 bon due to climate change;

1 (12) \$100,000,000 for the forest inventory and
2 analysis program established under section 3(e) of
3 the Forest and Rangeland Renewable Resources Re-
4 search Act of 1978 (16 U.S.C. 1642(e)) to carry out
5 recommendations from a panel of relevant experts
6 convened by the Secretary that has reviewed and,
7 based on the review, issued recommendations regard-
8 ing the current priorities and future needs of the
9 forest inventory and analysis program with respect
10 to climate change, forest health, sustainable wood
11 products, and increasing carbon storage in forests;

12 (13) \$50,000,000 for the forest inventory and
13 analysis program established under section 3(e) of
14 the Forest and Rangeland Renewable Resources Re-
15 search Act of 1978 (16 U.S.C. 1642(e)) to provide
16 enhancements to the technology managed and used
17 by the forest inventory and analysis program, includ-
18 ing cloud computing and remote sensing for pur-
19 poses such as small area estimation;

20 (14) \$775,000,000 to provide grants under the
21 wood innovation grant program under section 8643
22 of the Agriculture Improvement Act of 2018 (7
23 U.S.C. 7655d), including for the construction of new
24 facilities that advance the purposes of the program,
25 subject to the conditions that the amount of such a

1 grant shall be not more than \$5,000,000; notwith-
2 standing subsection (d) of that section, a recipient
3 of such a grant shall provide funds equal to not less
4 than 50 percent of the amount received under the
5 grant, to be derived from non-Federal sources; and
6 a priority shall be placed on projects that create a
7 financial model for addressing forest restoration
8 needs on public or private forest land; and

9 (15) \$50,000,000 for the research mission area
10 of the Forest Service to carry out greenhouse gas
11 life cycle analyses of domestic wood products.

12 (b) FUNDING FOR RESTORATION ON NON-FEDERAL
13 AREAS BY STATES.—The Secretary may use amounts
14 made available by this section to carry out eligible projects
15 as determined by the Secretary, authorized in subsection
16 (a) on non-Federal land upon the request of the Governor
17 of that State.

18 (c) COST-SHARING REQUIREMENT.—Any partnership
19 agreements, including cooperative agreements and mutual
20 interest agreements, using funds made available under
21 this section shall be subject to a non-Federal cost-share
22 requirement of not less than 20 percent of the project cost,
23 which may be waived at the discretion of the Secretary.

24 (d) LIMITATIONS.—Nothing in this section shall be
25 interpreted to authorize funds of the Commodity Credit

1 Corporation for activities under this section if such funds
2 are not expressly authorized or currently expended for
3 such purposes.

4 **SEC. 11003. STATE AND PRIVATE FORESTRY CONSERVA-**
5 **TION PROGRAMS.**

6 (a) APPROPRIATIONS.—In addition to amounts other-
7 wise available, there are appropriated to the Secretary for
8 fiscal year 2022, out of any money in the Treasury not
9 otherwise appropriated, to remain available until Sep-
10 tember 30, 2031—

11 (1) \$1,250,000,000 to provide competitive
12 grants to States through the Forest Legacy Pro-
13 gram established under section 7 of the Cooperative
14 Forestry Assistance Act of 1978 (16 U.S.C. 2103c)
15 to acquire land and interests in land, with priority
16 given to grant applications that offer significant nat-
17 ural carbon sequestration benefits, contribute to the
18 resilience of community infrastructure, local econo-
19 mies, or natural systems, or provide benefits to un-
20 derserved populations;

21 (2) \$2,500,000,000 to provide multi-year, pro-
22 grammatic, competitive grants to a State agency, a
23 local governmental entity, and agency or govern-
24 mental entity of the District of Columbia, an Indian
25 Tribe, or a nonprofit organization through the

1 Urban and Community Forestry Assistance program
2 established under section 9(c) of the Cooperative
3 Forestry Assistance Act of 1978 (16 U.S.C.
4 2105(e)) for tree planting and related activities to
5 increase tree equity and community tree canopy and
6 associated societal and climate co-benefits, with a
7 priority for projects that benefit underserved popu-
8 lations; and

9 (3) \$100,000,000 for the acquisition of urban
10 and community forests through the Community For-
11 est and Open Space Program of the Forest Service.

12 (b) WAIVER.—Any non-Federal cost-share require-
13 ment otherwise applicable to projects carried out under
14 this section may be waived at the discretion of the Sec-
15 retary.

16 **SEC. 11004. LIMITATION.**

17 The funds made available under this subtitle are sub-
18 ject to the condition that the Secretary shall not—

19 (1) enter into any agreement—

20 (A) that is for a term extending beyond
21 September 30, 2031; or

22 (B) under which any payment could be
23 outlaid or funds disbursed after September 30,
24 2031; or

1 (2) use any other funds available to the Sec-
2 retary to satisfy obligations initially made under this
3 subtitle.

4 **SEC. 11005. APPROPRIATIONS.**

5 In addition to amounts otherwise available, there is
6 appropriated to the Secretary for fiscal year 2022, out of
7 any money in the Treasury not otherwise appropriated,
8 \$200,000,000 to remain available until September 30,
9 2031, for administrative costs of the agencies and offices
10 of the Department of Agriculture for costs related to im-
11 plementing this subtitle.

12 **Subtitle C—Rural Development**
13 **and Agricultural Credit and**
14 **Outreach**

15 **PART 1—RURAL DEVELOPMENT**

16 **SEC. 12001. ADDITIONAL SUPPORT FOR USDA RURAL**
17 **WATER PROGRAMS.**

18 In addition to amounts otherwise available, there is
19 appropriated to the Secretary for fiscal year 2022, out of
20 any money in the Treasury not otherwise appropriated,
21 and notwithstanding sections 381E through 381H and
22 381N of the Consolidated Farm and Rural Development
23 Act (7 U.S.C. 2009d through 2009g and 2009m),
24 \$97,000,000, to remain available until September 30,
25 2031, for the cost of grants for rural water and waste

1 water programs authorized by sections 306, 306C, and
2 306D and described in sections 306C(a)(2) and 306D of
3 the Consolidated Farm and Rural Development Act in
4 persistent poverty counties (or, notwithstanding any popu-
5 lation limits specified in section 343 of the Consolidated
6 Farm and Rural Development Act, a county seat of a per-
7 sistent poverty county with a population that does not ex-
8 ceed the authorized population limit by more than 10 per-
9 cent), Tribal lands, colonias, and insular areas, subject to
10 the condition that the performance of any construction
11 work completed with amounts provided under this section
12 meet the condition described in section 9003(f) of the
13 Farm Security and Rural Investment Act of 2002 (7
14 U.S.C. 8103(f)).

15 **SEC. 12002. USDA RURAL WATER GRANTS FOR LEAD REME-**
16 **DIATION.**

17 In addition to amounts otherwise made available,
18 there is appropriated to the Secretary for fiscal year 2022,
19 out of any money in the Treasury not otherwise appro-
20 priated and notwithstanding sections 381E through 381H
21 and 381N of the Consolidated Farm and Rural Develop-
22 ment Act (7 U.S.C. 2009d through 2009g and 2009m),
23 \$970,000,000, to remain available until September 30,
24 2031, notwithstanding section 306C(a)(2)(A) of the Con-
25 solidated Farm and Rural Development Act (7 U.S.C.

1 1926c(a)(2)(A)), for grants under sections 306C(a)(1)(A)
2 and 306(a)(2) of the Consolidated Farm and Rural Devel-
3 opment Act (7 U.S.C. 1926c(a)(1)(A) and 1926(a)(2)) for
4 the purpose of replacement of service lines that contain
5 lead, subject to the condition that the performance of any
6 construction work completed with amounts provided under
7 this section meet the condition described in section
8 9003(f) of the Farm Security and Rural Investment Act
9 of 2002 (7 U.S.C. 8103(f)).

10 **SEC. 12003. ADDITIONAL FUNDING FOR ELECTRIC LOANS**
11 **FOR RENEWABLE ENERGY.**

12 (a) APPROPRIATION.—In addition to amounts other-
13 wise available, there is appropriated to the Secretary for
14 fiscal year 2022, out of any money in the Treasury not
15 otherwise appropriated, \$2,880,000,000, to remain avail-
16 able until September 30, 2031, for making loans under
17 section 317 of the Rural Electrification Act of 1936 (7
18 U.S.C. 940g), including for projects that store electricity
19 that supports the types of eligible projects under such sec-
20 tion, which shall be forgiven in whole or in part based on
21 how the borrower and the project meets the terms and
22 conditions for loan forgiveness consistent with the pur-
23 poses of such section established by the Secretary, subject
24 to the condition that the performance of any construction
25 work completed with amounts provided under this section

1 meet the condition described in section 9003(f) of the
2 Farm Security and Rural Investment Act of 2002 (7
3 U.S.C. 8103(f)).

4 (b) LIMITATION.—The Secretary shall not enter into
5 any loan agreement pursuant to this section that could
6 result in disbursements after September 30, 2031.

7 **SEC. 12004. RURAL ENERGY SAVINGS PROGRAM.**

8 (a) APPROPRIATION.—In addition to amounts other-
9 wise available, there is appropriated to the Secretary for
10 fiscal year 2022, out of any money in the Treasury not
11 otherwise appropriated, \$200,000,000, to remain available
12 until September 30, 2031, to carry out section 6407 of
13 the Farm Security and Rural Investment Act of 2002 (7
14 U.S.C. 8107a) and this section, subject to the condition
15 that the performance of any construction work completed
16 with amounts provided under this section meet the condi-
17 tion described in section 9003(f) of such Act (7 U.S.C.
18 8103(f)).

19 (b) USE OF FUNDS.—

20 (1) IN GENERAL.—Except as provided in para-
21 graph (2) of this subsection, at the election of an eli-
22 gible entity (as defined in section 6407(b) of the
23 Farm Security and Rural Investment Act of 2002 (7
24 U.S.C. 8107a(b))) to which a loan is made under
25 section 6407(c) of the Farm Security and Rural In-

1 vestment Act of 2002 (7 U.S.C. 8107a(c)), the Sec-
2 retary shall make a grant to the eligible entity in an
3 amount equal to not more than 5 percent of the loan
4 amount for the purposes of costs incurred in—

5 (A) applying for a loan received under sec-
6 tion 6407(e) of such Act;

7 (B) making a loan under section 6407(d)
8 of such Act;

9 (C) making repairs to the property of a
10 qualified consumer that facilitate the energy ef-
11 ficiency measures for the property financed
12 through a loan under section 6407(d) of such
13 Act;

14 (D) entering into a contract under section
15 6407(e) of such Act; or

16 (E) carrying out the duties of an eligible
17 entity under section 6407 of such Act.

18 (2) PERSISTENT POVERTY COUNTIES.—In the
19 case that the grant is for the purpose of making a
20 loan under section 6407(d) of the Farm Security
21 and Rural Investment Act of 2002 (7 U.S.C.
22 8107a(d)) to a qualified consumer (as defined in sec-
23 tion 6407(b) of such Act) in a persistent poverty
24 county (as determined by the Secretary), the per-

1 centage limitation in paragraph (1) of this sub-
2 section shall be 10 percent.

3 (c) LIMITATION.—The Secretary shall not enter into
4 any loan agreement pursuant to this section that could
5 result in disbursements after September 30, 2031, or any
6 grant agreement pursuant to this section that could result
7 in any outlays after September 30, 2031.

8 **SEC. 12005. RURAL ENERGY FOR AMERICA PROGRAM.**

9 (a) APPROPRIATION.—In addition to amounts other-
10 wise available, there is appropriated to the Secretary, out
11 of any money in the Treasury not otherwise appropriated,
12 for eligible projects under section 9007 of the Farm Secu-
13 rity and Rural Investment Act of 2002 (7 U.S.C. 8107)
14 and subject to the conditions that the performance of any
15 construction work completed with amounts provided under
16 this subsection meet the condition described in section
17 9003(f) of such Act, and notwithstanding section
18 9007(c)(3)(A) of such Act, the amount of a grant shall
19 not exceed 50 percent of the cost of the activity carried
20 out using the grant funds—

21 (1) \$820,250,000 for fiscal year 2022, to re-
22 main available until September 30, 2031; and

23 (2) \$170,000,000 for each of fiscal years 2023
24 through 2027, to remain available until September
25 30, 2031.

1 (b) UNDERUTILIZED RENEWABLE ENERGY TECH-
2 NOLOGIES.—In addition to amounts otherwise available,
3 there is appropriated to the Secretary, out of any money
4 in the Treasury not otherwise appropriated, to provide
5 grants and loans guaranteed by the Secretary (including
6 the costs of such loans) under the program described in
7 subsection (a) of this section relating to underutilized re-
8 newable energy technologies, and to provide technical as-
9 sistance for applying to such program (as determined by
10 the Secretary), subject to the conditions that the perform-
11 ance of any construction work completed with amounts
12 provided under this subsection meet the condition de-
13 scribed in section 9003(f) of such Act and, notwith-
14 standing section 9007(c)(3)(A) of the Farm Security and
15 Rural Investment Act of 2002 (7 U.S.C. 8107(c)(3)(A)),
16 the amount of a grant shall not exceed 50 percent of the
17 cost of the activity carried out using the grant funds, and
18 to the extent the following amounts remain available at
19 the end of each fiscal year, the Secretary shall use such
20 amounts in accordance with subsection (a) of this sec-
21 tion—

22 (1) \$144,750,000 for fiscal year 2022, to re-
23 main available until September 30, 2031; and

1 (2) \$30,000,000 for each of fiscal years 2023
2 through 2027, to remain available until September
3 30, 2031.

4 (c) LIMITATION.—The Secretary shall not enter into
5 any loan agreement pursuant to this section that could
6 result in disbursements after September 30, 2031 or any
7 grant agreement pursuant to this section that could result
8 in any outlays after September 30, 2031.

9 **SEC. 12006. BIOFUEL INFRASTRUCTURE AND AGRICULTURE**
10 **PRODUCT MARKET EXPANSION.**

11 (a) APPROPRIATION.—In addition to amounts other-
12 wise available, there is appropriated to the Secretary for
13 fiscal year 2022, out of any money in the Treasury not
14 otherwise appropriated, \$960,000,000, to remain available
15 until September 30, 2031, to carry out this section.

16 (b) USE OF FUNDS.—The Secretary shall use the
17 amounts made available by subsection (a) to provide
18 grants, for which the Federal share shall be not more than
19 75 percent of the total cost of carrying out a project for
20 which the grant is provided, on a competitive basis, to
21 transportation fueling facilities and distribution facilities,
22 including fueling stations, convenience stores,
23 hypermarket retailer fueling stations, fleet facilities, as
24 well as fuel terminal operations, mid-stream partners, and
25 heating oil distribution facilities or equivalent entities,

1 subject to the condition that the performance of any con-
2 struction work completed with amounts provided under
3 this section shall meet the condition described in section
4 9003(f) of the Farm Security and Rural Investment Act
5 of 2002 (7 U.S.C. 8103(f))—

6 (1) to install, retrofit, or otherwise upgrade fuel
7 dispensers or pumps and related equipment, storage
8 tank system components, and other infrastructure
9 required at a location related to dispensing certain
10 biofuels blends to ensure the increased sales of fuels
11 with high levels of commodity-based ethanol and bio-
12 diesel that are at or greater than the levels required
13 in the Notice of Funding Availability for the Higher
14 Blends Infrastructure Incentive Program for Fiscal
15 Year 2020, published in volume 85 of the Federal
16 Register (85 Fed. Reg. 26656), as determined by
17 the Secretary; and

18 (2) to build and retrofit distribution systems for
19 ethanol blends, traditional and pipeline biodiesel ter-
20 minal operations (including rail lines), and home
21 heating oil distribution centers or equivalent enti-
22 ties—

23 (A) to blend biodiesel; and

24 (B) to carry ethanol and biodiesel.

1 (c) LIMITATION.—The Secretary may not limit the
2 amount of funding an eligible entity may receive under
3 this section.

4 **SEC. 12007. USDA ASSISTANCE FOR RURAL ELECTRIC CO-**
5 **OPERATIVES.**

6 (a) APPROPRIATION.—In addition to amounts other-
7 wise available, there is appropriated to the Secretary for
8 fiscal year 2022, out of any money in the Treasury not
9 otherwise appropriated, \$9,700,000,000, to remain avail-
10 able until September 30, 2031, for the long-term resil-
11 iency, reliability, and affordability of rural electric sys-
12 tems, by providing to an eligible entity (defined as an elec-
13 tric cooperative described in section 501(c)(12) or
14 1381(a)(2) of the Internal Revenue Code of 1986 and is
15 or has been a Rural Utilities Service electric loan borrower
16 pursuant to the Rural Electrification Act of 1936 or serv-
17 ing a predominantly rural area) assistance under para-
18 graphs (1) and (2) by awarding such assistance to eligible
19 entities for purposes described in section 310B(a)(2)(C)
20 of the Consolidated Farm and Rural Development Act
21 (provided that the term renewable energy system in that
22 paragraph has the meaning given such term in section
23 9001(16) of the Farm Security and Rural Investment Act
24 of 2002) that will achieve the greatest reduction in green-
25 house gas emissions associated with rural electric systems

1 using such assistance and that will otherwise aid disadvan-
2 taged rural communities (as determined by the Secretary),
3 subject to the condition that any construction work com-
4 pleted with amounts provided under this section shall meet
5 the condition described in section 9003(f) of the Farm Se-
6 curity and Rural Investment Act of 2002 (7 U.S.C.
7 8103(f)), when—

8 (1) making grants and loans (including the cost
9 of loans and modifications thereof) to purchase re-
10 newable energy or renewable energy systems (as de-
11 fined in section 9001(15) and (16) of the Farm Se-
12 curity and Rural Investment Act of 2002 (7 U.S.C.
13 8101(15) and (16))), deploy renewable energy sys-
14 tems, or make energy efficiency improvements after
15 the date of enactment of this Act; and

16 (2) making grants for debt relief and other
17 costs associated with terminating, after the date of
18 enactment of this Act or up to one year prior to the
19 date of enactment, the use of—

20 (A) facilities operating on nonrenewable
21 energy; and

22 (B) related transmission assets.

23 (b) LIMITATION.—No eligible entity may receive an
24 amount equal to more than 10 percent of the total amount
25 made available by this section.

1 (c) PROHIBITION.—Nothing in this section shall be
2 interpreted to authorize funds of the Commodity Credit
3 Corporation for activities under this section if such funds
4 are not expressly authorized or currently expended for
5 such purposes.

6 **SEC. 12008. RURAL PARTNERSHIP PROGRAM.**

7 (a) RURAL PROSPERITY DEVELOPMENT GRANTS.—

8 (1) APPROPRIATION.—In addition to amounts
9 otherwise available, there is appropriated to the Sec-
10 retary for fiscal year 2022, out of any money in the
11 Treasury not otherwise appropriated, \$873,000,000,
12 to remain available until September 30, 2031, to
13 provide grants to support rural development under
14 this subsection, subject to the condition that the re-
15 cipient of a grant under this subsection shall con-
16 tribute a non-Federal match of 25 percent of the
17 amount of the grant, which may be satisfied through
18 an in-kind contribution, except that the Secretary
19 may waive such matching requirement on a finding
20 that the recipient of the applicable grant is economi-
21 cally distressed.

22 (2) ALLOCATION OF FUNDS.—

23 (A) FORMULA.—The Secretary shall estab-
24 lish a formula pursuant to which the Secretary
25 shall allocate, for each State and for Indian

1 Tribes, an amount to be provided under this
2 subsection to eligible applicants described in
3 paragraph (3).

4 (B) REQUIREMENTS.—

5 (i) FORMULA.—The formula estab-
6 lished under subparagraph (A) shall in-
7 clude a graduated scale for the amount to
8 be allocated under this subsection for eligi-
9 ble applicants in each State and eligible
10 applicants of Indian Tribes, with higher
11 amounts provided based on lower popu-
12 lations and lower income levels, as deter-
13 mined by the Secretary.

14 (ii) AWARD.—In awarding grants
15 under this subsection to eligible applicants
16 in each State and eligible applicants of In-
17 dian Tribes, the Secretary shall give pri-
18 ority to eligible applicants representing a
19 micropolitan statistical area (as defined by
20 the Office of Management and Budget in
21 OMB Bulletin No. 20-01 (effective March
22 2020) and any subsequent updates) and 1
23 or more rural areas contiguous to that
24 micropolitan statistical area or eligible ap-
25 plicants representing high poverty areas

1 (as determined by the Secretary) provided
2 that the Secretary may award additional
3 grants or funding under this subsection to
4 implement activities pursuant to a rural
5 development plan upon the Secretary's ap-
6 proval of the recipient's plan and report on
7 the use of each grant provided to the re-
8 cipient under this subsection.

9 (3) ELIGIBLE APPLICANTS.—The Secretary
10 may make a grant under this subsection to a part-
11 nership no member of which has received a grant
12 under subsection (b) and that—

13 (A) is composed of entities representing a
14 region composed of 1 or more rural areas, in-
15 cluding—

16 (i) except as provided in subparagraph
17 (B), 1 or more of—

18 (I) a unit of local government;

19 (II) a Tribal government; or

20 (III) an authority, agency, or in-
21 strumentality of an entity described in
22 subclauses (I) or (II); and

23 (ii) a qualified nonprofit or for-profit
24 organization, as determined by the Sec-
25 retary;

1 (B) does not include a member described
2 in subparagraph (A)(i), but demonstrates sig-
3 nificant community support sufficient to sup-
4 port a likelihood of success on the proposed
5 projects, as determined by the Secretary; and

6 (C) demonstrates, as determined by the
7 Secretary, cooperation among the members of
8 the partnership necessary to complete com-
9 prehensive rural development, through aligning
10 government investment, leveraging nongovern-
11 mental resources, building economic resilience,
12 and aiding economic recovery, including in com-
13 munities impacted by economic transitions and
14 climate change.

15 (4) ELIGIBLE ACTIVITIES.—The use of grant
16 funds provided under this subsection may be used
17 for the following purposes, provided that, where ap-
18 plicable, the performance of any construction work
19 completed with the grant funds shall meet the condi-
20 tion described in section 9003(f) of the Farm Secu-
21 rity and Rural Investment Act of 2002 (7 U.S.C.
22 8103(f)):

23 (A) Conducting comprehensive rural devel-
24 opment and pre-development activities and
25 planning.

1 (B) Supporting organizational operating
2 expenses relating to the rural development ac-
3 tivities for which the grant was provided.

4 (C) Implementing planned rural develop-
5 ment activities and projects.

6 (5) LIMITATION.—Not more than 25 percent of
7 amounts received by a recipient of a grant under
8 this subsection may be used to satisfy a Federal
9 matching requirement.

10 (b) RURAL PROSPERITY INNOVATION GRANTS.—In
11 addition to amounts otherwise available, there is appro-
12 priated to the Secretary for fiscal year 2022, out of any
13 money in the Treasury not otherwise appropriated,
14 \$97,000,000, to remain available until September 30,
15 2031, to provide grants to entities that have not received
16 a grant under subsection (a) and that is a qualified non-
17 profit corporation that serves rural areas (as determined
18 by the Secretary) or an institution of higher education
19 that serves rural areas (as determined by the Secretary),
20 subject to the condition that the recipient of such grant
21 shall contribute a non-Federal match of 20 percent of the
22 amount of the grant, which may be used—

23 (1) to support activities of the recipient relating
24 to—

1 (A) development and predevelopment plan-
2 ning aspects of rural development; and

3 (B) organizational capacity-building nec-
4 essary to support the rural development activi-
5 ties funded by the grant; and

6 (2) to support the recipient of a grant under
7 subsection (a) in carrying out activities for which
8 that grant was provided.

9 (c) DEFINITIONS.—In this section:

10 (1) RURAL AREA.—The term “rural area” has
11 the meaning given the term in section 343(a)(13)(C)
12 of the Consolidated Farm and Rural Development
13 Act (7 U.S.C. 1991(a)(13)(C)).

14 (2) STATE.—The term “State” has the mean-
15 ing given the term in section 1404 of the National
16 Agricultural Research, Extension, and Teaching Pol-
17 icy Act of 1977 (7 U.S.C. 3103).

18 **SEC. 12009. ADDITIONAL USDA RURAL DEVELOPMENT AD-
19 MINISTRATIVE FUNDS.**

20 In addition to amounts otherwise available, there is
21 appropriated to the Secretary for fiscal year 2022, out of
22 any money in the Treasury not otherwise appropriated,
23 \$553,000,000, to remain available until September 30,
24 2031, for administrative costs and salaries and expenses
25 for the Rural Development mission area and expenses of

1 the agencies and offices of the Department for costs re-
2 lated to implementing this part.

3 **PART 2—AGRICULTURAL CREDIT AND**
4 **OUTREACH**

5 **SEC. 12101. ASSISTANCE FOR CERTAIN FARM LOAN BOR-**
6 **ROWERS.**

7 Section 1005 of the American Rescue Plan Act of
8 2021 (Public Law 117–2) is amended to read as follows:

9 **“SEC. 1005. ASSISTANCE FOR CERTAIN FARM LOAN BOR-**
10 **ROWERS.**

11 “(a) APPROPRIATIONS.—In addition to amounts oth-
12 erwise available, there are appropriated to the Secretary
13 for fiscal year 2022, out of amounts in the Treasury not
14 otherwise appropriated, to remain available until Sep-
15 tember 30, 2031—

16 “(1) such sums as may be necessary for the
17 cost of payments under subsection (b); and

18 “(2) \$1,020,000,000 to provide payments or
19 loan modifications or otherwise carry out the au-
20 thorities under section 331(b)(4) of the Consolidated
21 Farm and Rural Development Act (7 U.S.C.
22 1981(b)(4)), using a centralized process adminis-
23 tered from the national office, for Farm Service
24 Agency direct loan and loan guarantee borrowers, fo-
25 cusing on borrowers who are at risk (as determined

1 by the Secretary of Agriculture using factors that
2 may include whether the borrower is a limited re-
3 source farmer or rancher, the amount of payments
4 received by the borrower during calendar years 2020
5 and 2021 under the Coronavirus Food Assistance
6 Program of the Department of Agriculture, and
7 other factors, as determined by the Secretary).

8 “(b) PAYMENTS.—

9 “(1) IN GENERAL.—The Secretary shall provide
10 a payment in an amount up to 100 percent of the
11 outstanding indebtedness of each economically dis-
12 tressed borrower on eligible farm debt.

13 “(2) OTHER PAYMENTS.—

14 “(A) IN GENERAL.—For each farmer and
15 rancher with outstanding indebtedness on eligi-
16 ble farm debt that does not qualify for a pay-
17 ment under paragraph (1), the Secretary shall
18 provide a payment that is equal to, subject to
19 subparagraph (B), the lesser of—

20 “(i) the amount of the outstanding in-
21 debtedness of the farmer or rancher on eli-
22 gible farm debt; and

23 “(ii) \$150,000.

1 “(B) REDUCTION.—A payment determined
2 under subparagraph (A) shall be reduced by the
3 amount equal to the sum obtained by adding—

4 “(i) the total of the payments received
5 by the farmer or rancher during calendar
6 year 2020 pursuant to the Coronavirus
7 Food Assistance Program of the Depart-
8 ment of Agriculture; and

9 “(ii) the total of the payments re-
10 ceived by the farmer or rancher during cal-
11 endar years 2018 and 2019 pursuant to
12 the Market Facilitation Program of the
13 Department of Agriculture.

14 “(c) DEFINITIONS.—In this section:

15 “(1) ECONOMICALLY DISTRESSED BOR-
16 ROWER.—The term ‘economically distressed bor-
17 rower’ means a farmer or rancher that, as deter-
18 mined by the Secretary—

19 “(A) was 90 days or more delinquent with
20 respect to an eligible farm debt as of April 30,
21 2021;

22 “(B) was 90 days or more delinquent with
23 respect to an eligible farm debt as of December
24 31, 2020;

1 “(C) operates a farm or ranch whose head-
2 quarters of operation, as determined by the
3 Secretary, location is—

4 “(i) in a county with a poverty rate of
5 not less than 20 percent, as determined—

6 “(I) in the 1990 or 2000 decen-
7 nial census; or

8 “(II) in the Small Area Income
9 and Poverty Estimates of the Bureau
10 of the Census for the most recent year
11 for which the Estimates are available
12 as of the date of enactment of the Act
13 entitled ‘An Act to provide for rec-
14 onciliation pursuant to title II of S.
15 Con. Res. 14’;

16 “(ii) in a ZIP Code with a poverty
17 rate of not less than 20 percent, as deter-
18 mined by the Secretary; or

19 “(iii) on land held in trust by the
20 United States for the benefit of an Indian
21 Tribe or an individual Indian;

22 “(D) owes more interest than principal
23 with respect to an eligible farm debt as of July
24 31, 2021;

1 “(E) is undergoing bankruptcy or fore-
2 closure or is in other financially distressed cat-
3 egories, as determined by the Secretary, as of
4 July 31, 2021;

5 “(F) received a Department of Agriculture
6 disaster set aside after January 1, 2020;

7 “(G) has restructured an eligible farm debt
8 3 or more times as of July 31, 2021; or

9 “(H) has restructured an eligible farm
10 debt on or after January 1, 2020.

11 “(2) ELIGIBLE FARM DEBT.—

12 “(A) IN GENERAL.—The term ‘eligible
13 farm debt’ means a debt owed to the United
14 States by a farmer or rancher that was issued
15 as a direct loan administered by the Farm
16 Service Agency under subtitle A, B, or C of the
17 Consolidated Farm and Rural Development Act
18 (7 U.S.C. 1922 through 1970) and was out-
19 standing or otherwise not paid as of December
20 31, 2020, or July 31, 2021.

21 “(B) AMOUNT.—The amount of eligible
22 farm debt with respect to a borrower shall be
23 equal to the amount of eligible farm debt out-
24 standing as of a date determined by the Sec-
25 retary, but no sooner than the date of enact-

1 ment of the Act entitled ‘An Act to provide for
2 reconciliation pursuant to title II of S. Con Res.
3 14’, plus the total of all loan payments on eligi-
4 ble farm debt made by the borrower in calendar
5 year 2021.

6 “(3) SECRETARY.—The term ‘Secretary’ means
7 the Secretary of Agriculture.

8 “(d) LIMITATION.—The Secretary shall not enter
9 into any loan agreement pursuant to this section that
10 could result in disbursements after September 30, 2031
11 or any grant agreement pursuant to this section that could
12 result in any outlays after September 30, 2031.”.

13 **SEC. 12102. USDA ASSISTANCE AND SUPPORT FOR UNDER-**
14 **SERVED FARMERS, RANCHERS, AND FOR-**
15 **ESTERS.**

16 Section 1006 of the American Rescue Plan Act of
17 2021 (Public Law 117–2) is amended to read as follows:

18 **“SEC. 1006. USDA ASSISTANCE AND SUPPORT FOR UNDER-**
19 **SERVED FARMERS, RANCHERS, FORESTERS.**

20 “(a) TECHNICAL AND OTHER ASSISTANCE.—In addi-
21 tion to amounts otherwise available, there is appropriated
22 to the Secretary of Agriculture for fiscal year 2022, to
23 remain available until September 30, 2031, out of any
24 money in the Treasury not otherwise appropriated,
25 \$200,000,000 to provide outreach, mediation, financial

1 training, capacity building training, cooperative develop-
2 ment and agricultural credit training and support, and
3 other technical assistance on issues concerning food, agri-
4 culture, agricultural credit, agricultural extension, rural
5 development, or nutrition to underserved farmers, ranch-
6 ers, or forest landowners, including veterans, limited re-
7 source producers, beginning farmers and ranchers, and
8 farmers, ranchers, and forest landowners living in high
9 poverty areas.

10 “(b) LAND LOSS ASSISTANCE.—In addition to
11 amounts otherwise available, there is appropriated to the
12 Secretary of Agriculture for fiscal year 2022, to remain
13 available until September 30, 2031, out of any money in
14 the Treasury not otherwise appropriated, \$200,000,000 to
15 provide grants and loans to eligible entities, as determined
16 by the Secretary, to improve land access (including heirs’
17 property and fractionated land issues) for underserved
18 farmers, ranchers, and forest landowners, including vet-
19 erans, limited resource producers, beginning farmers and
20 ranchers, and farmers, ranchers, and forest landowners
21 living in high poverty areas.

22 “(c) EQUITY COMMISSIONS.—In addition to amounts
23 otherwise available, there is appropriated to the Secretary
24 of Agriculture for fiscal year 2022, to remain available
25 until September 30, 2031, out of any money in the Treas-

1 ury not otherwise appropriated, \$10,000,000 to fund the
2 activities of one or more equity commissions that will ad-
3 dress racial equity issues within the Department of Agri-
4 culture and the programs of the Department of Agri-
5 culture.

6 “(d) RESEARCH, EDUCATION, AND EXTENSION.—In
7 addition to amounts otherwise available, there is appro-
8 priated to the Secretary of Agriculture for fiscal year
9 2022, to remain available until September 30, 2031, out
10 of any money in the Treasury not otherwise appropriated,
11 \$189,000,000 to support and supplement agricultural re-
12 search, education, and extension, as well as scholarships
13 and programs that provide internships and pathways to
14 agricultural sector or Federal employment, at 1890 Insti-
15 tutions (as defined in section 2 of the Agricultural, Re-
16 search, Extension, and Education Reform Act of 1998 (7
17 U.S.C. 7601)), 1994 Institutions (as defined in section
18 532 of the Equity in Educational Land-Grant Status Act
19 of 1994 (7 U.S.C. 301 note; Public Law 103–382)), Alas-
20 ka Native serving institutions and Native Hawaiian serv-
21 ing institutions eligible to receive grants under subsections
22 (a) and (b), respectively, of section 1419B of the National
23 Agricultural Research, Extension, and Teaching Policy
24 Act of 1977 (7 U.S.C. 3156), Hispanic-serving institu-
25 tions eligible to receive grants under section 1455 of the

1 National Agricultural Research, Extension, and Teaching
2 Policy Act of 1977 (7 U.S.C. 3241), and the insular area
3 institutions of higher education located in the territories
4 of the United States, as referred to in section 1489 of
5 the National Agricultural Research, Extension, and
6 Teaching Policy Act of 1977 (7 U.S.C. 3361).

7 “(e) DISCRIMINATION FINANCIAL ASSISTANCE.—In
8 addition to amounts otherwise available, there is appro-
9 priated to the Secretary of Agriculture for fiscal year
10 2022, to remain available until September 30, 2031, out
11 of any money in the Treasury not otherwise appropriated,
12 \$750,000,000 for a program to provide financial assist-
13 ance to farmers, ranchers, or forest landowners deter-
14 mined to have experienced discrimination prior to January
15 1, 2021, in Department of Agriculture farm lending pro-
16 grams, under which the amount of financial assistance
17 provided to a recipient may be not more than \$500,000
18 as appropriate in relation to any consequences experienced
19 from the discrimination, which program shall be adminis-
20 tered through 1 or more qualified nongovernmental enti-
21 ties selected by the Secretary subject to standards set and
22 enforced by the Secretary, subject to the condition that
23 any selected entity administering the program shall return
24 the funds to the Secretary on the request of the Secretary
25 if the standards are not adequately carried out or the ad-

1 ministration of the program is not otherwise sufficient or
2 if any funds provided to the selected entity are not distrib-
3 uted on the date that is 5 years after the date of enact-
4 ment of the Act entitled ‘An Act to provide for reconcili-
5 ation pursuant to title II of S. Con. Res. 14’, and any
6 such returned funds shall be available for obligation for
7 any activity authorized under this section, except sub-
8 sections (c) and (f).

9 “(f) ADMINISTRATIVE COSTS.—In addition to
10 amounts otherwise available, there is appropriated to the
11 Secretary of Agriculture for fiscal year 2022, to remain
12 available until September 30, 2031, out of any money in
13 the Treasury not otherwise appropriated, \$35,000,000 for
14 administrative costs, including training employees, of the
15 agencies and offices of the Department of Agriculture to
16 carry out this section.

17 “(g) LIMITATION.—The funds made available under
18 subsection (d) are subject to the condition that the Sec-
19 retary shall not—

20 “(1) enter into any agreement—

21 “(A) that is for a term extending beyond
22 September 30, 2031; or

23 “(B) under which any payment could be
24 outlaid or funds disbursed after September 30,
25 2031; or

1 “(2) use any other funds available to the Sec-
2 retary to satisfy obligations initially made under
3 subsection (d).”.

4 **Subtitle D—Research and Urban**
5 **Agriculture**

6 **SEC. 13001. DEPARTMENT OF AGRICULTURE RESEARCH**
7 **FUNDING.**

8 (a) APPROPRIATIONS.—In addition to amounts other-
9 wise available, there are appropriated to the Secretary, out
10 of any money in the Treasury not otherwise appropriated,
11 to remain available until September 30, 2031—

12 (1) to the National Agricultural Statistics Serv-
13 ice, \$5,000,000 for fiscal year 2022, for measure-
14 ments, a survey, and data collection to conduct the
15 study required under section 7212(b) of the Agri-
16 culture Improvement Act of 2018 (Public Law 115–
17 334; 132 Stat. 4812), which shall be completed not
18 later than December 31, 2022;

19 (2) to the National Institute of Food and Agri-
20 culture—

21 (A) to fund agricultural education, exten-
22 sion, and research relating to climate change—

23 (i) through the Agriculture and Food
24 Research Initiative established by sub-
25 section (b) of the Competitive, Special, and

1 Facilities Research Grant Act (7 U.S.C.
2 3157(b)), \$210,000,000 for fiscal year
3 2022;

4 (ii) through the sustainable agri-
5 culture research education program estab-
6 lished under sections 1619, 1621, 1622,
7 1628, and 1629 of the Food, Agriculture,
8 Conservation, and Trade Act of 1990 (7
9 U.S.C. 5801, 5811, 5812, 5831, 5832),
10 \$120,000,000 for fiscal year 2022;

11 (iii) through the organic agriculture
12 research and extension initiative estab-
13 lished under section 1672B of the Food,
14 Agriculture, Conservation, and Trade Act
15 of 1990 (7 U.S.C. 5925b), \$60,000,000 for
16 fiscal year 2022;

17 (iv) through the urban, indoor, and
18 other emerging agricultural production re-
19 search, education, and extension initiative
20 established under section 1672E of the
21 Food, Agriculture, Conservation, and
22 Trade Act of 1990 (7 U.S.C. 5925g),
23 \$5,000,000 for fiscal year 2022;

24 (v) through the centers of excellence
25 led by 1890 Institutions established under

1 section 1673(d) of the Food, Agriculture,
2 Conservation, and Trade Act of 1990 (7
3 U.S.C. 5926(d)), \$5,000,000 for fiscal
4 year 2022;

5 (vi) through the specialty crop re-
6 search and extension initiative established
7 by section 412 of the Agricultural Re-
8 search, Extension, and Education Reform
9 Act of 1998 (7 U.S.C. 7632), \$60,000,000
10 for fiscal year 2022;

11 (vii) through the cooperative extension
12 under the Smith-Lever Act (7 U.S.C. 341
13 through 349) for agricultural extension ac-
14 tivities and research relating to climate
15 change, technical assistance, and tech-
16 nology adoption, \$80,000,000 for fiscal
17 year 2022;

18 (viii) through the cooperative exten-
19 sion at 1994 Institutions in accordance
20 with section 3(b)(3) of the Smith-Lever
21 Act (7 U.S.C. 343(b)(3)), \$35,000,000 for
22 fiscal year 2022; and

23 (ix) through the cooperative extension
24 at 1890 Institutions under section 1444 of
25 the National Agricultural Research, Exten-

1 sion, and Teaching Policy Act of 1977 (7
2 U.S.C. 3221), \$40,000,000 for fiscal year
3 2022;

4 (B) \$1,000,000,000 for fiscal year 2022,
5 for grants to covered institutions for construc-
6 tion, alteration, acquisition, modernization, ren-
7 ovation, or remodeling of agricultural research
8 facilities, including related building costs associ-
9 ated with compliance with applicable Federal
10 and State law, under section 4 of the Research
11 Facilities Act (7 U.S.C. 390b), subject to the
12 condition that notwithstanding section
13 3(c)(2)(A) of that Act (7 U.S.C.
14 390a(c)(2)(A)), the recipient of a grant pro-
15 vided using those amounts shall not be required
16 to provide any non-Federal share of total fund-
17 ing provided under this subparagraph;

18 (C) for the scholarships for students at
19 1890 Institutions grant program under section
20 1446 of the National Agricultural Research,
21 Extension, and Teaching Policy Act of 1977 (7
22 U.S.C. 3222a), \$100,000,000 for fiscal year
23 2024;

24 (D) \$15,000,000 for fiscal year 2022, for
25 grants to land-grant colleges and universities to

1 support Tribal students under section 1450 of
2 that Act (7 U.S.C. 3222e) and for purposes of
3 this subparagraph, section 1450(b)(4) of such
4 Act shall not apply; and

5 (E) \$15,000,000 for fiscal year 2022, for
6 the Higher Education Multicultural Scholars
7 Program carried out pursuant to section 1417
8 of that Act (7 U.S.C. 3152);

9 (3) to the Office of the Chief Scientist, to carry
10 out advanced research and development relating to
11 climate through the Agriculture Advanced Research
12 and Development Authority under section 1473H of
13 the National Agricultural Research, Extension, and
14 Teaching Policy Act of 1977 (7 U.S.C. 3319k),
15 \$30,000,000 for fiscal year 2022;

16 (4) to the Foundation for Food and Agriculture
17 Research, to carry out activities relating to climate
18 change in accordance with section 7601 of the Agri-
19 cultural Act of 2014 (7 U.S.C. 5939), to be consid-
20 ered as provided pursuant to subsection (g)(1)(A) of
21 such section, \$210,000,000 for fiscal year 2022;

22 (5) to the Office of Urban Agriculture and In-
23 novative Production, \$10,000,000 for fiscal year
24 2022, to carry out activities in accordance with sec-

1 tion 222 of the Department of Agriculture Reorga-
2 nization Act of 1994 (7 U.S.C. 6923).

3 (b) DEFINITIONS.—In this section:

4 (1) COVERED INSTITUTION.—The term “cov-
5 ered institution” means—

6 (A) an 1890 Institution (as defined in sec-
7 tion 2 of the Agricultural Research, Extension,
8 and Education Reform Act of 1998 (7 U.S.C.
9 7601));

10 (B) a 1994 Institution (as defined in sec-
11 tion 532 of the Equity in Educational Land-
12 Grant Status Act of 1994 (7 U.S.C. 301 note;
13 Public Law 103–382));

14 (C) an Alaska Native serving institution or
15 Native Hawaiian serving institution eligible to
16 receive grants under subsections (a) and (b), re-
17 spectively, of section 1419B of the National Ag-
18 ricultural Research, Extension, and Teaching
19 Policy Act of 1977 (7 U.S.C. 3156);

20 (D) Hispanic-serving agricultural colleges
21 and universities and Hispanic-serving institu-
22 tions (as those terms are defined in section
23 1404 of the National Agricultural Research,
24 Extension, and Teaching Policy Act of 1977 (7
25 U.S.C. 3103));

1 (E) an eligible institution (as defined in
2 section 1489 of the National Agricultural Re-
3 search, Extension, and Teaching Policy Act of
4 1977 (7 U.S.C. 3361) (relating to institutions
5 of higher education in insular areas)); and

6 (F) the University of the District of Co-
7 lumbia established pursuant to the Act of July
8 2, 1862 (commonly known as the “First Morrill
9 Act”) (7 U.S.C. 301 through 309).

10 (2) STATE.—The term “State” has the mean-
11 ing given the term in section 1404 of the National
12 Agricultural Research, Extension, and Teaching Pol-
13 icy Act of 1977 (7 U.S.C. 3103).

14 **SEC. 13002. LIMITATION.**

15 The funds made available under this subtitle are sub-
16 ject to the condition that the Secretary shall not—

17 (1) enter into any agreement—

18 (A) that is for a term extending beyond
19 September 30, 2031; or

20 (B) under which any payment could be
21 outlaid or funds disbursed after September 30,
22 2031; or

23 (2) use any other funds available to the Sec-
24 retary to satisfy obligations initially made under this
25 subtitle.

1 **Subtitle E—Miscellaneous**

2 **SEC. 14001. ADDITIONAL SUPPORT FOR USDA OFFICE OF**
3 **THE INSPECTOR GENERAL.**

4 In addition to amounts otherwise made available,
5 there is appropriated to the Office of the Inspector Gen-
6 eral of the Department of Agriculture for fiscal year 2022,
7 out of any money in the Treasury not otherwise appro-
8 priated, \$5,000,000 to remain available until September
9 30, 2031, for audits, investigations, and other oversight
10 activities of projects and activities carried out with funds
11 made available to the Department of Agriculture under
12 this title.

13 **SEC. 14002. ADDITIONAL SUPPORT FOR FARMWORKER AND**
14 **FOOD WORKER RELIEF GRANT PROGRAM.**

15 In addition to amounts otherwise available, there is
16 appropriated to the Secretary of Agriculture for fiscal year
17 2022 to remain available until September 30, 2031, out
18 of any money in the Treasury not otherwise appropriated,
19 \$200,000,000 to provide additional funds to the Secretary
20 for the Farmworker and Food Worker Relief Grant Pro-
21 gram of the Agricultural Marketing Service to provide ad-
22 ditional COVID–19 assistance relief payments for front-
23 line grocery workers.

1 **Subtitle F—Conservation**

2 **SEC. 15001. SOIL CONSERVATION ASSISTANCE.**

3 (a) APPROPRIATION.—In addition to amounts other-
4 wise available, there are appropriated to the Secretary of
5 Agriculture (referred to in this section as the “Secretary”)
6 for each of fiscal years 2022 through 2028, out of any
7 money in the Treasury not otherwise appropriated, such
8 sums as are necessary to carry out this section, to remain
9 available until expended, subject to the conditions that, for
10 purposes of providing payments under subsections (b), (c),
11 and (d), the Secretary shall not—

12 (1) enter into any agreement—

13 (A) that is for a term extending beyond
14 September 30, 2031; or

15 (B) under which any payment could be
16 outlaid or funds disbursed after September 30,
17 2031;

18 (2) use any other funds available to the Sec-
19 retary to satisfy obligations initially made under this
20 section; or

21 (3) interpret this section to authorize funds of
22 the Commodity Credit Corporation for such pay-
23 ments if such funds are not expressly authorized or
24 currently expended for such purposes.

25 (b) AVAILABILITY OF PAYMENTS TO PRODUCERS.—

1 (1) IN GENERAL.—Of the funds made available
2 under subsection (a), for each of the 2022 through
3 2026 crop years, the Secretary shall make payments
4 to the producers on a farm for which the producer
5 establishes 1 or more cover crop practices with re-
6 spect to the applicable crop year, as determined by
7 the Secretary, in accordance with this subsection,
8 subject to the condition that a producer receiving a
9 payment shall not receive a payment under any
10 other provision of law for the same practices on the
11 same acres.

12 (2) PAYMENT RATE.—The payment rate used
13 to make payments with respect to a producer who
14 establishes 1 or more cover crop practices under
15 paragraph (1) shall be \$25 per acre of cover crop es-
16 tablished.

17 (3) ACRES ESTABLISHED.—The acres for which
18 a producer receives the payment rate under para-
19 graph (2) shall be equal to the total number of acres
20 on which the producer establishes 1 or more cover
21 crop practices, not to exceed 1,000 acres per pro-
22 ducer.

23 (c) AVAILABILITY OF PAYMENTS TO FARM OWN-
24 ERS.—

1 (1) IN GENERAL.—Of the funds made available
2 under subsection (a), for each of the 2022 through
3 2026 crop years, the Secretary shall make payments
4 to the owners of a farm with respect to which a pro-
5 ducer establishes 1 or more cover crop practices pur-
6 suant to subsection (b), in accordance with this sub-
7 section, subject to the condition that an owner of a
8 farm may not receive a payment under this sub-
9 section and subsection (b) for the same farm or
10 acres, as determined by the Secretary.

11 (2) PAYMENT RATE.—The payment rate used
12 to make payments under paragraph (1) with respect
13 to the owner of a farm shall be \$5 per acre of cover
14 crop established.

15 (3) ACRES ESTABLISHED.—The acres for which
16 the owner of a farm receives the payment rate under
17 paragraph (2) shall be equal to the total number of
18 acres for which the applicable producer establishes 1
19 or more cover crop practices, not to exceed 1,000
20 acres per owner.

21 (d) AVAILABILITY OF PAYMENTS FOR PREVENTED
22 PLANTING.—

23 (1) IN GENERAL.—Of the funds made available
24 under subsection (a) and in addition to any other
25 payments or assistance, for the 2022 through 2026

1 crop years, the Secretary shall make payments in ac-
2 cordance with this subsection to producers on farms
3 who establish 1 or more cover crop practices pursu-
4 ant to subsection (b).

5 (2) REQUIREMENTS.—To receive a payment
6 under this subsection, a producer—

7 (A) shall have—

8 (i) purchased a crop insurance policy
9 or plan of insurance under section 508(c)
10 of the Federal Crop Insurance Act (7
11 U.S.C. 1508(c)) for the applicable crop
12 year following the establishment of the
13 cover crop practice, as determined by the
14 Secretary;

15 (ii) established a cover crop practice
16 pursuant to subsection (b) on the farm for
17 which the insurance described in clause (i)
18 was purchased, as determined by the Sec-
19 retary; and

20 (iii) been unable to plant the crop for
21 which insurance was purchased; and

22 (B) as determined by the Secretary, shall
23 not—

24 (i) harvest the cover crop for market
25 or sale;

1 (ii) harvest the cover crop for seed for
2 purposes of marketing or sale, except that
3 a quantity may be harvested for seed for
4 on-farm usage only; or

5 (iii) otherwise use the acres for which
6 payments are received under this sub-
7 section for any unapproved uses or other
8 uses that seek to defeat or undermine the
9 purposes of this section.

10 (3) PAYMENT AMOUNT.—The Secretary shall
11 make payments to producers under this subsection
12 in an amount equal to the product obtained by mul-
13 tipling—

14 (A) the total number of acres for which the
15 producer is eligible to receive a payment under
16 this subsection; and

17 (B) the difference between—

18 (i) 100 percent of the prevented plant-
19 ing guarantee, calculated without regard to
20 the establishment of the cover crop prac-
21 tices pursuant to subsection (b), applicable
22 for the insurance policy purchased by the
23 producer under section 508A of the Fed-
24 eral Crop Insurance Act (7 U.S.C. 1508a),
25 as determined by the Secretary; and

1 (ii) the prevented planting indemnity
2 payment received by the producer under
3 that section and the policy purchased by
4 the producer for the applicable crop, as de-
5 termined by the Secretary.

6 **SEC. 15002. ADDITIONAL AGRICULTURAL CONSERVATION**
7 **INVESTMENTS.**

8 (a) APPROPRIATIONS.—In addition to amounts other-
9 wise available (and subject to subsection (b)), there are
10 appropriated to the Secretary of Agriculture (referred to
11 in this section as the “Secretary”), out of any money in
12 the Treasury not otherwise appropriated, to remain avail-
13 able until September 30, 2031 (subject to the condition
14 that no such funds may be disbursed after September 30,
15 2031)—

16 (1) to carry out, using the facilities and au-
17 thorities of the Commodity Credit Corporation, the
18 environmental quality incentives program under sub-
19 chapter A of chapter 4 of subtitle D of title XII of
20 the Food Security Act of 1985 (16 U.S.C. 3839aa
21 through 3839aa–8)—

22 (A)(i) \$300,000,000 for fiscal year 2022;

23 (ii) \$500,000,000 for fiscal year 2023;

24 (iii) \$1,750,000,000 for fiscal year 2024;

1 (iv) \$3,000,000,000 for fiscal year 2025;

2 and

3 (v) \$3,450,000,000 for fiscal year 2026;

4 and

5 (B) subject to the conditions on the use of
6 the funds that—

7 (i) section 1240B(f)(1) of the Food
8 Security Act of 1985 (16 U.S.C. 3839aa–
9 2(f)(1)) shall not apply;

10 (ii) section 1240H(c)(2) of the Food
11 Security Act of 1985 (16 U.S.C. 3839aa–
12 8(c)(2)) shall be applied—

13 (I) by substituting
14 “\$50,000,000” for “\$25,000,000”;
15 and

16 (II) with the Secretary
17 prioritizing proposals that utilize diet
18 and feed management to reduce en-
19 teric methane emissions from
20 ruminants;

21 (iii) the funds shall be available for 1
22 or more agricultural conservation practices
23 or enhancements that the Secretary deter-
24 mines directly improve soil carbon or re-
25 duce nitrogen losses or greenhouse gas

1 emissions, or capture or sequester green-
2 house gas emissions, associated with agri-
3 cultural production; and

4 (iv) the Secretary shall prioritize
5 projects and activities that mitigate or ad-
6 dress climate change through the manage-
7 ment of agricultural production, including
8 by reducing or avoiding greenhouse gas
9 emissions;

10 (2) to carry out, using the facilities and au-
11 thorities of the Commodity Credit Corporation, the
12 conservation stewardship program under subchapter
13 B of that chapter (16 U.S.C. 3839aa-21 through
14 3839aa-25)—

15 (A)(i) \$250,000,000 for fiscal year 2022;

16 (ii) \$500,000,000 for fiscal year 2023;

17 (iii) \$850,000,000 for fiscal year 2024;

18 (iv) \$1,000,000,000 for fiscal year 2025;

19 and

20 (v) \$1,500,000,000 for fiscal year 2026;

21 and

22 (B) subject to the conditions on the use of
23 the funds that—

24 (i) the funds shall only be available

25 for—

1 (I) 1 or more agricultural con-
2 servation practices or enhancements
3 that the Secretary determines directly
4 improve soil carbon or reduce nitrogen
5 losses or greenhouse gas emissions, or
6 capture or sequester greenhouse gas
7 emissions, associated with agricultural
8 production; or

9 (II) State-specific or region-spe-
10 cific groupings or bundles of agricul-
11 tural conservation activities for cli-
12 mate change mitigation appropriate
13 for cropland, pastureland, rangeland,
14 nonindustrial private forest land, and
15 producers transitioning to organic or
16 perennial production systems; and

17 (ii) the Secretary shall prioritize
18 projects and activities that mitigate or ad-
19 dress climate change through the manage-
20 ment of agricultural production, including
21 by reducing or avoiding greenhouse gas
22 emissions;

23 (3) to carry out, using the facilities and au-
24 thorities of the Commodity Credit Corporation, the
25 agricultural conservation easement program under

1 subtitle H of title XII of that Act (16 U.S.C. 3865
2 through 3865d)—

3 (A)(i) \$100,000,000 for fiscal year 2022;

4 (ii) \$200,000,000 for fiscal year 2023;

5 (iii) \$300,000,000 for fiscal year 2024;

6 (iv) \$500,000,000 for fiscal year 2025; and

7 (v) \$600,000,000 for fiscal year 2026; and

8 (B) subject to the condition on the use of
9 the funds that the Secretary shall prioritize
10 projects and activities that mitigate or address
11 climate change through the management of ag-
12 ricultural production, including by reducing or
13 avoiding greenhouse gas emissions; and

14 (4) to carry out, using the facilities and au-
15 thorities of the Commodity Credit Corporation, the
16 regional conservation partnership program under
17 subtitle I of title XII of that Act (16 U.S.C. 3871
18 through 3871f)—

19 (A)(i) \$200,000,000 for fiscal year 2022;

20 (ii) \$500,000,000 for fiscal year 2023;

21 (iii) \$1,500,000,000 for fiscal year 2024;

22 (iv) \$2,250,000,000 for fiscal year 2025;

23 and

24 (v) \$3,050,000,000 for fiscal year 2026;

25 and

1 (B) subject to the conditions on the use of
2 the funds that the Secretary—

3 (i) shall prioritize partnership agree-
4 ments under section 1271C(d) of the Food
5 Security Act of 1985 (16 U.S.C. 3871c(d))
6 that support the implementation of con-
7 servation projects that assist agricultural
8 producers and nonindustrial private
9 forestland owners in directly improving soil
10 carbon or reducing nitrogen losses or
11 greenhouse gas emissions, or capturing or
12 sequestering greenhouse gas emissions, as-
13 sociated with agricultural production;

14 (ii) shall prioritize projects and activi-
15 ties that mitigate or address climate
16 change through the management of agri-
17 cultural production, including by reducing
18 or avoiding greenhouse gas emissions; and

19 (iii) may prioritize projects that—

20 (I) leverage corporate supply
21 chain sustainability commitments; or

22 (II) utilize models that pay for
23 outcomes from targeting methane and
24 nitrous oxide emissions associated
25 with agricultural production systems.

1 (b) CONDITIONS.—The funds made available under
2 this section are subject to the conditions that the Sec-
3 retary shall not—

4 (1) enter into any agreement—

5 (A) that is for a term extending beyond
6 September 30, 2031; or

7 (B) under which any payment could be
8 outlaid or funds disbursed after September 30,
9 2031; or

10 (2) use any other funds available to the Sec-
11 retary to satisfy obligations initially made under this
12 section.

13 (c) CONFORMING AMENDMENTS.—

14 (1) Section 1240B of the Food Security Act of
15 1985 (16 U.S.C. 3839aa-2) is amended—

16 (A) in subsection (a), by striking “2023”
17 and inserting “2031”; and

18 (B) in subsection (f)(2)(B)—

19 (i) in the subparagraph heading, by
20 striking “2023” and inserting “2031”; and

21 (ii) by striking “2023” and inserting
22 “2031”.

23 (2) Section 1240H of the Food Security Act of
24 1985 (16 U.S.C. 3839aa-8) is amended by striking
25 “2023” each place it appears and inserting “2031”.

1 (3) Section 1240J(a) of the Food Security Act
2 of 1985 (16 U.S.C. 3839aa–22(a)) is amended, in
3 the matter preceding paragraph (1), by striking
4 “2023” and inserting “2031”.

5 (4) Section 1240L(h)(2)(A) of the Food Secu-
6 rity Act of 1985 (16 U.S.C. 3839aa–24(h)(2)(A)) is
7 amended by striking “2023” and inserting “2031”.

8 (5) Section 1241 of the Food Security Act of
9 1985 (16 U.S.C. 3841) is amended—

10 (A) in subsection (a)—

11 (i) in the matter preceding paragraph
12 (1), by striking “2023” and inserting
13 “2031”;

14 (ii) in paragraph (1), by striking
15 “2023” each place it appears and inserting
16 “2031”;

17 (iii) in paragraph (2)(F), by striking
18 “2023” and inserting “2031”; and

19 (iv) in paragraph (3), by striking “fis-
20 cal year 2023” each place it appears and
21 inserting “each of fiscal years 2023
22 through 2031”;

23 (B) in subsection (b), by striking “2023”
24 and inserting “2031”; and

25 (C) in subsection (h)—

1 (i) in paragraph (1)(B), in the sub-
2 paragraph heading, by striking “2023” and
3 inserting “2031”; and

4 (ii) by striking “2023” each place it
5 appears and inserting “2031”.

6 (6) Section 1244(n)(3)(A) of the Food Security
7 Act of 1985 (16 U.S.C. 3844(n)(3)(A)) is amended
8 by striking “2023” and inserting “2031”.

9 (7) Section 1271D(a) of the Food Security Act
10 of 1985 (16 U.S.C. 3871d(a)) is amended by strik-
11 ing “2023” and inserting “2031”.

12 **SEC. 15003. CONSERVATION TECHNICAL ASSISTANCE.**

13 (a) APPROPRIATIONS.—In addition to amounts other-
14 wise available (and subject to subsection (b)), there are
15 appropriated to the Secretary of Agriculture (referred to
16 in this section as the “Secretary”) for fiscal year 2022,
17 out of any money in the Treasury not otherwise appro-
18 priated, to remain available until September 30, 2031
19 (subject to the condition that no such funds may be dis-
20 bursed after September 30, 2031)—

21 (1) \$200,000,000 to provide conservation tech-
22 nical assistance through the Natural Resources Con-
23 servation Service;

24 (2) \$50,000,000 to carry out climate change
25 adaptation and mitigation activities through the

1 Natural Resources Conservation Service by working
2 with the Regional Climate Hubs designed to provide
3 information and technical support on climate smart
4 agriculture and forestry to agricultural producers,
5 landowners, and resource managers, as determined
6 by the Secretary; and

7 (3) \$600,000,000 to carry out a carbon seques-
8 tration and greenhouse gas emissions quantification
9 program through which the Natural Resources Con-
10 servation Service, including through technical service
11 providers and other partners, shall collect field-based
12 data to assess the carbon sequestration and green-
13 house gas emissions reduction outcomes associated
14 with activities carried out pursuant to this section
15 and use the data to monitor and track greenhouse
16 gas emissions and carbon sequestration trends
17 through the Greenhouse Gas Inventory and Assess-
18 ment Program of the Department of Agriculture.

19 (b) CONDITIONS.—The funds made available under
20 this section are subject to the conditions that the Sec-
21 retary shall not—

22 (1) enter into any agreement—

23 (A) that is for a term extending beyond
24 September 30, 2031; or

1 (B) under which any payment could be
2 outlaid or funds disbursed after September 30,
3 2031;

4 (2) use any other funds available to the Sec-
5 retary to satisfy obligations initially made under this
6 section; or

7 (3) interpret this section to authorize funds of
8 the Commodity Credit Corporation for activities
9 under this section if such funds are not expressly
10 authorized or currently expended for such purposes.

11 (c) ADMINISTRATIVE COSTS.—In addition to
12 amounts otherwise available, there is appropriated to the
13 Secretary for fiscal year 2022, out of any money in the
14 Treasury not otherwise appropriated, \$100,000,000, to re-
15 main available until September 30, 2028, for administra-
16 tive costs of the agencies and offices of the Department
17 of Agriculture for costs related to implementing this sec-
18 tion.

1 **TITLE II—COMMITTEE ON**
2 **EDUCATION AND LABOR**
3 **Subtitle A—Education Matters**
4 **PART 1—ELEMENTARY AND SECONDARY**
5 **EDUCATION**

6 **SEC. 20001. GROW YOUR OWN PROGRAMS.**

7 (a) APPROPRIATIONS.—In addition to amounts other-
8 wise available, there is appropriated to the Department
9 of Education for fiscal year 2022, out of any money in
10 the Treasury not otherwise appropriated, \$112,684,000,
11 to remain available through September 30, 2025, to award
12 grants for the development and support of Grow Your
13 Own Programs, as described in section 202(g) of the
14 Higher Education Act of 1965.

15 (b) IN GENERAL.—Section 202 of the Higher Edu-
16 cation Act of 1965 is amended—

17 (1) in subsection (b)(6)(C), by striking “sub-
18 section (f) or (g)” and inserting “subsection (f) or
19 (h)”;

20 (2) in subsection (c)(1), by inserting “a Grow
21 Your Own program under subsection (g),” after
22 “subsection (e),”;

23 (3) by redesignating subsections (g), (h), (i),
24 (j), and (k), as subsections (h), (i), (j), (k), and (l),
25 respectively; and

1 (4) by inserting after subsection (f) the fol-
2 lowing:

3 “(g) PARTNERSHIP GRANTS FOR THE ESTABLISH-
4 MENT OF ‘GROW YOUR OWN’ PROGRAMS.—

5 “(1) IN GENERAL.—An eligible partnership that
6 receives a grant under this section shall carry out an
7 effective ‘Grow Your Own’ program to address
8 shortages of teachers in high-need subjects, fields,
9 schools, and geographic areas, or shortages of school
10 leaders in high-need schools, and to increase the di-
11 versity of qualified individuals entering into the
12 teacher, principal, or other school leader workforce.

13 “(2) REQUIREMENTS OF A GROW YOUR OWN
14 PROGRAM.—In addition to carrying out each of the
15 activities described in paragraphs (1) through (6) of
16 subsection (d), an eligible partnership carrying out a
17 Grow Your Own program under this subsection
18 shall—

19 “(A) integrate courses on education topics
20 with a year-long school-based clinical experience
21 in which candidates teach or lead alongside an
22 expert mentor teacher or school leader who is
23 the teacher or school leader of record in the
24 same local educational agencies in which the
25 candidates expect to work;

1 “(B) provide opportunities for candidates
2 to practice and develop teaching skills or school
3 leadership skills;

4 “(C) support candidates as they complete
5 their associate (in furtherance of their bacca-
6 laureate), baccalaureate, or master’s degree or
7 earn their teaching or school leadership creden-
8 tial;

9 “(D) work to provide academic, counseling,
10 and programmatic supports to candidates;

11 “(E) provide academic and nonacademic
12 supports, including advising and financial as-
13 sistance, to candidates to enter and complete
14 teacher or school leadership preparation pro-
15 grams, to access and complete State licensure
16 exams, and to engage in school-based clinical
17 placements;

18 “(F) include efforts to recruit individuals
19 with experience in high-need subjects or fields
20 who are not certified to teach or lead, with a
21 specific focus on recruiting individuals—

22 “(i) from groups or populations that
23 are underrepresented; and

24 “(ii) who live in and come from the
25 communities the schools serve; and

1 “(G) require candidates to complete all
2 State requirements to become fully certified.”.

3 **SEC. 20002. TEACHER RESIDENCIES.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Department of Education for fiscal
6 year 2022, out of any money in the Treasury not otherwise
7 appropriated, \$112,266,000, to remain available through
8 September 30, 2025, to award grants for the development
9 and support of high-quality teaching residency programs,
10 as described in section 202(e) of the Higher Education
11 Act of 1965 (20 U.S.C. 1022a(e)), except that amounts
12 available under this section shall also be available for resi-
13 dency programs for prospective teachers in a bachelor’s
14 degree program.

15 **SEC. 20003. SUPPORT SCHOOL PRINCIPALS.**

16 In addition to amounts otherwise available, there is
17 appropriated to the Department of Education for fiscal
18 year 2022, out of any money in the Treasury not otherwise
19 appropriated, \$112,266,000, to remain available through
20 September 30, 2025, to award grants for the development
21 and support of school leadership programs, as described
22 in section 2243 of the Elementary and Secondary Edu-
23 cation Act of 1965 (20 U.S.C. 6673).

1 **SEC. 20004. HAWKINS.**

2 In addition to amounts otherwise available, there is
3 appropriated to the Department of Education for fiscal
4 year 2022, out of any money in the Treasury not otherwise
5 appropriated, \$112,266,000, to remain available through
6 September 30, 2025, to award grants for the Augustus
7 F. Hawkins Centers of Excellence Program, as described
8 in section 242 of the Higher Education Act of 1965 (20
9 U.S.C. 1033a).

10 **SEC. 20005. FUNDING FOR THE INDIVIDUALS WITH DISABIL-**
11 **ITIES EDUCATION PART D PERSONNEL DE-**
12 **VELOPMENT.**

13 In addition to amounts otherwise available, there is
14 appropriated to the Department of Education for fiscal
15 year 2022, out of any money in the Treasury not otherwise
16 appropriated, \$160,776,000, to remain available until
17 September 30, 2025, for personnel development described
18 in section 662 of the Individuals with Disabilities Edu-
19 cation Act (20 U.S.C. 1462).

20 **SEC. 20006. GRANTS FOR NATIVE AMERICAN LANGUAGE**
21 **TEACHERS AND EDUCATORS.**

22 The Native American Programs Act of 1974 is
23 amended by inserting after section 803C the following:

1 **“SEC. 803D. GRANTS FOR NATIVE AMERICAN LANGUAGE**
2 **TEACHERS AND EDUCATORS.**

3 “(a) IN GENERAL.—In addition to amounts other-
4 wise available, there is appropriated for fiscal year 2022,
5 out of any money in the Treasury not otherwise appro-
6 priated, to remain available until September 30, 2031,
7 \$200,000,000 for the Secretary, in carrying out section
8 803C, to award grants to carry out activities relating to
9 preparing, training, and offering professional development
10 to Native American language teachers and Native Amer-
11 ican language early childhood educators to ensure the sur-
12 vival and continuing vitality of Native American lan-
13 guages.

14 “(b) COST SHARE PROHIBITION.—The Secretary
15 shall not impose a cost sharing or matching fund require-
16 ment with respect to grants awarded under subsection
17 (a).”.

18 **PART 2—HIGHER EDUCATION**
19 **SEC. 20021. INCREASING THE MAXIMUM FEDERAL PELL**
20 **GRANT.**

21 (a) AWARD YEAR 2022–2023.—Section 401(b)(7) of
22 the Higher Education Act of 1965 is amended—

23 (1) in subparagraph (A)(iii), by inserting “and
24 such sums as may be necessary for fiscal year 2022
25 to carry out the \$550 increase for enrollment at in-
26 stitutions of higher education defined in section 101

1 or 102(a)(1)(B) provided under subparagraph
2 (C)(iii)” before “; and”; and

3 (2) in subparagraph (C)(iii), by inserting before
4 the period at the end the following: “, except that,
5 for award year 2022–2023, such amount shall be
6 equal to the amount determined under clause (ii) for
7 award year 2017–2018, increased by \$550 for en-
8 rollment at institutions of higher education defined
9 in section 101 or 102(a)(1)(B)”.

10 (b) SUBSEQUENT AWARD YEARS THROUGH 2025–
11 2026.—Section 401(b) of the Higher Education Act of
12 1965, as amended by section 703 of the FAFSA Sim-
13 plification Act (title VII of division FF of Public Law
14 116–260), is amended—

15 (1) in paragraph (5)(A)—

16 (A) in clause (i), by striking “and” after
17 the semicolon;

18 (B) by redesignating clause (ii) as clause
19 (iii); and

20 (C) by inserting after clause (i) the fol-
21 lowing:

22 “(ii) for each of award years 2023–
23 2024 through 2025–2026, an additional
24 \$550 for enrollment at institutions of high-

1 er education defined in section 101 or
2 102(a)(1)(B); and”; and
3 (2) in paragraph (6)(A)—
4 (A) in clause (i)—
5 (i) by striking “appropriated) such”
6 and inserting the following: “appro-
7 priated)—
8 “(I) such”; and
9 (ii) by adding at the end the fol-
10 lowing:
11 “(II) such sums as are necessary
12 to carry out paragraph (5)(A)(ii) for
13 each of fiscal years 2023 through
14 2025; and”; and
15 (B) in clause (ii), by striking “(5)(A)(ii)”
16 and inserting “(5)(A)(iii)”.

17 **SEC. 20022. EXPANDING FEDERAL STUDENT AID ELIGI-**
18 **BILITY.**

19 Section 484(a)(5) of the Higher Education Act of
20 1965 is amended by inserting “, or, with respect to any
21 grant, loan, or work assistance received under this title
22 for award years 2022–2023 through 2029–2030, be sub-
23 ject to a grant of deferred enforced departure or have de-
24 ferred action pursuant to the Deferred Action for Child-
25 hood Arrivals policy of the Secretary of Homeland Secu-

1 rity or temporary protected status” after “becoming a cit-
2 izen or permanent resident”.

3 **SEC. 20023. INCREASE IN PELL GRANTS FOR RECIPIENTS**
4 **OF MEANS-TESTED BENEFITS.**

5 Section 473 of the Higher Education Act of 1965,
6 as amended by section 702(b) of the FAFSA Simplifica-
7 tion Act (title VII of division FF of Public Law 116–260),
8 is amended by adding at the end the following:

9 “(d) SPECIAL RULE FOR MEANS-TESTED BENEFIT
10 RECIPIENTS.—During award years 2024–2025 through
11 2029–2030, and notwithstanding subsection (b), for an
12 applicant (or, as applicable, an applicant and spouse, or
13 an applicant’s parents) who is not described in subsection
14 (c) and who, at any time during the previous 24-month
15 period, received a benefit under a means-tested Federal
16 benefit program (or whose parent or spouse received such
17 a benefit, as applicable) described in clauses (i) through
18 (vi) of section 479(b)(4)(H), the Secretary shall for the
19 purposes of this title consider the student aid index as
20 equal to –\$1,500 for the applicant.”.

21 **SEC. 20024. RETENTION AND COMPLETION GRANTS.**

22 Title VII of the Higher Education Act of 1965 is
23 amended by adding at the end the following:

1 ents, and other underserved student populations in such
2 eligible entity, improve enrollment, retention, transfer, or
3 completion rates or labor market outcomes.

4 “(d) ADEQUATE PROGRESS.—As a condition of con-
5 tinuing to receive funds under this section, for each year
6 in which an eligible entity participates in the program
7 under this section, such eligible entity shall demonstrate
8 to the satisfaction of the Secretary that the entity has
9 made adequate progress in implementing or expanding evi-
10 dence-based reforms or practices, and, among students of
11 color, low-income students, students with disabilities, stu-
12 dents in need of remediation, first generation college stu-
13 dents, student parents, and other underserved student
14 populations in such eligible entity, improving enrollment,
15 retention, transfer, or completion rates or labor market
16 outcomes.

17 “(e) MATCHING REQUIREMENT.—As a condition of
18 receiving a grant under this section for the applicable year
19 described in paragraphs (1) through (3), an eligible entity
20 that is not a Tribal College or University shall provide
21 matching funds for such applicable year toward the cost
22 of the activities described in the application submitted
23 under subsection (b). Such matching funds shall be in the
24 amount of—

1 “(1) in the second year of a grant, not less than
2 10 percent of the grant amount awarded to such eli-
3 gible entity for such year;

4 “(2) in the third year of a grant, not less than
5 15 percent of the grant amount awarded to such eli-
6 gible entity for such year; and

7 “(3) in the fourth year and each subsequent
8 year of a grant, not less than 20 percent of the
9 grant amount awarded to such eligible entity for
10 such year.

11 “(f) GENERAL REQUIREMENT.—An eligible entity
12 shall use a grant under this section only to carry out ac-
13 tivities described in the application for such year under
14 subsection (b).

15 “(g) EVIDENCE-BASED REFORMS OR PRACTICES.—
16 An eligible entity receiving a grant under this section
17 shall, directly or in collaboration with institutions of high-
18 er education and other non-profit organizations, use the
19 grant funds to implement one or more of the following
20 evidence-based reforms or practices:

21 “(1) Providing comprehensive academic, career,
22 and student support services, including mentoring,
23 advising, or case management services.

24 “(2) Providing assistance in applying for and
25 accessing direct support services, financial assist-

1 ance, or means-tested benefit programs to meet the
2 basic needs of students.

3 “(3) Providing accelerated learning opportuni-
4 ties, including dual or concurrent enrollment pro-
5 grams and early college high school programs.

6 “(4) Reforming remedial or developmental edu-
7 cation, course scheduling, or credit-awarding poli-
8 cies.

9 “(5) Improving transfer pathways between—

10 “(A) in the case of an eligible entity that
11 is a State, community colleges and 4-year insti-
12 tutions of higher education in the State;

13 “(B) in the case of an eligible entity that
14 is a system of institutions of higher education,
15 institutions within such system and other insti-
16 tutions of higher education in the State in
17 which the system is located; or

18 “(C) in the case of a Tribal College or
19 University, between the Tribal College or Uni-
20 versity and other institutions of higher edu-
21 cation.

22 “(h) SUPPLEMENT, NOT SUPPLANT.—Funds made
23 available under this part shall be used to supplement, and
24 not supplant, other Federal, State, local, Tribal, and insti-

1 tutional funds that would otherwise be expended to carry
2 out activities described in this section.

3 “(i) DEFINITIONS.—In this section:

4 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
5 tity’ means a State, a system of institutions of high-
6 er education, or a Tribal College or University.

7 “(2) EVIDENCE TIERS.—

8 “(A) EVIDENCE TIER 1.—The term ‘evi-
9 dence tier 1’, when used with respect to a re-
10 form or practice, means a reform or practice
11 that meets the criteria for receiving an expan-
12 sion grant from the education innovation and
13 research program under section 4611(a)(2)(C)
14 of the Elementary and Secondary Education
15 Act of 1965, as determined by the Secretary in
16 accordance with such section.

17 “(B) EVIDENCE TIER 2.—The term ‘evi-
18 dence tier 2’, when used with respect to a re-
19 form or practice, means a reform or practice
20 that meets the criteria for receiving a mid-
21 phase grant from the education innovation and
22 research program under section 4611(a)(2)(B)
23 of the Elementary and Secondary Education
24 Act of 1965, as determined by the Secretary in
25 accordance with such section.

1 “(3) FIRST GENERATION COLLEGE STUDENT.—
2 The term ‘first generation college student’ has the
3 meaning given the term in section 402A(h)(3).

4 “(4) INSTITUTION OF HIGHER EDUCATION.—
5 The term ‘institution of higher education’ has the
6 meaning given the term in section 101 or
7 102(a)(1)(B).

8 “(5) STATE.—The term ‘State’ means each of
9 the 50 States of the United States, the District of
10 Columbia, the Commonwealth of Puerto Rico, Amer-
11 ican Samoa, Guam, the United States Virgin Is-
12 lands, the Commonwealth of the Northern Mariana
13 Islands, and the Freely Associated States.

14 “(6) TRIBAL COLLEGE OR UNIVERSITY.—The
15 term ‘Tribal College or University’ has the meaning
16 given the term in section 316(b)(3).

17 “(j) APPROPRIATION.—In addition to amounts other-
18 wise available, there is appropriated for fiscal year 2022,
19 out of any money in the Treasury not otherwise appro-
20 priated—

21 “(1) \$310,000,000 to remain available until
22 September 30, 2030, to award competitive grants to
23 eligible entities that are not Tribal Colleges and Uni-
24 versities to carry out the approved activities de-

1 scribed in the applications submitted under sub-
2 section (b);

3 “(2) \$37,500,000 to remain available until Sep-
4 tember 30, 2030, to award competitive grants to
5 Tribal Colleges and Universities to carry out the ap-
6 proved activities described in the applications sub-
7 mitted under subsection (b);

8 “(3) \$95,000,000 to remain available until Sep-
9 tember 30, 2030, to supplement the competitive
10 grant amounts awarded to eligible entities with
11 funds available under paragraph (1) and (2) to im-
12 plement reforms or practices that meet evidence tier
13 1;

14 “(4) \$47,500,000 to remain available until Sep-
15 tember 30, 2030, to supplement the competitive
16 grant amounts awarded to eligible entities with
17 funds available under paragraphs (1) and (2) to im-
18 plement reforms or practices that meet evidence tier
19 1 or evidence tier 2, or a combination of such re-
20 forms or practices; and

21 “(5) \$10,000,000 to remain available until Sep-
22 tember 30, 2030, to evaluate the effectiveness of the
23 activities carried out under this section.

1 “(k) SUNSET.—The authority to make grants under
2 this section shall expire at the end of award year 2026–
3 2027.

4 “(l) INAPPLICABILITY OF GEPA CONTINGENT EX-
5 TENSION OF PROGRAMS.—Section 422 of the General
6 Education Provisions Act shall not apply to this part.”.

7 **SEC. 20025. INSTITUTIONAL AID.**

8 (a) IN GENERAL.—In addition to amounts otherwise
9 available, there is appropriated for fiscal year 2022, out
10 of any money in the Treasury not otherwise appro-
11 priated—

12 (1) \$470,640,000, to remain available until
13 September 30, 2028, for carrying out section
14 371(b)(2)(B) of the Higher Education Act of 1965
15 in fiscal year 2022;

16 (2) \$470,640,000, to remain available until
17 September 30, 2028, for carrying out section
18 371(b)(2)(B) of the Higher Education Act of 1965
19 in fiscal year 2023;

20 (3) \$470,640,000, to remain available until
21 September 30, 2028, for carrying out section
22 371(b)(2)(B) of the Higher Education Act of 1965
23 in fiscal year 2024;

24 (4) \$470,640,000, to remain available until
25 September 30, 2028, for carrying out section

1 371(b)(2)(B) of the Higher Education Act of 1965
2 in fiscal year 2025;

3 (5) \$470,640,000, to remain available until
4 September 30, 2028, for carrying out section
5 371(b)(2)(B) of the Higher Education Act of 1965
6 in fiscal year 2026;

7 (6) \$470,640,000, to remain available until
8 September 30, 2028, for carrying out section
9 371(b)(2)(C) of the Higher Education Act of 1965
10 in fiscal year 2022;

11 (7) \$470,640,000, to remain available until
12 September 30, 2028, for carrying out section
13 371(b)(2)(C) of the Higher Education Act of 1965
14 in fiscal year 2023;

15 (8) \$470,640,000, to remain available until
16 September 30, 2028, for carrying out section
17 371(b)(2)(C) of the Higher Education Act of 1965
18 in fiscal year 2024;

19 (9) \$470,640,000, to remain available until
20 September 30, 2028, for carrying out section
21 371(b)(2)(C) of the Higher Education Act of 1965
22 in fiscal year 2025;

23 (10) \$470,640,000, to remain available until
24 September 30, 2028, for carrying out section

1 371(b)(2)(C) of the Higher Education Act of 1965
2 in fiscal year 2026;

3 (11) \$141,120,000, to remain available until
4 September 30, 2028, for carrying out section
5 371(b)(2)(D)(i) of the Higher Education Act of
6 1965 in fiscal year 2022;

7 (12) \$141,120,000, to remain available until
8 September 30, 2028, for carrying out section
9 371(b)(2)(D)(i) of the Higher Education Act of
10 1965 in fiscal year 2023;

11 (13) \$141,120,000, to remain available until
12 September 30, 2028, for carrying out section
13 371(b)(2)(D)(i) of the Higher Education Act of
14 1965 in fiscal year 2024;

15 (14) \$141,120,000, to remain available until
16 September 30, 2028, for carrying out section
17 371(b)(2)(D)(i) of the Higher Education Act of
18 1965 in fiscal year 2025;

19 (15) \$141,120,000, to remain available until
20 September 30, 2028, for carrying out section
21 371(b)(2)(D)(i) of the Higher Education Act of
22 1965 in fiscal year 2026;

23 (16) \$70,560,000, to remain available until
24 September 30, 2028, for carrying out section

1 371(b)(2)(D)(ii) of the Higher Education Act of
2 1965 in fiscal year 2022;

3 (17) \$70,560,000, to remain available until
4 September 30, 2028, for carrying out section
5 371(b)(2)(D)(ii) of the Higher Education Act of
6 1965 in fiscal year 2023;

7 (18) \$70,560,000, to remain available until
8 September 30, 2028, for carrying out section
9 371(b)(2)(D)(ii) of the Higher Education Act of
10 1965 in fiscal year 2024;

11 (19) \$70,560,000, to remain available until
12 September 30, 2028, for carrying out section
13 371(b)(2)(D)(ii) of the Higher Education Act of
14 1965 in fiscal year 2025;

15 (20) \$70,560,000, to remain available until
16 September 30, 2028, for carrying out section
17 371(b)(2)(D)(ii) of the Higher Education Act of
18 1965 in fiscal year 2026;

19 (21) \$23,520,000, to remain available until
20 September 30, 2028, for carrying out section
21 371(b)(2)(D)(iii) of the Higher Education Act of
22 1965 in fiscal year 2022;

23 (22) \$23,520,000, to remain available until
24 September 30, 2028, for carrying out section

1 371(b)(2)(D)(iii) of the Higher Education Act of
2 1965 in fiscal year 2023;

3 (23) \$23,520,000, to remain available until
4 September 30, 2028, for carrying out section
5 371(b)(2)(D)(iii) of the Higher Education Act of
6 1965 in fiscal year 2024;

7 (24) \$23,520,000, to remain available until
8 September 30, 2028, for carrying out section
9 371(b)(2)(D)(iii) of the Higher Education Act of
10 1965 in fiscal year 2025;

11 (25) \$23,520,000, to remain available until
12 September 30, 2028, for carrying out section
13 371(b)(2)(D)(iii) of the Higher Education Act of
14 1965 in fiscal year 2026;

15 (26) \$23,520,000, to remain available until
16 September 30, 2028, for carrying out section
17 371(b)(2)(D)(iv) of the Higher Education Act of
18 1965 in fiscal year 2022;

19 (27) \$23,520,000, to remain available until
20 September 30, 2028, for carrying out section
21 371(b)(2)(D)(iv) of the Higher Education Act of
22 1965 in fiscal year 2023;

23 (28) \$23,520,000, to remain available until
24 September 30, 2028, for carrying out section

1 371(b)(2)(D)(iv) of the Higher Education Act of
2 1965 in fiscal year 2024;

3 (29) \$23,520,000, to remain available until
4 September 30, 2028, for carrying out section
5 371(b)(2)(D)(iv) of the Higher Education Act of
6 1965 in fiscal year 2025; and

7 (30) \$23,520,000, to remain available until
8 September 30, 2028, for carrying out section
9 371(b)(2)(D)(iv) of the Higher Education Act of
10 1965 in fiscal year 2026.

11 (b) USE OF FUNDS.—

12 (1) IN GENERAL.—An institution of higher edu-
13 cation receiving funds made available under this sec-
14 tion shall use such funds in accordance with the uses
15 of funds described under subparagraphs (B), (C),
16 and clauses (i) through (iv) of subparagraph (D) of
17 section 371(b)(2) of the Higher Education Act of
18 1965, as applicable, and to award need-based finan-
19 cial aid (including emergency financial aid grants) to
20 low-income students enrolled in an eligible program
21 (as defined in section 481(b) of the Higher Edu-
22 cation Act of 1965) at such institution.

23 (2) DISTRIBUTION REQUIREMENTS.—The Sec-
24 retary of Education shall distribute each of the
25 amounts appropriated under paragraphs (6) through

1 (10) of subsection (a) in accordance with section
2 371(b)(2)(C), except that in clause (ii) of such sec-
3 tion, “25” and “of \$600,000 annually” shall not
4 apply.

5 (c) NO ADDITIONAL ELIGIBILITY REQUIREMENTS.—
6 No individual shall be determined by the Secretary of
7 Education to be ineligible for benefits provided under sub-
8 section (b)(1) except on the basis of not being a low-in-
9 come student enrolled in an eligible program (as defined
10 in section 481(b) of the Higher Education Act of 1965).

11 **SEC. 20026. RESEARCH AND DEVELOPMENT INFRASTRUC-**
12 **TURE COMPETITIVE GRANT PROGRAM.**

13 Title III of the Higher Education Act of 1965 is
14 amended—

- 15 (1) by redesignating part G as part H; and
16 (2) by inserting after section 371 the following:

1 **“PART G—IMPROVING RESEARCH & DEVELOP-**
2 **MENT INFRASTRUCTURE FOR HISTORI-**
3 **CALLY BLACK COLLEGES AND UNIVER-**
4 **SITIES, TRIBAL COLLEGES AND UNIVER-**
5 **SITIES, AND MINORITY-SERVING INSTITU-**
6 **TIONS**

7 **“SEC. 381. IMPROVING RESEARCH & DEVELOPMENT INFRA-**
8 **STRUCTURE FOR HISTORICALLY BLACK COL-**
9 **LEGES AND UNIVERSITIES, TRIBAL COL-**
10 **LEGES AND UNIVERSITIES, AND MINORITY-**
11 **SERVING INSTITUTIONS.**

12 “(a) ELIGIBLE INSTITUTION.—In this section, the
13 term ‘eligible institution’ means—

14 “(1) an institution that—

15 “(A) is described in section 371(a);

16 “(B) is a 4-year institution; and

17 “(C) is not an institution classified as ‘very
18 high research activity’ by the Carnegie Classi-
19 fication of Institutions of Higher Education; or

20 “(2) an institution described in paragraph (1)
21 acting on behalf of a consortium, which may include
22 institutions classified as ‘very high research activity’
23 by the Carnegie Classification of Institutions of
24 Higher Education, 2-year institutions of higher edu-
25 cation (as defined in section 101), and other aca-
26 demic partners, philanthropic organizations, and in-

1 industry partners, provided that the eligible institution
2 is the lead member and fiscal agent of the consor-
3 tium.

4 “(b) AUTHORIZATION OF GRANT PROGRAMS.—For
5 the purpose of supporting research and development infra-
6 structure at eligible institutions, the Secretary shall
7 award, on a competitive basis, to eligible institutions—

8 “(1) planning grants for a period of not more
9 than 2 years; and

10 “(2) implementation grants for a period of not
11 more than 5 years.

12 “(c) APPLICATIONS.—

13 “(1) IN GENERAL.—An eligible institution that
14 desires to receive a planning grant under subsection
15 (b)(1) or an implementation grant under subsection
16 (b)(2) shall submit an application to the Secretary
17 that includes a description of the activities that will
18 be carried out with grant funds.

19 “(2) NO COMPREHENSIVE DEVELOPMENT
20 PLAN.—The requirement under section 391(b)(1)
21 shall not apply to grants awarded under this section.

22 “(d) PRIORITY IN AWARDS.—

23 “(1) IN GENERAL.—In awarding planning and
24 implementation grants under this section, the Sec-
25 retary shall administer separate competitions for

1 each of the categories of institutions listed in para-
2 graphs (1) through (7) of section 371(a).

3 “(2) PRIORITY.—In awarding implementation
4 grants under this section, the Secretary shall give
5 priority to eligible institutions that have received a
6 planning grant under this section.

7 “(e) USE OF FUNDS.—

8 “(1) PLANNING GRANTS.—An eligible institu-
9 tion that receives a planning grant under subsection
10 (b)(1) shall use the grant funds to develop a stra-
11 tegic plan for improving institutional research and
12 development infrastructure that includes—

13 “(A) an assessment of the existing institu-
14 tional research capacity and research and devel-
15 opment infrastructure; and

16 “(B) a detailed description of how the in-
17 stitution would use research and development
18 infrastructure funds provided by an implemen-
19 tation grant under this section to increase the
20 institution’s research capacity and support re-
21 search and development infrastructure.

22 “(2) IMPLEMENTATION GRANTS.—An eligible
23 institution that receives an implementation grant
24 under subsection (b)(2) shall use the grant funds to
25 support research and development infrastructure,

1 which shall include carrying out at least one of the
2 following activities:

3 “(A) Providing for the improvement of in-
4 frastructure existing on the date of the grant
5 award, including deferred maintenance, or the
6 establishment of new physical infrastructure,
7 including instructional program spaces, labora-
8 tories, research facilities or furniture, fixtures,
9 and instructional research-related equipment
10 and technology relating to the fields of science,
11 technology, engineering, the arts, mathematics,
12 health, agriculture, education, medicine, law,
13 and other disciplines.

14 “(B) Hiring and retaining faculty, stu-
15 dents, research-related staff, or other personnel,
16 including research personnel skilled in oper-
17 ating, using, or applying technology, equipment,
18 or devices used to conduct or support research.

19 “(C) Creating and supporting inter- and
20 intra-institutional research centers (including
21 formal and informal communities of practice) in
22 fields of research for which research and devel-
23 opment infrastructure funds have been awarded
24 under this section, including hiring staff and
25 purchasing supplies and equipment.

1 “(f) SUPPLEMENT NOT SUPPLANT.—Funds made
2 available under this section shall be used to supplement,
3 and not supplant, other Federal, State, tribal, and local
4 funds that would otherwise be expended to carry out the
5 activities described in this section.

6 “(g) SUNSET.—

7 “(1) IN GENERAL.—The authority to make—
8 “(A) planning grants under subsection
9 (b)(1) shall expire at the end of fiscal year
10 2025; and

11 “(B) implementation grants under sub-
12 section (b)(2) shall expire at the end of fiscal
13 year 2027.

14 “(2) INAPPLICABILITY OF GEPA CONTINGENT
15 EXTENSION OF PROGRAMS.—Section 422 of the
16 General Education Provisions Act shall not apply to
17 this section.

18 “(h) APPROPRIATIONS.—In addition to amounts oth-
19 erwise available, there is appropriated for fiscal year 2022,
20 out of any money in the Treasury not otherwise appro-
21 priated, \$3,000,000,000, to remain available until Sep-
22 tember 30, 2028, for carrying out this section.”.

1 **SEC. 20027. NORTHERN MARIANA ISLANDS, AMERICAN**
2 **SAMOA, UNITED STATES VIRGIN ISLANDS,**
3 **GUAM, AND FREELY ASSOCIATED STATES**
4 **COLLEGE ACCESS.**

5 Title VII of the Higher Education Act of 1965, as
6 amended by this Act, is further amended by adding at the
7 end the following:

8 **“PART G—COLLEGE ACCESS FOR STUDENTS IN**
9 **OUTLYING AREAS**

10 **“SEC. 792. NORTHERN MARIANA ISLANDS, AMERICAN**
11 **SAMOA, UNITED STATES VIRGIN ISLANDS,**
12 **GUAM, AND FREELY ASSOCIATED STATES**
13 **COLLEGE ACCESS GRANTS.**

14 “(a) GRANTS.—

15 “(1) GRANT AMOUNTS.—

16 “(A) IN GENERAL.—Beginning with award
17 year 2023–2024, from amounts appropriated to
18 carry out this section, the Secretary shall award
19 grants to the Governors of each outlying area
20 for such Governors to award grants to eligible
21 institutions that enroll eligible students to pay
22 the difference between the tuition and fees
23 charged for in-State students and the tuition
24 and fees charged for out-of-State students on
25 behalf of each eligible student enrolled in the el-
26 igible institution.

1 “(B) MAXIMUM STUDENT AMOUNTS.—The
2 amount paid on behalf of an eligible student
3 under this section shall be—

4 “(i) not more than \$15,000 for any
5 one award year (as defined in section
6 481(a)(1)); and

7 “(ii) not more than \$75,000 in the
8 aggregate.

9 “(C) PRORATION.—The Governor shall
10 prorate payments under this section with re-
11 spect to eligible students who attend an eligible
12 institution on less than a full-time basis.

13 “(2) AGREEMENT.—Each Governor desiring a
14 grant under this section shall enter into an agree-
15 ment with the Secretary for the purposes of admin-
16 istering the grant program.

17 “(3) GRANT AUTHORITY.—The authority to
18 make grants under this section shall expire at the
19 end of award year 2029–2030.

20 “(b) INAPPLICABILITY OF GEPA CONTINGENT EX-
21 TENSION OF PROGRAMS.—Section 422 of the General
22 Education Provisions Act shall not apply to this section.

23 “(c) NO ADDITIONAL ELIGIBILITY REQUIRE-
24 MENTS.—No individual shall be determined, by a Gov-
25 ernor, an eligible institution, or the Secretary, to be ineli-

1 gible for benefits provided under this section except on the
2 basis of eligibility requirements under this section.

3 “(d) DEFINITIONS.—In this section:

4 “(1) ELIGIBLE INSTITUTION.—The term ‘eligi-
5 ble institution’ means an institution that—

6 “(A) is a public four-year institution of
7 higher education located in one of the several
8 States of the United States, the District of Co-
9 lumbia, the Commonwealth of Puerto Rico, or
10 an outlying area;

11 “(B) enters into an agreement with the
12 Governor of an outlying area, or with two or
13 more of such Governors (except that such insti-
14 tution may not enter into an agreement with
15 the Governor of the outlying area in which such
16 institution is located), to carry out the grant
17 program under this section; and

18 “(C) submits an assurance to the Governor
19 and to the Secretary that the institution shall
20 use funds made available under this section to
21 supplement, and not supplant, assistance that
22 otherwise would be provided to eligible students
23 from outlying areas.

24 “(2) ELIGIBLE STUDENT.—The term ‘eligible
25 student’ means a student who—

1 “(A) was domiciled in an outlying area for
2 not less than 12 consecutive months preceding
3 the commencement of the freshman year at an
4 institution of higher education supported by a
5 grant awarded under this section;

6 “(B) has not completed an undergraduate
7 baccalaureate course of study; and

8 “(C) is enrolled as an undergraduate stu-
9 dent in an eligible program (as defined in sec-
10 tion 481(b)) on at least a half-time basis.

11 “(3) INSTITUTION OF HIGHER EDUCATION.—
12 The term ‘institution of higher education’ has the
13 meaning given the term in section 101.

14 “(4) GOVERNOR.—The term ‘Governor’ means
15 the chief executive of an outlying area.

16 “(5) OUTLYING AREA.—The term ‘outlying
17 area’ means the Northern Mariana Islands, Amer-
18 ican Samoa, the United States Virgin Islands,
19 Guam, and the Freely Associated States.

20 “(e) APPROPRIATIONS.—In addition to amounts oth-
21 erwise available, there is appropriated for fiscal year 2022,
22 out of any money in the Treasury not otherwise appro-
23 priated, such sums as may be necessary, to remain avail-
24 able until September 30, 2030, for carrying out this sec-
25 tion.”.

1 **PART 3—DEPARTMENT OF EDUCATION**
2 **IMPLEMENTATION**

3 **SEC. 20031. PROGRAM ADMINISTRATION.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Department of Education for fiscal
6 year 2022, out of any money in the Treasury not otherwise
7 appropriated, \$91,742,000, to remain available until ex-
8 pended, for necessary administrative expenses associated
9 with carrying out this subtitle and sections 22101 and
10 22102.

11 **SEC. 20032. STUDENT AID ADMINISTRATION.**

12 In addition to amounts otherwise available, there is
13 appropriated to the Department of Education for fiscal
14 year 2022, out of any money in the Treasury not otherwise
15 appropriated, \$85,000,000, to remain available through
16 September 30, 2030, for Student Aid Administration with-
17 in the Department of Education for necessary administra-
18 tive expenses associated with carrying out this subtitle and
19 for additional Federal administrative expenses.

20 **SEC. 20033. OFFICE OF INSPECTOR GENERAL.**

21 In addition to amounts otherwise available, there is
22 appropriated to the Department of Education for fiscal
23 year 2022, out of any money in the Treasury not otherwise
24 appropriated, \$10,000,000, to remain available until ex-
25 pended, for the Office of Inspector General of the Depart-
26 ment of Education, for salaries and expenses necessary for

1 oversight, investigations, and audits of programs, grants,
2 and projects funded under this subtitle and sections 22101
3 and 22102 carried out by the Office of Inspector General.

4 **Subtitle B—Labor Matters**

5 **SEC. 21001. DEPARTMENT OF LABOR.**

6 In addition to amounts otherwise available, out of any
7 money in the Treasury not otherwise appropriated, there
8 are appropriated to the Department of Labor for fiscal
9 year 2022, to remain available until September 30, 2026,
10 the following amounts:

11 (1) \$195,000,000 to the Employee Benefits Se-
12 curity Administration for carrying out enforcement
13 activities.

14 (2) \$707,000,000 to the Occupational Safety
15 and Health Administration for carrying out enforce-
16 ment, standards development, whistleblower inves-
17 tigation, compliance assistance, funding for State
18 plans, and related activities within the Occupational
19 Safety and Health Administration.

20 (3) \$133,000,000 to the Mine Safety and
21 Health Administration for carrying out enforcement,
22 standard setting, technical assistance, and related
23 activities.

24 (4) \$405,000,000 to the Wage and Hour Divi-
25 sion for carrying out activities.

1 available until September 30, 2026, for carrying out inves-
2 tigation, enforcement, outreach, and related activities.

3 **SEC. 21004. ADJUSTMENT OF CIVIL PENALTIES.**

4 (a) OCCUPATIONAL SAFETY AND HEALTH ACT OF
5 1970.—Section 17 of the Occupational Safety and Health
6 Act of 1970 (29 U.S.C. 666) is amended—

7 (1) in subsection (a)—

8 (A) by striking “\$70,000” and inserting
9 “\$700,000”; and

10 (B) by striking “\$5,000” and inserting
11 “\$50,000”;

12 (2) in subsection (b), by striking “\$7,000” and
13 inserting “\$70,000”; and

14 (3) in subsection (d), by striking “\$7,000” and
15 inserting “\$70,000”.

16 (b) FAIR LABOR STANDARDS ACT OF 1938.—Section
17 16(e) of the Fair Labor Standards Act of 1938 (29 U.S.C.
18 216(e)) is amended—

19 (1) in paragraph (1)(A)—

20 (A) in clause (i), by striking “\$11,000”
21 and inserting “\$132,270”; and

22 (B) in clause (ii), by striking “\$50,000”
23 and inserting “\$601,150”; and

24 (2) in paragraph (2)—

1 (A) in the first sentence, by striking
2 “\$1,100” and inserting “\$20,740”; and

3 (B) in the second sentence, by striking
4 “\$1,100” and inserting “\$11,620”.

5 (c) MIGRANT AND SEASONAL AGRICULTURAL WORK-
6 ER PROTECTION ACT.—Section 503(a)(1) of the Migrant
7 and Seasonal Agricultural Worker Protection Act (29
8 U.S.C. 1853(a)(1)) is amended by striking “\$1,000” and
9 inserting “\$25,790”.

10 (d) EFFECTIVE DATE.—The amendments made by
11 this section shall take effect on January 1, 2022.

12 **SEC. 21005. CIVIL MONETARY PENALTIES FOR PARITY VIO-**
13 **LATIONS.**

14 (a) CIVIL MONETARY PENALTIES RELATING TO PAR-
15 ITY IN MENTAL HEALTH AND SUBSTANCE USE DIS-
16 ORDERS.—Section 502(c)(10) of the Employee Retirement
17 Income Security Act of 1974 (29 U.S.C. 1132(c)(10)(A))
18 is amended—

19 (1) in the heading, by striking “USE OF GE-
20 NETIC INFORMATION” and inserting “USE OF GE-
21 NETIC INFORMATION AND PARITY IN MENTAL
22 HEALTH AND SUBSTANCE USE DISORDER BENE-
23 FITS”; and

24 (2) in subparagraph (A)—

1 (A) by striking “any plan sponsor of a
2 group health plan” and inserting “any plan
3 sponsor or plan administrator of a group health
4 plan”; and

5 (B) by striking “for any failure” and all
6 that follows through “in connection with the
7 plan.” and inserting “for any failure by such
8 sponsor, administrator, or issuer, in connection
9 with the plan—

10 “(i) to meet the requirements of sub-
11 section (a)(1)(F), (b)(3), (c), or (d) of sec-
12 tion 702 or section 701 or 702(b)(1) with
13 respect to genetic information; or

14 “(ii) to meet the requirements of sub-
15 section (a) of section 712 with respect to
16 parity in mental health and substance use
17 disorder benefits.”.

18 (b) EXCEPTION TO THE GENERAL PROHIBITION ON
19 ENFORCEMENT.—Section 502 of such Act (29 U.S.C.
20 1132) is amended—

21 (1) in subsection (a)(6), by striking “or (9)”
22 and inserting “(9), or (10)”; and

23 (2) in subsection (b)(3)—

1 (A) by striking “subsections (c)(9) and
2 (a)(6)” and inserting “subsections (c)(9),
3 (c)(10), and (a)(6)”;

4 (B) by striking “under subsection (c)(9)”
5 and inserting “under subsections (c)(9) and
6 (c)(10)), and except with respect to enforce-
7 ment by the Secretary of section 712”; and

8 (C) by striking “706(a)(1)” and inserting
9 “733(a)(1)”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 subsection (a) shall apply with respect to group health
12 plans, or any health insurance issuer offering health insur-
13 ance coverage in connection with such plan, for plan years
14 beginning after the date that is 1 year after the date of
15 enactment of this Act.

16 **SEC. 21006. PENALTIES UNDER THE NATIONAL LABOR RE-**
17 **LATIONS ACT.**

18 (a) IN GENERAL.—Section 12 of the National Labor
19 Relations Act (29 U.S.C. 162) is amended—

20 (1) by striking “**SEC. 12.** Any person” and in-
21 serting the following:

22 **“SEC. 12. PENALTIES.**

23 **“(a) VIOLATIONS FOR INTERFERENCE WITH**
24 **BOARD.—Any person”;** and

25 (2) by adding at the end the following:

1 “(b) CIVIL PENALTIES FOR UNFAIR LABOR PRAC-
2 TICES.—Any employer who commits an unfair labor prac-
3 tice within the meaning of section 8(a) affecting commerce
4 shall be subject to a civil penalty in an amount not to
5 exceed \$50,000 for each such violation, except that, with
6 respect to such an unfair labor practice within the mean-
7 ing of paragraph (3) or (4) of section 8(a) or such a viola-
8 tion of section 8(a) that results in the discharge of an em-
9 ployee or other serious economic harm to an employee, the
10 Board shall double the amount of such penalty, to an
11 amount not to exceed \$100,000, in any case where the
12 employer has within the preceding 5 years committed an-
13 other such violation of such paragraph (3) or (4) or such
14 violation of section 8(a) that results in such discharge or
15 other serious economic harm. A civil penalty under this
16 paragraph shall be in addition to any other remedy or-
17 dered by the Board.

18 “(c) CONSIDERATIONS.—In determining the amount
19 of any civil penalty under this section, the Board shall con-
20 sider—

21 “(1) the gravity of the actions of the employer
22 resulting in the penalty, including the impact of such
23 actions on the charging party or on other persons
24 seeking to exercise rights guaranteed by this Act;

25 “(2) the size of the employer;

1 “(3) the history of previous unfair labor prac-
2 tices or other actions by the employer resulting in a
3 penalty; and

4 “(4) the public interest.

5 “(d) DIRECTOR AND OFFICER LIABILITY.—If the
6 Board determines, based on the particular facts and cir-
7 cumstances presented, that a director or officer’s personal
8 liability is warranted, a civil penalty for a violation de-
9 scribed in this section may also be assessed against any
10 director or officer of the employer who directed or com-
11 mitted the violation, had established a policy that led to
12 such a violation, or had actual or constructive knowledge
13 of and the authority to prevent the violation and failed
14 to prevent the violation.”.

15 (b) EFFECTIVE DATE.—The amendments made by
16 this section shall take effect on January 1, 2022.

17 **Subtitle C—Workforce**
18 **Development Matters**

19 **PART 1—DEPARTMENT OF LABOR**

20 **SEC. 22001. DISLOCATED WORKER EMPLOYMENT AND**
21 **TRAINING ACTIVITIES.**

22 (a) APPROPRIATION.—In addition to amounts other-
23 wise available, there is appropriated to the Department
24 of Labor for fiscal year 2022, out of any money in the
25 Treasury not otherwise appropriated, \$2,000,000,000, to

1 remain available until September 30, 2026, which shall be
2 allotted in accordance with subsection (b)(2) of section
3 132 and reserved under subsection (a) of section 133 of
4 the Workforce Innovation and Opportunity Act, and allo-
5 cated under subsection (b)(1)(B) of section 133 of such
6 Act for each local area to provide—

7 (1) career services authorized under subsection
8 (c)(2) of section 134 of the Workforce Innovation
9 and Opportunity Act, including individualized career
10 services described in section 134(c)(2)(A)(xii) of
11 such Act;

12 (2) supportive services and needs-related pay-
13 ments authorized under paragraphs (2) and (3) of
14 section 134(d) of the Workforce Innovation and Op-
15 portunity Act, except that the requirements of sub-
16 paragraphs (B) and (C) of paragraph (3) of such
17 section shall not apply; and

18 (3) training services, including through indi-
19 vidual training accounts, authorized under section
20 134(c)(3) of the Workforce Innovation and Oppor-
21 tunity Act, except that for purposes of providing
22 transitional jobs as part of those services under this
23 section, section 134(d)(5) of such Act shall be ap-
24 plied by substituting “40 percent” for “10 percent”.

1 (b) SUPPLEMENT NOT SUPPLANT.—Amounts made
2 available to carry out this section shall be used to supple-
3 ment and not supplant other Federal, State, and local
4 public funds expended to provide employment and training
5 activities for dislocated workers, including funds provided
6 under the Workforce Innovation and Opportunity Act.

7 **SEC. 22002. ADULT WORKER EMPLOYMENT AND TRAINING**
8 **ACTIVITIES.**

9 (a) APPROPRIATION.—In addition to amounts other-
10 wise available, there is appropriated to the Department
11 of Labor for fiscal year 2022, out of any money in the
12 Treasury not otherwise appropriated, \$1,000,000,000, to
13 remain available until September 30, 2026, which shall be
14 allotted in accordance with subsection (b)(1) of section
15 132 and reserved under subsection (a) of section 133 of
16 the Workforce Innovation and Opportunity Act, and allo-
17 cated under subsection (b)(1)(A) of section 133 of such
18 Act for each local area to provide—

19 (1) career services authorized under subsection
20 (c)(2) of section 134 of the Workforce Innovation
21 and Opportunity Act, including individualized career
22 services described in section 134(c)(2)(A)(xii) of
23 such Act;

24 (2) supportive services and needs-related pay-
25 ments authorized under paragraphs (2) and (3) of

1 section 134(d) of the Workforce Innovation and Op-
2 portunity Act, except that the requirements of sub-
3 paragraphs (B) and (C) of paragraph (3) of such
4 section shall not apply; and

5 (3) training services, including through indi-
6 vidual training accounts, authorized under section
7 134(c)(3) of the Workforce Innovation and Oppor-
8 tunity Act, except that for purposes of providing in-
9 cumbent worker training as part of those services
10 under this section, if such training is provided to
11 low-wage workers, section 134(d)(4)(A)(i) of such
12 Act shall be applied by substituting “40 percent” for
13 “20 percent”.

14 (b) SUPPLEMENT NOT SUPPLANT.—Amounts made
15 available to carry out this section shall be used to supple-
16 ment and not supplant other Federal, State, and local
17 public funds expended to provide adult employment and
18 training activities, including funds provided under the
19 Workforce Innovation and Opportunity Act.

20 **SEC. 22003. YOUTH WORKFORCE INVESTMENT ACTIVITIES.**

21 (a) APPROPRIATION.—In addition to amounts other-
22 wise available, there is appropriated to the Department
23 of Labor for fiscal year 2022, out of any money in the
24 Treasury not otherwise appropriated, \$1,500,000,000, to
25 remain available until September 30, 2026, which shall be

1 allotted in accordance with subparagraphs (B) and (C) of
2 section 127(b)(1) and reserved under subsection (a) of
3 section 128 of the Workforce Innovation and Opportunity
4 Act, and allocated under subsection (b) of section 128 of
5 such Act for each local area to—

6 (1) carry out the youth workforce investment
7 activities authorized under section 129 of the Work-
8 force Innovation and Opportunity Act;

9 (2) provide opportunities for in-school youth
10 and out-of-school youth to participate in paid work
11 experiences described in subsection (c)(2)(C) of sec-
12 tion 129 of the Workforce Innovation and Oppor-
13 tunity Act; and

14 (3) partner with community-based organizations
15 to support out-of-school youth, including those resid-
16 ing in high-crime or high-poverty areas.

17 (b) SUPPLEMENT NOT SUPPLANT.—Amounts made
18 available to carry out this section shall be used to supple-
19 ment and not supplant other Federal, State, and local
20 public funds expended for youth workforce investment ac-
21 tivities, including funds provided under the Workforce In-
22 novation and Opportunity Act.

23 **SEC. 22004. EMPLOYMENT SERVICE.**

24 In addition to amounts otherwise available, there is
25 appropriated to the Department of Labor for fiscal year

1 2022, out of any money in the Treasury not otherwise ap-
2 propriated, the following amounts, to remain available
3 until September 30, 2026:

4 (1) \$400,000,000 for carrying out the State
5 grant activities authorized under section 7 of the
6 Wagner-Peyser Act, which shall be allotted in ac-
7 cordance with section 6 of such Act, except that, for
8 purposes of this section, funds shall also be reserved
9 and used for the Commonwealth of the Northern
10 Mariana Islands and American Samoa in amounts
11 the Secretary determines appropriate prior to the al-
12 lotments being made in accordance with section 6 of
13 such Act.

14 (2) \$100,000,000 for carrying out improve-
15 ments to State workforce and labor market informa-
16 tion systems.

17 **SEC. 22005. RE-ENTRY EMPLOYMENT OPPORTUNITIES.**

18 In addition to amounts otherwise available, there is
19 appropriated to the Department of Labor for fiscal year
20 2022, out of any money in the Treasury not otherwise ap-
21 propriated, the following amounts, to remain available
22 until September 30, 2026:

23 (1) \$375,000,000, for carrying out the Reentry
24 Employment Opportunities program.

1 (2) \$125,000,000, for competitive grants to na-
2 tional and regional intermediaries to carry out Re-
3 entry Employment Opportunity programs that pre-
4 pare for employment young adults with criminal
5 records, young adults who have been justice system-
6 involved, or young adults who have dropped out of
7 school or other educational programs, made with a
8 priority for projects serving high-crime, high-poverty
9 areas.

10 **SEC. 22006. REGISTERED APPRENTICESHIPS, YOUTH AP-**
11 **PRENTICESHIPS, AND PRE-APPRENTICE-**
12 **SHIPS.**

13 In addition to amounts otherwise available, there is
14 appropriated to the Department of Labor for fiscal year
15 2022, out of any amounts in the Treasury not otherwise
16 appropriated, the following amounts, to remain available
17 until September 30, 2026:

18 (1) \$500,000,000 for carrying out activities
19 through grants, cooperative agreements, contracts,
20 or other arrangements, including arrangements with
21 States, equity intermediaries, and business and labor
22 industry partner intermediaries, to create or expand
23 only—

24 (A) registered apprenticeship programs;

1 (B) pre-apprenticeship programs that ar-
2 tificate to registered apprenticeship programs;
3 and

4 (C) youth apprenticeship programs that—

5 (i) provide participants with high-
6 quality, classroom-based related instruction
7 and training, and employment opportuni-
8 ties with progressively increasing wages;
9 and

10 (ii) prepare participants for enroll-
11 ment in an institution of higher education
12 (as defined in section 101 or 102(e) of the
13 Higher Education Act of 1965), a reg-
14 istered apprenticeship program, and em-
15 ployment.

16 (2) \$500,000,000 for carrying out activities
17 through arrangements described in paragraph (1) to
18 support programs described in such paragraph that
19 serve a high number or high percentage of individ-
20 uals with barriers to employment (as defined in sec-
21 tion 3(24) of the Workforce Innovation and Oppor-
22 tunity Act), including individuals with disabilities, or
23 nontraditional apprenticeship populations.

1 **SEC. 22008. INDUSTRY OR SECTOR PARTNERSHIP GRANTS.**

2 (a) APPROPRIATION.—In addition to amounts other-
3 wise available, there is appropriated to the Department
4 of Labor for fiscal year 2022, out of any money in the
5 Treasury not otherwise appropriated, \$4,600,000,000, to
6 remain available until September 30, 2026, for the Sec-
7 retary to award, on a competitive basis, grants, contracts,
8 or cooperative agreements to eligible partnerships for the
9 purposes of expanding employment and training activities
10 for high-skill, high-wage, or in-demand industry sectors or
11 occupations.

12 (b) ELIGIBILITY.—To be eligible to receive funds
13 under this section, an eligible partnership shall submit to
14 the Secretary an application that includes a description
15 of programs to be supported with such funds, the recog-
16 nized postsecondary credentials participants in such pro-
17 grams will earn, and related employment opportunities for
18 which participants in such programs will be prepared.

19 (c) USES OF FUNDS.—An eligible partnership award-
20 ed funds under this section shall use such funds to—

21 (1) regularly engage and convene stakeholders
22 to develop, or expand, employment and training ac-
23 tivities for the high-skill, high-wage, or in-demand
24 industry sector or occupation on which such partner-
25 ship is focused;

1 (2) directly provide, or arrange for the provision
2 of, high-quality, evidence-based training that leads
3 to the attainment of nationally or regionally portable
4 and stackable recognized postsecondary credentials
5 for the industry sector or occupation described in
6 paragraph (1), which shall include—

7 (A)(i) training services described in any
8 clause of subparagraph (D) of section 134(c)(3)
9 of the Workforce Innovation and Opportunity
10 Act provided through contracts that meet the
11 requirements of that section 134(c)(3); or

12 (ii) training provided through—

13 (I) registered apprenticeship pro-
14 grams;

15 (II) pre-apprenticeship programs that
16 articulate to registered apprenticeship pro-
17 grams;

18 (III) youth apprenticeship programs
19 that—

20 (aa) provide participants with
21 high-quality, classroom-based related
22 instruction and training, and employ-
23 ment opportunities with progressively
24 increasing wages; and

1 (bb) prepare participants for en-
2 rollment in an institution of higher
3 education (as defined in section 101
4 or 102(c)) of the Higher Education
5 Act of 1965), a registered apprentice-
6 ship program, and employment; or

7 (IV) joint labor-management organi-
8 zations; and

9 (B) the provision of information on related
10 skills or competencies that may be attained
11 through such training or credentials;

12 (3) directly provide, or arrange for the provision
13 of, services to help individuals with barriers to em-
14 ployment prepare for, complete, and successfully
15 transition out of training described in paragraph (2),
16 which services shall include career services, sup-
17 portive services, or provision of needs-related pay-
18 ments authorized under subsections (c)(2), (d)(2),
19 and (d)(3) of section 134 of the Workforce Innova-
20 tion and Opportunity Act, except that, for purposes
21 of this section, subparagraphs (B) and (C) of section
22 134(d)(3) of that Act shall not apply; and

23 (4) establish or implement plans for providers
24 of programs supported with such funds to meet the
25 criteria and carry out the procedures to be included

1 on the eligible training services provider list de-
2 scribed in section 122(d) of the Workforce Innova-
3 tion and Opportunity Act.

4 (d) ADMINISTRATION.—In addition to amounts oth-
5 erwise available, there is appropriated to the Department
6 of Labor for fiscal year 2022, out of any money in the
7 Treasury not otherwise appropriated, \$150,000,000, to re-
8 main available until September 30, 2026, for—

9 (1) targeted outreach and support to eligible
10 partnerships serving local areas with high unemploy-
11 ment rates or high percentages of dislocated workers
12 or individuals with barriers to employment, to pro-
13 vide guidance and assistance in the application proc-
14 ess under this section;

15 (2) administration of the program described in
16 this section, including providing comprehensive tech-
17 nical assistance and oversight to support eligible
18 partnerships; and

19 (3) evaluating and reporting on the perform-
20 ance and impact of programs funded under this sec-
21 tion.

22 (e) STATE BOARD OR LOCAL BOARD FUNDS.—In ad-
23 dition to amounts otherwise available, there is appro-
24 priated to the Department of Labor for fiscal year 2022,
25 out of any money in the Treasury not otherwise appro-

1 priated, \$250,000,000, to remain available until Sep-
2 tember 30, 2026, to provide direct assistance to State
3 boards or local boards to support the creation or expansion
4 of industry or sector partnerships in local areas with high
5 unemployment rates or high percentages of dislocated
6 workers or individuals with barriers to employment, as
7 compared to State or national averages for such rates or
8 percentages.

9 (f) SUPPLEMENT NOT SUPPLANT.—Amounts made
10 available to carry out this section shall be used to supple-
11 ment and not supplant other Federal, State, and local
12 public funds expended to support activities described in
13 this section.

14 **SEC. 22009. JOB CORPS.**

15 (a) APPROPRIATION.—In addition to amounts other-
16 wise available, there is appropriated to the Department
17 of Labor for fiscal year 2022, out of any amounts in the
18 Treasury not otherwise appropriated, \$500,000,000, to re-
19 main available until September 30, 2026—

20 (1) to provide funds to operators and service
21 providers to—

22 (A) carry out the activities and services de-
23 scribed in sections 148 and 149 of the Work-
24 force Innovation and Opportunity Act; and

1 (B) improve and expand access to allow-
2 ances and services described in section 150 of
3 such Act; and

4 (2) for the construction, rehabilitation, and ac-
5 quisition of Job Corps centers, notwithstanding sec-
6 tion 158(c) of the Workforce Innovation and Oppor-
7 tunity Act.

8 (b) **ELIGIBILITY OF OPERATORS AND SERVICE PRO-**
9 **VIDERS.**—For the purposes of carrying out subsection (a),
10 an entity in a State or outlying area (as such term is de-
11 fined in section 3(45) of the Workforce Innovation and
12 Opportunity Act) may be eligible to be selected as an oper-
13 ator or service provider.

14 **SEC. 22010. NATIVE AMERICAN PROGRAMS.**

15 In addition to amounts otherwise available, there is
16 appropriated to the Department of Labor for fiscal year
17 2022, out of any amounts in the Treasury not otherwise
18 appropriated, \$50,000,000, to remain available until Sep-
19 tember 30, 2026, to carry out activities described in sec-
20 tion 166(d)(2)(A) of the Workforce Innovation and Oppor-
21 tunity Act.

22 **SEC. 22011. MIGRANT AND SEASONAL FARMWORKER PRO-**
23 **GRAMS.**

24 In addition to amounts otherwise available, there is
25 appropriated to the Department of Labor for fiscal year

1 2022, out of any amounts in the Treasury not otherwise
2 appropriated, \$70,000,000, to remain available until Sep-
3 tember 30, 2026, to carry out activities described in sec-
4 tion 167(d) of the Workforce Innovation and Opportunity
5 Act, except that, for purposes of providing services as part
6 of such activities to low-income individuals under this sec-
7 tion, section 3(36)(A)(ii)(I) of such Act shall be applied
8 by substituting “150 percent of the poverty line” for “the
9 poverty line”.

10 **SEC. 22012. YOUTHBUILD PROGRAM.**

11 In addition to amounts otherwise available, there is
12 appropriated to the Department of Labor for fiscal year
13 2022, out of any amounts in the Treasury not otherwise
14 appropriated, \$15,000,000, to remain available until Sep-
15 tember 30, 2026, to carry out activities described in sec-
16 tion 171(e)(2) of the Workforce Innovation and Oppor-
17 tunity Act, including for the purposes of improving and
18 expanding access to services, stipends, wages, and benefits
19 described in subparagraphs (A)(vii) and (F) of section
20 171(e)(2) of such Act.

21 **SEC. 22013. SENIOR COMMUNITY SERVICE EMPLOYMENT**
22 **PROGRAM.**

23 In addition to amounts otherwise available, there is
24 appropriated to the Department of Labor for fiscal year
25 2022, out of any amounts in the Treasury not otherwise

1 appropriated, \$35,000,000, to remain available until Sep-
2 tember 30, 2026, for the Senior Community Service Em-
3 ployment program authorized under section 502 of the
4 Older Americans Act of 1965.

5 **SEC. 22014. PROVISION OF INFORMATION.**

6 For purposes of determinations of the eligibility of
7 individuals to participate in activities funded under this
8 subtitle, the provision of information for such determina-
9 tions by Federal agencies other than the Department of
10 Labor or the Department of Education shall not be re-
11 quired.

12 **SEC. 22015. DEFINITIONS.**

13 In this part:

14 (1) **COMMUNITY COLLEGE.**—The term “commu-
15 nity college” means—

16 (A) a degree-granting public institution of
17 higher education (as defined in section 101 of
18 the Higher Education Act of 1965) at which—

19 (i) the highest degree awarded is an
20 associate degree; or

21 (ii) an associate degree is the most
22 frequently awarded degree;

23 (B) a 2-year Tribal College or University
24 (as defined in section 316(b)(3) of the Higher
25 Education Act of 1965);

1 (C) a degree-granting Tribal College or
2 University (as defined in section 316(b)(3) of
3 the Higher Education Act of 1965) at which—

4 (i) the highest degree awarded is an
5 associate degree; or

6 (ii) an associate degree is the most
7 frequently awarded degree; or

8 (D) a branch campus of a 4-year public in-
9 stitution of higher education (as defined in sec-
10 tion 101 of the Higher Education Act of 1965),
11 if, at such branch campus—

12 (i) the highest degree awarded is an
13 associate degree; or

14 (ii) an associate degree is the most
15 frequently awarded degree.

16 (2) ELIGIBLE INSTITUTION.—The term “eligi-
17 ble institution” means a community college, a post-
18 secondary vocational institution (as defined in sec-
19 tion 102(c) of the Higher Education Act of 1965),
20 or a consortium of such colleges or institutions, that
21 is working directly with an industry or sector part-
22 nership, or in the process of establishing such part-
23 nership, to carry out a grant under section 22007.

24 (3) ELIGIBLE PARTNERSHIP.—The term “eligi-
25 ble partnership” means—

1 (A) an industry or sector partnership,
2 which shall include multiple representatives de-
3 scribed in each of clauses (i) through (iii) of
4 paragraph (26)(A) of section 3 of the Work-
5 force Innovation and Opportunity Act; or

6 (B) a State board or local board, a joint
7 labor-management organization, or an entity el-
8 igible to be a representative under clause (i),
9 (ii), or (iii) of paragraph (26)(A) of section 3
10 of the Workforce Innovation and Opportunity
11 Act, that is in the process of establishing an in-
12 dustry or sector partnership described in sub-
13 paragraph (A), to carry out a grant, contract,
14 or cooperative agreement under section 22008.

15 (4) PERKINS CTE DEFINITIONS.—The terms
16 “career guidance and academic counseling”, “dual
17 or concurrent enrollment program”, “evidence-
18 based”, and “work-based learning” have the mean-
19 ings given the terms in paragraphs (7), (15), (23),
20 and (55), respectively, of section 3 of the Carl D.
21 Perkins Career and Technical Education Act of
22 2006.

23 (5) REGISTERED APPRENTICESHIP PROGRAM.—
24 The term “registered apprenticeship program”
25 means an apprenticeship program registered with

1 the Office of Apprenticeship of the Employment and
2 Training Administration of the Department of
3 Labor or a State apprenticeship agency recognized
4 by the Office of Apprenticeship pursuant to the Act
5 of August 16, 1937 (commonly known as the “Na-
6 tional Apprenticeship Act”; 50 Stat. 664, chapter
7 663).

8 (6) SECRETARY.—The term “Secretary” means
9 the Secretary of Labor.

10 (7) WIOA DEFINITIONS.—

11 (A) IN GENERAL.—The terms “career
12 pathway”, “in-demand industry sector or occu-
13 pation”, “individual with a barrier to employ-
14 ment”, “industry or sector partnership”, “local
15 area”, “local board”, “recognized postsecondary
16 credential”, “State board”, and “supportive
17 services” have the meanings given the terms in
18 paragraphs (7), (23), (24), (26), (32), (33),
19 (52), (57), and (59), respectively, of section 3
20 of the Workforce Innovation and Opportunity
21 Act.

22 (B) CAREER SERVICES.—The term “career
23 services” means services described in section
24 134(c)(2) of the Workforce Innovation and Op-
25 portunity Act.

1 **PART 2—DEPARTMENT OF EDUCATION**

2 **SEC. 22101. ADULT EDUCATION AND LITERACY.**

3 (a) APPROPRIATION.—In addition to amounts other-
4 wise available, there is appropriated to the Department
5 of Education for fiscal year 2022, out of any money in
6 the Treasury not otherwise appropriated, \$700,000,000,
7 to remain available until September 30, 2027, to carry out
8 the program of adult education and literacy activities au-
9 thorized under the Workforce Innovation and Opportunity
10 Act, except that, for each fiscal year for which an eligible
11 agency receives funds appropriated under this section, sec-
12 tion 222(a)(1) of the Workforce Innovation and Oppor-
13 tunity Act shall be applied by substituting “not less than
14 10 percent” for “not more than 20 percent”, and section
15 222(b) of such Act shall not apply.

16 (b) SUPPLEMENT NOT SUPPLANT.—Amounts made
17 available to carry out this section shall be used to supple-
18 ment and not supplant other Federal, State, and local
19 public funds expended to support adult education and lit-
20 eracy activities, including funds provided under the Work-
21 force Innovation and Opportunity Act.

22 **SEC. 22102. CAREER AND TECHNICAL EDUCATION.**

23 (a) APPROPRIATION.—In addition to amounts other-
24 wise available, there is appropriated to the Department
25 of Education for fiscal year 2022, out of any money in

1 the Treasury not otherwise appropriated, the following
2 amounts, to remain available until September 30, 2027:

3 (1) \$600,000,000 for carrying out career and
4 technical education programs authorized under sec-
5 tion 124 and section 135 of the Carl D. Perkins Ca-
6 reer and Technical Education Act of 2006, which
7 shall be allotted in accordance with section 111 and
8 section 112 of such Act, except that subsection (b)
9 of section 112 shall not apply.

10 (2) \$100,000,000 for carrying out the innova-
11 tion and modernization program in subsection (e) of
12 section 114 of the Carl D. Perkins Career and Tech-
13 nical Education Act of 2006, except that, for pur-
14 poses of this paragraph, paragraph (2) of such sub-
15 section and the 20 percent limitation in paragraph
16 (1) of such subsection shall not apply and eligible
17 agencies, as defined in section 3(18) of such Act,
18 shall be eligible to receive grants under such pro-
19 gram.

20 (b) SUPPLEMENT NOT SUPPLANT.—Amounts made
21 available to carry out this section shall be used to supple-
22 ment and not supplant other Federal, State, and local
23 public funds expended for career and technical education
24 programs, including funds provided under the Carl D.
25 Perkins Career and Technical Education Act of 2006.

1 **PART 3—COMPETITIVE INTEGRATED EMPLOY-**
2 **MENT TRANSFORMATION GRANT PROGRAM**

3 **SEC. 22201. COMPETITIVE INTEGRATED EMPLOYMENT**
4 **TRANSFORMATION GRANT PROGRAM.**

5 (a) APPROPRIATION.—In addition to amounts other-
6 wise made available, there is appropriated to the Depart-
7 ment of Labor for fiscal year 2022, out of any money in
8 the Treasury not otherwise appropriated, the following
9 amounts, to remain available through fiscal year 2029, for
10 the Secretary of Labor to award grants to covered States
11 in accordance with this section to assist employers in such
12 States who were issued special certificates under section
13 14(c) of the Fair Labor Standards Act of 1938 (29 U.S.C.
14 214(c)) (referred to in this part as “special certificates”)
15 in transforming their business and program models from
16 providing employment using special certificates to busi-
17 ness and program models that employ and support people
18 with disabilities in competitive integrated employment:

19 (1) \$189,000,000 for subsection (d)(2)(B).

20 (2) \$81,000,000 for subsection (d)(2)(C).

21 (b) APPLICATIONS.—

22 (1) IN GENERAL.—To be eligible to receive a
23 grant under this section, a covered State shall sub-
24 mit an application to the Secretary at such time, in
25 such manner, and including such information as the
26 Secretary may reasonably require.

1 (2) CONTENTS.—Each application submitted
2 under paragraph (1) shall include—

3 (A) a description of the status of the em-
4 ployers in the covered State providing employ-
5 ment using special certificates, including—

6 (i) the number of employers in the
7 covered State using special certificates to
8 employ and pay people with disabilities;

9 (ii) the number of employees in the
10 covered State employed under a special
11 certificate;

12 (iii) the average number of hours such
13 employees work per week; and

14 (iv) the average hourly wage for such
15 employees;

16 (B) a description of activities to be funded
17 under the grant, and the goals of such activi-
18 ties, including the activities of the covered State
19 with respect to competitive integrated employ-
20 ment for people with disabilities; and

21 (C) assurances that—

22 (i) the activities carried out under the
23 grant will result in—

24 (I) each employer in the covered
25 State that, on the date of enactment

1 of this Act, provides employment
2 using special certificates transforming
3 its business and program models as
4 described in subsection (c)(1); and

5 (II) each employer in the covered
6 State ceasing to use special certifi-
7 cates by the end of the 5-year grant
8 period and no longer applying for or
9 renewing such certificates;

10 (ii) each individual in the covered
11 State who is employed under a special cer-
12 tificate will, as a result of such a trans-
13 formation, be employed in competitive inte-
14 grated employment or a combination of
15 competitive integrated employment and in-
16 tegrated services, including by compen-
17 sating all employees of the employer for all
18 hours worked at a rate that is—

19 (I) not less than the higher of—

20 (aa) the rate specified in
21 section 6(a)(1) of the Fair Labor
22 Standards Act of 1938 (29
23 U.S.C. 206(a)(1));

1 (bb) the rate specified in an
2 applicable State or local min-
3 imum wage law; or

4 (cc) in the case of work on
5 a contract that is subject to
6 chapter 67 of title 41, United
7 States Code, the applicable pre-
8 vailing wage rate under such
9 chapter; and

10 (II) not less than the rate paid
11 by the employer for the same or simi-
12 lar work performed by other employ-
13 ees who are not people with disabil-
14 ities, and who are similarly situated in
15 similar occupations by the same em-
16 ployer and who have similar training,
17 experience, and skills; and

18 (iii) the covered State will establish an
19 advisory council to monitor and guide the
20 process of transforming business and pro-
21 gram models of employers in the covered
22 State as described in subsection (c)(1).

23 (c) USE OF FUNDS.—A covered State receiving a
24 grant under this section shall use the grant funds for each
25 of the following activities:

1 (1) Identifying each employer in the State that
2 will transform its business and program models from
3 employing people with disabilities using special cer-
4 tificates to employing people with disabilities in com-
5 petitive integrated employment settings, or a setting
6 involving a combination of competitive integrated
7 employment and integrated services.

8 (2) Implementing a service delivery infrastruc-
9 ture to support people with disabilities who have
10 been employed under special certificates through
11 such a transformation, including providing enhanced
12 integrated services to support people with the most
13 significant disabilities.

14 (3) Expanding competitive integrated employ-
15 ment and integrated services to be provided to such
16 people as a result of transformations described in
17 paragraph (1).

18 (d) ALLOTMENTS.—

19 (1) IN GENERAL.—Not later than 18 months
20 after the date of enactment of this Act, the Sec-
21 retary shall—

22 (A) determine the number of covered
23 States; and

24 (B)(i) in a case in which the Secretary de-
25 termines that there are 15 or more covered

1 States, award each covered State a grant under
2 paragraph (2); or

3 (ii) in a case in which the Secretary deter-
4 mines that there are 14 or fewer covered
5 States, award each covered State a grant under
6 paragraph (3) for the first 5-year grant period
7 under such paragraph.

8 (2) 15 OR MORE COVERED STATES.—

9 (A) IN GENERAL.—In a case in which the
10 Secretary determines under paragraph (1) that
11 there are 15 or more covered States, from the
12 funds appropriated under subsection (a), the
13 Secretary shall allot to each covered State a
14 grant under this section in an amount equal to
15 the sum of—

16 (i) the allotment made to the covered
17 State in accordance with subparagraph
18 (B); and

19 (ii) the allotment made to the covered
20 State in accordance with subparagraph
21 (C).

22 (B) ALLOTMENT BASED ON THE NUMBER
23 OF EMPLOYEES EMPLOYED UNDER SPECIAL
24 CERTIFICATES.—From the total amount of the
25 funds appropriated under subsection (a)(1), the

1 Secretary shall allot to each covered State an
2 amount that bears the same relationship to
3 such total amount as the number of people with
4 disabilities who are employed under a special
5 certificate in the covered State bears to the
6 total number of people with disabilities who are
7 employed under a special certificate in all cov-
8 ered States.

9 (C) ALLOTMENT BASED ON THE NUMBER
10 OF EMPLOYERS WITH SPECIAL CERTIFI-
11 CATES.—From the total amount of the funds
12 appropriated under subsection (a)(2), the Sec-
13 retary shall allot to each covered State an
14 amount that bears the same relationship to
15 such total amount as the number of employers
16 in the covered State who have in effect a special
17 certificate bears to the total number of employ-
18 ers in all covered States who have in effect such
19 a certificate.

20 (D) DATA.—In determining the number of
21 people with disabilities who are employed under
22 a special certificate for purposes of subpara-
23 graph (B) and the number of employers who
24 have in effect a special certificate for purposes
25 of subparagraph (C), the Secretary shall use

1 the most accurate data available to the Sec-
2 retary on the date of enactment of this Act.

3 (E) GRANT PERIOD.—A grant under this
4 paragraph shall be awarded for a period of 5
5 years.

6 (3) 14 OR FEWER COVERED STATES.—

7 (A) IN GENERAL.—In a case in which the
8 Secretary determines under paragraph (1) that
9 there are 14 or fewer covered States, from the
10 funds appropriated under subsection (a), the
11 Secretary shall award a grant to each covered
12 State in an amount that the Secretary deter-
13 mines necessary for the covered State to accom-
14 plish the purpose of the grant described in such
15 subsection and for the Secretary to meet the re-
16 quirements of this paragraph.

17 (B) GRANT PERIODS.—

18 (i) IN GENERAL.—The Secretary shall
19 award grants under this paragraph for 2
20 separate, 5-year grant periods.

21 (ii) SECOND 5-YEAR GRANT PERIOD.—
22 Grants for the second 5-year grant period
23 shall be awarded—

24 (I) not earlier than the end of
25 the second year of the first 5-year

1 grant period described in paragraph
2 (1)(B)(ii); and
3 (II) not later than September 30,
4 2025.

5 (C) LIMIT ON NUMBER OF GRANTS.—No
6 State may receive more than 1 grant under this
7 paragraph.

8 (e) DEFINITION OF COVERED STATE.—In this sec-
9 tion, the term “covered State” means a State (as defined
10 in section 3 of the Fair Labor Standards Act of 1938 (29
11 U.S.C. 203)) that—

12 (1) as of the date of enactment of this Act, has
13 not phased out, or is not in the process of phasing
14 out, the use of special certificates in the State; and

15 (2) submits an application under subsection (b)
16 that meets the requirements under such subsection.

17 **SEC. 22202. GRANTS FOR STATES TO EXPAND COMPETITIVE**
18 **INTEGRATED EMPLOYMENT.**

19 (a) APPROPRIATION.—In addition to amounts other-
20 wise made available, there is appropriated to the Depart-
21 ment of Labor for fiscal year 2022, out of any money in
22 the Treasury not otherwise appropriated, \$24,000,000, to
23 remain available through fiscal year 2029, for the Sec-
24 retary of Labor to award grants to covered States in ac-
25 cordance with this section to assist employers in such

1 States who were issued special certificates in continuing
2 to transform their business and program models from pro-
3 viding employment using special certificates to business
4 and program models that employ and support people with
5 disabilities in competitive integrated employment.

6 (b) APPLICATIONS.—To be eligible to receive a grant
7 under this section, a covered State shall submit an appli-
8 cation to the Secretary at such time, in such manner, and
9 include such information as the Secretary may reasonably
10 require, including a description of activities to be funded
11 under the grant and the activities of the covered State
12 with respect to competitive integrated employment for peo-
13 ple with disabilities.

14 (c) USE OF FUNDS.—A covered State that receives
15 a grant under this section shall use the grant funds for
16 activities to expand competitive integrated employment
17 and integrated services to be provided to people with dis-
18 abilities.

19 (d) GRANT AWARD.—Not later than 18 months after
20 the date of enactment of this Act, the Secretary shall
21 award each covered State a grant in an amount that bears
22 the same relationship to the total amount appropriated
23 under subsection (a) as the population of the covered State
24 bears to the total population of all covered States.

1 (e) GRANT PERIOD.—A grant under this section shall
2 be awarded for a period of 5 years.

3 (f) DEFINITION OF COVERED STATE.—In this sec-
4 tion, the term “covered State” means a State (as defined
5 in section 3 of the Fair Labor Standards Act of 1938 (29
6 U.S.C. 203)) that—

7 (1) as of the date of enactment of this Act, has
8 phased out, or is the process of phasing out, the use
9 of special certificates in the State; and

10 (2) submits an application under subsection (b)
11 that meets the requirements under such subsection.

12 **SEC. 22203. TECHNICAL ASSISTANCE.**

13 In addition to amounts otherwise made available,
14 there is appropriated to the Department of Labor for fis-
15 cal year 2022, out of any money in the Treasury not other-
16 wise appropriated, \$6,000,000, to remain available
17 through fiscal year 2029, for the Secretary to, in partner-
18 ship with the Office of Special Education and Rehabilita-
19 tive Services of the Department of Education, establish,
20 either directly or through grants, contracts, or cooperative
21 agreements, a national technical assistance center to—

22 (1) provide technical assistance to employers
23 who are transforming from employing people with
24 disabilities using special certificates to employing

1 people with disabilities in competitive integrated em-
2 ployment settings; and

3 (2) collect and disseminate information on evi-
4 dence-based practices for such transformations and
5 for providing competitive integrated employment and
6 integrated services.

7 **SEC. 22204. SUPPLEMENT AND NOT SUPPLANT.**

8 Any funds made available to a State under this part
9 shall be used to supplement and not supplant any Federal,
10 State, or local public funds expended—

11 (1) to assist employers in such State who were
12 issued a special certificate in transforming (or con-
13 tinuing to transform) their business and program
14 models from providing employment using special cer-
15 tificates to business and program models that em-
16 ploy and support people with disabilities in competi-
17 tive integrated employment; or

18 (2) to support the employment of people with
19 disabilities in competitive integrated employment.

20 **SEC. 22205. DEFINITIONS.**

21 In this part:

22 (1) **COMPETITIVE INTEGRATED EMPLOY-**
23 **MENT.**—The term “competitive integrated employ-
24 ment” has the meaning given such term in section

1 7(5) of the Rehabilitation Act of 1973 (29 U.S.C.
2 705(5)).

3 (2) EMPLOYEE; EMPLOYER.—The terms “em-
4 ployee” and “employer” have the meanings given
5 such terms in section 3 of the Fair Labor Standards
6 Act of 1938 (29 U.S.C. 203).

7 (3) INTEGRATED SERVICES.—The term “inte-
8 grated services” means services for people with dis-
9 abilities that are—

10 (A) designed to assist such people in devel-
11 oping skills and abilities to reside successfully
12 in home and community-based settings;

13 (B) provided in accordance with a person-
14 centered written plan of care;

15 (C) created using evidence-based practices
16 that lead to such people—

17 (i) maintaining competitive integrated
18 employment;

19 (ii) achieving independent living; or

20 (iii) maximizing socioeconomic self-
21 sufficiency, optimal independence, and full
22 participation in the community;

23 (D) provided in a community location that
24 is not specifically intended for people with dis-
25 abilities;

1 (E) provided in a location that—

2 (i) allows the people receiving the
3 services to interact with people without dis-
4 abilities to the fullest extent possible; and

5 (ii) makes it possible for the people
6 receiving the services to access community
7 resources that are not specifically intended
8 for people with disabilities and to have the
9 same opportunity to participate in the
10 community as people who do not have a
11 disability; and

12 (F) provided in multiple locations to allow
13 the individual receiving the services to have op-
14 tions, thereby—

15 (i) optimizing individual initiative, au-
16 tonomy, and independence; and

17 (ii) facilitating choice regarding serv-
18 ices and supports, and choice regarding the
19 provider of such services.

20 (4) PEOPLE WITH DISABILITIES.—The term
21 “people with disabilities” includes individuals de-
22 scribed in section 14(c)(1) of the Fair Labor Stand-
23 ards Act of 1938 (29 U.S.C. 214(c)(1)).

24 (5) SECRETARY.—The term “Secretary” means
25 the Secretary of Labor.

1 **PART 4—RECRUITMENT, EDUCATION AND TRAIN-**
2 **ING, RETENTION, AND CAREER ADVANCE-**
3 **MENTS FOR THE DIRECT CARE WORKFORCE**

4 **SEC. 22301. DEFINITIONS.**

5 In this part:

6 (1) CTE DEFINITIONS.—The terms “area ca-
7 reer and technical education school”, “evidence-
8 based”, and “work-based learning” have the mean-
9 ings given such terms in paragraphs (3), (23), and
10 (55), respectively, of section 3 of the Carl D. Per-
11 kins Career and Technical Education Act of 2006
12 (20 U.S.C. 2302).

13 (2) WIOA DEFINITIONS.—The terms “career
14 pathway”, “career planning”, “individual with a bar-
15 rier to employment”, “local board”, “older indi-
16 vidual”, “on-the-job training”, “recognized postsec-
17 ondary credential”, and “State board” have the
18 meanings given such terms paragraphs (7), (8),
19 (24), (33), (39), (44), (52), and (57), respectively,
20 of section 3 of the Workforce Innovation and Oppor-
21 tunity Act (29 U.S.C. 3102).

22 (3) OTHER DEFINITIONS.—

23 (A) DIRECT SUPPORT WORKER.—The term
24 “direct support worker” means—

25 (i) a direct support professional;

1 (ii) a worker providing direct care
2 services, which may include palliative care,
3 in a home or community-based setting;

4 (iii) a respite care provider who pro-
5 vides short-term support and care to an in-
6 dividual in order to provide relief to a fam-
7 ily caregiver;

8 (iv) a direct care worker, as defined in
9 section 799B of the Public Health Service
10 Act (42 U.S.C. 295p); or

11 (v) an individual in any other position
12 or job related to those described in clauses
13 (i) through (iv), as determined by the Sec-
14 retary in consultation with the Secretary of
15 Health and Human Services acting
16 through the Administrator for the Admin-
17 istration for Community Living.

18 (B) ELIGIBLE ENTITY.—The term “eligible
19 entity” means an entity that is—

20 (i) a State;

21 (ii) a labor organization or a joint
22 labor-management organization;

23 (iii) a nonprofit organization with ex-
24 perience in aging, disability, supporting the
25 rights and interests of direct support work-

1 ers, or training or educating direct support
2 workers;

3 (iv) an Indian Tribe or Tribal organi-
4 zation (as defined in section 4 of the In-
5 dian Self-Determination and Education
6 Assistance Act (25 U.S.C. 5304));

7 (v) an urban Indian organization (as
8 defined in section 4 of the Indian Health
9 Care Improvement Act (25 U.S.C. 1603));

10 (vi) a State board or local board;

11 (vii) an area agency on aging (as de-
12 fined in section 102 of the Older Ameri-
13 cans Act of 1965 (42 U.S.C. 3002));

14 (viii) when in partnership with an en-
15 tity described in any of clauses (i) through
16 (vii) or with a consortium described in
17 clause (ix)—

18 (I) an institution of higher edu-
19 cation (as defined in section 101 of
20 the Higher Education Act of 1965 (20
21 U.S.C. 1001) or section 102(a)(1)(B)
22 of such Act (20 U.S.C.
23 1002(a)(1)(B))); or

24 (II) an area career and technical
25 education school; or

1 (ix) a consortium of entities listed in
2 any of clauses (i) through (vii).

3 (C) FAMILY CAREGIVER.—The term “fam-
4 ily caregiver” means a paid or unpaid adult
5 family member or other individual who has a
6 significant relationship with, and who provides
7 a broad range of assistance to, an individual
8 with a chronic or other health condition, dis-
9 ability, or functional limitation.

10 (D) HOME AND COMMUNITY-BASED SERV-
11 ICES.—The term “home and community-based
12 services” has the meaning given such term in
13 section 9817(a)(2) of the American Rescue
14 Plan Act of 2021 (Public Law 117–2).

15 (E) PERSON WITH A DISABILITY.—The
16 term “person with a disability” means an indi-
17 vidual with a disability as defined in section 3
18 of the Americans with Disabilities Act of 1990
19 (42 U.S.C. 12102).

20 (F) PRE-APPRENTICESHIP PROGRAM.—The
21 term “pre-apprenticeship program” means a
22 program that articulates to a registered appren-
23 ticeship program.

24 (G) REGISTERED APPRENTICESHIP PRO-
25 GRAM.—The term “registered apprenticeship

1 program” means an apprenticeship program
2 registered with the Office of Apprenticeship of
3 the Employment Training Administration of the
4 Department of Labor or a State apprenticeship
5 agency recognized by the Office of Apprenticeship
6 pursuant to the Act of August 16, 1937
7 (commonly known as the “National Apprenticeship
8 Act”); 50 Stat. 664, chapter 663).

9 (H) SECRETARY.—The term “Secretary”
10 means the Secretary of Labor.

11 (I) STATE.—The term “State” means each
12 of the 50 States of the United States, the Dis-
13 trict of Columbia, the Commonwealth of Puerto
14 Rico, American Samoa, Guam, the United
15 States Virgin Islands, and the Commonwealth
16 of the Northern Mariana Islands.

17 **SEC. 22302. GRANTS TO SUPPORT THE DIRECT CARE WORK-**
18 **FORCE.**

19 (a) GRANTS AUTHORIZED.—In addition to amounts
20 otherwise available, there is appropriated to the Secretary
21 for fiscal year 2022, out of any money in the Treasury
22 not otherwise appropriated, \$1,000,000,000, to remain
23 available until September 30, 2031, for awarding, on a
24 competitive basis, grants to eligible entities to carry out

1 the activities described in subsection (c) with respect to
2 direct support workers.

3 (b) APPLICATIONS; AWARD BASIS.—

4 (1) APPLICATIONS.—

5 (A) IN GENERAL.—An eligible entity seek-
6 ing a grant under subsection (a) shall submit to
7 the Secretary an application at such time, in
8 such manner, and containing such information
9 as the Secretary, in coordination with the Sec-
10 retary of Health and Human Services acting
11 through the Administrator of the Administra-
12 tion for Community Living, may require.

13 (B) CONTENTS.—Each application under
14 subparagraph (A) shall include—

15 (i) a description of the type or types
16 of direct support workers the entity plans
17 to serve through the activities supported by
18 the grant;

19 (ii) a description of the one or more
20 eligible entities collaborating to carry out
21 the activities described in subsection (c);

22 (iii) an assurance that—

23 (I) the eligible entity will consult
24 on the development and implementa-
25 tion of the grant, with direct support

1 workers, their representatives, and re-
2 cipients of direct care services and
3 their families; and

4 (II) the eligible entity will consult
5 on the implementation of the grant, or
6 coordinate the activities of the grant,
7 with the agencies in the State that are
8 responsible for developmental dis-
9 ability services, aging, education,
10 workforce development, and Medicaid,
11 to the extent that each such entity is
12 not the eligible entity; and

13 (iv) a plan for ensuring that the eligi-
14 ble entity will remain neutral in any orga-
15 nizing effort involving direct support work-
16 ers served by the grant who seek to form,
17 join, or assist a labor organization.

18 (2) DURATION OF GRANTS.—A grant awarded
19 under this section shall be for a period of 3 years,
20 and may be renewed. The Secretary, in coordination
21 with the Secretary of Health and Human Services
22 acting through the Administrator of the Administra-
23 tion for Community Living, shall award grants (in-
24 cluding any renewals) under this section in 3-year

1 cycles subject to the limits set forth in subsection
2 (a).

3 (c) USE OF FUNDS.—

4 (1) REQUIRED USE OF FUNDS.—Each eligible
5 entity receiving a grant under subsection (a) shall
6 use the grant funds to provide competitive wages,
7 benefits, and other supportive services, including
8 transportation, child care, dependent care, workplace
9 accommodations, and workplace health and safety
10 protections, to the direct support workers served by
11 the grant that are necessary to enable such workers
12 to participate in the activities supported by the
13 grant.

14 (2) ADDITIONAL ACTIVITIES.—In addition to
15 the requirement described in paragraph (1), each eli-
16 gible entity receiving a grant under subsection (a)
17 shall use the grant funds for one or more of the fol-
18 lowing activities:

19 (A) Developing and implementing a strat-
20 egy for the recruitment of direct support work-
21 ers.

22 (B) Developing and implementing a strat-
23 egy for the retention of direct support workers
24 using evidence-based best practices, such as
25 providing mentoring to such workers, including

1 a strategy that can also support family care-
2 givers.

3 (C) Developing or implementing an edu-
4 cation and training program for the direct sup-
5 port workers served by the grant, which shall
6 include—

7 (i) education and training on—

8 (I) the rights of direct support
9 workers under applicable Federal,
10 State, or local employment law on—

11 (aa) wages and hours, in-
12 cluding under sections 3, 6, 7,
13 12, and 13 of the Fair Labor
14 Standards Act of 1938 (29
15 U.S.C. 203, 206, 207, 212, 213);

16 (bb) safe working conditions,
17 including under section 5 of the
18 Occupational Safety and Health
19 Act of 1970 (29 U.S.C. 654);
20 and

21 (cc) forming, joining, or as-
22 sisting a labor organization, in-
23 cluding under sections 7 and 8 of
24 the National Labor Relations Act
25 (29 U.S.C. 157, 158); and

1 (II) relevant Federal and State
2 laws (including regulations) on the
3 provision of home and community-
4 based services; and

5 (ii) providing a progressively increas-
6 ing, clearly defined schedule of hourly
7 wages to be paid to each direct support
8 worker served by the grant for each hour
9 the worker spends on education or training
10 provided through the program described in
11 this subparagraph, with a schedule of
12 hourly wages that—

13 (I) is consistent with measurable
14 skill gains or attainment of a recog-
15 nized postsecondary credential re-
16 ceived as a result of participation in
17 or completion of such education or
18 training program; and

19 (II) ensures that each such work-
20 er is compensated for each hour the
21 worker spends on education or train-
22 ing through such program at an entry
23 rate that is not less than the greater
24 of the applicable minimum wage re-
25 quired by other applicable Federal,

1 State, or local law, or a collective bar-
2 gaining agreement;

3 (iii) developing and implementing a
4 strategy for the retention and career ad-
5 vancement of the direct support workers
6 served by the grant, including providing
7 career planning for the direct support
8 workers served by the grant to support the
9 identification of advancement opportuni-
10 ties, and career pathways in the direct care
11 or home care sectors; and

12 (iv) using evidence-based models and
13 standards for achievement for the attain-
14 ment of any associated recognized postsec-
15 ondary credentials, which include—

16 (I) supporting opportunities to
17 participate in pre-apprenticeship or
18 registered apprenticeship programs,
19 work-based learning, or on-the-job
20 training;

21 (II) providing on-the-job super-
22 vision or mentoring to support the de-
23 velopment of related skills and com-
24 petencies throughout completion of
25 such credentials; and

1 (III) training on the in-demand
2 skills and competencies of direct sup-
3 port workers served by the grant, in-
4 cluding the provision of culturally
5 competent and disability competent
6 supports and services.

7 (d) SUPPLEMENT AND NOT SUPPLANT.—An eligible
8 entity receiving a grant under this section shall use such
9 grant only to supplement, and not supplant, the amount
10 of funds that, in the absence of such grant, would be avail-
11 able to the eligible entity to address the recruitment, edu-
12 cation and training, retention, or career advancement of
13 direct support workers in the State served by the grant.

14 **PART 5—DEPARTMENT OF LABOR INSPECTOR**
15 **GENERAL AND PROGRAM ADMINISTRATION**
16 **FUNDING**

17 **SEC. 22401. DEPARTMENT OF LABOR INSPECTOR GENERAL.**

18 In addition to amounts otherwise available, there is
19 appropriated to the Office of Inspector General of the De-
20 partment of Labor for fiscal year 2022, out of any money
21 in the Treasury not otherwise appropriated, \$40,000,000,
22 to remain available until expended, for salaries and ex-
23 penses necessary for oversight, investigations, and audits
24 of programs, grants, and projects of the Department of

1 Labor funded under this subtitle and subtitle B of this
2 title.

3 **SEC. 22402. PROGRAM ADMINISTRATION.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Department of Labor for fiscal year
6 2022, out of any money in the Treasury not otherwise ap-
7 propriated, \$90,000,000, to remain available until Sep-
8 tember 30, 2029, for program administration within the
9 Department of Labor for salaries and expenses necessary
10 to implement part 1 (other than sections 22007 and
11 22008), and parts 3 and 4, of this subtitle.

12 **Subtitle D—Child Care and**
13 **Universal Pre-kindergarten**

14 **SEC. 23001. BIRTH THROUGH FIVE CHILD CARE AND EARLY**
15 **LEARNING ENTITLEMENT.**

16 (a) CHILD CARE DEFINITIONS.—The definitions in
17 section 658P of the Child Care and Development Block
18 Grant Act of 1990 (42 U.S.C. 9858n) shall apply to this
19 section, except as provided in subsection (b) and as other-
20 wise specified.

21 (b) ADDITIONAL DEFINITIONS.—In this section:

22 (1) CHILD CARE CERTIFICATE.—

23 (A) IN GENERAL.—The term “child care
24 certificate” means a certificate (that may be a
25 check or other disbursement) that is issued by

1 a State, Tribal, territorial, or local government
2 under this section directly to a parent who shall
3 use such certificate only as payment for child
4 care services or as a deposit for child care serv-
5 ices if such a deposit is required of other chil-
6 dren being cared for by the provider.

7 (B) RULE.—Nothing in this section shall
8 preclude the use of such certificates for sec-
9 tarian child care services if freely chosen by the
10 parent. For the purposes of this section, child
11 care certificates shall be considered Federal fi-
12 nancial assistance to the provider.

13 (2) CHILD EXPERIENCING HOMELESSNESS.—
14 The term “child experiencing homelessness” means
15 an individual who is a homeless child or youth under
16 section 725 of the McKinney-Vento Homeless Assist-
17 ance Act (42 U.S.C. 11434a).

18 (3) ELIGIBLE ACTIVITY.—The term “eligible
19 activity”, with respect to a parent, shall include, at
20 minimum, activities consisting of—

21 (A) full-time or part-time employment;

22 (B) self-employment;

23 (C) job search activities;

24 (D) job training;

1 (E) secondary, postsecondary, or adult
2 education, including education through a pro-
3 gram of high school classes, a course of study
4 at an institution of higher education, classes to-
5 wards an equivalent of a high school diploma
6 recognized by State law, or English as a second
7 language classes;

8 (F) health treatment (including mental
9 health and substance use treatment) for a con-
10 dition that prevents the parent from partici-
11 pating in other eligible activities;

12 (G) activities to prevent child abuse and
13 neglect, or family violence prevention or inter-
14 vention activities;

15 (H) employment and training activities
16 under the supplemental nutrition assistance
17 program established under section 6(d)(4) the
18 Food and Nutrition Act of 2008 (7 U.S.C.
19 2015(d)(4));

20 (I) employment and training activities
21 under the Workforce Innovation and Oppor-
22 tunity Act;

23 (J) a work activity described in subsection
24 (d) of section 407 of the Social Security Act
25 (42 U.S.C. 607) for which, consistent with

1 clauses (ii) and (iii) of section 402(a)(1)(A) of
2 such Act (42 U.S.C. 602(a)(1)(A)), a parent or
3 caretaker is treated as being engaged in work
4 for a month in a fiscal year for purposes of the
5 program of block grants to States for tem-
6 porary assistance for needy families established
7 under part A of title IV of the Social Security
8 Act; and

9 (K) taking leave under the Family and
10 Medical Leave Act of 1993 (or equivalent provi-
11 sions for Federal employees), a State or local
12 paid or unpaid leave law, or a program of em-
13 ployer-provided leave.

14 (4) ELIGIBLE CHILD.—The term “eligible
15 child” means an individual, subject to subsection
16 (g)(1)(C)(i)(III)—

17 (A) who is less than 6 years of age;

18 (B) who is not yet in kindergarten;

19 (C) whose family income—

20 (i) does not exceed 100 percent of the
21 State median income for a family of the
22 same size for fiscal year 2022;

23 (ii) does not exceed 125 percent of
24 such State median income for fiscal year
25 2023;

1 (iii) does not exceed 150 percent of
2 such State median income for fiscal year
3 2024; and

4 (iv) does not exceed 250 percent of
5 such State median income for each of the
6 fiscal years 2025 through 2027; and

7 (D) who—

8 (i) resides with a parent or parents
9 who are participating in an eligible activ-
10 ity;

11 (ii) is included in a population of vul-
12 nerable children identified by the lead
13 agency involved, which at a minimum shall
14 include children with disabilities, infants
15 and toddlers with disabilities, children ex-
16 perencing homelessness, children in foster
17 care, children in kinship care, and children
18 who are receiving, or need to receive, child
19 protective services; or

20 (iii) resides with a parent who is more
21 than 65 years of age.

22 (5) ELIGIBLE CHILD CARE PROVIDER.—

23 (A) IN GENERAL.—The term “eligible child
24 care provider” means a center-based child care
25 provider, a family child care provider, or other

1 provider of child care services for compensation
2 that—

3 (i) is licensed to provide child care
4 services under State law or, in the case of
5 an Indian Tribe or Tribal organization,
6 meets the rules set by the Secretary;

7 (ii) participates in the State's tiered
8 system for measuring the quality of eligible
9 child care providers described in subsection
10 (f)(4)(B), or, in the case of an Indian
11 Tribe or Tribal organization, meets the
12 rules set by the Secretary—

13 (I) not later than the last day of
14 the third fiscal year for which the
15 State receives funds under this sec-
16 tion; and

17 (II) for the remainder of the pe-
18 riod for which the provider receives
19 funds under this section; and

20 (iii) satisfies the State and local re-
21 quirements applicable to eligible child care
22 providers under the Child Care and Devel-
23 opment Block Grant Act of 1990, includ-
24 ing those requirements described in section

1 658E(c)(2)(I) of such Act (42 U.S.C.
2 9858c(c)(2)(I)).

3 (B) SPECIAL RULE.—A child care provider
4 who is eligible to provide child care services in
5 a State for children receiving assistance under
6 the Child Care and Development Block Grant
7 Act of 1990 on the date the State submits an
8 application for funds under this section, and re-
9 mains in compliance with any licensing or reg-
10 istration standards, or regulations, of the State,
11 shall be deemed to be an eligible child care pro-
12 vider under this section for 3 years after the
13 State receives funding under this section.

14 (6) FMAP.—The term “FMAP” has the mean-
15 ing given the term “Federal medical assistance per-
16 centage” in the first sentence of section 1905(b) of
17 the Social Security Act (42 U.S.C. 1396d(b)).

18 (7) FAMILY CHILD CARE PROVIDER.—The term
19 “family child care provider” means one or more indi-
20 viduals who provide child care services, in a private
21 residence other than the residences of the children
22 involved, for less than 24 hours per day per child,
23 or for 24 hours per day per child due to the nature
24 of the work of the parent involved.

1 (8) INCLUSIVE CARE.—The term “inclusive”,
2 with respect to care (including child care), means
3 care provided by an eligible child care provider—

4 (A) for whom the percentage of children
5 served by the provider who are children with
6 disabilities or infants or toddlers with disabili-
7 ties reflects the prevalence of children with dis-
8 abilities and infants and toddlers with disabili-
9 ties (whichever the provider serves) among chil-
10 dren within the State involved; and

11 (B) that provides care and full participa-
12 tion for children with disabilities and infants
13 and toddlers with disabilities (whichever the
14 provider serves) alongside children who are—

15 (i) not children with disabilities; and

16 (ii) not infants and toddlers with dis-
17 abilities.

18 (9) INFANT OR TODDLER.—The term “infant
19 or toddler” means an individual who is less than 3
20 years of age.

21 (10) INFANT OR TODDLER WITH A DIS-
22 ABILITY.—The term “infant or toddler with a dis-
23 ability” has the meaning given the term in section
24 632 of the Individuals with Disabilities Education
25 Act (20 U.S.C. 1432).

1 (11) LEAD AGENCY.—The term “lead agency”
2 means the agency designated under subsection (e).

3 (12) STATE.—The term “State” means any of
4 the 50 States and the District of Columbia.

5 (13) TERRITORY.—The term “territory” means
6 the Commonwealth of Puerto Rico, the Virgin Is-
7 lands of the United States, Guam, American Samoa,
8 and the Commonwealth of the Northern Mariana Is-
9 lands.

10 (c) APPROPRIATIONS.—

11 (1) STATES.—

12 (A) STATE APPROPRIATIONS.—In addition
13 to amounts otherwise available, there is appro-
14 priated to the Department of Health and
15 Human Services for fiscal year 2022, out of any
16 money in the Treasury not otherwise appro-
17 priated—

18 (i)(I) \$11,460,000,000, to remain
19 available until September 30, 2027, for
20 States and the Commonwealth of Puerto
21 Rico, to carry out the activities described
22 in subsection (h)(1)(A)(i) in fiscal year
23 2022;

24 (II) \$5,730,000,000, to remain avail-
25 able until September 30, 2027, for States

1 and the Commonwealth of Puerto Rico, to
2 carry out the activities described in sub-
3 section (h)(2)(C) in fiscal year 2022;

4 (III) \$4,125,600,000, to remain avail-
5 able until September 30, 2027, for States
6 and the Commonwealth of Puerto Rico, to
7 carry out the activities described in sub-
8 section (h)(1)(A)(i) or subsection
9 (h)(2)(C), as determined by the State or
10 Commonwealth, in fiscal year 2022; and

11 (IV) \$1,604,400,000, to remain avail-
12 able until September 30, 2027, for States
13 and the Commonwealth of Puerto Rico, to
14 carry out the activities described in sub-
15 section (g)(2)(A)(iii) in fiscal year 2022;

16 (ii)(I) \$16,235,000,000, to remain
17 available until September 30, 2027, for
18 States and the Commonwealth of Puerto
19 Rico, to carry out the activities described
20 in subsection (h)(1)(A)(i) in fiscal year
21 2023;

22 (II) \$8,117,500,000, to remain avail-
23 able until September 30, 2027, for States
24 and the Commonwealth of Puerto Rico, to

1 carry out the activities described in sub-
2 section (h)(2)(C) in fiscal year 2023;

3 (III) \$5,844,600,000, to remain avail-
4 able until September 30, 2027, for States
5 and the Commonwealth of Puerto Rico, to
6 carry out the activities described in sub-
7 section (h)(1)(A)(i) or subsection
8 (h)(2)(C), as determined by the State or
9 Commonwealth, in fiscal year 2023; and

10 (IV) \$2,272,900,000, to remain avail-
11 able until September 30, 2027, for States
12 and the Commonwealth of Puerto Rico, to
13 carry out the activities described in sub-
14 section (g)(2)(A)(iii) in fiscal year 2023;
15 and

16 (iii)(I) \$20,055,000,000, to remain
17 available until September 30, 2027, for
18 States and the Commonwealth of Puerto
19 Rico, to carry out the activities described
20 in subsection (h)(1)(A)(i) in fiscal year
21 2024;

22 (II) \$10,027,500,000, to remain avail-
23 able until September 30, 2027, for States
24 and the Commonwealth of Puerto Rico, to

1 carry out the activities described in sub-
2 section (h)(2)(C) in fiscal year 2024;

3 (III) \$7,219,800,000, to remain avail-
4 able until September 30, 2027, for States
5 and the Commonwealth of Puerto Rico, to
6 carry out the activities described in sub-
7 section (h)(1)(A)(i) or subsection
8 (h)(2)(C), as determined by the State or
9 Commonwealth, in fiscal year 2024; and

10 (IV) \$2,807,700,000, to remain avail-
11 able until September 30, 2027, for States
12 and the Commonwealth of Puerto Rico, to
13 carry out the activities described in sub-
14 section (g)(2)(A)(iii) in fiscal year 2024.

15 (B) STATE ENTITLEMENT.—In addition to
16 amounts otherwise available, there is appro-
17 priated to the Department of Health and
18 Human Services, out of any money in the
19 Treasury not otherwise appropriated, such sums
20 as may be necessary for each of fiscal years
21 2025 through 2027, for payments to States, to
22 remain available for 1 additional fiscal year for
23 carrying out this section (other than carrying
24 out subsections (i), (k), and (l) or activities de-
25 scribed in paragraph (2) or (3)).

1 (2) INDIAN TRIBES AND TRIBAL ORGANIZA-
2 TIONS.—

3 (A) INDIAN TRIBE AND TRIBAL ORGANIZA-
4 TION APPROPRIATIONS.—In addition to
5 amounts otherwise available, there is appro-
6 priated to the Department of Health and
7 Human Services for fiscal year 2022, out of any
8 money in the Treasury not otherwise appro-
9 priated, for grants to Indian Tribes and Tribal
10 organizations for the purpose of carrying out
11 the child care program described in this section,
12 consistent, to the extent practicable as deter-
13 mined by the Secretary, with the requirements
14 applicable to States—

15 (i) \$960,000,000, to remain available
16 until September 30, 2027, to carry out the
17 child care program in fiscal year 2022;

18 (ii) \$1,360,000,000, to remain avail-
19 able until September 30, 2027, to carry
20 out the child care program in fiscal year
21 2023; and

22 (iii) \$1,680,000,000 to remain avail-
23 able until September 30, 2027, to carry
24 out the child care program in fiscal year
25 2024.

1 (B) INDIAN TRIBE AND TRIBAL ORGANIZA-
2 TION ENTITLEMENT.—In addition to amounts
3 otherwise available, there is appropriated to the
4 Department of Health and Human Services,
5 out of any money in the Treasury not otherwise
6 appropriated, such sums as may be necessary
7 for each of fiscal years 2025 through 2027, for
8 payments to Indian Tribes and Tribal organiza-
9 tions, for the purpose of carrying out the child
10 care program described in this section, con-
11 sistent, to the extent practicable as determined
12 by the Secretary, with the requirements applica-
13 ble to States.

14 (3) TERRITORIES.—

15 (A) TERRITORY APPROPRIATIONS.—In ad-
16 dition to amounts otherwise available, there is
17 appropriated to the Department of Health and
18 Human Services for fiscal year 2022, out of any
19 money in the Treasury not otherwise appro-
20 priated, for grants to Guam, American Samoa,
21 the Commonwealth of the Northern Mariana Is-
22 lands, and the United States Virgin Islands for
23 the purpose of carrying out the child care pro-
24 gram described in this section, consistent, to
25 the extent practicable as determined by the Sec-

1 retary, with the requirements applicable to
2 States—

3 (i) \$120,000,000, to remain available
4 until September 30, 2027, to carry out the
5 child care program in fiscal year 2022;

6 (ii) \$170,000,000, to remain available
7 until September 30, 2027, to carry out the
8 child care program in fiscal year 2023; and

9 (iii) \$210,000,000, to remain available
10 until September 30, 2027, to carry out the
11 child care program in fiscal year 2024.

12 (B) TERRITORY ENTITLEMENT.—In addi-
13 tion to amounts otherwise available, there is ap-
14 propriated to the Department of Health and
15 Human Services, out of any money in the
16 Treasury not otherwise appropriated, such sums
17 as may be necessary for each of fiscal years
18 2025 through 2027, for payments to territories,
19 for the purpose of carrying out the child care
20 program described in this section, consistent, to
21 the extent practicable as determined by the Sec-
22 retary, with the requirements applicable to
23 States.

24 (4) GRANTS TO LOCALITIES.—In addition to
25 amounts otherwise available, there is appropriated to

1 the Department of Health and Human Services for
2 fiscal year 2022, out of any money in the Treasury
3 not otherwise appropriated—

4 (A) \$1,000,000,000, to remain available
5 until September 30, 2027, to carry out the pro-
6 gram of grants to localities described in sub-
7 section (i)(2) in fiscal year 2023;

8 (B) \$1,000,000,000, to remain available
9 until September 30, 2027, to carry out the pro-
10 gram of grants to localities described in sub-
11 section (i)(2) in fiscal year 2024;

12 (C) \$1,000,000,000, to remain available
13 until September 30, 2027, to carry out the pro-
14 gram of grants to localities described in sub-
15 section (i)(2) in fiscal year 2025;

16 (D) \$1,000,000,000, to remain available
17 until September 30, 2027, to carry out the pro-
18 gram of grants to localities described in sub-
19 section (i)(2) in fiscal year 2026; and

20 (E) \$1,000,000,000, to remain available
21 until September 30, 2027, to carry out the pro-
22 gram of grants to localities described in sub-
23 section (i)(2) in fiscal year 2027.

24 (5) HEAD START EXPANSION IN NONPARTICI-
25 PATING STATES.—In addition to amounts otherwise

1 available, there is appropriated to the Department of
2 Health and Human Services for fiscal year 2022,
3 out of any money in the Treasury not otherwise ap-
4 propriated—

5 (A) \$3,000,000,000, to remain available
6 until September 30, 2027, to carry out the pro-
7 gram of awards to Head Start agencies de-
8 scribed in subsection (i)(3) in fiscal year 2023;

9 (B) \$3,000,000,000, to remain available
10 until September 30, 2027, to carry out the pro-
11 gram of awards to Head Start agencies de-
12 scribed in subsection (i)(3) in fiscal year 2024;

13 (C) \$3,000,000,000, to remain available
14 until September 30, 2027, to carry out the pro-
15 gram of awards to Head Start agencies de-
16 scribed in subsection (i)(3) in fiscal year 2025;

17 (D) \$3,000,000,000, to remain available
18 until September 30, 2027, to carry out the pro-
19 gram of awards to Head Start agencies de-
20 scribed in subsection (i)(3) in fiscal year 2026;

21 and

22 (E) \$3,000,000,000, to remain available
23 until September 30, 2027, to carry out the pro-
24 gram of awards to Head Start agencies de-
25 scribed in subsection (i)(3) in fiscal year 2027.

1 (6) FEDERAL ADMINISTRATION.—

2 (A) FISCAL YEARS 2022 THROUGH 2025.—

3 In addition to amounts otherwise available,
4 there is appropriated to the Department of
5 Health and Human Services for fiscal year
6 2022, out of any money in the Treasury not
7 otherwise appropriated—

8 (i) \$130,000,000, to remain available
9 until September 30, 2027, to carry out
10 subsections (k) and (l) in fiscal year 2022;

11 (ii) \$130,000,000, to remain available
12 until September 30, 2027, to carry out
13 subsections (k) and (l) in fiscal year 2023;

14 (iii) \$130,000,000, to remain available
15 until September 30, 2027, to carry out
16 subsections (k) and (l) in fiscal year 2024;
17 and

18 (iv) \$130,000,000, to remain available
19 until September 30, 2027, to carry out
20 subsections (k) and (l) in fiscal year 2025.

21 (B) FISCAL YEARS 2026 THROUGH 2027.—

22 In addition to amounts otherwise available,
23 there is appropriated to the Department of
24 Health and Human Services, out of any money
25 in the Treasury not otherwise appropriated, for

1 each of fiscal years 2026 and 2027, an amount
2 equal to 1.06 percent of the prior year's appro-
3 priation under paragraph (1)(B), to carry out
4 subsections (k) and (l).

5 (d) ESTABLISHMENT OF BIRTH THROUGH FIVE
6 CHILD CARE AND EARLY LEARNING ENTITLEMENT PRO-
7 GRAM.—

8 (1) IN GENERAL.—The Secretary is authorized
9 to administer a child care and early learning entitle-
10 ment program under which an eligible child, in a
11 State, territory, or Indian Tribe, or served by a
12 Tribal organization, with an approved application
13 under subsection (f) or (g), shall be provided an op-
14 portunity to obtain high-quality child care services,
15 subject to the requirements of this section.

16 (2) ASSISTANCE FOR EVERY ELIGIBLE
17 CHILD.—Beginning on October 1, 2024, every child
18 who applies for assistance under this section in a
19 State with an approved application under subsection
20 (g), or in a territory or Indian Tribe or served by
21 a Tribal organization with an approved application
22 under subsection (f), and who is determined, by a
23 lead agency (or other entity designated by a lead
24 agency) following standards and procedures estab-
25 lished by the Secretary by rule, to be an eligible

1 child, shall be offered assistance for direct child care
2 services in accordance with and subject to the re-
3 quirements and limitations of this section.

4 (e) LEAD AGENCY.—The Governor of a State or the
5 head of a territory or Indian Tribe, desiring for the State,
6 territory, or Indian tribe or a related tribal organization
7 to receive a payment under this section, shall designate
8 a lead agency (such as a State agency or joint interagency
9 office) to administer the child care program carried out
10 under this section.

11 (f) APPLICATIONS AND STATE PLANS.—

12 (1) APPLICATION.—To be eligible to receive as-
13 sistance under this section, a State shall prepare
14 and submit to the Secretary for approval an applica-
15 tion containing a State plan that—

16 (A) for a transitional State plan, meets the
17 requirements under paragraph (3) and contains
18 such information as the Secretary may require,
19 to demonstrate the State will meet the require-
20 ments of this section; and

21 (B) for a full State plan, meets the re-
22 quirements under paragraph (4) and contains
23 that information.

1 (2) PERIOD COVERED BY PLAN.—A State plan
2 contained in the application shall be designed to be
3 implemented—

4 (A) for a transitional State plan, during a
5 period of not more than 3 years; and

6 (B) for a full State plan, during a period
7 of not more than 3 years.

8 (3) REQUIREMENTS FOR TRANSITIONAL STATE
9 PLANS.—For a period of not more than 3 years fol-
10 lowing the date of enactment of this Act, the Sec-
11 retary shall award funds under this section to States
12 with an approved application that contains a transi-
13 tional State plan, submitted under paragraph (1)(A)
14 that includes, at a minimum—

15 (A) an assurance that the State will sub-
16 mit a State plan under paragraph (4); and

17 (B) a description of how the funds received
18 by the State under this section will be spent to
19 expand access to assistance for direct child care
20 services and increase the supply and quality of
21 child care providers within the State, in align-
22 ment with the requirements of this section.

23 (4) REQUIREMENTS FOR FULL STATE PLANS.—
24 The Secretary shall award funds under this section
25 to States with an approved application that contains

1 a full State plan, submitted under paragraph (1)(B),
2 that includes, at a minimum, the following:

3 (A) PAYMENT RATES AND COST ESTI-
4 MATION.—

5 (i) PAYMENT RATES.—The State plan
6 shall certify that payment rates for the
7 provision of direct child care services for
8 which assistance is provided in accordance
9 with this section for the period covered by
10 the plan, within 3 years after the State re-
11 ceives funds under this section—

12 (I) will be sufficient to meet the
13 cost of child care, and set in accord-
14 ance with a cost estimation model or
15 cost study described in clause (ii) that
16 is approved by the Secretary; and

17 (II) will correspond to differences
18 in quality (including improved quality)
19 based on the State's tiered system for
20 measuring the quality of eligible child
21 care providers described in subpara-
22 graph (B).

23 (ii) COST ESTIMATION.—Such State
24 plan shall—

1 (I) demonstrate that the State
2 has, after consulting with relevant en-
3 tities and stakeholders, developed and
4 uses a statistically valid and reliable
5 cost estimation model or cost study
6 for the payment rates for direct child
7 care services in the State that reflect
8 rates for providers at each of the tiers
9 of the State's tiered system for meas-
10 uring the quality of eligible child care
11 providers described in subparagraph
12 (B), and variations in the cost of di-
13 rect child care services by geographic
14 area, type of provider, and age of
15 child, and the additional costs associ-
16 ated with providing inclusive care;

17 (II) certify that the State's pay-
18 ment rates for direct child care serv-
19 ices for which assistance is provided
20 in accordance with this section—

21 (aa) are set in accordance
22 with the most recent estimates
23 from the most recent cost esti-
24 mation model or cost study under
25 subclause (I), so that providers

1 at each tier of the tiered system
2 for measuring provider quality
3 described in subparagraph (B)
4 receive a payment that is suffi-
5 cient to meet the requirements of
6 such tier;

7 (bb) are set so as to provide
8 payments to providers not at the
9 top tier of the tiered system that
10 are sufficient to enable the pro-
11 viders to increase quality to meet
12 the requirements for the next
13 tier;

14 (cc) ensure adequate wages
15 for staff of child care providers
16 providing such direct child care
17 services that—

18 (AA) at a minimum,
19 provide a living wage for all
20 staff of such child care pro-
21 viders; and

22 (BB) are equivalent to
23 wages for elementary edu-
24 cators with similar creden-

1 tials and experience in the
2 State; and

3 (dd) are adjusted on an an-
4 nual basis for cost of living in-
5 creases to ensure those payment
6 rates remain sufficient to meet
7 the requirements of this section;
8 and

9 (III) certify that the State will
10 update, not less often than once every
11 3 years, the cost estimation model or
12 cost study described in subclause (I).

13 (iii) PAYMENT PRACTICES.—Such
14 State plan shall include an assurance that
15 the State will implement payment practices
16 that support the fixed costs of providing
17 direct child care services.

18 (B) TIERED SYSTEM FOR MEASURING THE
19 QUALITY OF ELIGIBLE CHILD CARE PRO-
20 VIDERS.—Such State plan shall certify that the
21 State has implemented, or assure that the State
22 will implement within 3 years after receiving
23 funds under this section, a tiered system for
24 measuring the quality of eligible child care pro-
25 viders who provide child care services for which

1 assistance is made available under this section.

2 Such tiered system shall—

3 (i) include a set of standards, for de-
4 termining the tier of quality of a child care
5 provider, that—

6 (I) uses standards for a highest
7 tier that at a minimum are equivalent
8 to Head Start program performance
9 standards described in section
10 641A(a)(1)(B) of the Head Start Act
11 (42 U.S.C. 9836a(a)(1)(B)) or other
12 equivalent evidence-based standards
13 approved by the Secretary; and

14 (II) includes quality indicators
15 and thresholds that are appropriate
16 for child development in different
17 types of child care provider settings,
18 including child care centers and the
19 settings of family child care providers,
20 and are appropriate for providers
21 serving different age groups (includ-
22 ing mixed age groups) of children;

23 (ii) include a different set of stand-
24 ards that includes indicators, when appro-

1 priate, for care during nontraditional hours
2 of operation; and

3 (iii) provide for sufficient resources
4 and supports for child care providers at
5 tiers lower than the highest tier to facili-
6 tate progression toward meeting higher
7 quality standards.

8 (C) ACHIEVING HIGH QUALITY FOR ALL
9 CHILDREN.—Such State plan shall certify the
10 State has implemented, or will implement with-
11 in 3 years after receiving funds under this sec-
12 tion, policies and financing practices that will
13 ensure all eligible children can choose to attend
14 child care at the highest quality tier within 6
15 years after the date of enactment of this Act.

16 (D) COMPENSATION.—Such plan shall pro-
17 vide a certification that the State has or will
18 have within 3 years after receiving funds under
19 this section, a wage ladder for staff of eligible
20 child care providers receiving assistance under
21 this section, including a certification that wages
22 for such staff, at a minimum, will meet the re-
23 quirements of subparagraph (A)(ii)(II)(cc).

24 (E) SLIDING FEE SCALE FOR COPAY-
25 MENTS.—

1 (i) IN GENERAL.—Except as provided
2 in clause (ii)(I), the State plan shall pro-
3 vide an assurance that the State will for
4 the period covered by the plan use a slid-
5 ing fee scale described in clause (ii) to de-
6 termine a copayment for a family receiving
7 assistance under this section (or, for a
8 family receiving part-time care, a reduced
9 copayment that is the proportionate
10 amount of the full copayment).

11 (ii) SLIDING FEE SCALE.—A full co-
12 payment described in clause (i) shall use a
13 sliding fee scale that provides that, for a
14 family with a family income—

15 (I) of not more than 75 percent
16 of State median income for a family
17 of the same size, the family shall not
18 pay a copayment, toward the cost of
19 the child care involved for all eligible
20 children in the family;

21 (II) of more than 75 percent but
22 not more than 100 percent of State
23 median income for a family of the
24 same size, the copayment shall be
25 more than 0 but not more than 2 per-

1 cent of that family income, toward
2 such cost for all such children;

3 (III) of more than 100 percent
4 but not more than 125 percent of
5 State median income for a family of
6 the same size, the copayment shall be
7 more than 2 but not more than 4 per-
8 cent of that family income, toward
9 such cost for all such children;

10 (IV) of more than 125 percent
11 but not more than 150 percent of
12 State median income for a family of
13 the same size, the copayment shall be
14 more than 4 but not more than 7 per-
15 cent of that family income, toward
16 such cost for all such children; and

17 (V) of more than 150 percent but
18 not more than 250 percent of the
19 State median income for a family of
20 the same size, the copayment shall be
21 7 percent of that family income, to-
22 ward such cost for all such children.

23 (F) PROHIBITION ON CHARGING MORE
24 THAN COPAYMENT.—The State plan shall cer-
25 tify that the State will not permit a child care

1 provider receiving financial assistance under
2 this section to charge, for child care for an eli-
3 gible child, more than the total of—

4 (i) the financial assistance provided
5 for the child under this section; and

6 (ii) any applicable copayment pursu-
7 ant to subparagraph (E).

8 (G) ELIGIBILITY.—The State plan shall
9 assure that each child who receives assistance
10 under this section will be considered to meet all
11 eligibility requirements for such assistance, and
12 will receive such assistance, for not less than 12
13 months unless the child has aged out of the
14 program, and the child’s eligibility determina-
15 tion and redetermination, including any deter-
16 mination based on the State’s definition of eligi-
17 ble activities, shall be implemented in a manner
18 that supports child well-being and reduces bar-
19 riers to enrollment, including continuity of serv-
20 ices.

21 (H) POLICIES TO SUPPORT ACCESS TO
22 CHILD CARE FOR UNDERSERVED POPU-
23 LATIONS.—The State plan shall demonstrate
24 that the State will prioritize increasing access
25 to, and the quality and the supply of, child care

1 in the State for underserved populations, in-
2 cluding at a minimum, low-income children,
3 children in underserved areas, infants and tod-
4 dlers, children with disabilities and infants and
5 toddlers with disabilities, children who are dual
6 language learners, and children who receive
7 care during nontraditional hours.

8 (I) POLICIES.—The State plan shall in-
9 clude a certification that the State will apply,
10 under this section, the policies and procedures
11 described in subparagraphs (A), (B), (I), (J),
12 (K)(i), (R), and (U) of section 658E(c)(2) of
13 the Child Care and Development Block Grant
14 Act of 1990 (42 U.S.C. 9858e(c)(2)), and the
15 policies and procedures described in section
16 658H of such Act (42 U.S.C. 9858f), to child
17 care services provided under this section.

18 (J) LICENSING.—The State plan shall
19 demonstrate that the State has consulted or will
20 consult with organizations (including labor or-
21 ganizations) representing child care directors,
22 teachers, or other staff, early childhood edu-
23 cation and development experts, and families to
24 develop, within 3 years after receiving funds
25 under this section, licensing standards appro-

1 prie for child care providers and a pathway to
2 such licensure that is available to and appro-
3 prie for child care providers in a variety of
4 settings, that will offer providers eligible under
5 the Child Care and Development Block Grant
6 Act of 1990 a reasonable pathway to become el-
7 igible providers under this section, and that will
8 assure an adequate supply of child care.

9 (g) PAYMENTS.—

10 (1) TRANSITION PAYMENTS FOR FISCAL YEARS
11 2022 THROUGH 2024.—

12 (A) DEFINITIONS.—For purposes of this
13 paragraph—

14 (i) the term “State” means the 50
15 States, the District of Columbia, and the
16 Commonwealth of Puerto Rico; and

17 (ii) the term “territory” means Guam,
18 American Samoa, the Commonwealth of
19 the Northern Mariana Islands, and the
20 United States Virgin Islands.

21 (B) ALLOTMENTS.—For each of fiscal
22 years 2022 through 2024, the Secretary shall,
23 from the amount appropriated under subsection
24 (c)(1)(A) for such fiscal year, make allotments
25 to each State with an application approved

1 under subsection (f) in the same manner as the
2 Secretary makes such allotments using the for-
3 mula under section 6580(b) of the Child Care
4 and Development Block Grant Act of 1990 (42
5 U.S.C. 9858n(b)).

6 (C) PAYMENTS.—

7 (i) INDIAN TRIBES AND TRIBAL ORGA-
8 NIZATIONS.—

9 (I) IN GENERAL.—For each of
10 fiscal years 2022 through 2024, from
11 the amount appropriated for Indian
12 Tribes and Tribal organizations under
13 subsection (c)(2)(A), the Secretary
14 shall make payments to Indian Tribes
15 and Tribal organizations with an ap-
16 plication approved under subclause
17 (II), and the Tribes and Tribal orga-
18 nizations shall be entitled to such pay-
19 ments for the purpose of carrying out
20 the child care program described in
21 this section, consistent, to the extent
22 practicable as determined by the Sec-
23 retary, with the requirements applica-
24 ble to States.

1 (II) APPLICATIONS.—An Indian
2 Tribe or Tribal organization seeking a
3 payment under this clause shall sub-
4 mit an application to the Secretary at
5 such time, in such manner, and con-
6 taining such information as the Sec-
7 retary may specify, including the
8 agreement described in subsection
9 (j)(7).

10 (III) SPECIAL RULE.—The Sec-
11 retary shall determine eligibility cri-
12 teria for children from Indian tribes.

13 (ii) TERRITORIES.—

14 (I) IN GENERAL.—For each of
15 fiscal years 2022 through 2024, from
16 the amount appropriated for terri-
17 tories under subsection (c)(3)(A), the
18 Secretary shall make payments to the
19 territories with an application ap-
20 proved under subclause (II), and the
21 territories shall be entitled to such
22 payments, for the purpose of carrying
23 out the child care program described
24 in this section, consistent, to the ex-
25 tent practicable as determined by the

1 Secretary, with the requirements ap-
2 plicable to States.

3 (II) APPLICATIONS.—A territory
4 seeking a payment under this clause
5 shall submit an application to the Sec-
6 retary at such time, in such manner,
7 and containing such information as
8 the Secretary may specify, including
9 the agreement described in subsection
10 (j)(7).

11 (iii) STATES.—For each of fiscal years
12 2022 through 2024, each State that has
13 an application approved under subsection
14 (f) shall be entitled to a payment under
15 this clause in the amount equal to its allot-
16 ment under subparagraph (B) for such fis-
17 cal year.

18 (D) AUTHORITIES.—Notwithstanding any
19 other provision of this paragraph, for each of
20 fiscal years 2022 through 2024, the Secretary
21 shall have the authority to reallocate funds that
22 were allotted under subparagraph (B) from any
23 State without an approved application under
24 subsection (f), Indian Tribe or Tribal organiza-
25 tion without an approved application under sub-

1 paragraph (C)(i)(II), and any territory without
2 an approved application under subparagraph
3 (C)(ii)(II) by the date required by the Sec-
4 retary, to States with an approved application
5 under that subsection, to Tribes or Tribal orga-
6 nizations with an approved application under
7 subparagraph (C)(i)(II), and to territories with
8 an approved application under subparagraph
9 (C)(ii)(II).

10 (2) PAYMENTS FOR FISCAL YEARS 2025
11 THROUGH 2027.—

12 (A) IN GENERAL.—For each of fiscal years
13 2025 through 2027:

14 (i) CHILD CARE ASSISTANCE FOR ELI-
15 GIBLE CHILDREN.—

16 (I) IN GENERAL.—The Secretary
17 shall pay to each State with an ap-
18 proved application under subsection
19 (f), and that State shall be entitled to,
20 an amount for each quarter equal to
21 95.440 percent of expenditures (which
22 shall be the Federal share of such ex-
23 penditures) in the quarter for direct
24 child care services described under

1 subsection (h)(2)(B) for eligible chil-
2 dren.

3 (II) EXCEPTION.—Funds re-
4 served from the total under subsection
5 (h)(2)(C) shall be subject to clause
6 (ii).

7 (III) PROHIBITION.—Activities
8 described in clause (ii) and clause (iii)
9 may not be included in the cost of di-
10 rect child care services described in
11 this clause.

12 (ii) ACTIVITIES TO IMPROVE THE
13 QUALITY AND SUPPLY OF CHILD CARE
14 SERVICES.—The Secretary shall pay to
15 each State with such an approved applica-
16 tion, and that State shall be entitled to, an
17 amount equal to the product of 1.06045
18 and the FMAP of expenditures (which
19 product shall be the Federal share of such
20 expenditures) to carry out activities to im-
21 prove the quality and supply of child care
22 services under subsection (h)(2)(C) subject
23 to the limit specified in clause (i) of such
24 subsection.

1 (iii) ADMINISTRATION.—The Sec-
2 retary shall pay to each State with such an
3 approved application, and that State shall
4 be entitled to, an amount equal to 53.022
5 percent of expenditures (which shall be the
6 Federal share of such expenditures) for the
7 costs of administration incurred by the
8 State—

9 (I) which shall include costs in-
10 curred by the State in carrying out
11 the child care program established in
12 this section; and

13 (II) which may include, at the
14 option of the State, costs associated
15 with carrying out requirements, poli-
16 cies, and procedures described in sec-
17 tion 658H of the Child Care and De-
18 velopment Block Grant Act of 1990
19 (42 U.S.C. 9858f).

20 (B) ADVANCE PAYMENT; RETROSPECTIVE
21 ADJUSTMENT.—For each of fiscal years 2025
22 through 2027, the Secretary shall make pay-
23 ments under this paragraph for a period on the
24 basis of advance estimates of expenditures sub-
25 mitted by the State and such other investiga-

1 tion as the Secretary may find necessary, and
2 shall reduce or increase the payments as nec-
3 essary to adjust for any overpayment or under-
4 payment for previous periods. No interest shall
5 be charged or paid on any amount due because
6 of an overpayment or underpayment for pre-
7 vious periods.

8 (C) TERRITORIES AND TRIBES.—For each
9 of fiscal years 2025 through 2027, from the
10 amounts appropriated under paragraph (2)(B)
11 or (3)(B) of subsection (c) the Secretary shall
12 make payments to territories, and Indian
13 Tribes and Tribal organizations, as the case
14 may be, with applications submitted as de-
15 scribed in paragraph (1), and approved by the
16 Secretary for the purpose of carrying out the
17 child care program described in this section,
18 consistent, to the extent practicable as deter-
19 mined by the Secretary (subject to subsection
20 (d)(2)), with the requirements applicable to
21 States. Each entity that is such a territory, In-
22 dian Tribe, or Tribal organization shall be enti-
23 tled to such a payment as may be necessary to
24 carry out the activities described in subsection
25 (h)(2), and to pay for the costs of administra-

1 tion incurred by the entity, which shall include
2 costs incurred by the entity in carrying out the
3 child care program, and which may include, at
4 the option of the entity, costs associated with
5 carrying out requirements, policies, and proce-
6 dures described in section 658H of the Child
7 Care and Development Block Grant Act of
8 1990.

9 (h) USE OF FUNDS.—

10 (1) USE OF FUNDS FOR TRANSITION YEARS.—

11 (A) IN GENERAL.—For each of fiscal years
12 2022 through 2024, a State (as defined in sub-
13 section (g)(1)) that receives a payment under
14 subsection (g)(1) shall use such payment for—

15 (i) assistance for direct child care
16 services, which shall consist only of—

17 (I) expanding access to assist-
18 ance for direct child care services for
19 eligible children through grants and
20 contracts, and child care certificates;

21 (II) increasing child care provider
22 payment rates to support the cost of
23 providing high-quality direct child
24 care services, including rates sufficient

1 to support increased wages for staff of
2 eligible child care providers; and

3 (III) waiving or reducing copay-
4 ments, to ensure that the families of
5 children receiving assistance under
6 this section do not pay more than 7
7 percent of family income toward the
8 cost of the child care involved for all
9 eligible children in the family;

10 (ii) activities described in paragraph
11 (2)(C); and

12 (iii) activities described in subsection
13 (g)(2)(A)(iii).

14 (B) ACTIVITIES.—A State that receives an
15 amount through the payments for a fiscal year
16 for activities described in subparagraph (A)(iii),
17 and uses only part of that amount for those ac-
18 tivities, shall use the remainder for activities
19 described in clause (i) or (ii) of subparagraph
20 (A) for that fiscal year.

21 (C) SPECIAL RULE.—

22 (i) COVERED CHILD.—In this sub-
23 paragraph, the term “covered child” means
24 a child—

1 (I) who meets the requirements
2 of subparagraphs (A), (B), and (D) of
3 subsection (b)(4); and

4 (II) whose family income, for the
5 fiscal year, exceeds the percentage
6 specified in subsection (b)(4)(C) (but
7 does not exceed 250 percent) of State
8 median income for a family of the
9 same size for that fiscal year.

10 (ii) RULE.—A State may use the pay-
11 ments under subsection (g)(1) for fiscal
12 year 2022, 2023, or 2024, to provide di-
13 rect child care services described in sub-
14 paragraph (A)(i) to covered children if the
15 State has appropriately prioritized enroll-
16 ment to receive such services based on
17 family income, as determined by the Sec-
18 retary. A child who is eligible to receive
19 such services under this subparagraph
20 shall be treated as an eligible child for the
21 other provisions of this section.

22 (2) USE OF FUNDS FOR FISCAL YEARS 2025
23 THROUGH 2027.—

24 (A) IN GENERAL.—Starting on October 1,
25 2024, a State shall use amounts provided to the

1 State under subsection (g)(2) for direct child
2 care services (provided on a sliding fee scale
3 basis), activities to improve the quality and sup-
4 ply of child care services consistent with para-
5 graph (C), and State administration consistent
6 with subsection (g)(2)(A)(iii).

7 (B) CHILD CARE ASSISTANCE FOR ELIGI-
8 BLE CHILDREN.—

9 (i) IN GENERAL.—For each of fiscal
10 years 2025 through 2027, from payments
11 made to the State under subsection (g)(2)
12 for that particular fiscal year, the State
13 shall ensure that parents of eligible chil-
14 dren can access direct child care services
15 provided by an eligible child care provider
16 under this section through a grant or con-
17 tract as described in clause (ii) or a certifi-
18 cate as described in clause (iii).

19 (ii) GRANTS AND CONTRACTS.—The
20 State shall award grants or contracts to el-
21 igible child care providers, consistent with
22 the requirements under this section, for
23 the provision of child care services for eli-
24 gible children under this section that, at a
25 minimum—

1 (I) support providers' operating
2 expenses to meet and sustain health,
3 safety, quality, and wage standards
4 required under this section; and

5 (II) address underserved popu-
6 lations described in subsection
7 (f)(4)(H).

8 (iii) CERTIFICATES.—The State shall
9 issue a child care certificate directly to a
10 parent who shall use such certificate only
11 as payment for direct child care services or
12 as a deposit for direct child care services if
13 such a deposit is required of other children
14 being cared for by the provider, consistent
15 with the requirements under this section.

16 (C) ACTIVITIES TO IMPROVE THE QUALITY
17 AND SUPPLY OF CHILD CARE SERVICES.—

18 (i) QUALITY CHILD CARE ACTIVI-
19 TIES.—

20 (I) AMOUNT.—For each of fiscal
21 years 2025 through 2027, from the
22 total of the payments made to the
23 State for a particular fiscal year, the
24 State shall reserve and use a quality
25 child care amount equal to not less

1 than 5 percent and not more than 10
2 percent of the amount made available
3 to the State through such payments
4 for the previous fiscal year.

5 (II) USE OF QUALITY CHILD
6 CARE AMOUNT.—Each State shall use
7 the quality child care amount de-
8 scribed in subclause (I) to implement
9 activities described in this subpara-
10 graph to improve the quality and sup-
11 ply of child care services by eligible
12 child care providers, and increase the
13 number of available slots in the State
14 for child care services funded under
15 this section, prioritizing assistance for
16 child care providers who are in under-
17 served communities and who are pro-
18 viding, or are seeking to provide, child
19 care services for underserved popu-
20 lations identified in subsection
21 (f)(4)(H).

22 (III) ADMINISTRATION.—Assist-
23 ance provided under this subpara-
24 graph may be administered—

1 (aa) directly by the lead
2 agency; or
3 (bb) through other State
4 government agencies, local or re-
5 gional child care resource and re-
6 ferral organizations, community
7 development financial institu-
8 tions, other intermediaries with
9 experience supporting child care
10 providers, or other appropriate
11 entities that enter into a contract
12 with the State to provide such
13 assistance.

14 (ii) ACTIVITIES.—Activities funded
15 under the quality child care amount de-
16 scribed in clause (i) shall include each of
17 the following:

18 (I) STARTUP GRANTS AND SUP-
19 PLY EXPANSION GRANTS.—

20 (aa) IN GENERAL.—From a
21 portion of the quality child care
22 amount, a State shall make start-
23 up and supply expansion grants
24 to support child care providers
25 who are providing, or seeking to

1 provide, child care services to
2 children receiving assistance
3 under this section, with priority
4 for providers providing or seeking
5 to provide child care in under-
6 served communities and for un-
7 derserved populations identified
8 in subsection (f)(4)(H), to—

9 (AA) support startup
10 and expansion costs; and

11 (BB) assist such pro-
12 viders in meeting health and
13 safety requirements, achiev-
14 ing licensure, and meeting
15 requirements in the State's
16 tiered system for measuring
17 the quality of eligible child
18 care providers.

19 (bb) REQUIREMENT.—As a
20 condition of receiving a startup
21 or supply expansion grant under
22 this subclause, a child care pro-
23 vider shall commit to meeting the
24 requirements of an eligible pro-
25 vider under this section, and pro-

1 viding child care services to chil-
2 dren receiving assistance under
3 this section on an ongoing basis.

4 (II) QUALITY GRANTS.—From a
5 portion of the quality child care
6 amount, a State shall provide quality
7 grants to support eligible child care
8 providers in providing child care serv-
9 ices to children receiving assistance
10 under this section to improve the
11 quality of such providers, including—

12 (aa) supporting such pro-
13 viders in meeting or making
14 progress toward the requirements
15 for the highest tier of the State’s
16 tiered system for measuring the
17 quality of eligible child care pro-
18 viders under subsection (f)(4)(B);
19 and

20 (bb) supporting such pro-
21 viders in sustaining child care
22 quality, including supporting in-
23 creased wages for staff and sup-
24 porting payment of fixed costs.

25 (III) FACILITIES GRANTS.—

1 (aa) IN GENERAL.—From a
2 portion of the quality child care
3 amount, a State shall provide
4 support, including through
5 awarding facilities grants, for re-
6 modeling, renovation, or repair of
7 a building or facility to the ex-
8 tent permitted under section
9 658F(b) of the Child Care and
10 Development Block Grant Act of
11 1990 (42 U.S.C. 9858).

12 (bb) ADDITIONAL USES.—
13 For fiscal years 2022 through
14 2024, and in subsequent years
15 with approval from the Secretary,
16 a State may award such facilities
17 grants for construction, perma-
18 nent improvement, or major ren-
19 ovation of a building or facility
20 primarily used for providing di-
21 rect child care services, in ac-
22 cordance with the following:

23 (AA) Federal interest
24 provisions will not apply to
25 the renovation or rebuilding

1 of privately-owned family
2 child care homes under this
3 subclause.

4 (BB) Eligible child care
5 providers may not use funds
6 for buildings or facilities
7 that are used primarily for
8 sectarian instruction or reli-
9 gious worship.

10 (CC) The Secretary
11 shall develop parameters on
12 the use of funds under this
13 subclause for family child
14 care homes.

15 (DD) The Secretary
16 shall not retain Federal in-
17 terest after a period of 10
18 years in any facility built,
19 renovated, or repaired with
20 funds awarded under this
21 subclause.

22 (IV) LIMITATION.—For purposes
23 of subclause (III), the Secretary shall
24 not—

1 (aa) enter into any agree-
2 ment related to funds for activi-
3 ties carried out under subclause
4 (III)—

5 (AA) that is for a term
6 extending beyond September
7 30, 2031; and

8 (BB) under which any
9 payment could be outlaid
10 after September 30, 2031;
11 or

12 (bb) use any other funds
13 available to the Secretary, other
14 than funds provided under this
15 section, to satisfy obligations ini-
16 tially made for activities carried
17 out under subclause (III).

18 (V) STATE ACTIVITIES TO IM-
19 PROVE THE QUALITY OF CHILD CARE
20 SERVICES.—A State shall use a por-
21 tion of the quality child care amount
22 to improve the quality of child care
23 services available for this program,
24 which shall include—

1 (aa) supporting the training
2 and professional development of
3 the early childhood workforce, in-
4 cluding supporting degree attain-
5 ment and credentialing for early
6 childhood educators;

7 (bb) developing, imple-
8 menting, or enhancing the
9 State's tiered system for meas-
10 uring the quality of eligible child
11 care providers under subsection
12 (f)(4)(B);

13 (cc) improving the supply
14 and quality of developmentally
15 appropriate and inclusive child
16 care programs and services for
17 underserved populations de-
18 scribed in subsection (f)(4)(H);
19 and

20 (dd) improving access to
21 child care services for children
22 experiencing homelessness and
23 children in foster care.

24 (VI) TECHNICAL ASSISTANCE.—

25 From a portion of the quality child

1 care amount, the State shall provide
2 technical assistance to increase the
3 supply and quality of eligible child
4 care providers who are providing, or
5 seeking to provide, child care services
6 to children receiving assistance under
7 this section, including providing sup-
8 port to enable providers to achieve li-
9 censure.

10 (i) GRANTS TO LOCALITIES AND AWARDS TO HEAD
11 START PROGRAMS.—

12 (1) ELIGIBLE LOCALITY DEFINED.—In this
13 subsection, the term “eligible locality” means a city,
14 county, or other unit of general local government.

15 (2) GRANTS TO LOCALITIES.—

16 (A) IN GENERAL.—The Secretary shall use
17 funds appropriated under subsection (c)(4) to
18 award local Birth Through Five Child Care and
19 Early Learning Grants to eligible localities lo-
20 cated in States that have not received payments
21 under subsection (g). The Secretary shall award
22 the grants to eligible localities in such a State
23 from the allotment made for that State under
24 subparagraph (B).

25 (B) ALLOTMENTS.—

1 (i) POVERTY LINE DEFINED.—In this
2 subparagraph, the term “poverty line”
3 means the poverty line defined and revised
4 as described in section 673 of the Commu-
5 nity Services Block Grant Act (42 U.S.C.
6 9902).

7 (ii) GENERAL AUTHORITY.—For each
8 State described in subparagraph (A), the
9 Secretary shall allot for the State for a fis-
10 cal year an amount that bears the same re-
11 lationship to the funds appropriated under
12 subsection (c)(4) for the fiscal year as the
13 number of children from families with fam-
14 ily incomes that are below 200 percent of
15 the poverty line, and who are under the
16 age of 6, in the State bears to the total
17 number of all such children in all States
18 described in subparagraph (A).

19 (C) APPLICATION.—To receive a grant
20 from the corresponding State allotment under
21 subparagraph (B), an eligible locality shall sub-
22 mit an application to the Secretary at such
23 time, in such manner, and containing such in-
24 formation as the Secretary may require. The re-
25 quirements for the application shall, to the

1 greatest extent practicable, be consistent with
2 the State plan requirements applicable to States
3 under subsection (f).

4 (D) REQUIREMENTS.—The Secretary shall
5 specify the requirements for an eligible locality
6 to provide access to child care, which child care
7 requirements shall, to the greatest extent prac-
8 ticable, be consistent with the requirements ap-
9 plicable to States under this section.

10 (E) RECOUPMENT OF UNUSED FUNDS.—
11 Notwithstanding any other provision of this sec-
12 tion, for each of fiscal years 2023 through
13 2027, the Secretary shall have the authority to
14 recoup any unused funds allotted under sub-
15 paragraph (B) for awards under paragraph
16 (3)(A) to Head Start agencies in accordance
17 with paragraph (3).

18 (3) HEAD START EXPANSION IN NONPARTICI-
19 PATING STATES.—

20 (A) IN GENERAL.—If the Secretary deter-
21 mines that an area of a State described in para-
22 graph (2)(A) will not be adequately served
23 under this subsection, either because no eligible
24 locality applied to serve the area or because no
25 application submitted by an eligible locality was

1 considered sufficient, then the Secretary shall
2 use funds appropriated under subsection (e)(5)
3 to make an award to a Head Start agency to
4 carry out the purposes of the Head Start Act
5 in that area.

6 (B) RULE.—For purposes of carrying out
7 the Head Start Act in circumstances not involv-
8 ing awards under this paragraph, funds award-
9 ed under subparagraph (A) shall not be in-
10 cluded in the calculation of a “base grant” as
11 such term is defined in section 640(a)(7)(A) of
12 the Head Start Act (42 U.S.C. 9835(a)(7)(A)).

13 (4) PRIORITY FOR SERVING UNDERSERVED
14 POPULATIONS.—In making determinations to award
15 a grant or make an award under this subsection, the
16 Secretary shall give priority to entities serving a
17 high percentage of individuals from underserved
18 populations described in subsection (f)(4)(H).

19 (j) PROGRAM REQUIREMENTS.—

20 (1) NONDISCRIMINATION.—The following provi-
21 sions of law shall apply to any program or activity
22 that receives funds provided under this section:

23 (A) Title IX of the Education Amendments
24 of 1972.

1 (B) Title VI of the Civil Rights Act of
2 1964.

3 (C) Section 504 of the Rehabilitation Act
4 of 1973.

5 (D) The Americans with Disabilities Act of
6 1990.

7 (E) Section 654 of the Head Start Act.

8 (2) PROHIBITION ON ADDITIONAL ELIGIBILITY
9 REQUIREMENTS.—No individual shall be determined,
10 by the Secretary, a State, or another recipient of
11 funds under this section, to be ineligible for child
12 care services provided under this section, except on
13 the basis of eligibility requirements specified in or
14 under this section.

15 (3) MAINTENANCE OF EFFORT.—

16 (A) IN GENERAL.—A State that receives
17 payments under this section for a fiscal year, in
18 using the funds made available through the
19 payments, shall maintain the expenditures of
20 the State for child care services at the average
21 level of such expenditures by the State for the
22 3 preceding fiscal years.

23 (B) COUNTING RULE.—State expenditures
24 counted for purposes of meeting the require-
25 ment in subparagraph (A) may also be counted

1 for purposes of meeting the requirement to pro-
2 vide a non-Federal share under clause (i), (ii),
3 or (iii), as appropriate, of subsection (g)(2)(A).

4 (4) SUPPLEMENT NOT SUPPLANT.—Funds re-
5 ceived under this section shall be used to supplement
6 and not supplant other Federal, State, and local
7 public funds expended to provide child care services
8 in the State.

9 (5) ALLOWABLE SOURCES OF NON-FEDERAL
10 SHARE.—For purposes of providing the non-Federal
11 share required under subsection (g)(2), a State’s
12 non-Federal share—

13 (A) for direct child care services described
14 in subsection (g)(2)(A)(i)—

15 (i) shall not include contributions
16 being used as a non-Federal share or
17 match for another Federal award; and

18 (ii) shall be provided from State or
19 local sources, contributions from philan-
20 thropy or other private organizations, or a
21 combination of such sources and contribu-
22 tions; and

23 (B) for activities to improve the quality
24 and supply of child care services described in

1 subsection (g)(2)(A)(ii), and administration de-
2 scribed in subsection (g)(2)(A)(iii)—

3 (i) shall not include contributions
4 being used as a non-Federal share or
5 match for another Federal award;

6 (ii) shall be provided from State or
7 local sources, contributions from philan-
8 thropy or other private organizations, or a
9 combination of such sources and contribu-
10 tions; and

11 (iii) may be in cash or in kind, fairly
12 evaluated, including facilities or property,
13 equipment, or services.

14 (6) INFORMATION FOR DETERMINATIONS.—For
15 purposes of determinations of participation in an eli-
16 gible activity, the provision of information for such
17 determinations by Federal agencies other than the
18 Department of Health and Human Services shall not
19 be required.

20 (7) REPORTS.—The State plan described in
21 subsection (f) shall include an agreement to provide
22 to the Secretary such periodic reports, providing a
23 detailed accounting of the uses of the funds received
24 under this section, as the Secretary may require for
25 the administration of this section. The State shall

1 begin to provide the reports beginning not later than
2 60 days after its initial receipt of a payment under
3 subsection (g)(1).

4 (k) MONITORING AND ENFORCEMENT.—

5 (1) REVIEW OF COMPLIANCE WITH REQUIRE-
6 MENTS AND STATE PLAN.—The Secretary shall re-
7 view and monitor compliance of States, territories,
8 Tribal entities, and local entities with this section
9 and State compliance with the plan described in sub-
10 section (f)(4).

11 (2) ISSUANCE OF RULE.—The Secretary shall
12 establish by rule procedures for—

13 (A) receiving, processing, and determining
14 the validity of complaints or findings concerning
15 any failure of a State to comply with the State
16 plan or any other requirement of this section;

17 (B) notifying a State when the Secretary
18 has determined there has been a failure by the
19 State to comply with a requirement of this sec-
20 tion; and

21 (C) imposing sanctions under this sub-
22 section for such a failure.

23 (l) FEDERAL ADMINISTRATION.—Using funds re-
24 served under subsection (c)(6), the Secretary shall carry
25 out administration of this section, shall provide (including

1 through the use of grants or cooperative agreements) tech-
2 nical assistance to States, territories, Indian Tribes, and
3 Tribal organizations, and shall carry out research, and
4 evaluations related to this section.

5 (m) TRANSITION PROVISIONS.—

6 (1) TREATMENT OF CHILD CARE AND DEVEL-
7 OPMENT BLOCK GRANT FUNDS.—For each of fiscal
8 years 2025, 2026, and 2027, a State receiving as-
9 sistance under this section shall not use more than
10 10 percent of any funds received under the Child
11 Care and Development Block Grant Act of 1990 to
12 provide assistance for direct child care services to
13 children under the age of 6, who are eligible under
14 that Act.

15 (2) SPECIAL RULES REGARDING ELIGIBILITY.—
16 Any child who is less than 6 years of age, is not yet
17 in kindergarten, and is receiving assistance under
18 the Child Care and Development Block Grant Act of
19 1990 on the date funding is first allocated to the
20 lead agency for the State, territory, Indian Tribe, or
21 Tribal organization involved under this section—

22 (A) shall be deemed immediately eligible to
23 receive assistance under this section; and

24 (B) may continue to use the child care pro-
25 vider of the family's choice.

1 (3) TRANSITION PROCEDURES.—The Secretary
2 is authorized to institute procedures for imple-
3 menting this section, including issuing guidance for
4 States receiving funds under subsection (g)(1).

5 **SEC. 23002. UNIVERSAL PRESCHOOL.**

6 (a) DEFINITIONS.—In this section:

7 (1) CHILD EXPERIENCING HOMELESSNESS.—
8 The term “child experiencing homelessness” means
9 an individual who is a homeless child or youth under
10 section 725 of the McKinney-Vento Homeless Assist-
11 ance Act (42 U.S.C. 11434a).

12 (2) CHILD WITH A DISABILITY.—The term
13 “child with a disability” has the meaning given the
14 term in section 602 of the Individuals with Disabil-
15 ities Education Act (20 U.S.C. 1401).

16 (3) COMPREHENSIVE SERVICES.—The term
17 “comprehensive services” means services that are
18 provided to low-income children and their families,
19 and that are health, educational, nutritional, social,
20 and other services that are determined, based on
21 family needs assessments, to be necessary, within
22 the meaning of section 636 of the Head Start Act
23 (42 U.S.C. 9831).

24 (4) DUAL LANGUAGE LEARNER.—The term
25 “dual language learner” means a child who is learn-

1 ing 2 or more languages at the same time, or a child
2 who is learning a second language while continuing
3 to develop the child’s first language.

4 (5) ELIGIBLE CHILD.—The term “eligible
5 child” means a child who is age 3 or 4, on the date
6 established by the applicable local educational agen-
7 cy for kindergarten entry.

8 (6) ELIGIBLE PROVIDER.—The term “eligible
9 provider” means—

10 (A) a local educational agency, acting
11 alone or in a consortium or in collaboration
12 with an educational service agency (as defined
13 in section 8101 of the Elementary and Sec-
14 ondary Education Act of 1965 (20 U.S.C.
15 7801)), that is licensed by the State or meets
16 comparable health and safety standards;

17 (B) a Head Start agency or delegate agen-
18 cy funded under the Head Start Act;

19 (C) a licensed center-based child care pro-
20 vider, licensed family child care provider, or
21 community– or neighborhood–based network of
22 licensed family child care providers; or

23 (D) a consortium of entities described in
24 any of subparagraphs (A), (B), and (C).

1 (7) INDIAN TRIBE.—The term “Indian Tribe”
2 has the meaning given the term in section 4 of the
3 Indian Self-Determination and Education Assistance
4 Act (25 U.S.C. 5304).

5 (8) LOCAL EDUCATIONAL AGENCY.—The term
6 “local educational agency” has the meaning given
7 the term in section 8101 of the Elementary and Sec-
8 ondary Education Act of 1965 (20 U.S.C. 7801).

9 (9) POVERTY LINE.—The term “poverty line”
10 means the poverty line defined and revised as de-
11 scribed in section 673 of the Community Services
12 Block Grant Act (42 U.S.C. 9902).

13 (10) SECRETARY.—The term “Secretary”
14 means the Secretary of Health and Human Services.

15 (11) STATE.—The term “State” means each of
16 the several States and the District of Columbia.

17 (12) TERRITORY.—The term “territory” means
18 each of the Commonwealth of Puerto Rico, the
19 United States Virgin Islands, Guam, American
20 Samoa, and the Commonwealth of the Northern
21 Mariana Islands.

22 (13) TRIBAL ORGANIZATION.—The term “Trib-
23 al organization” has the meaning given the term
24 “tribal organization” in section 658P of the Child

1 Care and Development Block Grant Act of 1990 (42
2 U.S.C. 9858n).

3 (b) UNIVERSAL PRESCHOOL.—

4 (1) APPROPRIATIONS FOR STATES.—

5 (A) IN GENERAL.—In addition to amounts
6 otherwise available, there is appropriated to the
7 Department of Health and Human Services for
8 fiscal year 2022, out of any money in the
9 Treasury not otherwise appropriated—

10 (i) \$4,000,000,000, to remain avail-
11 able until September 30, 2027, for pay-
12 ments to States, for carrying out this sec-
13 tion (except provisions and activities cov-
14 ered by paragraph (2)) in fiscal year 2022;

15 (ii) \$6,000,000,000, to remain avail-
16 able until September 30, 2027, for pay-
17 ments to States, for carrying out this sec-
18 tion (except provisions and activities cov-
19 ered by paragraph (2)) in fiscal year 2023;
20 and

21 (iii) \$8,000,000,000, to remain avail-
22 able until September 30, 2027, for pay-
23 ments to States, for carrying out this sec-
24 tion (except provisions and activities cov-
25 ered by paragraph (2)) in fiscal year 2024.

1 (B) ADDITIONAL APPROPRIATIONS.—In
2 addition to amounts otherwise available, there
3 is appropriated to the Department of Health
4 and Human Services, out of any money in the
5 Treasury not otherwise appropriated, such sums
6 as may be necessary for each of fiscal years
7 2025 through 2027, to remain available for 1
8 additional fiscal year, for payments to States,
9 for carrying out this section (except provisions
10 and activities covered by paragraph (2)).

11 (2) ADDITIONAL APPROPRIATIONS.—In addition
12 to amounts otherwise available, there is appropriated
13 to the Department of Health and Human Services
14 for fiscal year 2022, out of any money in the Treas-
15 ury not otherwise appropriated—

16 (A) \$2,500,000,000 for carrying out pay-
17 ments to Indian Tribes and Tribal organiza-
18 tions for activities described in this section in
19 fiscal years 2022 through 2027;

20 (B) \$1,000,000,000 for carrying out pay-
21 ments to the territories, to be distributed
22 among the territories on the basis of their rel-
23 ative need, as determined by the Secretary in
24 accordance with the objectives of this section,

1 for activities described in this section in fiscal
2 years 2022 through 2027;

3 (C) \$300,000,000 for carrying out pay-
4 ments to eligible local entities that serve chil-
5 dren in families who are engaged in migrant or
6 seasonal agricultural labor, for activities de-
7 scribed in this section, in fiscal years 2022
8 through 2027;

9 (D)(i) \$165,000,000, to remain available
10 until September 30, 2027, for carrying out
11 Federal activities to support the activities fund-
12 ed under this section, including administration,
13 monitoring, technical assistance, and research,
14 in fiscal year 2022;

15 (ii) \$200,000,000 to remain available until
16 September 30, 2027, for carrying out Federal
17 activities to support the activities funded under
18 this section, including administration, moni-
19 toring, technical assistance, and research, in fis-
20 cal year 2023;

21 (iii) \$200,000,000, to remain available
22 until September 30, 2027, for carrying out
23 Federal activities to support the activities fund-
24 ed under this section, including administration,

1 monitoring, technical assistance, and research,
2 in fiscal year 2024;

3 (iv) \$208,000,000, to remain available
4 until September 30, 2027, for carrying out
5 Federal activities to support the activities fund-
6 ed under this section, including administration,
7 monitoring, technical assistance, and research,
8 in fiscal year 2025;

9 (v) \$212,000,000, to remain available until
10 September 30, 2027, for carrying out Federal
11 activities to support the activities funded under
12 this section, including administration, moni-
13 toring, technical assistance, and research, in fis-
14 cal year 2026; and

15 (vi) \$216,000,000, to remain available
16 until September 30, 2027, for carrying out
17 Federal activities to support the activities fund-
18 ed under this section, including administration,
19 monitoring, technical assistance, and research,
20 in fiscal year 2027;

21 (E)(i) \$2,500,000,000, to remain available
22 until September 30, 2027, to improve com-
23 pensation of Head Start staff consistent with
24 subparagraphs (A)(i) and (B)(viii) of section
25 640(a)(5) of the Head Start Act (42 U.S.C.

1 9835(a)(5)), notwithstanding section 653(a) of
2 such Act (42 U.S.C. 9848(a)), in fiscal year
3 2022;

4 (ii) \$2,500,000,000, to remain available
5 until September 30, 2027, to improve com-
6 pensation of Head Start staff consistent with
7 subparagraphs (A)(i) and (B)(viii) of section
8 640(a)(5) of the Head Start Act (42 U.S.C.
9 9835(a)(5)), notwithstanding section 653(a) of
10 such Act (42 U.S.C. 9848(a)), in fiscal year
11 2023;

12 (iii) \$2,500,000,000, to remain available
13 until September 30, 2027, to improve com-
14 pensation of Head Start staff consistent with
15 subparagraphs (A)(i) and (B)(viii) of section
16 640(a)(5) of the Head Start Act (42 U.S.C.
17 9835(a)(5)), notwithstanding section 653(a) of
18 such Act (42 U.S.C. 9848(a)), in fiscal year
19 2024;

20 (iv) \$2,500,000,000, to remain available
21 until September 30, 2027, to improve com-
22 pensation of Head Start staff consistent with
23 subparagraphs (A)(i) and (B)(viii) of section
24 640(a)(5) of the Head Start Act (42 U.S.C.
25 9835(a)(5)), notwithstanding section 653(a) of

1 such Act (42 U.S.C. 9848(a)), in fiscal year
2 2025;

3 (v) \$2,500,000,000, to remain available
4 until September 30, 2027, to improve com-
5 pensation of Head Start staff consistent with
6 subparagraphs (A)(i) and (B)(viii) of section
7 640(a)(5) of the Head Start Act (42 U.S.C.
8 9835(a)(5)), notwithstanding section 653(a) of
9 such Act (42 U.S.C. 9848(a)), in fiscal year
10 2026; and

11 (vi) \$2,500,000,000, to remain available
12 until September 30, 2027, to improve com-
13 pensation of Head Start staff consistent with
14 subparagraphs (A)(i) and (B)(viii) of section
15 640(a)(5) of the Head Start Act (42 U.S.C.
16 9835(a)(5)), notwithstanding section 653(a) of
17 such Act (42 U.S.C. 9848(a)), in fiscal year
18 2027;

19 (F)(i) \$2,000,000,000, to remain available
20 until September 30, 2027, to carry out the pro-
21 gram of grants to localities described in sub-
22 section (e)(2) in fiscal year 2023;

23 (ii) \$2,000,000,000, to remain available
24 until September 30, 2027, to carry out the pro-

1 gram of grants to localities described in sub-
2 section (e)(2) in fiscal year 2024;

3 (iii) \$2,000,000,000, to remain available
4 until September 30, 2027, to carry out the pro-
5 gram of grants to localities described in sub-
6 section (e)(2) in fiscal year 2025;

7 (iv) \$2,000,000,000, to remain available
8 until September 30, 2027, to carry out the pro-
9 gram of grants to localities described in sub-
10 section (e)(2) in fiscal year 2026; and

11 (v) \$2,000,000,000, to remain available
12 until September 30, 2027, to carry out the pro-
13 gram of grants to localities described in sub-
14 section (e)(2) in fiscal year 2027; and

15 (G)(i) \$2,000,000,000, to remain available
16 until September 30, 2027, to carry out the pro-
17 gram of awards to Head Start agencies de-
18 scribed in subsection (e)(3) in fiscal year 2023;

19 (ii) \$2,000,000,000, to remain available
20 until September 30, 2027, to carry out the pro-
21 gram of awards to Head Start agencies de-
22 scribed in subsection (e)(3) in fiscal year 2024;

23 (iii) \$2,000,000,000, to remain available
24 until September 30, 2027, to carry out the pro-

1 gram of awards to Head Start agencies de-
2 scribed in subsection (e)(3) in fiscal year 2025;

3 (iv) \$2,000,000,000, to remain available
4 until September 30, 2027, to carry out the pro-
5 gram of awards to Head Start agencies de-
6 scribed in subsection (e)(3) in fiscal year 2026;
7 and

8 (v) \$2,000,000,000, to remain available
9 until September 30, 2027, to carry out the pro-
10 gram of awards to Head Start agencies de-
11 scribed in subsection (e)(3) in fiscal year 2027.

12 (c) PAYMENTS FOR STATE UNIVERSAL PRESCHOOL
13 SERVICES.—

14 (1) IN GENERAL.—A State that has submitted,
15 and had approved by the Secretary, the State plan
16 described in paragraph (5) is entitled to a payment
17 under this subsection.

18 (2) PAYMENTS TO STATES.—

19 (A) TRANSITION PAYMENTS FOR FISCAL
20 YEARS 2022 THROUGH 2024.—From amounts
21 made available under subsection (b)(1) for any
22 of fiscal years 2022 through 2024, the Sec-
23 retary, in collaboration with the Secretary of
24 Education, shall allot for the fiscal year, to each
25 State that has a State plan under paragraph

1 (5) or transitional State plan under paragraph
2 (7) that is approved for a period including that
3 fiscal year, an amount for the purpose of pro-
4 viding grants to eligible providers to provide
5 high-quality preschool, using a formula that
6 considers—

7 (i) the proportion of the number of
8 children who are below the age of 6 and
9 whose families have a family income at or
10 below 200 percent of the poverty line for
11 the most recent year for which satisfactory
12 data are available, residing in the State, as
13 compared to the number of such children,
14 who reside in all States with approved
15 plans for the fiscal year for which the al-
16 lotment is being made; and

17 (ii) the existing Federal preschool in-
18 vestments in the State under the Head
19 Start Act, as of the date of the allotment.

20 (B) PAYMENTS FOR FISCAL YEARS 2025
21 THROUGH 2027.—

22 (i) PRESCHOOL SERVICES.—For each
23 of fiscal years 2025 through 2027, the
24 Secretary shall pay to each State with an

1 approved State plan under paragraph (5),
2 an amount for that year equal to—

3 (I) 95.440 percent of the State's
4 expenditures in the year for preschool
5 services provided under subsection
6 (d), for fiscal year 2025;

7 (II) 79.534 percent of the State's
8 expenditures in the year for such pre-
9 school services, for fiscal year 2026;
10 and

11 (III) 63.627 percent of the
12 State's expenditures in the year for
13 such preschool services, for fiscal year
14 2027.

15 (ii) STATE ACTIVITIES.—The Sec-
16 retary shall pay to each State with an ap-
17 proved State plan under paragraph (5) an
18 amount for a fiscal year equal to 53.022
19 percent of the amount of the State's ex-
20 penditures for the activities described in
21 paragraph (3), except that in no case shall
22 a payment for a fiscal year under this
23 clause exceed the amount equal to 10 per-
24 cent of the State's expenditures described
25 in clause (i) for such fiscal year.

1 (iii) NON-FEDERAL SHARE.—The re-
2 mainder of the cost paid by the State for
3 preschool services, that is not provided
4 under clause (i), shall be considered the
5 non-Federal share of the cost of those
6 services. The remainder of the cost paid by
7 the State for State activities, that is not
8 provided under clause (ii), shall be consid-
9 ered the non-Federal share of the cost of
10 those activities.

11 (iv) ADVANCE PAYMENT; RETROSPEC-
12 TIVE ADJUSTMENT.—The Secretary shall
13 make a payment under clause (i) or (ii) for
14 a year on the basis of advance estimates of
15 expenditures submitted by the State and
16 such other investigation as the Secretary
17 may find necessary, and shall reduce or in-
18 crease the payment as necessary to adjust
19 for any overpayment or underpayment for
20 a previous year.

21 (C) AUTHORITIES.—Notwithstanding any
22 other provision of this paragraph, for each of
23 fiscal years 2022 through 2024, the Secretary
24 shall have the authority to reallocate funds that
25 were allotted under subparagraph (A) from any

1 State without an approved State plan under
2 paragraph (5) by the date required by the Sec-
3 retary, to States with an approved application
4 under that paragraph.

5 (3) STATE ACTIVITIES.—A State that receives a
6 payment under paragraph (2) shall carry out all of
7 the following activities:

8 (A) State administration of the State pre-
9 school program described in this section.

10 (B) Supporting a continuous quality im-
11 provement system for providers of preschool
12 services participating, or seeking to participate,
13 in the State preschool program, through the use
14 of data, researching, monitoring, training, tech-
15 nical assistance, professional development, and
16 coaching.

17 (C) Providing outreach and enrollment
18 support for families of eligible children.

19 (D) Supporting data systems building.

20 (E) Supporting staff of eligible providers
21 in pursuing credentials and degrees, including
22 baccalaureate degrees.

23 (F) Supporting activities that ensure ac-
24 cess to inclusive preschool programs for chil-
25 dren with disabilities.

1 (G) Providing age-appropriate transpor-
2 tation services for children, which at a min-
3 imum shall include transportation services for
4 children experiencing homelessness and children
5 in foster care.

6 (H) Conducting or updating a statewide
7 needs assessment of access to high-quality pre-
8 school services.

9 (4) LEAD AGENCY.—The Governor of a State
10 desiring to receive a payment under this subsection
11 shall designate a State lead agency (such as a State
12 agency or joint interagency office) for the adminis-
13 tration of the State preschool program under this
14 section.

15 (5) STATE PLAN.—In order to be eligible for
16 payments under this section, the Governor of a State
17 shall submit a State plan to the Secretary for ap-
18 proval by the Secretary, in collaboration with the
19 Secretary of Education, at such time, in such man-
20 ner, and containing such information as the Sec-
21 retary shall by rule require, that includes a plan for
22 achieving universal, high-quality, free, inclusive, and
23 mixed-delivery preschool services. Such plan shall in-
24 clude, at a minimum, each of the following:

25 (A) A certification that—

1 (i) the State has in place develop-
2 mentally appropriate, evidence-based pre-
3 school standards that, at a minimum, are
4 as rigorous as the standards specified in
5 subparagraph (B) of section 641A(a)(1) of
6 the Head Start Act (42 U.S.C.
7 9836a(a)(1)) and include program stand-
8 ards for class sizes and ratios; and

9 (ii) the State will coordinate such
10 standards with other early learning stand-
11 ards in the State.

12 (B) An assurance that the State will en-
13 sure—

14 (i) all preschool services in the State
15 funded under this section will—

16 (I) be universally available to all
17 children in the State without any ad-
18 ditional eligibility requirements;

19 (II) be high-quality, free, and in-
20 clusive; and

21 (III) by not later than 1 year
22 after the State receives such funding,
23 meet the State's preschool education
24 standards described in subparagraph
25 (A); and

1 (ii) that the local preschool programs
2 in the State funded under this section
3 will—

4 (I) offer programming that meets
5 the duration requirements of at least
6 1,020 annual hours;

7 (II) adopt policies and practices
8 to conduct outreach and provide expedited
9 enrollment, including
10 prioritization, to—

11 (aa) children experiencing
12 homelessness;

13 (bb) children in foster care
14 or kinship care;

15 (cc) children in families who
16 are engaged in migrant or seasonal
17 agricultural labor;

18 (dd) children with disabilities,
19 including eligible children
20 who are served under part C of
21 the Individuals with Disabilities
22 Education Act; and

23 (ee) dual language learners;

24 (III) provide for salaries, and set
25 schedules for salaries, for staff of pro-

1 viders in the State preschool program
2 that are equivalent to salaries of ele-
3 mentary school staff with similar cre-
4 dentials and experience;

5 (IV) at a minimum, provide a liv-
6 ing wage for all staff of such pro-
7 viders; and

8 (V) require educational qualifica-
9 tions for teachers in the preschool
10 program including, at a minimum, re-
11 quiring that lead teachers in the pre-
12 school program have a baccalaureate
13 degree in early childhood education or
14 a related field by not later than 6
15 years after the date on which the
16 State first receives funds under this
17 Act, except that—

18 (aa) subject to item (bb),
19 the requirements under this sub-
20 clause shall not apply to individ-
21 uals who were employed by an el-
22 igible provider or early education
23 program for a cumulative 3 of
24 the 5 years immediately pre-
25 ceding the date of enactment of

1 this Act and have the necessary
2 content knowledge and teaching
3 skills for early childhood edu-
4 cators, as demonstrated through
5 measures determined by the
6 State; and

7 (bb) nothing in this section
8 shall require the State to lessen
9 State requirements for edu-
10 cational qualifications, in exist-
11 ence on the date of enactment of
12 this Act, to serve as a teacher in
13 a State preschool program.

14 (C) For States with existing publicly fund-
15 ed State preschool programs (as of the date of
16 submission of the State plan), a description of
17 how the State plans to use funding provided
18 under this section to ensure that such existing
19 programs in the State meet the requirements of
20 this section for a State preschool program.

21 (D) A description of how the State, in es-
22 tablishing and operating the State preschool
23 program supported under this section, will—

24 (i) support a mixed-delivery system
25 for any new slots funded under this sec-

1 tion, including by facilitating the participa-
2 tion of Head Start programs and programs
3 offered by licensed child care providers;

4 (ii) ensure the State preschool pro-
5 gram does not disrupt the stability of in-
6 fant and toddler child care throughout the
7 State;

8 (iii) ensure adequate consultation with
9 the State Advisory Council on Early Child-
10 hood Education and Care designated or es-
11 tablished in section 642B(b)(1)(A)(i) of
12 the Head Start Act (42 U.S.C.
13 9837b(b)(1)(A)(i)) in the development of
14 its plan, including consultation in how the
15 State intends to distribute slots under
16 clause (v);

17 (iv) partner with Head Start agencies
18 to ensure the full utilization of Head Start
19 programs within the State; and

20 (v) distribute new preschool slots equi-
21 tably among child care (including family
22 child care) providers, Head Start agencies,
23 and schools within the State.

1 (E) A certification that the State, in oper-
2 ating the program described in this section for
3 a fiscal year—

4 (i) will not reduce the total preschool
5 slots provided in State-funded preschool
6 programs from the number of such slots in
7 the previous fiscal year; or

8 (ii) if the number of eligible children
9 identified in the State declines from the
10 previous fiscal year, will maintain at least
11 the previous year's ratio of the total pre-
12 school slots described in clause (i) to eligi-
13 ble children so identified.

14 (F) An assurance that the State will use
15 funding provided under this section to ensure
16 children with disabilities have access to and
17 participate in inclusive preschool programs con-
18 sistent with provisions in the Individuals with
19 Disabilities Education Act, and a description of
20 how the State will collaborate with entities car-
21 rying out programs under section 619 or part
22 C of the Individuals with Disabilities Education
23 Act, to support inclusive preschool programs.

24 (G) A certification that the State will sup-
25 port the continuous quality improvement of pro-

1 grams providing preschool services under this
2 section, including support through technical as-
3 sistance, monitoring, and research.

4 (H) A certification that the State will en-
5 sure a highly qualified early childhood work-
6 force to support the requirements of this sec-
7 tion.

8 (I) An assurance that the State will meet
9 the requirements of clauses (ii) and (iii) of sec-
10 tion 658E(c)(2)(T) of the Child Care and De-
11 velopment Block Grant Act of 1990 (42 U.S.C.
12 9858c(c)(2)(T)), with respect to funding and
13 assessments under this section.

14 (J) A certification that subgrant and con-
15 tract amounts provided as described in sub-
16 section (d) will be sufficient to enable eligible
17 providers to meet the requirements of this sec-
18 tion, and will provide for increased payment
19 amounts based on the criteria described in sub-
20 clauses (III) and (IV) of subparagraph (B)(ii).

21 (K) An agreement to provide to the Sec-
22 retary such periodic reports, providing a de-
23 tailed accounting of the uses of funding re-
24 ceived under this section, as the Secretary may
25 require for the administration of this section.

1 (6) DURATION OF THE PLAN.—Each State plan
2 shall remain in effect for a period of 3 years.
3 Amendments to the State plan shall remain in effect
4 for the duration of the plan.

5 (7) TRANSITIONAL STATE PLAN.—

6 (A) IN GENERAL.—The Secretary shall de-
7 velop parameters for, and allow a State to sub-
8 mit for purposes of this subsection for a period
9 of not more than 3 years, a transitional State
10 plan, at such time, in such manner and con-
11 taining such information as the Secretary shall
12 by rule require.

13 (B) CONTENTS.—The transitional plan
14 shall—

15 (i) demonstrate that the State will
16 meet the requirements of such plan as de-
17 termined by the Secretary; and

18 (ii) include, at a minimum—

19 (I) an assurance that the State
20 will submit a State plan under para-
21 graph (5);

22 (II) a description of how the
23 funds received by the State under this
24 section will be spent to expand access
25 to universal, high-quality, free, inclu-

1 sive, and mixed-delivery preschool in
2 alignment with the requirements of
3 this section; and

4 (III) such data as the Secretary
5 may require on the provision of pre-
6 school services in the State.

7 (d) SUBGRANTS AND CONTRACTS FOR LOCAL PRE-
8 SCHOOL PROGRAMS.—

9 (1) SUBGRANTS AND CONTRACTS.—

10 (A) IN GENERAL.—A State that receives a
11 payment under subsection (c)(2) for a fiscal
12 year shall use amounts provided through the
13 payment to pay the costs of subgrants to, or
14 contracts with, eligible providers to operate uni-
15 versal, high-quality, free, and inclusive pre-
16 school programs (which State-funded programs
17 may be referred to in this section as “local pre-
18 school programs”) through the State preschool
19 program in accordance with paragraph (3). A
20 State shall reduce or increase the amounts pro-
21 vided under such subgrants or contracts if
22 needed to adjust for any overpayment or under-
23 payment described in subsection (c)(2)(B)(iv).

24 (B) AMOUNT.—A State shall award a
25 subgrant or contract under this subsection in a

1 sufficient amount to enable the eligible provider
2 to operate a local preschool program that meets
3 the requirements of subsection (c)(5)(B), which
4 amount shall reflect variations in the cost of
5 preschool services by geographic area, type of
6 provider, and age of child, and the additional
7 costs associated with providing inclusive pre-
8 school services for children with disabilities.

9 (C) DURATION.—The State shall award a
10 subgrant or contract under this subsection for
11 a period of not less than 3 years, unless the
12 subgrant or contract is terminated or sus-
13 pended, or the subgrant period is reduced, for
14 cause.

15 (2) ENHANCED PAYMENTS FOR COMPREHEN-
16 SIVE SERVICES.—In awarding subgrants or con-
17 tracts under this subsection and in addition to meet-
18 ing the requirements of paragraph (1)(B), the State
19 shall award subgrants or contracts with enhanced
20 payments to eligible providers that offer local pre-
21 school programs funded under this subsection to a
22 high percentage of low-income children to support
23 comprehensive services.

24 (3) ESTABLISHING AND EXPANDING UNIVERSAL
25 PRESCHOOL PROGRAMS.—

1 (A) ESTABLISHING AND EXPANDING UNI-
2 VERSAL PRESCHOOL PROGRAMS IN HIGH-NEED
3 COMMUNITIES.—In awarding subgrants or con-
4 tracts under this subsection, the State shall
5 first prioritize establishing and expanding uni-
6 versal local preschool programs within and
7 across high-need communities by awarding sub-
8 grants or contracts to eligible providers oper-
9 ating within and across, or with capacity to op-
10 erate within and across, such high-need commu-
11 nities. The State shall—

12 (i) use a research-based methodology
13 approved by the Secretary to identify such
14 high-need communities, as determined
15 by—

16 (I) the rate of poverty in the
17 community;

18 (II) rates of access to high-qual-
19 ity preschool within the community;
20 and

21 (III) other indicators of commu-
22 nity need as required by the Sec-
23 retary; and

24 (ii) distribute funding for preschool
25 services under this section within such a

1 high-need community so that a majority of
2 children in the community are offered such
3 preschool services before the State estab-
4 lishes and expands preschool services in
5 communities with lower levels of need.

6 (B) USE OF FUNDS.—Subgrants or con-
7 tracts awarded under subparagraph (A) shall be
8 used to enroll and serve children in such a local
9 preschool program involved, including by paying
10 the costs—

11 (i) of personnel (including classroom
12 and administrative personnel), including
13 compensation and benefits;

14 (ii) associated with implementing the
15 State’s preschool standards, providing cur-
16 riculum supports, and meeting early learn-
17 ing and development standards;

18 (iii) of professional development,
19 teacher supports, and training;

20 (iv) of implementing and meeting de-
21 velopmentally appropriate health and safe-
22 ty standards (including licensure, where
23 applicable), teacher to child ratios, and
24 group size maximums;

1 (v) of materials, equipment, and sup-
2 plies; and

3 (vi) of rent or a mortgage, utilities,
4 building security, indoor and outdoor
5 maintenance, and insurance.

6 (4) ESTABLISHING AND EXPANDING UNIVERSAL
7 PRESCHOOL PROGRAMS IN ADDITIONAL COMMU-
8 NITIES.—Once a State that receives a payment
9 under subsection (c)(2) meets the requirements of
10 paragraph (3) with respect to establishing and ex-
11 panding local preschool programs within and across
12 high-need communities, the State shall use funds
13 from such payment to enroll and serve children in
14 local preschool programs, as described in such para-
15 graph, in additional communities in accordance with
16 the metrics described in paragraph (3)(A)(i). Such
17 funds shall be used for the activities described in
18 clauses (i) through (vi) of paragraph (3)(B).

19 (e) GRANTS TO LOCALITIES AND HEAD START EX-
20 PANSION IN NONPARTICIPATING STATES.—

21 (1) ELIGIBLE LOCALITY DEFINED.—In this
22 subsection, the term “eligible locality” means a city,
23 county, or other unit of general local government, a
24 local educational agency, or a Head Start agency
25 designated under the Head Start Act.

1 (2) GRANTS TO LOCALITIES.—

2 (A) IN GENERAL.—The Secretary shall use
3 funds reserved in subsection (b)(2)(F) to award
4 local universal preschool grants, in accordance
5 with rules established by the Secretary, to eligi-
6 ble localities located in States that have not re-
7 ceived payments under subsection (c)(2)(A).
8 The Secretary shall award the grants to eligible
9 localities in a State from the allotment made
10 for that State under subparagraph (B). The
11 Secretary shall specify the requirements for an
12 eligible locality to conduct a preschool program
13 under this subsection which shall, to the great-
14 est extent practicable, be consistent with the re-
15 quirements applicable to States under this sec-
16 tion, for a universal, high-quality, free, and in-
17 clusive preschool program.

18 (B) ALLOTMENTS.—For each State de-
19 scribed in subparagraph (A), the Secretary shall
20 allot for the State for a fiscal year an amount
21 that bears the same relationship to the funds
22 appropriated under subsection (b)(2)(F) for the
23 fiscal year as the number of children from fami-
24 lies with family incomes at or below 200 per-
25 cent of the poverty line, and who are under the

1 age of 6, in the State bears to the total number
2 of all such children in all States described in
3 subparagraph (A).

4 (C) APPLICATION.—To receive a grant
5 from the corresponding State allotment under
6 this subsection, an eligible locality shall submit
7 an application to the Secretary at such time, in
8 such manner, and containing such information
9 as the Secretary may require. The requirements
10 for the application shall, to the greatest extent
11 practicable, be consistent with the State plan
12 requirements applicable to States under this
13 section.

14 (D) RECOUPMENT OF UNUSED FUNDS.—
15 Notwithstanding any other provision of this sec-
16 tion, for each of fiscal years 2023 through
17 2027, the Secretary shall have the authority to
18 recoup any unused funds allotted under sub-
19 paragraph (B) for awards under paragraph
20 (3)(A) to Head Start agencies in accordance
21 with paragraph (3).

22 (3) HEAD START EXPANSION IN NONPARTICI-
23 PATING STATES.—

24 (A) IN GENERAL.—If the Secretary deter-
25 mines that an area of a State described in para-

1 graph (2)(A) will not be adequately served
2 under this subsection, either because no eligible
3 locality applied to serve the area or because no
4 application submitted by an eligible locality was
5 considered sufficient, then the Secretary shall
6 use funds appropriated under subsection
7 (b)(2)(G) to make an award to a Head Start
8 agency to carry out the purposes of the Head
9 Start Act in that area.

10 (B) RULE.—For purposes of carrying out
11 the Head Start Act in circumstances not involv-
12 ing awards under this paragraph, funds award-
13 ed under subparagraph (A) shall not be in-
14 cluded in the calculation of a “base grant” as
15 such term is defined in section 640(a)(7)(A) of
16 the Head Start Act (42 U.S.C. 9835(a)(7)(A)).

17 (4) PRIORITY FOR SERVING UNDERSERVED
18 COMMUNITIES.—In making determinations to award
19 a grant or make an award under this subsection, the
20 Secretary shall give priority to entities serving com-
21 munities with a high percentage of low-income chil-
22 dren as described in subsection (d)(2).

23 (f) ALLOWABLE SOURCES OF NON-FEDERAL
24 SHARE.—For purposes of calculating the amount of the
25 non-Federal share, as determined under subsection

1 (c)(2)(B)(iii), relating to a payment under subsection
2 (c)(2)(B), a State's non-Federal share—

3 (1) may be in cash or in kind, fairly evaluated,
4 including facilities or property, equipment, or serv-
5 ices;

6 (2) shall include any increase in amounts spent
7 by the State to expand half-day kindergarten pro-
8 grams in the State, as of the day before the date of
9 enactment of this Act, into full-day kindergarten
10 programs;

11 (3) shall not include contributions being used as
12 a non-Federal share or match for another Federal
13 award;

14 (4) shall be provided from State or local
15 sources, contributions from philanthropy or other
16 private organizations, or a combination of such
17 sources and contributions; and

18 (5) shall count not more than 100 percent of
19 the State's current spending on prekindergarten pro-
20 grams, calculated as the average amount of such
21 spending by the State for fiscal years 2019, 2020,
22 and 2021, toward the State's non-Federal share.

23 (g) MAINTENANCE OF EFFORT.—

24 (1) IN GENERAL.—If a State reduces its com-
25 bined fiscal effort per child for the State preschool

1 program (whether a publicly funded preschool pro-
2 gram or a program under this section) or through
3 State supplemental assistance funds for Head Start
4 programs assisted under the Head Start Act, or
5 through any State spending on preschool services for
6 any fiscal year that a State receives payments under
7 subsection (c)(2) (referred to in this paragraph as
8 the “reduction fiscal year”) relative to the previous
9 fiscal year, the Secretary, in collaboration with the
10 Secretary of Education, shall reduce support for
11 such State under such subsection by the same
12 amount as the total reduction in that State fiscal ef-
13 fort for such reduction fiscal year.

14 (2) WAIVER.—The Secretary, in collaboration
15 with the Secretary of Education, may waive the re-
16 quirements of paragraph (1) if—

17 (A) the Secretaries determine that a waiv-
18 er would be appropriate due to a precipitous de-
19 cline in the financial resources of a State as a
20 result of unforeseen economic hardship, or a
21 natural disaster, that has necessitated across-
22 the-board reductions in State services during
23 the 5-year period preceding the date of the de-
24 termination, including for early childhood edu-
25 cation programs; or

1 (B) due to the circumstance of a State re-
2 quiring reductions in specific programs, includ-
3 ing early childhood education programs, the
4 State presents to the Secretaries a justification
5 and demonstration why other programs could
6 not be reduced and how early childhood edu-
7 cation programs in the State will not be dis-
8 proportionately harmed by such State reduc-
9 tions.

10 (h) SUPPLEMENT NOT SUPPLANT.—Funds received
11 under this section shall be used to supplement and not
12 supplant other Federal, State, and local public funds ex-
13 pended on prekindergarten programs in the State on the
14 date of enactment of this Act.

15 (i) NONDISCRIMINATION PROVISIONS.—The fol-
16 lowing provisions of law shall apply to any program or ac-
17 tivity that receives funds provided under this section:

18 (1) Title IX of the Education Amendments of
19 1972.

20 (2) Title VI of the Civil Rights Act of 1964.

21 (3) Section 504 of the Rehabilitation Act of
22 1973.

23 (4) The Americans with Disabilities Act of
24 1990.

25 (5) Section 654 of the Head Start Act.

1 (j) MONITORING AND ENFORCEMENT.—

2 (1) REVIEW OF COMPLIANCE WITH REQUIRE-
3 MENTS AND STATE PLAN.—The Secretary shall re-
4 view and monitor compliance of States, territories,
5 Tribal entities, and local entities with this section
6 and State compliance with the State plan described
7 in subsection (c)(5).

8 (2) ISSUANCE OF RULE.—The Secretary shall
9 establish by rule procedures for—

10 (A) receiving, processing, and determining
11 the validity of complaints or findings concerning
12 any failure of a State to comply with the State
13 plan or any other requirement of this section;

14 (B) notifying a State when the Secretary
15 has determined there has been a failure by the
16 State to comply with a requirement of this sec-
17 tion; and

18 (C) imposing sanctions under this sub-
19 section for such a failure.

20 **Subtitle E—Child Nutrition and**
21 **Related Programs**

22 **SEC. 24001. EXPANDING COMMUNITY ELIGIBILITY.**

23 (a) MULTIPLIER AND THRESHOLD ADJUSTED.—

24 (1) MULTIPLIER.—Clause (vii) of section
25 11(a)(1)(F) of the Richard B. Russell National

1 School Lunch Act (42 U.S.C. 1759a(a)(1)(F)) is
2 amended to read as follows:

3 “(vii) MULTIPLIER.—

4 “(I) IMPLEMENTATION IN 2022–
5 2026.—For each school year beginning
6 on or after July 1, 2022, and ending
7 before July 1, 2026, the Secretary
8 shall use a multiplier of 2.5.

9 “(II) IMPLEMENTATION AFTER
10 2026.—For each school year beginning
11 on or after July 1, 2026, the Sec-
12 retary shall use a multiplier of 1.6.”.

13 (2) THRESHOLD.—Clause (viii) of section
14 11(a)(1)(F) of the Richard B. Russell National
15 School Lunch Act (42 U.S.C. 1759a(a)(1)(F)) is
16 amended to read as follows:

17 “(viii) THRESHOLD.—

18 “(I) IMPLEMENTATION IN 2022–
19 2026.—For each school year beginning
20 on or after July 1, 2022, and ending
21 before July 1, 2026, the threshold
22 shall be not more than 25 percent.

23 “(II) IMPLEMENTATION AFTER
24 2026.—For each school year beginning
25 on or after July 1, 2026, the thresh-

1 old shall be not more than 40 per-
2 cent.”.

3 (b) STATEWIDE COMMUNITY ELIGIBILITY.—Section
4 11(a)(1)(F) of the Richard B. Russell National School
5 Lunch Act (42 U.S.C. 1759a(a)(1)(F)) is amended by
6 adding at the end the following:

7 “(xiv) STATEWIDE COMMUNITY ELIGI-
8 BILITY.—For each school year beginning
9 on or after July 1, 2022, and ending be-
10 fore July 1, 2026, the Secretary shall es-
11 tablish a statewide community eligibility
12 program under which, in the case of a
13 State agency that agrees to provide fund-
14 ing from sources other than Federal funds
15 to ensure that local educational agencies in
16 the State receive the free reimbursement
17 rate for 100 percent of the meals served at
18 applicable schools—

19 “(I) the multiplier described in
20 clause (vii) shall apply;

21 “(II) notwithstanding clause
22 (viii), the threshold shall be zero; and

23 “(III) the percentage of enrolled
24 students who were identified students
25 shall be calculated across all applica-

1 ble schools in the State regardless of
2 local educational agency.”.

3 **SEC. 24002. SUMMER ELECTRONIC BENEFITS TRANSFER**
4 **FOR CHILDREN PROGRAM.**

5 The Richard B. Russell National School Lunch Act
6 is amended by inserting after section 13 (42 U.S.C. 1761)
7 the following:

8 **“SEC. 13A. SUMMER ELECTRONIC BENEFITS TRANSFER**
9 **FOR CHILDREN PROGRAM.**

10 “(a) PROGRAM ESTABLISHED.—The Secretary shall
11 establish a program under which States and covered In-
12 dian Tribal organizations participating in such program
13 shall, for summer 2023 and summer 2024 issue to eligible
14 households summer EBT benefits—

15 “(1) in accordance with this section; and

16 “(2) for the purpose of providing nutrition as-
17 sistance through electronic benefits transfer during
18 the summer months for eligible children, to ensure
19 continued access to food when school is not in ses-
20 sion for the summer.

21 “(b) SUMMER EBT BENEFITS REQUIREMENTS.—

22 “(1) PURCHASE OPTIONS.—

23 “(A) BENEFITS ISSUED BY STATES.—

24 “(i) WIC PARTICIPATION STATES.—In
25 the case of a State that participated in a

1 demonstration program under section
2 749(g) of the Agriculture, Rural Develop-
3 ment, Food and Drug Administration, and
4 Related Agencies Appropriations Act, 2010
5 (Public Law 111–80; 123 Stat. 2132) dur-
6 ing calendar year 2018 using a WIC
7 model, summer EBT benefits issued pur-
8 suant to subsection (a) by such a State
9 may only be used by the eligible household
10 that receives such summer EBT benefits to
11 purchase—

12 “(I) supplemental foods from re-
13 tailers that have been approved for
14 participation in—

15 “(aa) the special supple-
16 mental nutrition program for
17 women, infants, and children
18 under section 17 of the Child
19 Nutrition Act of 1966 (42 U.S.C.
20 1786); or

21 “(bb) the program under
22 this section; or

23 “(II) food (as defined in section
24 3(k) of the Food and Nutrition Act of
25 2008 (7 U.S.C. 2012(k))) from retail

1 food stores that have been approved
2 for participation in the supplemental
3 nutrition assistance program estab-
4 lished under such Act, in accordance
5 with section 9 of such Act (7 U.S.C.
6 2018).

7 “(ii) OTHER STATES.—Summer EBT
8 benefits issued pursuant to subsection (a)
9 by a State not described in clause (i) may
10 only be used by the eligible household that
11 receives such summer EBT benefits to
12 purchase food (as defined in section 3(k)
13 of the Food and Nutrition Act of 2008 (7
14 U.S.C. 2012(k))) from retail food stores
15 that have been approved for participation
16 in the supplemental nutrition assistance
17 program established under such Act, in ac-
18 cordance with section 9(b) of such Act (7
19 U.S.C. 2018) or retail food stores that
20 have been approved for participation in a
21 Department of Agriculture grant funded
22 nutrition assistance program in the Com-
23 monwealth of the Northern Mariana Is-
24 lands, Puerto Rico, or American Samoa.

1 “(B) BENEFITS ISSUED BY COVERED IN-
2 DIAN TRIBAL ORGANIZATIONS.—Summer EBT
3 benefits issued pursuant to subsection (a) by a
4 covered Indian Tribal organization may only be
5 used by the eligible household that receives such
6 summer EBT benefits to purchase supple-
7 mental foods from retailers that have been ap-
8 proved for participation in—

9 “(i) the special supplemental nutrition
10 program for women, infants, and children
11 under section 17 of the Child Nutrition
12 Act of 1966 (42 U.S.C. 1786); or

13 “(ii) the program under this section.

14 “(2) AMOUNT.—Summer EBT benefits issued
15 pursuant to subsection (a)—

16 “(A) shall be—

17 “(i) for calendar year 2023, in an
18 amount equal to \$65 for each child in the
19 eligible household per month during the
20 summer; and

21 “(ii) for calendar year 2024, in an
22 amount equal to the amount described in
23 clause (i), adjusted to the nearest lower
24 dollar increment to reflect changes to the
25 cost of the thrifty food plan (as defined in

1 section 3(u) of the Food and Nutrition Act
2 of 2008 (7 U.S.C. 2012(u)) for the 12-
3 month period ending on November 30 of
4 the preceding calendar year; and

5 “(B) may be issued—

6 “(i) in the form of an EBT card; or

7 “(ii) through electronic delivery.

8 “(c) ENROLLMENT IN PROGRAM.—

9 “(1) STATE REQUIREMENTS.—States partici-
10 pating in the program under this section shall—

11 “(A) with respect to a summer, automati-
12 cally enroll eligible children in the program
13 under this section without further application;
14 and

15 “(B) require local educational agencies to
16 allow eligible households to opt out of participa-
17 tion in the program under this section and es-
18 tablish procedures for opting out of such par-
19 ticipation.

20 “(2) COVERED INDIAN TRIBAL ORGANIZATION
21 REQUIREMENTS.—Covered Indian Tribal organiza-
22 tions participating in the program under this section
23 shall, to the maximum extent practicable, meet the
24 requirements under subparagraphs (A) through (C)
25 of paragraph (1).

1 “(d) IMPLEMENTATION GRANTS.—On and after Jan-
2 uary 1, 2022, the Secretary shall carry out a program to
3 make grants to States and covered Indian Tribal organiza-
4 tions to build capacity for implementing the program
5 under this section.

6 “(e) ALTERNATE PLANS IN THE CASE OF CONTIN-
7 UOUS SCHOOL CALENDAR.—The Secretary shall establish
8 an alternative method for determining the schedule and
9 number of days during which summer EBT benefits may
10 be issued pursuant to subsection (a) in the case of children
11 who are under a continuous school calendar.

12 “(f) FUNDING.—

13 “(1) PROGRAM FUNDING.—In addition to
14 amounts otherwise available, there is appropriated
15 for each of fiscal years 2022 through 2024, out of
16 any money in the Treasury not otherwise appro-
17 priated, such sums, to remain available for the 2-
18 year period following the date such amounts are
19 made available, as may be necessary to carry out
20 this section, including for administrative expenses
21 incurred by the Secretary, States, covered Indian
22 Tribal organizations, and local educational agencies.

23 “(2) IMPLEMENTATION GRANT FUNDING.—In
24 addition to amounts otherwise available, including
25 under paragraph (1), there is appropriated for fiscal

1 year 2022, out of any money in the Treasury not
2 otherwise appropriated, \$50,000,000, to remain
3 available until expended, to carry out subsection (d).

4 “(g) SUNSET.—The authority under this section shall
5 terminate on September 30, 2024.

6 “(h) DEFINITIONS.—In this section:

7 “(1) COVERED INDIAN TRIBAL ORGANIZA-
8 TION.—The term ‘covered Indian Tribal organiza-
9 tion’ means an Indian Tribal organization that par-
10 ticipates in the special supplemental nutrition pro-
11 gram for women, infants, and children under section
12 17 of the Child Nutrition Act of 1966 (42 U.S.C.
13 1786).

14 “(2) ELIGIBLE CHILD.—The term ‘eligible
15 child’ means, with respect to a summer, a child who
16 was, during the school year immediately preceding
17 such summer—

18 “(A) certified to receive free or reduced
19 price lunch under the school lunch program
20 under this Act;

21 “(B) certified to receive free or reduced
22 price breakfast under the school breakfast pro-
23 gram under section 4 of the Child Nutrition Act
24 of 1966 (42 U.S.C. 1773); or

1 “(C) enrolled in a school described in sub-
2 paragraph (B), (C), (D), (E), or (F) of section
3 11(a)(1).

4 “(3) ELIGIBLE HOUSEHOLD.—The term ‘eligi-
5 ble household’ means a household that includes at
6 least 1 eligible child.”.

7 **SEC. 24003. HEALTHY FOOD INCENTIVES DEMONSTRATION.**

8 (a) APPROPRIATION.—In addition to amounts other-
9 wise available, there is appropriated to the Secretary of
10 Agriculture for fiscal year 2022, out of any money in the
11 Treasury not otherwise appropriated, \$250,000,000, to re-
12 main available until expended, to provide—

13 (1) technical assistance and evaluation with re-
14 spect to the activities described in subparagraphs
15 (A) through (D) of paragraph (2); and

16 (2) grants and monetary incentives to carry out
17 1 or more of the following:

18 (A) Improving the nutritional quality of
19 meals and snacks served under a child nutrition
20 program.

21 (B) Enhancing the nutrition and wellness
22 environment of institutions participating in a
23 child nutrition program, including by reducing
24 the availability of less healthy foods during the
25 school day.

1 (C) Increasing the procurement of fresh,
2 local, regional, and culturally appropriate foods
3 and foods produced by underserved or limited
4 resource farmers, as defined by the Secretary of
5 Agriculture, to be served as part of a child nu-
6 trition program.

7 (D) Funding a statewide nutrition edu-
8 cation coordinator—

9 (i) to support individual school food
10 authority nutrition education efforts; and

11 (ii) to facilitate collaboration with
12 other nutrition education efforts in the
13 State.

14 (b) STATE DEFINED.—In this section, the term
15 “State” has the meaning given the term in section 12(d)
16 of the Richard B. Russell National School Lunch Act (42
17 U.S.C. 1760(d)).

18 **SEC. 24004. SCHOOL KITCHEN EQUIPMENT GRANTS.**

19 In addition to amounts otherwise available, there is
20 appropriated to the Secretary of Agriculture for fiscal year
21 2022, out of any money in the Treasury not otherwise ap-
22 propriated, \$30,000,000, to remain available until ex-
23 pended through fiscal year 2030, for training and tech-
24 nical assistance to support scratch cooking and to award
25 grants to States (as defined in section 12(d) of the Rich-

1 ard B. Russell National School Lunch Act (42 U.S.C.
2 1760(d))) to make competitive subgrants to local edu-
3 cational agencies and schools to purchase equipment with
4 a value of greater than \$1,000 that, with respect to the
5 school lunch program established under the Richard B.
6 Russell National School Lunch Act (42 U.S.C. 1751–
7 1769j) and the school breakfast program established
8 under section 4 of the Child Nutrition Act of 1966 (42
9 U.S.C. 1773), is necessary to serve healthier meals, im-
10 prove food safety, and increase scratch cooking.

11 **Subtitle F—Human Services and**
12 **Community Supports**

13 **SEC. 25001. ASSISTIVE TECHNOLOGY.**

14 In addition to amounts otherwise available, there is
15 appropriated for fiscal year 2022, out of any money in
16 the Treasury not otherwise appropriated, \$10,000,000, to
17 remain available until expended, to carry out the Assistive
18 Technology Act of 1998 (29 U.S.C. 3003(a)).

19 **SEC. 25002. FAMILY VIOLENCE PREVENTION AND SERVICES**
20 **FUNDING.**

21 In addition to amounts otherwise available, there is
22 appropriated to the Secretary of Health and Human Serv-
23 ices, for fiscal year 2022, out of any money in the Treas-
24 ury not otherwise appropriated, \$30,000,000, to remain
25 available until expended, for necessary administrative ex-

1 penses to carry out subsections (c) and (d) of section 2204
2 of the American Rescue Plan Act of 2021 (Public Law
3 117–2).

4 **SEC. 25003. PREGNANCY ASSISTANCE FUND.**

5 Section 10214 of the Patient Protection and Afford-
6 able Care Act (42 U.S.C. 18204) is amended by striking
7 the period and inserting “, and \$25,000,000 for each of
8 fiscal years 2022 through 2024, to remain available until
9 expended, to carry out this part.”.

10 **SEC. 25004. FUNDING FOR THE AGING NETWORK AND IN-**
11 **FRASTRUCTURE.**

12 (a) APPROPRIATION.—In addition to amounts other-
13 wise available, there are appropriated for fiscal year 2022,
14 out of any money in the Treasury not otherwise appro-
15 priated, to the Department of Health and Human Serv-
16 ices—

17 (1) \$75,000,000 for the Research, Demonstra-
18 tion, and Evaluation Center for the Aging Network
19 to carry out the activities of the Center under sec-
20 tion 201(g) of the Older Americans Act of 1965
21 (OAA) (42 U.S.C. 3011(g));

22 (2) \$655,000,000 to carry out part B of title
23 III of the OAA (42 U.S.C. 3030d), including for—

1 (A) supportive services of the type made
2 available for fiscal year 2021 and authorized
3 under such part;

4 (B) investing in the aging services network
5 for the purposes of improving the availability of
6 supportive services, including investing in the
7 aging services network workforce;

8 (C) the acquisition, alteration, or renova-
9 tion of facilities, including multipurpose senior
10 centers and mobile units; and

11 (D) construction or modernization of facili-
12 ties to serve as multipurpose senior centers;

13 (3) \$140,000,000 to carry out part C of title
14 III of the OAA (42 U.S.C. 3030d-21-3030g-23),
15 including to support the modernization of infrastruc-
16 ture and technology, including kitchen equipment
17 and delivery vehicles, to support the provision of
18 congregate nutrition services and home delivered nu-
19 trition services under such part;

20 (4) \$150,000,000 to carry out part E of title
21 III of the OAA (42 U.S.C. 3030s-3030s-2), includ-
22 ing section 373(e) of such part (42 U.S.C. 3030s-
23 1(e));

1 (5) \$50,000,000 to carry out title VI of the
2 OAA (42 U.S.C. 3057–3057o), including part C of
3 such title (42 U.S.C. 3057k-11);

4 (6) \$50,000,000 to carry out the long-term care
5 ombudsman program under title VII of the OAA (42
6 U.S.C. 3058–3058ff);

7 (7) \$59,000,000 for technical assistance centers
8 or national resource centers supported under the
9 OAA, including all such centers that received fund-
10 ing under title IV of the OAA (42 U.S.C. 3031–
11 3033a) for fiscal year 2021, in order to support
12 technical assistance and resource development re-
13 lated to culturally appropriate care management and
14 services for older individuals with the greatest social
15 need, including racial and ethnic minority individ-
16 uals;

17 (8) \$15,000,000 for technical assistance centers
18 or national resource centers supported under the
19 OAA that are focused on providing services for older
20 individuals who are underserved due to their sexual
21 orientation or gender identity;

22 (9) \$1,000,000 for efforts of national training
23 and technical assistance centers supported under the
24 OAA to—

1 (A) support expanding the reach of the
2 aging services network to more effectively assist
3 older individuals in remaining socially engaged
4 and active;

5 (B) provide additional support in technical
6 assistance and training to the aging services
7 network to address the social isolation of older
8 individuals;

9 (C) promote best practices and identify in-
10 novation in the field; and

11 (D) continue to support a repository for
12 innovations designed to increase the ability of
13 the aging services network to tailor social en-
14 gagement activities to meet the needs of older
15 individuals; and

16 (10) \$5,000,000 to carry out section 417 of the
17 OAA (42 U.S.C. 3032f).

18 Amounts appropriated by this subsection shall remain
19 available until expended.

20 (b) NONAPPLICABILITY OF CERTAIN REQUIRE-
21 MENTS.—The non-Federal contribution requirements
22 under sections 304(d)(1)(D) and 431(a) of the Older
23 Americans Act of 1965 (42 U.S.C. 3024(d)(1)(D),
24 3033(a)), and section 373(h)(2) of such Act (42 U.S.C.
25 3030s–1(h)(2)), shall not apply to—

1 (1) any amounts made available under this sec-
2 tion; or

3 (2) any amounts made available under section
4 2921 of the American Rescue Plan Act of 2021
5 (Public Law 117–2).

6 **SEC. 25005. TECHNICAL ASSISTANCE CENTER FOR SUP-**
7 **PORTING DIRECT CARE AND CAREGIVING.**

8 (a) **IN GENERAL.**—In addition to amounts otherwise
9 available, there is appropriated to the Secretary of Health
10 and Human Services, acting through the Administrator
11 for the Administration for Community Living, for fiscal
12 year 2022, out of any money in the Treasury not otherwise
13 appropriated, \$20,000,000, to remain available until Sep-
14 tember 30, 2031, to establish, directly or through grants,
15 contracts, or cooperative agreements, a national technical
16 assistance center (referred to in this section as the “Cen-
17 ter”) to—

18 (1) provide technical assistance for supporting
19 direct care workforce recruitment, education and
20 training, retention, career advancement, and for sup-
21 porting family caregivers and caregiving activities;

22 (2) develop and disseminate a set of replicable
23 models or evidence-based or evidence-informed strat-
24 egies or best practices for—

1 (A) recruitment, education and training,
2 retention, and career advancement of direct
3 support workers;

4 (B) reducing barriers to accessing direct
5 care services; and

6 (C) increasing access to alternatives to di-
7 rect care services, including assistive tech-
8 nology, that reduce reliance on such services;

9 (3) provide recommendations for education and
10 training curricula for direct support workers; and

11 (4) provide recommendations for activities to
12 further support paid and unpaid family caregivers,
13 including expanding respite care.

14 (b) **DIRECT SUPPORT WORKER DEFINED.**—The term
15 “direct support worker” has the meaning given such term
16 in section 22301.

17 **SEC. 25006. FUNDING TO SUPPORT UNPAID CAREGIVERS.**

18 (a) **IN GENERAL.**—In addition to amounts otherwise
19 available, there is appropriated to the Secretary of Health
20 and Human Services (referred to in this section as the
21 “Secretary”) for fiscal year 2022, out of any money in
22 the Treasury not otherwise appropriated, \$40,000,000, to
23 remain available until expended, for carrying out the pur-
24 pose described in subsection (b).

1 (b) USE OF FUNDING.—The Secretary, acting
2 through the Assistant Secretary for Aging, shall use
3 amounts appropriated by subsection (a) to make awards,
4 pursuant to section 373(i) of the Older Americans Act of
5 1965 (42 U.S.C. 3030s–1(i)), to States, public agencies,
6 private nonprofit agencies, institutions of higher edu-
7 cation, and organizations, including Tribal organizations,
8 for initiatives to address the behavioral health needs of
9 unpaid caregivers of older individuals and older relative
10 caregivers.

11 (c) SUPPLEMENT NOT SUPPLANT.—Amounts appro-
12 priated by this section shall be used to supplement and
13 not supplant other Federal, State, or local public funds
14 to support unpaid caregivers.

15 **SEC. 25007. FUNDING TO SUPPORT INDIVIDUALS WITH IN-**
16 **TELLECTUAL AND DEVELOPMENTAL DIS-**
17 **ABILITIES.**

18 (a) IN GENERAL.—In addition to amounts otherwise
19 available, there is appropriated to the Secretary of Health
20 and Human Services (referred to in this section as the
21 “Secretary”), for fiscal year 2022, out of any money in
22 the Treasury not otherwise appropriated, \$25,000,000, to
23 remain available until expended, for carrying out the pur-
24 pose described in subsection (b).

1 (b) USE OF FUNDING.—The Secretary, acting
2 through the Administrator of the Administration for Com-
3 munity Living, shall use amounts appropriated by sub-
4 section (a) to award grants, contracts, or cooperative
5 agreements to public or private nonprofit entities pursuant
6 to section 162 of the Developmental Disabilities Assist-
7 ance and Bill of Rights Act of 2000 (42 U.S.C. 15082)
8 for initiatives to address the behavioral health needs of
9 individuals with intellectual and developmental disabilities.

10 (c) SUPPLEMENT NOT SUPPLANT.—Amounts appro-
11 priated by this section shall be used to supplement and
12 not supplant other Federal, State, or local public funds
13 to support individuals with intellectual and developmental
14 disabilities.

15 **SEC. 25008. OFFICE OF THE INSPECTOR GENERAL OF THE**
16 **DEPARTMENT OF HEALTH AND HUMAN SERV-**
17 **ICES.**

18 In addition to amounts otherwise available, there is
19 appropriated to the Department of Health and Human
20 Services for fiscal year 2022, out of any money in the
21 Treasury not otherwise appropriated, \$50,000,000, to re-
22 main available until expended, for the Office of Inspector
23 General of the Department of Health and Human Serv-
24 ices, for salaries and expenses necessary for oversight, in-

1 vestigations, and audits of programs, grants, and projects
2 funded under subtitles D and F of this title.

3 **Subtitle G—National Service and**
4 **Workforce Development in Sup-**
5 **port of Climate Resilience and**
6 **Mitigation**

7 **SEC. 26001. CORPORATION FOR NATIONAL AND COMMU-**
8 **NITY SERVICE AND THE NATIONAL SERVICE**
9 **TRUST.**

10 (a) AMERICORPS STATE AND NATIONAL.—

11 (1) IN GENERAL.—In addition to amounts oth-
12 erwise available, there is appropriated for fiscal year
13 2022, out of any money in the Treasury not other-
14 wise appropriated, to the Corporation for National
15 and Community Service, \$3,200,000,000, to remain
16 available until September 30, 2026, which shall be
17 used to make funding adjustments to existing (as of
18 the date of enactment of this Act) awards and make
19 new awards to entities to support national service
20 programs described in paragraphs (1)(B), (2)(B),
21 (3)(B), (4)(B), and (5)(B) of subsection (a), and
22 subsection (b)(2), of section 122 of the National and
23 Community Service Act of 1990 (whether or not
24 such entities are already recipients of a grant or
25 other agreement on the date of enactment of this

1 Act) to increase living allowances and improve bene-
2 fits of participants in such programs.

3 (2) REQUIREMENTS.—For the purposes of car-
4 rying out paragraph (1)—

5 (A) the Corporation shall waive the re-
6 quirements described in section 121(e)(1) of the
7 National and Community Service Act of 1990,
8 in whole or in part, if a recipient of a grant or
9 other agreement for such a national service pro-
10 gram demonstrates—

11 (i) the recipient will serve underserved
12 or low-income communities, and a signifi-
13 cant percentage of participants in such
14 program are low-income individuals; and

15 (ii) without such waiver, the recipient
16 cannot meet the requirements of this sec-
17 tion;

18 (B) section 189(a) of such Act shall be ap-
19 plied by substituting “125 percent of the
20 amount of the minimum living allowance of a
21 full-time participant per full-time equivalent po-
22 sition” for “\$18,000 per full-time equivalent
23 position”; and

24 (C) section 140(a)(1) of such Act shall be
25 applied by substituting “200 percent of the pov-

1 erty line” for “the average annual subsistence
2 allowance provided to VISTA volunteers under
3 section 105 of the Domestic Volunteer Service
4 Act of 1973 (42 U.S.C. 4955)”.

5 (b) STATE COMMISSIONS.—

6 (1) IN GENERAL.—In addition to amounts oth-
7 erwise available, there is appropriated for fiscal year
8 2022, out of any money in the Treasury not other-
9 wise appropriated, to the Corporation for National
10 and Community Service, \$400,000,000, to remain
11 available until September 30, 2026, which shall be
12 used to make funding adjustments to existing (as of
13 the date of enactment of this Act) awards and make
14 new awards to States to establish or operate State
15 Commissions on National and Community Service.

16 (2) MATCH WAIVER.—For the purposes of car-
17 rying out paragraph (1), the Corporation shall waive
18 the matching requirement described in section
19 126(a)(2) of the National and Community Service
20 Act of 1990, in whole or in part, for a State Com-
21 mission, if such State Commission demonstrates
22 need for such waiver.

23 (c) NATIONAL CIVILIAN COMMUNITY CORPS.—In ad-
24 dition to amounts otherwise available, there is appro-
25 priated for fiscal year 2022, out of any money in the

1 Treasury not otherwise appropriated, to the Corporation
2 for National and Community Service, \$80,000,000, to re-
3 main available until September 30, 2029, which shall be
4 used to increase the living allowance and benefits of par-
5 ticipants in the National Civilian Community Corps au-
6 thorized under section 152 of the National and Commu-
7 nity Service Act of 1990.

8 (d) AMERICORPS VISTA.—

9 (1) IN GENERAL.—In addition to amounts oth-
10 erwise available, there is appropriated for fiscal year
11 2022, out of any money in the Treasury not other-
12 wise appropriated, to the Corporation for National
13 and Community Service, \$600,000,000 to remain
14 available until September 30, 2029, which shall be
15 used to increase the subsistence allowances and im-
16 prove benefits of participants in the Volunteers in
17 Service to America program authorized under sec-
18 tion 102 of the Domestic Volunteer Service Act of
19 1973.

20 (2) REQUIREMENT.—For purposes of carrying
21 out paragraph (1)—

22 (A) section 105(b)(2)(A) of the Domestic
23 Volunteer Service Act of 1973 shall be applied
24 by substituting “200 percent” for “95 percent”;
25 and

1 (B) section 105(b)(2)(B) of the Domestic
2 Volunteer Service Act of 1973 shall be applied
3 by substituting “210 percent” for “105 per-
4 cent”.

5 (e) NATIONAL SERVICE IN SUPPORT OF CLIMATE
6 RESILIENCE AND MITIGATION.—

7 (1) IN GENERAL.—In addition to amounts oth-
8 erwise available, there is appropriated for fiscal year
9 2022, out of any money in the Treasury not other-
10 wise appropriated, to the Corporation for National
11 and Community Service, \$6,915,000,000, which
12 shall be used for the purposes specified in paragraph
13 (3).

14 (2) AVAILABILITY OF FUNDS.—Amounts appro-
15 priated under paragraph (1) shall—

16 (A) be available until September 30, 2026,
17 for national service programs described in para-
18 graphs (1)(B), (2)(B), (3)(B), (4)(B), and
19 (5)(B) of subsection (a), and subsection (b)(2),
20 of section 122 of the National and Community
21 Service Act of 1990; and

22 (B) be available until September 30, 2029,
23 for National Civilian Community Corps pro-
24 grams authorized under section 152 of the Na-
25 tional and Community Service Act of 1990 and

1 Volunteers in Service to America programs au-
2 thorized under section 102 of the Domestic Vol-
3 unteer Service Act of 1973.

4 (3) USE OF FUNDS.—

5 (A) IN GENERAL.—The Corporation shall
6 use amounts appropriated under paragraph (1)
7 to fund programs described in subparagraph
8 (B) to carry out projects or activities described
9 in section 122(a)(3)(B) of the National and
10 Community Service Act of 1990.

11 (B) PROGRAMS.—The programs described
12 in subparagraph (A) shall include—

13 (i) national service programs de-
14 scribed in paragraphs (1)(B), (2)(B),
15 (3)(B), (4)(B), and (5)(B) of subsection
16 (a), and subsection (b)(2), of section 122
17 of the National and Community Service
18 Act of 1990;

19 (ii) National Civilian Community
20 Corps programs authorized under section
21 152 of the National and Community Serv-
22 ice Act of 1990; and

23 (iii) Volunteers in Service to America
24 programs authorized under section 102 of

1 the Domestic Volunteer Service Act of
2 1973.

3 (C) TERMS.—In funding programs de-
4 scribed in subparagraph (A), the Corporation
5 shall ensure—

6 (i) awards are made to entities that
7 serve, and have representation from, low-
8 income communities or communities expe-
9 riencing (or at risk of experiencing) ad-
10 verse health and environmental conditions;

11 (ii) such programs utilize culturally
12 competent and multilingual strategies;

13 (iii) projects carried out through such
14 programs are planned with community
15 input, and implemented by diverse partici-
16 pants who are from communities being
17 served by such programs; and

18 (iv) such programs provide partici-
19 pants with workforce development opportu-
20 nities, such as pre-apprenticeships that ar-
21 ticulate to registered apprenticeship pro-
22 grams, and pathways to post-service em-
23 ployment in high-quality jobs, including
24 registered apprenticeships.

1 (4) REQUIREMENTS.—For the purposes of car-
2 rying out paragraph (1)—

3 (A) in implementing national service pro-
4 grams described in paragraph (3)(B)(i) and
5 funded by the appropriations specified in para-
6 graph (1)—

7 (i) the Corporation shall waive the re-
8 quirements described in section 121(e)(1)
9 of the National and Community Service
10 Act of 1990, in whole or in part, if a re-
11 cipient of a grant or other agreement for
12 the national service program involved dem-
13 onstrates—

14 (I) the recipient will serve under-
15 served or low-income communities,
16 and a significant percentage of par-
17 ticipants in such program are low-in-
18 come individuals; and

19 (II) without such waiver, the re-
20 cipient cannot meet the requirements
21 of this section;

22 (ii) section 189(a) of the National and
23 Community Service Act of 1990 shall be
24 applied by substituting “125 percent of the
25 amount of the minimum living allowance of

1 a full-time participant per full-time equiva-
2 lent position” for “\$18,000 per full-time
3 equivalent position”;

4 (iii) section 140(a)(1) of the National
5 and Community Service Act of 1990 shall
6 be applied by substituting “200 percent of
7 the poverty line” for “the average annual
8 subsistence allowance provided to VISTA
9 volunteers under section 105 of the Do-
10 mestic Volunteer Service Act of 1973 (42
11 U.S.C. 4955)”;

12 (iv) the Corporation shall waive the
13 matching requirement described in section
14 126(a)(2) of the National and Community
15 Service Act of 1990, in whole or in part,
16 for a State Commission, if such State
17 Commission demonstrates need for such
18 waiver; and

19 (B) in implementing national service pro-
20 grams described in paragraph (3)(B)(iii) and
21 funded by the appropriations specified in para-
22 graph (1)—

23 (i) section 105(b)(2)(A) of the Domes-
24 tic Volunteer Service Act of 1973 shall be

1 applied by substituting “200 percent” for
2 “95 percent”; and

3 (ii) section 105(b)(2)(B) of the Do-
4 mestic Volunteer Service Act of 1973 shall
5 be applied by substituting “210 percent”
6 for “105 percent”.

7 (f) ADMINISTRATIVE COSTS.—

8 (1) IN GENERAL.—In addition to amounts oth-
9 erwise available, there is appropriated for fiscal year
10 2022, out of any money in the Treasury not other-
11 wise appropriated, to the Corporation for National
12 and Community Service, \$1,010,400,000, to remain
13 available until September 30, 2029, which shall be
14 used for Federal administrative expenses to carry
15 out programs and activities funded under this sec-
16 tion, including—

17 (A) corrective actions to address rec-
18 ommendations arising from audits of the finan-
19 cial statements of the Corporation and the Na-
20 tional Service Trust, and, in consultation with
21 the Inspector General of the Corporation, the
22 development of fraud prevention and detection
23 controls and risk-based anti-fraud monitoring
24 for grants and other financial assistance funded
25 under this section; and

1 (B) coordination of efforts and activities
2 with the Departments of Labor and Education
3 to support the national service programs funded
4 under subsections (a), (c), (d), and (e) in im-
5 proving the readiness of participants to transi-
6 tion to high-quality jobs or further education.

7 (2) FISCAL YEAR 2030 PROGRAM ADMINISTRA-
8 TION.—In addition to amounts otherwise available,
9 there is appropriated for fiscal year 2030, out of any
10 money in the Treasury not otherwise appropriated,
11 to the Corporation for National and Community
12 Service, \$79,800,000, to remain available until Sep-
13 tember 30, 2030, which shall be used, in fiscal year
14 2030, for Federal administrative expenses to carry
15 out programs and activities funded under this sec-
16 tion.

17 (3) PLAN.—In addition to amounts otherwise
18 available, there is appropriated for fiscal year 2022,
19 out of any money in the Treasury not otherwise ap-
20 propriated, to the Corporation, \$300,000, to remain
21 available until September 30, 2023, which shall be
22 used by the Chief Executive Officer of the Corpora-
23 tion to—

24 (A) develop, publish, and implement, not
25 later than 180 days after the date of enactment

1 of this Act, a project, operations, and manage-
2 ment plan for funds appropriated under this
3 section; and

4 (B) consult with the Secretary of Labor
5 and the Inspector General of the Corporation in
6 developing the plan under subparagraph (A).

7 (4) OUTREACH.—In addition to amounts other-
8 wise made available, there is appropriated for fiscal
9 year 2022, out of any money in the Treasury not
10 otherwise appropriated, to the Corporation for Na-
11 tional and Community Service, \$49,500,000, to re-
12 main available until September 30, 2030, for out-
13 reach to and recruitment of members from commu-
14 nities traditionally underrepresented in national
15 service programs and members of a community expe-
16 riencing a significant dislocation of workers, includ-
17 ing energy transition communities.

18 (g) OFFICE OF INSPECTOR GENERAL.—In addition
19 to amounts otherwise available, there is appropriated for
20 fiscal year 2022, out of any money in the Treasury not
21 otherwise appropriated, to the Corporation for National
22 and Community Service, \$75,000,000, to remain available
23 until September 30, 2030, which shall be used for the Of-
24 fice of Inspector General of the Corporation for salaries

1 and expenses necessary for oversight and audit of pro-
2 grams and activities funded under this section.

3 (h) NATIONAL SERVICE TRUST.—

4 (1) IN GENERAL.—In addition to amounts oth-
5 erwise available, there is appropriated for fiscal year
6 2022, out of any money in the Treasury not other-
7 wise appropriated, to the National Service Trust,
8 \$1,150,000,000, to remain available until September
9 30, 2030, for—

10 (A) administration of the National Service
11 Trust; and

12 (B) payment to the Trust for the provision
13 of national service educational awards and in-
14 terest expenses—

15 (i) for participants, for a term of serv-
16 ice supported by funds made available
17 under subsection (e); and

18 (ii) pursuant to section 145(a)(1)(A)
19 of the National and Community Service
20 Act of 1990.

21 (2) SUPPLEMENTAL EDUCATIONAL AWARDS.—

22 (A) APPROPRIATION.—In addition to
23 amounts otherwise available, there is appro-
24 priated for fiscal year 2022, out of any money
25 in the Treasury not otherwise appropriated, to

1 the National Service Trust, \$1,660,000,000, to
2 remain available until September 30, 2030, for
3 payment to the National Service Trust for the
4 purpose of providing a supplemental national
5 service educational award to an individual eligi-
6 ble to receive a national service educational
7 award pursuant to section 146(a), and the indi-
8 vidual's transferee pursuant to section 148(f),
9 of the National and Community Service Act of
10 1990, for a term of service that began after the
11 date of enactment of this Act in a national serv-
12 ice program (including a term of service sup-
13 ported by funds made available under sub-
14 section (e)).

15 (B) AWARD AVAILABILITY.—The supple-
16 mental educational award referred to in sub-
17 paragraph (A) shall be available to an indi-
18 vidual or their transferee described in subpara-
19 graph (A) in accordance with the paragraph
20 (3).

21 (C) CALCULATION.—The amount of the
22 supplemental educational award that shall be
23 available to an individual or their transferee de-
24 scribed in subparagraph (A) shall be calculated
25 as follows:

1 (i) AMOUNT FOR FULL-TIME NA-
2 TIONAL SERVICE.—For an individual who
3 completes a required term of full-time na-
4 tional service, or the individual's trans-
5 feree—

6 (I) in a case in which the award
7 year for which the national service po-
8 sition is approved by the Corporation
9 is award year 2022-2023, 50 percent
10 of the maximum amount of a Federal
11 Pell Grant under section 401 of the
12 Higher Education Act of 1965 that a
13 student eligible for such Grant may
14 receive in the aggregate for such
15 award year; and

16 (II) in a case in which the award
17 year for which the national service po-
18 sition is approved by the Corporation
19 is award year 2023-2024 or a subse-
20 quent award year, 50 percent of the
21 total maximum Federal Pell Grant
22 under section 401 of the Higher Edu-
23 cation Act of 1965 that a student eli-
24 gible for such Grant may receive in
25 the aggregate for such award year.

1 (ii) AMOUNT FOR PART-TIME NA-
2 TIONAL SERVICE.—For an individual who
3 completes a required term of part-time na-
4 tional service, or the individual's trans-
5 feree, 50 percent of the amount deter-
6 mined under clause (i).

7 (iii) AMOUNT FOR PARTIAL COMPLE-
8 TION OF NATIONAL SERVICE.—For an in-
9 dividual released from completing the full-
10 time or part-time term of service agreed to
11 by the individuals, or the individual's
12 transferee, the portion of the amount de-
13 termined under clause (i) that corresponds
14 to the portion of the term of service com-
15 pleted by the individual.

16 (3) PERIOD OF AVAILABILITY FOR NATIONAL
17 SERVICE EDUCATIONAL AWARDS.—

18 (A) IN GENERAL.—Notwithstanding sec-
19 tion 146(d) of the National and Community
20 Service Act of 1990, relating to a period of time
21 for use of a national service educational award,
22 or any extensions to such time period granted
23 under section 146(d)(2) of such Act, an indi-
24 vidual eligible to receive a national service edu-
25 cational award for a term of service supported

1 by funds made available under subsection (e),
2 or the individual's transferee, and an individual
3 eligible to receive a supplemental educational
4 award described in paragraph (2) for a term of
5 service, or the individual's transferee, shall not
6 use, after September 30, 2030, the national
7 service educational award or supplemental edu-
8 cational award for the term of service involved,
9 and the national service educational award and
10 supplemental educational award shall be avail-
11 able for the lengths of time described in sub-
12 paragraph (B).

13 (B) LENGTHS OF TIME.—The lengths of
14 time described in this subparagraph are as fol-
15 lows:

16 (i) For an individual who completes
17 the term of service involved by September
18 30, 2023 or the individual's transferee,
19 until the end of the 7-year period begin-
20 ning on that date.

21 (ii) For an individual who completes
22 such term of service by September 30,
23 2024 or the individual's transferee, until
24 the end of the 6-year period beginning on
25 that date.

1 (iii) For an individual who completes
2 such term of service by September 30,
3 2025 or the individual's transferee, until
4 the end of the 5-year period beginning on
5 that date.

6 (iv) For an individual who completes
7 such term of service by September 30,
8 2026 or the individual's transferee, until
9 the end of the 4-year period beginning on
10 that date.

11 (v) For an individual who completes
12 such term of service by September 30,
13 2027 or the individual's transferee, until
14 the end of the 3-year period beginning on
15 that date.

16 (vi) For an individual who completes
17 such term of service by September 30,
18 2028 or the individual's transferee, until
19 the end of the 2-year period beginning on
20 that date.

21 (vii) For an individual who completes
22 such term of service by September 30,
23 2029 or the individual's transferee, until
24 the end of the 1-year period beginning on
25 that date.

1 (i) LIMITATION.—The funds made available under
2 this section are subject to the condition that the Corpora-
3 tion shall not—

4 (1) use such funds to make any transfer to the
5 National Service Trust for any use, or enter into any
6 agreement involving such funds—

7 (A) that is for a term extending beyond
8 September 30, 2031; or

9 (B) for which or under which any payment
10 could be outlaid after September 30, 2031; and

11 (2) use any other funds available to the Cor-
12 poration to liquidate obligations made under this
13 section.

14 (j) DEFINITION.—For purposes of this section, the
15 term “registered apprenticeship program” means an ap-
16 prenticeship program registered with the Office of Appren-
17 ticeship of the Employment and Training Administration
18 of the Department of Labor, or a State apprenticeship
19 agency recognized by the Office of Apprenticeship, pursu-
20 ant to the Act of August 16, 1937 (commonly known as
21 the “National Apprenticeship Act”; 50 Stat. 664, chapter
22 663).

1 **SEC. 26002. WORKFORCE DEVELOPMENT IN SUPPORT OF**
2 **CLIMATE RESILIENCE AND MITIGATION.**

3 (a) **YOUTHBUILD.**—In addition to amounts otherwise
4 available, there is appropriated to the Department of
5 Labor for fiscal year 2022, out of any amounts in the
6 Treasury not otherwise appropriated, \$450,000,000, to re-
7 main available until September 30, 2026, to support ac-
8 tivities aligned with high-quality employment opportuni-
9 ties in industry sectors or occupations related to climate
10 resilience or mitigation and aligned with the activities de-
11 scribed in subsection (e)(3) of section 26001 by—

12 (1) carrying out activities described in section
13 171(c)(2) of the Workforce Innovation and Oppor-
14 tunity Act; and

15 (2) improving and expanding access to services,
16 stipends, wages, and benefits described in subpara-
17 graphs (A)(vii) and (F) of section 171(c)(2) of such
18 Act.

19 (b) **JOB CORPS.**—

20 (1) **IN GENERAL.**—In addition to amounts oth-
21 erwise available, there is appropriated to the Depart-
22 ment of Labor for fiscal year 2022, out of any
23 amounts in the Treasury not otherwise appropriated,
24 \$450,000,000, to remain available until September
25 30, 2026, to support activities aligned with high-
26 quality employment opportunities in industry sectors

1 or occupations related to climate resilience or miti-
2 gation and aligned with the activities described in
3 subsection (e)(3) of section 26001 by—

4 (A) providing funds to operators and serv-
5 ice providers to—

6 (i) carry out the activities and services
7 described in sections 148 and 149 of the
8 Workforce Innovation and Opportunity
9 Act; and

10 (ii) improve and expand access to al-
11 lowances and services described in section
12 150 of such Act; and

13 (B) notwithstanding section 158(e) of such
14 Act, constructing, rehabilitating, and acquiring
15 Job Corps centers to support activities de-
16 scribed in subparagraphs (A) and (B).

17 (2) ELIGIBILITY.—For the purposes of carrying
18 out paragraph (1), an entity in a State or outlying
19 area may be eligible to be selected as an operator or
20 service provider.

21 (c) PRE-APPRENTICESHIP, AND REGISTERED AP-
22 PRENTICESHIP PROGRAMS.—

23 (1) PRE-APPRENTICESHIP PROGRAMS.—In addi-
24 tion to amounts otherwise available, there is appro-
25 priated to the Department of Labor for fiscal year

1 2022, out of any amounts in the Treasury not other-
2 wise appropriated, \$1,000,000,000, to remain avail-
3 able until September 30, 2026, to carry out activi-
4 ties through grants, cooperative agreements, con-
5 tracts, or other arrangements, to create or expand
6 pre-apprenticeship programs that articulate to reg-
7 istered apprenticeship programs, are aligned with
8 high-quality employment opportunities in industry
9 sectors or occupations related to climate resilience or
10 mitigation, and are aligned with the activities de-
11 scribed in subsection (e)(3) of section 26001.

12 (2) PRE-APPRENTICESHIP PARTNERSHIPS.—In
13 addition to amounts otherwise available, there is ap-
14 propriated to the Department of Labor for fiscal
15 year 2022, out of any amounts in the Treasury not
16 otherwise appropriated, \$150,000,000, to remain
17 available until September 30, 2026, to support part-
18 nerships between entities carrying out pre-appren-
19 ticeship programs that articulate to registered ap-
20 prenticeship programs and entities funded under
21 subsection (e) of section 26001 to ensure past and
22 current participants in programs funded under sub-
23 section (e)(1) of section 26001 have access to such
24 pre-apprenticeship programs.

1 (3) REGISTERED APPRENTICESHIP PRO-
2 GRAMS.—In addition to amounts otherwise available,
3 there is appropriated to the Department of Labor
4 for fiscal year 2022, out of any amounts in the
5 Treasury not otherwise appropriated, \$450,000,000,
6 to remain available until September 30, 2026, to
7 carry out activities through grants, cooperative
8 agreements, contracts, or other arrangements, to
9 create or expand registered apprenticeship programs
10 in climate-related nontraditional apprenticeship oc-
11 cupations.

12 (4) PARTICIPANTS WITH BARRIERS TO EMPLOY-
13 MENT AND NONTRADITIONAL APPRENTICESHIP POP-
14 ULATIONS.—In addition to amounts otherwise avail-
15 able, there is appropriated to the Department of
16 Labor for fiscal year 2022, out of any amounts in
17 the Treasury not otherwise appropriated,
18 \$350,000,000, to remain available until September
19 30, 2026, for entities to carry out pre-apprenticeship
20 programs described in paragraph (1), and registered
21 apprenticeship program described in paragraph (3),
22 serving a high number or high percentage of individ-
23 uals with barriers to employment, including individ-
24 uals with disabilities, or nontraditional apprentice-
25 ship populations.

1 (d) REENTRY EMPLOYMENT OPPORTUNITIES PRO-
2 GRAM.—In addition to amounts otherwise available, there
3 is appropriated to the Department of Labor for fiscal year
4 2022, out of any amounts in the Treasury not otherwise
5 appropriated, \$1,000,000,000, to remain available until
6 September 30, 2026, for the Reentry Employment Oppor-
7 tunities program, which amount shall be used to support
8 activities aligned with high-quality employment opportuni-
9 ties in industry sectors or occupations related to climate
10 resilience or mitigation and aligned with the activities de-
11 scribed in subsection (e)(3) of section 26001.

12 (e) PAID YOUTH EMPLOYMENT OPPORTUNITIES.—In
13 addition to amounts otherwise available, there is appro-
14 priated for fiscal year 2022, out of any money in the
15 Treasury not otherwise appropriated, to the Department
16 of Labor, \$350,000,000, to remain available until Sep-
17 tember 30, 2026, to carry out activities through grants,
18 contracts, or cooperative agreements, for the purposes of
19 providing in-school youth and out-of-school youth with
20 paid work experiences authorized under section
21 129(e)(2)(C) of the Workforce Innovation and Oppor-
22 tunity Act, notwithstanding section 194(10) of such Act,
23 that are—

1 (1) carried out by public agencies or private
2 nonprofit entities, including community-based orga-
3 nizations;

4 (2) provided in conjunction with supportive
5 services and other elements described in section
6 129(c)(2) of such Act;

7 (3) aligned with the activities described in sub-
8 section (e)(3) of section 26001; and

9 (4) designed to prepare participants for—

10 (A) high-quality, unsubsidized employment
11 opportunities in industry sectors or occupations
12 related to climate resilience or mitigation;

13 (B) enrollment in an institution of higher
14 education (as defined in section 101 or 102(c)
15 of the Higher Education Act of 1965); and

16 (C) registered apprenticeship programs.

17 (f) DEPARTMENT OF LABOR INSPECTOR GEN-
18 ERAL.—In addition to amounts otherwise available, there
19 is appropriated to the Office of Inspector General of the
20 Department of Labor for fiscal year 2022, out of any
21 money in the Treasury not otherwise appropriated,
22 \$10,000,000, to remain available until expended, for sala-
23 ries and expenses necessary for oversight, investigations,
24 and audits of programs, grants, and projects of the De-
25 partment of Labor funded under this section.

1 (g) ADMINISTRATION.—

2 (1) IN GENERAL.—In addition to amounts oth-
3 erwise available, there is appropriated to the Depart-
4 ment of Labor for fiscal year 2022, out of any
5 money in the Treasury not otherwise appropriated,
6 \$69,800,000, to remain available until September
7 30, 2029, for program administration within the De-
8 partment of Labor for salaries and expenses nec-
9 essary to implement this section.

10 (2) PLAN.—In addition to amounts otherwise
11 available, there is appropriated for fiscal year 2022,
12 out of any money in the Treasury not otherwise ap-
13 propriated, to the Department of Labor, \$200,000,
14 to remain available until September 30, 2023, which
15 shall be used by the Secretary to—

16 (A) develop, publish, and implement, not
17 later than 180 days after the date of enactment
18 of this Act, a project, operations, and manage-
19 ment plan for funds appropriated under this
20 section; and

21 (B) consult with the Chief Executive Offi-
22 cer of the Corporation for National and Com-
23 munity Service in developing the plan under
24 subparagraph (A).

25 (h) DEFINITION.—For purposes of this section:

1 (1) CLIMATE-RELATED NONTRADITIONAL AP-
2 PRENTICESHIP OCCUPATION.—The term “climate-re-
3 lated nontraditional apprenticeship occupation”
4 means an apprenticeable occupation—

5 (A) that aligns with the activities described
6 in subsection (e)(3) of section 26001;

7 (B) in an industry sector that trains less
8 than 10 percent of all civilian registered ap-
9 prentices as of the date of the enactment of this
10 Act; and

11 (C) that is related to climate resilience or
12 mitigation.

13 (2) REGISTERED APPRENTICESHIP PROGRAM.—
14 The term “registered apprenticeship program”
15 means an apprenticeship program registered with
16 the Office of Apprenticeship of the Employment and
17 Training Administration of the Department of
18 Labor, or a State apprenticeship agency recognized
19 by the Office of Apprenticeship, pursuant to the Act
20 of August 16, 1937 (commonly known as the “Na-
21 tional Apprenticeship Act”; 50 Stat. 664, chapter
22 663).

23 (3) WIOA DEFINITIONS.—The terms “commu-
24 nity-based organization”, “individual with a barrier
25 to employment”, “in-school youth”, “outlying area”,

1 and “out-of-school youth” have the meanings given
2 such terms in paragraphs (10), (24), (27), (45), and
3 (46), respectively, of section 3 of the Workforce In-
4 novation and Opportunity Act.

5 **TITLE III—COMMITTEE ON**
6 **ENERGY AND COMMERCE**
7 **Subtitle A—Air Pollution**

8 **SEC. 30101. CLEAN HEAVY-DUTY VEHICLES.**

9 The Clean Air Act is amended by inserting after sec-
10 tion 131 of such Act (42 U.S.C. 7431) the following:

11 **“SEC. 132. CLEAN HEAVY-DUTY VEHICLES.**

12 “(a) APPROPRIATIONS.—

13 “(1) IN GENERAL.—In addition to amounts
14 otherwise available, there is appropriated to the Ad-
15 ministrator for fiscal year 2022, out of any money
16 in the Treasury not otherwise appropriated,
17 \$3,000,000,000, to remain available until September
18 30, 2031, to carry out this section.

19 “(2) NONATTAINMENT AREAS.—In addition to
20 amounts otherwise available, there is appropriated to
21 the Administrator for fiscal year 2022, out of any
22 money in the Treasury not otherwise appropriated,
23 \$2,000,000,000, to remain available until September
24 30, 2031, to make awards under this section to eligi-
25 ble recipients and to eligible contractors that propose

1 to replace eligible vehicles to serve 1 or more com-
2 munities located in an air quality area designated
3 pursuant to section 107 as nonattainment for any
4 air pollutant.

5 “(3) RESERVATION.—Of the funds appro-
6 priated by paragraph (1), the Administrator shall re-
7 serve 3 percent for administrative costs necessary to
8 carry out this section.

9 “(b) PROGRAM.—Beginning not later than 180 days
10 after the date of enactment of this section, the Adminis-
11 trator shall implement a program to make awards of
12 grants and rebates to eligible recipients, and to make
13 awards of contracts to eligible contractors for providing
14 rebates, for up to 100 percent of costs for—

15 “(1) replacing eligible vehicles with zero-emis-
16 sion vehicles;

17 “(2) purchasing, installing, operating, and
18 maintaining infrastructure needed to charge, fuel, or
19 maintain zero-emission vehicles;

20 “(3) workforce development and training to
21 support the maintenance, charging, fueling, and op-
22 eration of zero-emission vehicles; and

23 “(4) planning and technical activities to support
24 the adoption and deployment of zero-emission vehi-
25 cles.

1 “(c) APPLICATIONS.—To seek an award under this
2 section, an eligible recipient or eligible contractor shall
3 submit to the Administrator an application at such time,
4 in such manner, and containing such information as the
5 Administrator shall prescribe.

6 “(d) DEFINITIONS.—For purposes of this section:

7 “(1) ELIGIBLE CONTRACTOR.—The term ‘eligi-
8 ble contractor’ means a contractor that is a for-prof-
9 it or nonprofit entity that has the capacity—

10 “(A) to sell zero-emission vehicles, or
11 charging or other equipment needed to charge,
12 fuel, or maintain zero-emission vehicles, to indi-
13 viduals or entities that own an eligible vehicle;
14 or

15 “(B) to arrange financing for such a sale.

16 “(2) ELIGIBLE RECIPIENT.—The term ‘eligible
17 recipient’ means—

18 “(A) a State;

19 “(B) a municipality;

20 “(C) an Indian tribe;

21 “(D) a nonprofit school transportation as-
22 sociation; or

23 “(E) an eligible contractor.

24 “(3) ELIGIBLE VEHICLE.—The term ‘eligible
25 vehicle’ means a Class 6 or Class 7 heavy-duty vehi-

1 cle as defined in section 1037.801 of title 40, Code
2 of Federal Regulations (as in effect on the date of
3 enactment of this section).

4 “(4) ZERO-EMISSION VEHICLE.—The term
5 ‘zero-emission vehicle’ means a vehicle that has a
6 drivetrain that produces, under any possible oper-
7 ational mode or condition, zero exhaust emissions
8 of—

9 “(A) any air pollutant that is listed pursu-
10 ant to section 108(a) (or any precursor to such
11 an air pollutant); and

12 “(B) any greenhouse gas.”.

13 **SEC. 30102. GRANTS TO REDUCE AIR POLLUTION AT PORTS.**

14 The Clean Air Act is amended by inserting after sec-
15 tion 132 of such Act, as added by section 30101 of this
16 Act, the following:

17 **“SEC. 133. GRANTS TO REDUCE AIR POLLUTION AT PORTS.**

18 “(a) APPROPRIATIONS.—

19 “(1) GENERAL ASSISTANCE.—In addition to
20 amounts otherwise available, there is appropriated to
21 the Administrator for fiscal year 2022, out of any
22 money in the Treasury not otherwise appropriated,
23 \$2,625,000,000, to remain available until September
24 30, 2031, to award rebates and grants to eligible re-
25 cipients on a competitive basis—

1 “(A) to purchase or install zero-emission
2 port equipment or technology for use at, or to
3 directly serve, one or more ports;

4 “(B) to conduct any relevant planning or
5 permitting in connection with the purchase or
6 installation of such zero-emission port equip-
7 ment or technology; and

8 “(C) to develop qualified climate action
9 plans.

10 “(2) NONATTAINMENT AREAS.—In addition to
11 amounts otherwise available, there is appropriated to
12 the Administrator for fiscal year 2022, out of any
13 money in the Treasury not otherwise appropriated,
14 \$875,000,000, to remain available until September
15 30, 2031, to award rebates and grants to eligible re-
16 cipients to carry out activities described in para-
17 graph (1) with respect to ports located in air quality
18 areas designated pursuant to section 107 as non-
19 attainment for an air pollutant.

20 “(b) LIMITATION.—Funds awarded under this sec-
21 tion shall not be used by any recipient or subrecipient to
22 purchase or install zero-emission port equipment or tech-
23 nology that will not be located at, or directly serve, the
24 one or more ports involved.

1 “(c) ADMINISTRATION OF FUNDS.—Of the funds
2 made available by this section, the Administrator shall re-
3 serve 2 percent for administrative costs necessary to carry
4 out this section.

5 “(d) DEFINITIONS.—In this section:

6 “(1) ELIGIBLE RECIPIENT.—The term ‘eligible
7 recipient’ means—

8 “(A) a port authority;

9 “(B) a State, regional, local, or Tribal
10 agency that has jurisdiction over a port author-
11 ity or a port;

12 “(C) an air pollution control agency; or

13 “(D) a private entity (including a non-
14 profit organization) that—

15 “(i) applies for a grant under this sec-
16 tion in partnership with an entity de-
17 scribed in any of subparagraphs (A)
18 through (C); and

19 “(ii) owns, operates, or uses the facili-
20 ties, cargo-handling equipment, transpor-
21 tation equipment, or related technology of
22 a port.

23 “(2) QUALIFIED CLIMATE ACTION PLAN.—The
24 term ‘qualified climate action plan’ means a detailed
25 and strategic plan that—

1 “(A) establishes goals, implementation
2 strategies, and accounting and inventory prac-
3 tices (including practices used to measure
4 progress toward stated goals) to reduce emis-
5 sions at one or more ports of—

6 “(i) greenhouse gases;

7 “(ii) an air pollutant that is listed
8 pursuant to section 108(a) (or any pre-
9 cursor to such an air pollutant); and

10 “(iii) hazardous air pollutants;

11 “(B) includes a strategy to collaborate
12 with, communicate with, and address potential
13 effects on stakeholders that may be affected by
14 implementation of the plan, including low-in-
15 come and disadvantaged near-port communities;
16 and

17 “(C) describes how an eligible recipient has
18 implemented or will implement measures to in-
19 crease the resilience of the one or more ports
20 involved, including measures related to with-
21 standing and recovering from extreme weather
22 events.

23 “(3) ZERO-EMISSION PORT EQUIPMENT OR
24 TECHNOLOGY.—The term ‘zero-emission port equip-

1 ment or technology’ means human-operated equip-
2 ment or human-maintained technology that—

3 “(A) produces zero emissions of any air
4 pollutant that is listed pursuant to section
5 108(a) (or any precursor to such an air pollut-
6 ant) and any greenhouse gas other than water
7 vapor; or

8 “(B) captures 100 percent of the emissions
9 described in subparagraph (A) that are pro-
10 duced by an ocean-going vessel at berth.”.

11 **SEC. 30103. GREENHOUSE GAS REDUCTION FUND.**

12 The Clean Air Act is amended by inserting after sec-
13 tion 133 of such Act, as added by section 30102 of this
14 Act, the following:

15 **“SEC. 134. GREENHOUSE GAS REDUCTION FUND.**

16 “(a) APPROPRIATIONS.—

17 “(1) ZERO-EMISSION TECHNOLOGIES.—In addi-
18 tion to amounts otherwise available, there is appro-
19 priated to the Administrator for fiscal year 2022,
20 out of any money in the Treasury not otherwise ap-
21 propriated, \$7,000,000,000, to remain available
22 until September 30, 2024, to make grants, on a
23 competitive basis and beginning not later than 180
24 calendar days after the date of enactment of this
25 section, to States, municipalities, Tribal govern-

1 ments, and eligible recipients for the purposes of
2 providing grants, loans, or other forms of financial
3 assistance, as well as technical assistance, to enable
4 low-income and disadvantaged communities to de-
5 ploy zero-emission technologies, including distributed
6 technologies on residential rooftops, and to carry out
7 other greenhouse gas emission reduction activities,
8 as determined appropriate by the Administrator in
9 accordance with this section.

10 “(2) ZERO-EMISSION VEHICLE SUPPLY EQUIP-
11 MENT.—In addition to amounts otherwise available,
12 there is appropriated to the Administrator for fiscal
13 year 2022, out of any money in the Treasury not
14 otherwise appropriated, \$2,000,000,000, to remain
15 available until September 30, 2024, to make grants,
16 on a competitive basis and beginning not later than
17 180 calendar days after the date of enactment of
18 this section, to States, municipalities, Tribal govern-
19 ments, and eligible recipients to support the pur-
20 chase, installation, or operation of publicly available
21 equipment to charge or fuel light-duty zero-emission
22 vehicles, including in low-income and disadvantaged
23 communities, through grants, rebates, or other
24 forms of financial assistance, and to carry out re-
25 lated greenhouse gas emission reduction activities, as

1 determined appropriate by the Administrator in ac-
2 cordance with this section.

3 “(3) GENERAL ASSISTANCE.—In addition to
4 amounts otherwise available, there is appropriated to
5 the Administrator for fiscal year 2022, out of any
6 money in the Treasury not otherwise appropriated,
7 \$11,970,000,000, to remain available until Sep-
8 tember 30, 2024, to make grants, on a competitive
9 basis and beginning not later than 180 calendar
10 days after the date of enactment of this section, to
11 eligible recipients for the purposes of providing fi-
12 nancial assistance and technical assistance in ac-
13 cordance with subsection (b).

14 “(4) LOW-INCOME AND DISADVANTAGED COM-
15 MUNITIES.—In addition to amounts otherwise avail-
16 able, there is appropriated to the Administrator for
17 fiscal year 2022, out of any money in the Treasury
18 not otherwise appropriated, \$8,000,000,000, to re-
19 main available until September 30, 2024, to make
20 grants, on a competitive basis and beginning not
21 later than 180 calendar days after the date of enact-
22 ment of this section, to eligible recipients for the
23 purposes of providing financial assistance and tech-
24 nical assistance in low-income and disadvantaged
25 communities in accordance with subsection (b).

1 “(5) ADMINISTRATIVE COSTS.—In addition to
2 amounts otherwise available, there is appropriated to
3 the Administrator for fiscal year 2022, out of any
4 money in the Treasury not otherwise appropriated,
5 \$30,000,000, to remain available until September
6 30, 2031, for the administrative costs necessary to
7 carry out activities under this section.

8 “(b) USE OF FUNDS.—An eligible recipient that re-
9 ceives a grant pursuant to subsection (a) shall use the
10 grant in accordance with the following:

11 “(1) DIRECT INVESTMENT.—The eligible recipi-
12 ent shall—

13 “(A) use a broad range of finance and in-
14 vestment tools to provide financial assistance to
15 qualified projects at the national, regional,
16 State, and local levels, including, as applicable,
17 through both concessionary and market rate fi-
18 nancing;

19 “(B) prioritize investment in qualified
20 projects that would otherwise lack access to fi-
21 nancing;

22 “(C) retain, manage, recycle, and monetize
23 all repayments and other revenue received from
24 fees, interest, repaid loans, and all other types
25 of financial assistance provided using grant

1 funds under this section to ensure continued
2 operability; and

3 “(D) meet any requirements set forth by
4 the Administrator to ensure accountability and
5 proper management of funds appropriated by
6 this section.

7 “(2) INDIRECT INVESTMENT.—The eligible re-
8 cipient shall provide funding and technical assistance
9 to establish new or support existing public, quasi-
10 public, or nonprofit entities that provide financial as-
11 sistance to qualified projects at the State, local, ter-
12 ritorial, or Tribal level or in the District of Colum-
13 bia, including community- and low-income-focused
14 lenders and capital providers.

15 “(c) DEFINITIONS.—In this section:

16 “(1) ELIGIBLE RECIPIENT.—The term ‘eligible
17 recipient’ means a nonprofit organization that—

18 “(A) is designed to provide capital, includ-
19 ing by leveraging private capital, and other
20 forms of financial assistance for the rapid de-
21 ployment of low- and zero-emission products,
22 technologies, and services;

23 “(B) does not take deposits other than de-
24 posits from repayments and other revenue re-

1 ceived from financial assistance provided using
2 grant funds under this section;

3 “(C) is funded by public or charitable con-
4 tributions; and

5 “(D) invests in or finances projects alone
6 or in conjunction with other investors.

7 “(2) QUALIFIED PROJECT.—The term ‘qualified
8 project’ includes any project, activity, or technology
9 that—

10 “(A) reduces or avoids greenhouse gas
11 emissions and other forms of air pollution in
12 partnership with, and by leveraging investment
13 from, the private sector; or

14 “(B) assists communities in the efforts of
15 those communities to reduce or avoid green-
16 house gas emissions and other forms of air pol-
17 lution.

18 “(3) PUBLICLY AVAILABLE EQUIPMENT.—The
19 term ‘publicly available equipment’ means equipment
20 that—

21 “(A) is located at a multi-unit housing
22 structure;

23 “(B) is located at a workplace and is avail-
24 able to employees of such workplace or employ-
25 ees of a nearby workplace; or

1 “(C) is at a location that is publicly acces-
2 sible for a minimum of 12 hours per day at
3 least 5 days per week and networked or other-
4 wise capable of being monitored remotely.

5 “(4) ZERO-EMISSION TECHNOLOGY.—The term
6 ‘zero-emission technology’ means any technology
7 that produces zero emissions of—

8 “(A) any air pollutant that is listed pursu-
9 ant to section 108(a) (or any precursor to such
10 an air pollutant); and

11 “(B) any greenhouse gas.

12 “(5) ZERO-EMISSION VEHICLE.—The term
13 ‘zero-emission vehicle’ means a vehicle that has a
14 drivetrain that produces, under any possible oper-
15 ational mode or condition, zero exhaust emissions
16 of—

17 “(A) any air pollutant that is listed pursu-
18 ant to section 108(a) (or any precursor to such
19 an air pollutant); and

20 “(B) any greenhouse gas.”.

21 **SEC. 30104. COLLABORATIVE COMMUNITY WILDFIRE AIR**
22 **GRANTS.**

23 (a) IN GENERAL.—In addition to amounts otherwise
24 available, there is appropriated to the Administrator of the
25 Environmental Protection Agency for fiscal year 2022, out

1 of any money in the Treasury not otherwise appropriated,
2 \$150,000,000, to remain available until September 30,
3 2031, for grants authorized under subsections (a) through
4 (c) of section 103 of the Clean Air Act (42 U.S.C.
5 7403(a)–(c)) to assist eligible entities in developing and
6 implementing collaborative community plans to prepare
7 for smoke from wildfires, reduce risks of smoke exposure
8 due to wildfires, and mitigate the health and environ-
9 mental effects of smoke from wildfires.

10 (b) TECHNICAL ASSISTANCE.—The Administrator of
11 the Environmental Protection Agency may use amounts
12 made available under subsection (a) to provide technical
13 assistance to any eligible entity in—

14 (1) submitting an application for a grant to be
15 made pursuant to this section; or

16 (2) carrying out a project using a grant made
17 pursuant to this section.

18 (c) ADMINISTRATIVE COSTS.—Of the amounts made
19 available under subsection (a), the Administrator of the
20 Environmental Protection Agency shall reserve 5 percent
21 for administrative costs to carry out this section.

22 (d) ELIGIBLE ENTITIES.—In this section, the term
23 “eligible entity” means a State, a territory, a unit of local
24 government (including any special district, such as an air
25 quality management district), or an Indian Tribe.

1 **SEC. 30105. DIESEL EMISSIONS REDUCTIONS.**

2 (a) GOODS MOVEMENT.—In addition to amounts oth-
3 erwise available, there is appropriated to the Adminis-
4 trator of the Environmental Protection Agency for fiscal
5 year 2022, out of any money in the Treasury not otherwise
6 appropriated, \$60,000,000, to remain available until Sep-
7 tember 30, 2031, for grants, rebates, and loans under sec-
8 tion 792 of the Energy Policy Act of 2005 (42 U.S.C.
9 16132) to identify and reduce diesel emissions resulting
10 from goods movement facilities, and vehicles servicing
11 goods movement facilities, in low-income and disadvan-
12 taged communities to address the health impacts of such
13 emissions on such communities.

14 (b) ADMINISTRATIVE COSTS.—The Administrator of
15 the Environmental Protection Agency shall reserve 2 per-
16 cent of the amounts made available under this section for
17 the administrative costs necessary to carry out activities
18 pursuant to this section.

19 **SEC. 30106. FUNDING TO ADDRESS AIR POLLUTION.**

20 (a) APPROPRIATIONS.—

21 (1) FENCELINE AIR MONITORING AND SCREEN-
22 ING AIR MONITORING.—In addition to amounts oth-
23 erwise available, there is appropriated to the Admin-
24 istrator of the Environmental Protection Agency for
25 fiscal year 2022, out of any money in the Treasury
26 not otherwise appropriated, \$117,500,000, to remain

1 available until September 30, 2031, for grants and
2 other activities authorized under subsections (a)
3 through (c) of section 103 and section 105 of the
4 Clean Air Act (42 U.S.C. 7403(a)–(c), 7405) to de-
5 ploy, integrate, support, and maintain fenceline air
6 monitoring, screening air monitoring, national air
7 toxics trend stations, and other air toxics and com-
8 munity monitoring.

9 (2) MULTIPOLLUTANT MONITORING STA-
10 TIONS.—In addition to amounts otherwise available,
11 there is appropriated to the Administrator of the
12 Environmental Protection Agency for fiscal year
13 2022, out of any money in the Treasury not other-
14 wise appropriated, \$50,000,000, to remain available
15 until September 30, 2031, for grants and other ac-
16 tivities authorized under subsections (a) through (c)
17 of section 103 and section 105 of the Clean Air Act
18 (42 U.S.C. 7403(a)–(c), 7405)—

19 (A) to expand the national ambient air
20 quality monitoring network with new multi-
21 pollutant monitoring stations; and

22 (B) to replace, repair, operate, and main-
23 tain existing monitors.

24 (3) AIR QUALITY SENSORS IN LOW-INCOME AND
25 DISADVANTAGED COMMUNITIES.—In addition to

1 amounts otherwise available, there is appropriated to
2 the Administrator of the Environmental Protection
3 Agency for fiscal year 2022, out of any money in the
4 Treasury not otherwise appropriated, \$3,000,000, to
5 remain available until September 30, 2031, for
6 grants and other activities authorized under sub-
7 sections (a) through (c) of section 103 and section
8 105 of the Clean Air Act (42 U.S.C. 7403(a)–(c),
9 7405) to deploy, integrate, and operate air quality
10 sensors in low-income and disadvantaged commu-
11 nities.

12 (4) EMISSIONS FROM WOOD HEATERS.—In ad-
13 dition to amounts otherwise available, there is ap-
14 propriated to the Administrator of the Environ-
15 mental Protection Agency for fiscal year 2022, out
16 of any money in the Treasury not otherwise appro-
17 priated, \$15,000,000, to remain available until Sep-
18 tember 30, 2031, for grants and other activities au-
19 thorized under subsections (a) through (c) of section
20 103 and section 105 of the Clean Air Act (42 U.S.C.
21 7403(a)–(c), 7405) for testing and other agency ac-
22 tivities to address emissions from wood heaters.

23 (5) METHANE MONITORING.—In addition to
24 amounts otherwise available, there is appropriated to
25 the Administrator of the Environmental Protection

1 Agency for fiscal year 2022, out of any money in the
2 Treasury not otherwise appropriated, \$20,000,000,
3 to remain available until September 30, 2031, for
4 grants and other activities authorized under sub-
5 sections (a) through (c) of section 103 and section
6 105 of the Clean Air Act (42 U.S.C. 7403(a)–(c),
7 7405) for monitoring emissions of methane.

8 (6) CLEAN AIR ACT GRANTS.—In addition to
9 amounts otherwise available, there is appropriated to
10 the Administrator of the Environmental Protection
11 Agency for fiscal year 2022, out of any money in the
12 Treasury not otherwise appropriated, \$25,000,000,
13 to remain available until September 30, 2031, for
14 grants and other activities authorized under sub-
15 sections (a) through (c) of section 103 and section
16 105 of the Clean Air Act (42 U.S.C. 7403(a)–(c),
17 7405).

18 (7) OTHER ACTIVITIES.—In addition to
19 amounts otherwise available, there is appropriated to
20 the Administrator of the Environmental Protection
21 Agency for fiscal year 2022, out of any money in the
22 Treasury not otherwise appropriated, \$45,000,000,
23 to remain available until September 30, 2031, to
24 carry out, with respect to greenhouse gases, sections
25 111, 115, 165, 177, 202, 211, 213, 231, and 612

1 of the Clean Air Act (42 U.S.C. 7411, 7415, 7475,
2 7507, 7521, 7545, 7547, 7571, and 7671k).

3 (8) GREENHOUSE GAS AND ZERO-EMISSION
4 STANDARDS FOR MOBILE SOURCES.—In addition to
5 amounts otherwise available, there is appropriated to
6 the Administrator of the Environmental Protection
7 Agency for fiscal year 2022, out of any money in the
8 Treasury not otherwise appropriated, \$5,000,000, to
9 remain available until September 30, 2031, to pro-
10 vide grants to States to adopt and implement green-
11 house gas and zero-emission standards for mobile
12 sources pursuant to section 177 of the Clean Air Act
13 (42 U.S.C. 7507).

14 (b) ADMINISTRATION OF FUNDS.—Of the funds
15 made available pursuant to paragraphs (1), (2), (5) and
16 (6) of subsection (a), the Administrator of the Environ-
17 mental Protection Agency shall reserve 5 percent for ac-
18 tivities funded pursuant to such subsection other than
19 grants.

20 **SEC. 30107. FUNDING TO ADDRESS AIR POLLUTION AT**
21 **SCHOOLS.**

22 (a) IN GENERAL.—In addition to amounts otherwise
23 available, there is appropriated to the Administrator of the
24 Environmental Protection Agency for fiscal year 2022, out
25 of any money in the Treasury not otherwise appropriated,

1 \$37,500,000, to remain available until September 30,
2 2031, for grants and other activities to monitor and re-
3 duce air pollution and greenhouse gas emissions at schools
4 in low-income and disadvantaged communities under sub-
5 sections (a) through (c) of section 103 of the Clean Air
6 Act (42 U.S.C. 7403(a)–(c)) and section 105 of that Act
7 (42 U.S.C. 7405).

8 (b) TECHNICAL ASSISTANCE.—In addition to
9 amounts otherwise available, there is appropriated to the
10 Administrator of the Environmental Protection Agency for
11 fiscal year 2022, out of any money in the Treasury not
12 otherwise appropriated, \$12,500,000, to remain available
13 until September 30, 2031, for providing technical assist-
14 ance to schools in low-income and disadvantaged commu-
15 nities under subsections (a) through (c) of section 103 of
16 the Clean Air Act (42 U.S.C. 7403(a)–(c)) and section
17 105 of that Act (42 U.S.C. 7405)—

18 (1) to address environmental issues;

19 (2) to develop school environmental quality
20 plans that include standards for school building, de-
21 sign, construction, and renovation; and

22 (3) to identify and mitigate ongoing air pollu-
23 tion hazards.

1 **SEC. 30108. LOW EMISSIONS ELECTRICITY PROGRAM.**

2 The Clean Air Act is amended by inserting after sec-
3 tion 134 of such Act, as added by section 30103 of this
4 Act, the following:

5 **“SEC. 135. LOW EMISSIONS ELECTRICITY PROGRAM.**

6 “(a) APPROPRIATION.—In addition to amounts oth-
7 erwise available, there is appropriated to the Adminis-
8 trator for fiscal year 2022, out of any money in the Treas-
9 ury not otherwise appropriated, to remain available until
10 September 30, 2031—

11 “(1) \$17,000,000 for consumer-related edu-
12 cation and partnerships with respect to reductions in
13 greenhouse gas emissions that result from domestic
14 electricity generation and use;

15 “(2) \$17,000,000 for education, technical as-
16 sistance, and partnerships within low-income and
17 disadvantaged communities with respect to reduc-
18 tions in greenhouse gas emissions that result from
19 domestic electricity generation and use;

20 “(3) \$17,000,000 for industry-related outreach
21 and technical assistance, including through partner-
22 ships, with respect to reductions in greenhouse gas
23 emissions that result from domestic electricity gen-
24 eration and use;

25 “(4) \$17,000,000 for outreach and technical as-
26 sistance to State and local governments, including

1 through partnerships, with respect to reductions in
2 greenhouse gas emissions that result from domestic
3 electricity generation and use;

4 “(5) \$1,000,000 to assess, not later than 1 year
5 after the date of enactment of this section, the re-
6 ductions in greenhouse gas emissions that result
7 from changes in domestic electricity generation and
8 use that are anticipated to occur on an annual basis
9 through fiscal year 2031; and

10 “(6) \$18,000,000 to carry out this section to
11 ensure that the anticipated reductions in greenhouse
12 gas emissions from domestic electricity generation
13 and use as assessed under paragraph (5) are
14 achieved through use of the authorities of this Act,
15 including through the establishment of requirements
16 under this Act.

17 “(b) ADMINISTRATION OF FUNDS.—Of the amounts
18 made available under subsection (a), the Administrator
19 shall reserve 2 percent for the administrative costs nec-
20 essary to carry out activities pursuant to that sub-
21 section.”.

22 **SEC. 30109. FUNDING FOR SECTION 211(O) OF THE CLEAN**
23 **AIR ACT.**

24 (a) TEST AND PROTOCOL DEVELOPMENT.—In addi-
25 tion to amounts otherwise available, there is appropriated

1 to the Administrator of the Environmental Protection
2 Agency for fiscal year 2022, out of any money in the
3 Treasury not otherwise appropriated, \$5,000,000, to re-
4 main available until September 30, 2031, to carry out sec-
5 tion 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) with
6 respect to—

7 (1) the development and establishment of tests
8 and protocols regarding the environmental and pub-
9 lic health effects of a fuel or fuel additive;

10 (2) internal and extramural data collection and
11 analyses to regularly update applicable regulations,
12 guidance, and procedures for determining lifecycle
13 greenhouse gas emissions of a fuel; and

14 (3) the review, analysis and evaluation of the
15 impacts of all transportation fuels, including fuel
16 lifecycle implications, on the general public and on
17 low-income and disadvantaged communities.

18 (b) INVESTMENTS IN ADVANCED BIOFUELS.—In ad-
19 dition to amounts otherwise available, there is appro-
20 priated to the Administrator of the Environmental Protec-
21 tion Agency for fiscal year 2022, out of any money in the
22 Treasury not otherwise appropriated, \$10,000,000, to re-
23 main available until September 30, 2031, for new grants
24 to industry and other related activities under section

1 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) to sup-
2 port investments in advanced biofuels.

3 **SEC. 30110. FUNDING FOR IMPLEMENTATION OF THE**
4 **AMERICAN INNOVATION AND MANUFAC-**
5 **TURING ACT.**

6 (a) APPROPRIATIONS.—

7 (1) IN GENERAL.—In addition to amounts oth-
8 erwise available, there is appropriated to the Admin-
9 istrator of the Environmental Protection Agency for
10 fiscal year 2022, out of any money in the Treasury
11 not otherwise appropriated, \$20,000,000, to remain
12 available until September 30, 2026, to carry out
13 subsections (a) through (i) and subsection (k) of sec-
14 tion 103 of division S of Public Law 116–260 (42
15 U.S.C. 7675).

16 (2) IMPLEMENTATION AND COMPLIANCE
17 TOOLS.—In addition to amounts otherwise available,
18 there is appropriated to the Administrator of the
19 Environmental Protection Agency for fiscal year
20 2022, out of any money in the Treasury not other-
21 wise appropriated, \$3,500,000, to remain available
22 until September 30, 2026, to deploy new implemen-
23 tation and compliance tools to carry out subsections
24 (a) through (i) and subsection (k) of section 103 of
25 division S of Public Law 116–260 (42 U.S.C. 7675).

1 mation technology infrastructure, or public access soft-
2 ware tools to ensure access to compliance data and related
3 information.

4 (b) COMMUNICATIONS WITH ICIS.—In addition to
5 amounts otherwise available, there is appropriated to the
6 Administrator of the Environmental Protection Agency for
7 fiscal year 2022, out of any money in the Treasury not
8 otherwise appropriated, \$7,000,000, to remain available
9 until September 30, 2031, for grants to States, Indian
10 tribes, and air pollution control agencies (as such terms
11 are defined in section 302 of the Clean Air Act (42 U.S.C.
12 7602)) to update their systems to ensure communication
13 with the Integrated Compliance Information System of the
14 Environmental Protection Agency and any associated sys-
15 tems.

16 (c) INSPECTION SOFTWARE.—In addition to amounts
17 otherwise available, there is appropriated to the Adminis-
18 trator of the Environmental Protection Agency for fiscal
19 year 2022, out of any money in the Treasury not otherwise
20 appropriated, \$6,000,000, to remain available until Sep-
21 tember 30, 2031—

22 (1) to acquire or update inspection software for
23 use by the Environmental Protection Agency, States,
24 Indian tribes, and air pollution control agencies (as

1 such terms are defined in section 302 of the Clean
2 Air Act (42 U.S.C. 7602)); or

3 (2) to acquire necessary devices on which to run
4 such inspection software.

5 **SEC. 30112. GREENHOUSE GAS CORPORATE REPORTING.**

6 In addition to amounts otherwise available, there is
7 appropriated to the Administrator of the Environmental
8 Protection Agency for fiscal year 2022, out of any money
9 in the Treasury not otherwise appropriated, \$5,000,000,
10 to remain available until September 30, 2031, for the En-
11 vironmental Protection Agency to support—

12 (1) enhanced standardization and transparency
13 of corporate climate action commitments and plans
14 to reduce greenhouse gas emissions;

15 (2) enhanced transparency regarding progress
16 toward meeting such commitments and imple-
17 menting such plans; and

18 (3) progress toward meeting such commitments
19 and implementing such plans.

20 **SEC. 30113. ENVIRONMENTAL PRODUCT DECLARATION AS-**
21 **SISTANCE.**

22 (a) IN GENERAL.—In addition to amounts otherwise
23 available, there is appropriated to the Administrator of the
24 Environmental Protection Agency for fiscal year 2022, out
25 of any money in the Treasury not otherwise appropriated,

1 \$250,000,000, to remain available until September 30,
2 2031, to develop and carry out a program to support the
3 development, and enhanced standardization and trans-
4 parency, of environmental product declarations for con-
5 struction materials and products, including by—

6 (1) providing grants to businesses that manu-
7 facture construction materials and products for de-
8 veloping and verifying environmental product dec-
9 larations;

10 (2) providing technical assistance to businesses
11 that manufacture construction materials and prod-
12 ucts in developing and verifying environmental prod-
13 uct declarations; and

14 (3) carrying out other activities that assist in
15 measuring and steadily reducing the quantity of em-
16 bodied carbon of construction materials and prod-
17 ucts.

18 (b) ADMINISTRATIVE COSTS.—Of the amounts made
19 available under this section, the Administrator of the En-
20 vironmental Protection Agency shall reserve 5 percent for
21 administrative costs necessary to carry out this section.

22 (c) DEFINITIONS.—In this section:

23 (1) EMBODIED CARBON.—The term “embodied
24 carbon” means the quantity of greenhouse gas emis-
25 sions associated with all relevant stages of produc-

1 tion of a material or product, measured in kilograms
2 of carbon dioxide-equivalent per unit of such mate-
3 rial or product.

4 (2) ENVIRONMENTAL PRODUCT DECLARA-
5 TION.—The term “environmental product declara-
6 tion” means a document that reports the environ-
7 mental impact of a material or product that—

8 (A) includes measurement of the embodied
9 carbon of the material or product;

10 (B) conforms with international standards,
11 such as a Type III environmental product dec-
12 laration, as defined by the International Orga-
13 nization for Standardization standard 14025;
14 and

15 (C) is developed in accordance with any
16 standardized reporting criteria specified by the
17 Administrator of the Environmental Protection
18 Agency.

19 **SEC. 30114. METHANE EMISSIONS REDUCTION PROGRAM.**

20 The Clean Air Act is amended by inserting after sec-
21 tion 135 of such Act, as added by section 30108 of this
22 Act, the following:

1 **“SEC. 136. METHANE EMISSIONS AND WASTE REDUCTION**
2 **INCENTIVE PROGRAM FOR PETROLEUM AND**
3 **NATURAL GAS SYSTEMS.**

4 “(a) INCENTIVES FOR METHANE MITIGATION AND
5 MONITORING.—In addition to amounts otherwise avail-
6 able, there is appropriated for fiscal year 2022 , out of
7 any money in the Treasury not otherwise appropriated,
8 \$775,000,000, to remain available until September 30,
9 2028—

10 “(1) for grants, rebates, contracts, loans, and
11 other activities of the Environmental Protection
12 Agency for the purposes of providing financial and
13 technical assistance to owners and operators of ap-
14 plicable facilities preparing and submitting green-
15 house gas reports under subpart W of part 98 of
16 title 40, Code of Federal Regulations (or successor
17 regulations);

18 “(2) for grants, rebates, contracts, loans, and
19 other activities of the Environmental Protection
20 Agency authorized under subsections (a) through (c)
21 of section 103 for methane emissions monitoring;

22 “(3) for grants, rebates, contracts, loans, and
23 other activities of the Environmental Protection
24 Agency for the purposes of providing financial and
25 technical assistance to reduce methane and other
26 greenhouse gas emissions from petroleum and nat-

1 ural gas systems, mitigate legacy air pollution from
2 petroleum and natural gas systems, and provide sup-
3 port for communities, including funding for—

4 “(A) improving climate resiliency of com-
5 munities and petroleum and natural gas sys-
6 tems;

7 “(B) improving and deploying industrial
8 equipment and processes that reduce methane
9 and other greenhouse gas emissions and waste;

10 “(C) supporting innovation in reducing
11 methane and other greenhouse gas emissions
12 and waste from petroleum and natural gas sys-
13 tems;

14 “(D) mitigating health effects of methane
15 and other greenhouse gas emissions, and legacy
16 air pollution from petroleum and natural gas
17 systems in low-income and disadvantaged com-
18 munities; and

19 “(E) supporting environmental restoration;
20 and

21 “(4) to cover all direct and indirect costs re-
22 quired to administer this section, including the costs
23 of implementing the waste emissions charge, pre-
24 paring inventories, gathering empirical data, and
25 tracking emissions.

1 “(b) WASTE EMISSIONS CHARGE.—The Adminis-
2 trator shall impose and collect a charge on methane emis-
3 sions that exceed an applicable waste emissions threshold
4 under subsection (e) from an owner or operator of an ap-
5 plicable facility that is required to report methane emis-
6 sions pursuant to subpart W of part 98 of title 40, Code
7 of Federal Regulations (or any successor regulations).

8 “(c) APPLICABLE FACILITY.—For purposes of this
9 section, the term ‘applicable facility’ means a facility with-
10 in the following industry segments, as defined in subpart
11 W of part 98 of title 40, Code of Federal Regulations (or
12 any successor regulations):

13 “(1) Offshore petroleum and natural gas pro-
14 duction.

15 “(2) Onshore petroleum and natural gas pro-
16 duction.

17 “(3) Onshore natural gas processing,

18 “(4) Onshore natural gas transmission com-
19 pression.

20 “(5) Underground natural gas storage.

21 “(6) Liquefied natural gas storage.

22 “(7) Liquefied natural gas import and export
23 equipment.

24 “(8) Onshore petroleum and natural gas gath-
25 ering and boosting.

1 “(9) Onshore natural gas transmission pipeline.

2 “(d) CHARGE AMOUNT.—The amount of a charge
3 under subsection (b) for an applicable facility shall be
4 equal to the product obtained by multiplying—

5 “(1) the number of tons of methane reported
6 for the applicable facility emitted above the applica-
7 ble annual waste emissions thresholds listed in (e),
8 pursuant to subpart W of part 98 of title 40, Code
9 of Federal Regulations (or any successor regula-
10 tions), during the previous reporting period; and

11 “(2)(A) \$900 for emissions reported for cal-
12 endar year 2023;

13 “(B) \$1200 for emissions reported for calendar
14 year 2024; or

15 “(C) \$1500 for emissions reported for calendar
16 year 2025 and each year thereafter.

17 “(e) WASTE EMISSIONS THRESHOLD.—

18 “(1) PETROLEUM AND NATURAL GAS PRODUC-
19 TION.—With respect to imposing and collecting the
20 charge under subsection (b) for an applicable facility
21 in an industry segment listed in paragraph (1) or
22 (2) of subsection (c), the Administrator shall impose
23 and collect the charge on the reported tons of meth-
24 ane emissions that exceed—

1 “(A) 0.20 percent of the natural gas sent
2 to sale from such facility; or

3 “(B) 10 metric tons of methane per million
4 barrels of oil sent to sale from such facility, if
5 such facility sent no natural gas to sale.

6 “(2) NONPRODUCTION PETROLEUM AND NAT-
7 URAL GAS SYSTEMS.—With respect to imposing and
8 collecting the charge under subsection (b) for an ap-
9 plicable facility in an industry segment listed in
10 paragraph (3), (6), (7), or (8) of subsection (c), the
11 Administrator shall impose and collect the charge on
12 the reported tons of methane emissions that exceed
13 0.05 percent of the natural gas sent to sale from
14 such facility.

15 “(3) NATURAL GAS TRANSMISSION.—With re-
16 spect to imposing and collecting the charge under
17 subsection (b) for an applicable facility in an indus-
18 try segment listed in paragraph (4), (5), or (9) of
19 subsection (c), the Administrator shall impose and
20 collect the charge on the reported tons of methane
21 emissions that exceed 0.11 percent of the natural
22 gas sent to sale from such facility.

23 “(4) EXEMPTION.—Charges under paragraph
24 (1) shall not be imposed with respect to emissions

1 caused by unreasonable delay in environmental per-
2 mitting of gathering infrastructure.

3 “(f) PERIOD.—The charge under subsection (b) shall
4 be imposed and collected beginning with respect to emis-
5 sions reported for calendar year 2023 and for each year
6 thereafter.

7 “(g) IMPLEMENTATION.—In addition to other au-
8 thorities in this Act addressing air pollution from the oil
9 and natural gas sectors, the Administrator may issue
10 guidance or regulations as necessary to carry out this sec-
11 tion.

12 “(h) REPORTING.—Not later than 2 years after the
13 date of enactment of this section, and as necessary there-
14 after, the Administrator shall revise the requirements of
15 subpart W of part 98 of title 40, Code of Federal Regula-
16 tions—

17 “(1) to reduce the facility emissions threshold
18 for reporting under such subpart and for paying the
19 charge imposed under this section to 10,000 metric
20 tons of carbon dioxide equivalent of greenhouse
21 gases emitted per year; and

22 “(2) to ensure the reporting under such sub-
23 part, and calculation of charges under subsections
24 (d) and (e) of this section, are based on empirical
25 data and accurately reflect the total methane emis-

1 sions and waste emissions from the applicable facili-
2 ties.

3 “(i) LIABILITY FOR CHARGE PAYMENT.—A facility
4 owner or operator’s liability for payment of the charge
5 under subsection (b) is not affected in any way by emis-
6 sion standards, permit fees, penalties, or other require-
7 ments under this Act or any other legal authorities.”.

8 **SEC. 30115. FUNDING FOR THE OFFICE OF THE INSPECTOR**
9 **GENERAL OF THE ENVIRONMENTAL PROTEC-**
10 **TION AGENCY.**

11 In addition to amounts otherwise made available,
12 there is appropriated to the Office of the Inspector Gen-
13 eral of the Environmental Protection Agency for fiscal
14 year 2022, out of any money in the Treasury not otherwise
15 appropriated, \$50,000,000, to remain available until Sep-
16 tember 30, 2031, for oversight of activities supported with
17 funds appropriated to the Environmental Protection Agen-
18 cy in this Act.

19 **SEC. 30116. CLIMATE POLLUTION REDUCTION GRANTS.**

20 The Clean Air Act is amended by inserting after sec-
21 tion 136 of such Act, as added by section 30114 of this
22 Act, the following:

23 **“SEC. 137. GREENHOUSE GAS AIR POLLUTION PLANS AND**
24 **IMPLEMENTATION GRANTS.**

25 “(a) APPROPRIATIONS.—

1 “(1) GREENHOUSE GAS AIR POLLUTION PLAN-
2 NING GRANTS.—In addition to amounts otherwise
3 available, there is appropriated to the Administrator
4 for fiscal year 2022, out of any amounts in the
5 Treasury not otherwise appropriated, \$250,000,000,
6 to remain available until September 30, 2031, to
7 carry out subsection (b).

8 “(2) GREENHOUSE GAS AIR POLLUTION IMPLE-
9 MENTATION GRANTS.—In addition to amounts other-
10 wise available, there is appropriated to the Adminis-
11 trator for fiscal year 2022, out of any amounts in
12 the Treasury not otherwise appropriated,
13 \$4,750,000,000, to remain available until September
14 30, 2031, to carry out subsection (c).

15 “(3) ADMINISTRATIVE COSTS.—Of the funds
16 made available under paragraph (2), the Adminis-
17 trator shall reserve 3 percent for administrative
18 costs necessary to carry out this section, including
19 providing technical assistance to eligible entities, de-
20 veloping a plan that could be used as a model by
21 grantees in developing a plan under subsection (b),
22 and modeling the effects of plans described in this
23 section.

24 “(b) GREENHOUSE GAS AIR POLLUTION PLANNING
25 GRANTS.—The Administrator shall make a grant to at

1 least one eligible entity in each State for the costs of devel-
2 oping a plan for the reduction of greenhouse gas air pollu-
3 tion to be submitted with an application for a grant under
4 subsection (c). Each such plan shall include programs,
5 policies, measures, and projects that will achieve or facili-
6 tate the reduction of greenhouse gas air pollution. Not
7 later than 270 days after the date of enactment of this
8 section, the Administrator shall publish a funding oppor-
9 tunity announcement for grants under this subsection.

10 “(c) GREENHOUSE GAS AIR POLLUTION REDUCTION
11 IMPLEMENTATION GRANTS.—

12 “(1) IN GENERAL.—The Administrator shall
13 competitively award grants to eligible entities to im-
14 plement plans developed under subsection (b).

15 “(2) APPLICATION.—To apply for a grant
16 under this subsection, an eligible entity shall submit
17 to the Administrator an application at such time, in
18 such manner, and containing such information as
19 the Administrator shall require, which such applica-
20 tion shall include information regarding—

21 “(A) the degree to which greenhouse gas
22 air pollution is projected to be reduced, includ-
23 ing with respect to low-income and disadvan-
24 taged communities; and

1 otherwise appropriated, \$20,000,000, to remain available
2 until September 30, 2026, to provide for the development
3 of efficient, accurate, and timely reviews for permitting
4 and approval processes through the hiring and training
5 of personnel, the development of programmatic docu-
6 ments, the procurement of technical or scientific services
7 for reviews, the development of environmental data or in-
8 formation systems, stakeholder and community engage-
9 ment, the purchase of new equipment for environmental
10 analysis, and the development of geographic information
11 systems and other analysis tools, techniques, and guidance
12 to improve agency transparency, accountability, and public
13 engagement.

14 **SEC. 30118. LOW-EMBODIED CARBON LABELING FOR CON-**
15 **STRUCTION MATERIALS FOR TRANSPOR-**
16 **TATION PROJECTS.**

17 (a) IN GENERAL.—In addition to amounts otherwise
18 available, there is appropriated to the Administrator of the
19 Environmental Protection Agency for fiscal year 2022, out
20 of any money in the Treasury not otherwise appropriated,
21 \$100,000,000, to remain available until September 30,
22 2026, to develop and carry out a program, in consultation
23 with the Administrator of the Federal Highway Adminis-
24 tration, to identify and label, based on environmental
25 product declarations, low-embodied carbon construction

1 materials and products used for transportation projects,
2 and for necessary administrative costs of the Adminis-
3 trator of the Environmental Protection Agency to carry
4 out this section.

5 (b) DEFINITIONS.—In this section:

6 (1) EMBODIED CARBON.—The term “embodied
7 carbon” means the quantity of greenhouse gas emis-
8 sions associated with all relevant stages of produc-
9 tion of a material or product, measured in kilograms
10 of carbon dioxide-equivalent per unit of such mate-
11 rial or product.

12 (2) ENVIRONMENTAL PRODUCT DECLARA-
13 TION.—The term “environmental product declara-
14 tion” means a document that reports the environ-
15 mental impact of a material or product that—

16 (A) includes measurement of the embodied
17 carbon of the material or product;

18 (B) conforms with international standards,
19 such as a Type III environmental product dec-
20 laration as defined by the International Organi-
21 zation for Standardization standard 14025; and

22 (C) is developed in accordance with any
23 standardized reporting criteria specified by the
24 Administrator of the Environmental Protection
25 Agency.

1 (3) LOW-EMBODIED CARBON CONSTRUCTION
2 MATERIALS AND PRODUCTS.—The term “low-em-
3 bodied carbon construction materials and products”
4 means construction materials and products identified
5 by the Administrator of the Environmental Protec-
6 tion Agency as having substantially lower levels of
7 embodied carbon as compared to estimated industry
8 averages of similar materials or products.

9 **Subtitle B—Hazardous Materials**

10 **SEC. 30201. GRANTS TO REDUCE WASTE IN COMMUNITIES.**

11 The Solid Waste Disposal Act is amended by insert-
12 ing after section 7010 (42 U.S.C. 6979b) the following:

13 **“SEC. 7011. GRANTS TO REDUCE WASTE IN COMMUNITIES.**

14 “(a) APPROPRIATIONS.—

15 “(1) ORGANICS RECYCLING AND FOOD
16 WASTE.—In addition to amounts otherwise available,
17 there is appropriated to the Administrator for fiscal
18 year 2022, out of any money in the Treasury not
19 otherwise appropriated, \$95,000,000, to remain
20 available until expended, to make grants, on a com-
21 petitive basis, to eligible recipients for projects in, or
22 directly serving, low-income or disadvantaged com-
23 munities to—

24 “(A) construct, expand, or modernize in-
25 frastructure for recycling and reuse of organic

1 material, including any facility, machinery, or
2 equipment used to collect and process organic
3 material; or

4 “(B) measure, reduce, and prevent food
5 waste.

6 “(2) OTHER WASTE REDUCTION ACTIVITIES.—

7 In addition to amounts otherwise available, there is
8 appropriated to the Administrator for fiscal year
9 2022, out of any money in the Treasury not other-
10 wise appropriated, \$95,000,000, to remain available
11 until expended, to make grants, on a competitive
12 basis, to eligible recipients for projects in, or directly
13 serving, low-income or disadvantaged communities
14 to—

15 “(A) reduce the amount of waste generated
16 from manufacturing processes or when con-
17 sumer products are disposed of, including by
18 encouraging product or manufacturing redesign
19 or redevelopment that reduces packaging and
20 waste byproducts;

21 “(B) create market demand or manufac-
22 turing capacity for recovered, recyclable, or re-
23 cycled commodities and products, including
24 compost; or

1 “(C) support the development and imple-
2 mentation of activities that reduce the amount
3 of waste disposed of in landfills or prevent the
4 disposal of waste in landfills, including—

5 “(i) expanding the availability of
6 source-separated organic waste collection;

7 “(ii) encouraging diversion of organic
8 waste from landfills; or

9 “(iii) increasing fees imposed on the
10 disposal of waste, including organic waste,
11 at landfills.

12 “(b) ADMINISTRATION OF FUNDS.—Of the amounts
13 made available under subsection (a), the Administrator
14 shall reserve 5 percent for the administrative costs nec-
15 essary to carry out activities pursuant to that subsection.

16 “(c) DEFINITION OF ELIGIBLE RECIPIENT.—In this
17 section, the term ‘eligible recipient’ means—

18 “(1) a single unit of State, local, or Tribal gov-
19 ernment; or

20 “(2) a nonprofit organization.”.

21 **SEC. 30202. ENVIRONMENTAL AND CLIMATE JUSTICE**
22 **BLOCK GRANTS.**

23 The Clean Air Act is amended by inserting after sec-
24 tion 136, as added by subtitle A of this title, the following:

1 **“SEC. 137. ENVIRONMENTAL AND CLIMATE JUSTICE BLOCK**
2 **GRANTS.**

3 “(a) APPROPRIATION.—In addition to amounts oth-
4 erwise available, there is appropriated to the Adminis-
5 trator for fiscal year 2022, out of any money in the Treas-
6 ury not otherwise appropriated—

7 “(1) \$2,800,000,000 to remain available until
8 expended, to award grants for the activities de-
9 scribed in subsection (b); and

10 “(2) \$200,000,000 to remain available until ex-
11 pended, to provide technical assistance to eligible en-
12 tities related to grants awarded under this section.

13 “(b) GRANTS.—

14 “(1) IN GENERAL.—The Administrator shall
15 use amounts made available under subsection (a)(1)
16 to award grants for periods of up to 3 years to eligi-
17 ble entities to carry out activities described in para-
18 graph (2) that benefit disadvantaged communities,
19 as defined by the Administrator.

20 “(2) ELIGIBLE ACTIVITIES.—An eligible entity
21 may use a grant awarded under this subsection
22 for—

23 “(A) community-led air and other pollution
24 monitoring, prevention, and remediation, and
25 investments in low- and zero-emission and resil-
26 ient technologies and related infrastructure and

1 workforce development that help reduce green-
2 house gas emissions and other air pollutants;

3 “(B) mitigating climate and health risks
4 from urban heat islands, extreme heat, wood
5 heater emissions, and wildfire events;

6 “(C) climate resiliency and adaptation;

7 “(D) reducing indoor toxics and indoor air
8 pollution; or

9 “(E) facilitating engagement of disadvan-
10 taged communities in State and Federal public
11 processes, including facilitating such engage-
12 ment in advisory groups, workshops, and
13 rulemakings.

14 “(3) ELIGIBLE ENTITIES.—In this subsection,
15 the term ‘eligible entity’ means—

16 “(A) a partnership between—

17 “(i) an Indian Tribe, a local govern-
18 ment, or an institution of higher education;

19 and

20 “(ii) a community-based nonprofit or-
21 ganization;

22 “(B) a community-based nonprofit organi-
23 zation; or

24 “(C) a partnership of community-based
25 nonprofit organizations.

1 “(c) ADMINISTRATIVE COSTS.—The Administrator
2 shall reserve 7 percent of the amounts made available
3 under subsection (a) for administrative costs to carry out
4 this section.”.

5 **SEC. 30203. FUNDING FOR DATA COLLECTION ON NA-**
6 **TIONAL RECYCLING EFFORTS.**

7 In addition to amounts otherwise available, there is
8 appropriated to the Administrator of the Environmental
9 Protection Agency for fiscal year 2022, out of any money
10 in the Treasury not otherwise appropriated, \$10,000,000,
11 to remain available until expended, to support data collec-
12 tion activities with respect to recycling efforts throughout
13 the nation, with a particular focus on recycling efforts in
14 disadvantaged, low-income, and rural communities that
15 lack access to recycling services.

16 **Subtitle C—Drinking Water**

17 **SEC. 30301. LEAD REMEDIATION PROJECTS.**

18 (a) IN GENERAL.—In addition to amounts otherwise
19 available, there is appropriated for fiscal year 2022, out
20 of any money in the Treasury not otherwise appropriated,
21 \$9,000,000,000, to remain available until September 30,
22 2026, for—

23 (1) grants under the lead reduction grant pro-
24 gram under section 1459B(b) of the Safe Drinking
25 Water Act (42 U.S.C. 300j–19b(b)) to entities eligi-

1 ble for grants under that program that serve com-
2 munities determined to be disadvantaged commu-
3 nities pursuant to paragraph (3)(A) of such sub-
4 section, for full service line replacement within those
5 disadvantaged communities;

6 (2) grants for the installation and maintenance
7 of lead filtration stations at schools and child care
8 programs (as defined in section 1464(d)(1) of that
9 Act (42 U.S.C. 300j-24(d)(1)) that serve disadvan-
10 taged communities; and

11 (3) grants under subsection (d) of section 1464
12 of that Act (42 U.S.C. 300j-24)—

13 (A) to pay the costs of replacement of
14 drinking water fountains in schools and child
15 care programs that serve disadvantaged com-
16 munities;

17 (B) for lead remediation projects in build-
18 ings operated by entities eligible for grants
19 under that subsection that serve disadvantaged
20 communities; and

21 (C) for compliance monitoring in disadvan-
22 taged communities.

23 (b) COST-SHARE WAIVER.—An entity receiving as-
24 sistance pursuant to this section shall not be required to

1 provide a share of the costs of carrying out the project
2 or activity funded by that assistance.

3 (c) ADMINISTRATIVE COSTS.—Of the amounts made
4 available under subsection (a), the Administrator of the
5 Environmental Protection Agency shall reserve 7 percent
6 for the administrative costs of carrying out this section.

7 **SEC. 30302. FUNDING FOR WATER ASSISTANCE PROGRAM.**

8 (a) APPROPRIATION.—In addition to amounts other-
9 wise available, there is appropriated for fiscal year 2022,
10 out of any money in the Treasury not otherwise appro-
11 priated, \$225,000,000, to remain available until expended,
12 to provide grants to States, Indian Tribes, and Tribal or-
13 ganizations to assist low-income households that pay a
14 high proportion of household income for drinking water
15 and wastewater (including stormwater) services, particu-
16 larly households with an annual income that is less than
17 or equal to 150 percent of the Federal poverty line, by
18 providing amounts to community water systems (as de-
19 fined in section 1401 of the Safe Drinking Water Act (42
20 U.S.C. 300f)) or publicly owned treatment works (as de-
21 fined in section 212 of the Federal Water Pollution Con-
22 trol Act (33 U.S.C. 1292)) to reduce the arrearages of
23 and rates charged to those households for those services
24 by up to 100 percent.

1 (b) REQUIREMENT.—Of the amounts made available
2 under subsection (a), the Administrator of the Environ-
3 mental Protection Agency shall reserve not more than 3
4 percent to provide the assistance described in that sub-
5 section to Indian Tribes and Tribal organizations.

6 (c) COST-SHARE WAIVER.—An entity receiving as-
7 sistance pursuant to this section shall not be required to
8 provide a share of the costs of carrying out the activity
9 funded by that assistance.

10 (d) ADMINISTRATIVE COSTS.—Of the amounts made
11 available under subsection (a), the Administrator of the
12 Environmental Protection Agency shall reserve 7 percent
13 for the administrative costs of carrying out this section.

14 (e) DEFINITION OF STATE.—In this section, the term
15 “State” means—

- 16 (1) each of the 50 States;
- 17 (2) the District of Columbia;
- 18 (3) the Commonwealth of Puerto Rico;
- 19 (4) American Samoa;
- 20 (5) Guam;
- 21 (6) the United States Virgin Islands; and
- 22 (7) the Commonwealth of the Northern Mar-
23 iana Islands.

1 **Subtitle D—Energy**
2 **PART 1—RESIDENTIAL EFFICIENCY AND**
3 **ELECTRIFICATION REBATES**
4 **SEC. 30411. HOME ENERGY PERFORMANCE-BASED, WHOLE-**
5 **HOUSE REBATES AND TRAINING GRANTS.**

6 (a) HOME ON-LINE PERFORMANCE-BASED ENERGY
7 EFFICIENCY (HOPE) CONTRACTOR TRAINING
8 GRANTS.—

9 (1) APPROPRIATION.—In addition to amounts
10 otherwise available, there is appropriated to the Sec-
11 retary for fiscal year 2022, out of any money in the
12 Treasury not otherwise appropriated, \$360,000,000,
13 to remain available until September 30, 2030, to
14 award grants to States to develop and implement a
15 State program described in section 362(d)(13) of the
16 Energy Policy and Conservation Act (42 U.S.C.
17 6322(d)(13)), which shall partner with nonprofit or-
18 ganizations to fund qualifying programs described in
19 paragraph (2) that provide training courses and op-
20 portunities to support home energy efficiency up-
21 grade construction services to train workers, both
22 on-line and in-person, to support and provide for the
23 home energy efficiency retrofits under subsection
24 (b), and for administrative expenses associated with
25 carrying out this subsection.

1 (2) QUALIFYING PROGRAMS.—For the purposes
2 of this paragraph, qualifying programs are programs
3 that—

4 (A) provide the equivalent of at least 30
5 hours in total course time;

6 (B) are provided by a provider that is ac-
7 credited by the Interstate Renewable Energy
8 Council or has other accreditation determined
9 to be equivalent by the Secretary;

10 (C) are, with respect to a particular job,
11 aligned with the relevant National Renewable
12 Energy Laboratory Job Task Analysis, or other
13 credentialing program foundation that helps
14 identify the necessary core knowledge areas,
15 critical work functions, or skills, as approved by
16 the Secretary;

17 (D) have established learning objectives;

18 (E) include, as the Secretary determines
19 appropriate, an appropriate assessment of such
20 learning objectives that may include a final
21 exam, to be proctored on-site or through remote
22 proctoring, or an in-person field exam; and

23 (F) include training related to—

24 (i) contractor certification;

25 (ii) energy auditing or assessment;

1 (iii) home energy systems (including
2 Energy Star-qualified HVAC systems and
3 Wi-Fi-enabled home energy communica-
4 tions technology, or any future technology
5 that achieves the same goals);

6 (iv) insulation installation and air
7 leakage control;

8 (v) health and safety regarding the in-
9 stallation of energy efficiency measures or
10 health and safety impacts associated with
11 energy efficiency retrofits;

12 (vi) indoor air quality;

13 (vii) energy efficiency retrofits in
14 manufactured housing; and

15 (viii) residential electrification train-
16 ing and conversion training.

17 (3) STATE ENERGY PROGRAM PROVIDERS.—A
18 State energy office may use not more than 10 per-
19 cent of the amounts made available to the State en-
20 ergy office under this subsection to administer a
21 qualifying program described in paragraph (2), in-
22 cluding for the conduct of design and operations ac-
23 tivities.

24 (4) TERMS AND CONDITIONS.—

1 (A) ELIGIBLE USE OF FUNDS.—Of the
2 amounts made available to a State under this
3 subsection, 85 percent shall be used by the
4 State—

5 (i) to support the operations of quali-
6 fying programs, including establishing,
7 modifying, or maintaining the online sys-
8 tems, staff time, and software and online
9 program management, through a course
10 that meets the applicable criteria;

11 (ii) to reimburse the contractor com-
12 pany for training costs for employees;

13 (iii) to provide any home technology
14 support needed for an employee to receive
15 training pursuant to this subsection; and

16 (iv) to support wages of employees
17 during training.

18 (B) TIMING OF OBLIGATIONS.—Amounts
19 made available under this subsection shall be
20 used, as necessary, to cover or reimburse allow-
21 able costs incurred after the date of enactment
22 of this Act.

23 (C) UNOBLIGATED AMOUNTS.—Amounts
24 made available under this subsection which are
25 not accepted, are voluntarily returned, or other-

1 wise recaptured for any reason shall be used to
2 fund grants under subsection (b).

3 (b) HOME OWNER MANAGING ENERGY SAVINGS
4 (HOMES) REBATES.—

5 (1) APPROPRIATION.—In addition to amounts
6 otherwise available, there is appropriated to the Sec-
7 retary for fiscal year 2022, out of any money in the
8 Treasury not otherwise appropriated,
9 \$5,890,000,000, to remain available until September
10 30, 2030, to award grants, in accordance with the
11 formula for the State Energy Program under part D
12 of title III of the Energy Policy and Conservation
13 Act in effect on January 1, 2021, to State energy
14 offices to establish Home Owner Managing Energy
15 Savings (HOMES) Rebate Programs pursuant to
16 section 362(d)(5) of such Act (42 U.S.C.
17 6322(d)(5)), and for administrative expenses associ-
18 ated with carrying out this subsection.

19 (2) COORDINATION.—In carrying out this sub-
20 section, the Secretary shall coordinate with State en-
21 ergy offices to ensure that programs that receive
22 awards are formulated to achieve maximum green-
23 house gas emissions reductions and household en-
24 ergy and costs savings.

1 (3) APPLICATION.—In order to receive a grant
2 under this subsection, a State shall submit to the
3 Secretary an application that includes a plan to im-
4 plement a qualifying State program that includes—

5 (A) a plan to ensure that each home en-
6 ergy efficiency retrofit under the program—

7 (i) is completed by a contractor who
8 meets minimum training requirements, cer-
9 tification requirements, and other require-
10 ments established by the Secretary; and

11 (ii) includes installation of 1 or more
12 home energy efficiency retrofit measures
13 that are modeled to achieve, or are shown
14 to achieve, the minimum reduction re-
15 quired in home energy use, or with respect
16 to a portfolio of home energy efficiency ret-
17 rofits, in aggregated home energy use for
18 such portfolio;

19 (B) a plan—

20 (i) to utilize, for purposes of modeled
21 performance home rebates, modeling soft-
22 ware, methods, and procedures for deter-
23 mining and documenting the reductions in
24 home energy use resulting from the imple-
25 mentation of a home energy efficiency ret-

1 retrofit that is calibrated to historical energy
2 usage for a home consistent with BPI
3 2400, that are approved by the Secretary,
4 that can provide evidence for necessary im-
5 provements to a State program, and that
6 can help to calibrate models for accuracy;

7 (ii) to utilize, for purposes of meas-
8 ured performance home rebates, open-
9 source advanced measurement and
10 verification software approved by the Sec-
11 retary for determining and documenting
12 the monthly and hourly (if available)
13 weather-normalized baseline energy use of
14 a home, the reductions in monthly and
15 hourly (if available) weather-normalized
16 energy use of a home resulting from the
17 implementation of a home energy efficiency
18 retrofit, and open-source advanced meas-
19 urement and verification software approved
20 by the Secretary; and

21 (iii) to value savings based on time,
22 location, or greenhouse gas emissions;

23 (C) procedures for a homeowner to trans-
24 fer the right to claim a rebate to the contractor
25 performing the applicable home energy effi-

1 ciency retrofit or to an aggregator, if the State
2 program will utilize aggregators;

3 (D) if the State program will utilize
4 aggregators to facilitate delivery of rebates to
5 homeowners or contractors, requirements for an
6 entity to be eligible to serve as an aggregator;

7 (E) quality monitoring to ensure that each
8 installation that receives a rebate is documented
9 in a certificate, provided by the contractor to
10 the homeowner, that details the work, including
11 information about the characteristics of equip-
12 ment and materials installed, as well as pro-
13 jected energy savings or energy generation, in a
14 way that will enable the homeowner to clearly
15 communicate the value of the high-performing
16 features funded by the rebate to buyers, real es-
17 tate agents, appraisers and lenders; and

18 (F) a procedure for providing the con-
19 tractor performing a home energy efficiency ret-
20 rofit or an aggregator who has the right to
21 claim such rebate with \$200 for each home lo-
22 cated in an underserved community that re-
23 ceives a home efficiency retrofit for which a re-
24 bate is provided under the program.

1 (4) AMOUNT OF REBATES FOR SINGLE FAMILY
2 AND MULTIFAMILY HOMES.—Of the amounts pro-
3 vided to a State energy office under this subsection,
4 85 percent shall be used to provide Home Owner
5 Managing Energy Savings (HOMES) Rebates to—

6 (A) individuals and aggregators for the en-
7 ergy efficiency upgrades of single-family homes
8 of not more than 4 units—

9 (i) \$2,000 for a retrofit that achieves
10 at least 20 percent modeled energy system
11 savings or 50 percent of the project cost,
12 whichever is lower;

13 (ii) \$4,000 for a retrofit that achieves
14 at least 35 percent modeled energy system
15 savings or 50 percent of the project cost,
16 whichever is lower; or

17 (iii) for measured energy savings, a
18 payment per kilowatt hour saved, or kilo-
19 watt hour-equivalent saved, equal to
20 \$2,000 for a 20 percent reduction of en-
21 ergy use for the average home in the State,
22 for homes or portfolios of homes that
23 achieve at least 15 percent energy savings,
24 or 50 percent of the project cost, whichever
25 is lower;

1 (B) multifamily building owners and
2 aggregators for the energy efficiency upgrades
3 of multifamily buildings—

4 (i) \$2,000 per dwelling unit for a ret-
5 rofit that achieves at least 20 percent mod-
6 eled energy system savings up a maximum
7 of \$200,000 per multifamily building;

8 (ii) \$4,000 per dwelling unit for a ret-
9 rofit that achieves at least 35 percent mod-
10 eled energy system savings up to a max-
11 imum of \$400,000 per multifamily build-
12 ing; or

13 (iii) for measured energy savings, a
14 payment rate per kilowatt hours saved, or
15 kilowatt hour-equivalent saves, equal to
16 \$2,000 for a 20 percent reduction of en-
17 ergy use for the average multifamily build-
18 ing in the State, for multifamily buildings
19 or portfolios of buildings that achieve at
20 least 15 percent energy savings, or 50 per-
21 cent of the project cost, whichever is lower;
22 or

23 (C) individuals and aggregators for the en-
24 ergy efficiency upgrades of single family homes
25 of 4 units or less or multifamily buildings that

1 are occupied by residents with an annual in-
2 come of less than 80 percent of the area median
3 income as published publicly by the Department
4 of Housing and Urban Development—

5 (i) \$4,000 for a retrofit that achieves
6 at least 20 percent modeled energy system
7 savings or 80 percent of the project cost,
8 whichever is lower;

9 (ii) \$8,000 for a retrofit that achieves
10 at least 35 percent modeled energy system
11 savings or 80 percent of the project cost,
12 whichever is lower; or

13 (iii) for measured energy savings, a
14 payment rate per kilowatt hour saved, or
15 kilowatt hour-equivalent saved, equal to
16 \$4,000 for a 20 percent reduction of en-
17 ergy use for the average multifamily build-
18 ing in the State, for multifamily buildings
19 or portfolios of buildings that achieve at
20 least 15 percent energy savings, or 80 per-
21 cent of the project cost, whichever is lower.

22 (5) REQUIREMENT.—Not less than 25 percent
23 of the funds provided to a State energy office under
24 this subsection shall be used for the purposes of

1 each of subparagraphs (A), (B), and (C) of para-
2 graph (4).

3 (6) ELIGIBILITY OF CERTAIN APPLIANCES.—In
4 calculating total energy savings for single family or
5 multifamily homes under this subsection, a program
6 may include savings from the purchase of high-effi-
7 ciency natural gas HVAC systems and water heaters
8 certified under the Energy Star program until the
9 date that is 6 years after the date of enactment of
10 this Act.

11 (7) PLANNING.—Not to exceed 20 percent of
12 any grant made with funds made available under
13 this subsection shall be expended for planning and
14 management development and administration.

15 (8) TECHNICAL ASSISTANCE.—Amounts made
16 available under this subsection shall be used for sin-
17 gle family, multifamily, and manufactured housing
18 rebates and the Secretary shall, in consultation with
19 States, contractors, and other local technical experts
20 design support, methodology, and contractor criteria
21 as appropriate for the different building stock.

22 (9) USE OF FUNDS.—Rebate amounts made
23 available through the High-Efficiency Electric Home
24 Rebate Program established under subsection (b)(1)
25 of section 124 of the Energy Policy Act of 2005 (as

1 amended by this subtitle) may be used in conjunc-
2 tion with the funds made available under this sub-
3 section.

4 (c) DEFINITIONS.—In this section:

5 (1) AGGREGATOR.—The term “aggregator”
6 means a gas utility, electric utility, commercial enti-
7 ty, nonprofit entity, or State or local government en-
8 tity that may receive rebates provided under a State
9 program under this section for 1 or more portfolios
10 consisting of 1 or more energy efficiency retrofits.

11 (2) CONTRACTOR CERTIFICATION.—The term
12 “contractor certification” means—

13 (A) an industry recognized certification
14 that may be obtained by a residential contractor
15 to advance the expertise and education of the
16 contractor in energy efficiency retrofits of resi-
17 dential buildings; and

18 (B) any other certification the Secretary
19 determines appropriate for purposes of the
20 HOMES Rebate Program established under
21 subsection (b).

22 (3) CONTRACTOR COMPANY.—The term “con-
23 tractor company” means a company—

24 (A) the business of which is to provide
25 services to residential building owners with re-

1 spect to HVAC systems, insulation, air sealing,
2 or other services that are approved by the Sec-
3 retary;

4 (B) that holds the licenses and insurance
5 required by the State in which the company
6 provides services; and

7 (C) that provides services for which a re-
8 bate may be provided pursuant to the HOMES
9 Rebate Program established under subsection
10 (b).

11 (4) ENERGY STAR PROGRAM.—The term “En-
12 ergy Star program” means the program established
13 by section 324A of the Energy Policy and Conserva-
14 tion Act (42 U.S.C. 6294a).

15 (5) HOME.—The term “home” means a build-
16 ing with not more than 4 dwelling units or a manu-
17 factured housing unit (including a unit built before
18 June 15, 1976), that—

19 (A) is located in the United States;

20 (B) was constructed before the date of en-
21 actment of this Act;

22 (C) is occupied at least 6 months out of
23 the year; and

24 (D) is not on a military base.

1 (6) HVAC SYSTEM.—The term “HVAC sys-
2 tem” means a system—

3 (A) is certified under the Energy Star pro-
4 gram;

5 (B) consisting of a heating component, a
6 ventilation component, and an air-conditioning
7 component; and

8 (C) the components of which may include
9 central air conditioning, a heat pump, a fur-
10 nace, a boiler, a rooftop unit, and a window
11 unit.

12 (7) MULTIFAMILY BUILDING.—The term “mul-
13 tifamily building” means a building—

14 (A) with 5 or more dwelling units; and

15 (B) that is not on a military base.

16 (8) SECRETARY.—The term “Secretary” means
17 the Secretary of Energy.

18 (9) STATE ENERGY OFFICE.—The term “State
19 energy office” has the meaning given the term
20 “State energy agency” in section 391(10) of the En-
21 ergy Policy and Conservation Act (42 U.S.C.
22 6371(10)).

23 (10) UNDERSERVED COMMUNITY.—The term
24 “underserved community” means—

1 (A) a community located in a ZIP Code
2 that includes 1 or more census tracts that are
3 identified as—

4 (i) a low-income community; or

5 (ii) a community of racial or ethnic
6 minority concentration; or

7 (B) any other community that the Sec-
8 retary determines is disproportionately vulner-
9 able to, or bears a disproportionate burden of,
10 any combination of economic, social, and envi-
11 ronmental stressors.

12 **SEC. 30412. HIGH-EFFICIENCY ELECTRIC HOME REBATE**
13 **PROGRAM.**

14 (a) IN GENERAL.—Section 124 of the Energy Policy
15 Act of 2005 (42 U.S.C. 15821) is amended to read as
16 follows:

17 **“SEC. 124. HIGH-EFFICIENCY ELECTRIC HOME REBATE**
18 **PROGRAM.**

19 “(a) APPROPRIATIONS.—

20 “(1) IN GENERAL.—In addition to amounts
21 otherwise available, there is appropriated to the Sec-
22 retary for fiscal year 2022, out of any money in the
23 Treasury not otherwise appropriated—

1 “(A) \$2,226,000,000, to remain available
2 until September 30, 2031, to provide rebates
3 under this section;

4 “(B) \$4,000,000, to remain available until
5 September 30, 2031, for community and con-
6 sumer education and outreach related to car-
7 rying out this section; and

8 “(C) \$220,000,000, to remain available
9 until September 30, 2031, to administer this
10 section and to provide administrative and tech-
11 nical support to certified contractor companies,
12 qualified providers, States, and Indian Tribes.

13 “(2) ADDITIONAL FUNDING FOR TRIBAL COM-
14 MUNITIES AND LOW- OR MODERATE-INCOME HOUSE-
15 HOLDS.—In addition to amounts otherwise available,
16 there is appropriated to the Secretary for fiscal year
17 2022, out of any money in the Treasury not other-
18 wise appropriated, \$3,800,000,000, to remain avail-
19 able until September 30, 2031, for—

20 “(A) rebates under this section relating to
21 qualified electrification projects carried out in
22 Tribal communities or for low- or moderate-in-
23 come households; and

1 “(B) any necessary administrative or tech-
2 nical support for those qualified electrification
3 projects.

4 “(b) HIGH-EFFICIENCY ELECTRIC HOME REBATES
5 FOR QUALIFIED ELECTRIFICATION PROJECTS.—

6 “(1) HIGH-EFFICIENCY ELECTRIC HOME RE-
7 BATES.—The Secretary shall establish a program
8 within the Department, to be known as the ‘High-
9 Efficiency Electric Home Rebate Program’, under
10 which the Secretary shall provide to homeowners
11 and owners of multifamily buildings high-efficiency
12 electric home rebates, in accordance with this sub-
13 section, for qualified electrification projects carried
14 out at, or relating to, the homes or multifamily
15 buildings, as applicable.

16 “(2) AMOUNT OF REBATE.—

17 “(A) IN GENERAL.—Subject to subsection
18 (c)(1)(A), a high-efficiency electric home rebate
19 under paragraph (1) shall be equal to—

20 “(i) in the case of a qualified elec-
21 trification project described in subsection
22 (d)(11)(A)(i)(II) that installs a heat pump
23 used for water heating, not more than
24 \$1,250;

1 “(ii) in the case of a qualified elec-
2 trification project described in subsection
3 (d)(11)(A)(i)(II) that installs a heat pump
4 HVAC system—

5 “(I)(aa) not more than \$3,000 if
6 the heat pump HVAC system has a
7 heating capacity of not less than
8 27,500 Btu per hour; or

9 “(bb) not more than \$4,000 if
10 the heat pump HVAC system meets
11 Energy Star program cold climate cri-
12 teria and is installed in a cold climate,
13 as determined by the Secretary;

14 “(II)(aa) not more than \$1,500 if
15 the heat pump HVAC system has a
16 heating capacity of less than 27,500
17 Btu per hour; or

18 “(bb) not more than \$2,000 if
19 the heat pump HVAC system meets
20 Energy Star program cold climate cri-
21 teria and is installed in a cold climate,
22 as determined by the Secretary; and

23 “(III) \$250, in addition to the
24 amount described in subclause (I) or
25 (II), if a qualified electrification

1 project described in subsection
2 (d)(11)(A)(i)(V) that installs insula-
3 tion, air sealing, and ventilation in ac-
4 cordance with clause (v) is completed
5 within 6 months before or after the
6 qualified electrification project de-
7 scribed in that subclause;

8 “(iii) in the case of a qualified elec-
9 trification project described in subclause
10 (III) or (IV) of subsection (d)(11)(A)(i),
11 not more than \$600;

12 “(iv) in the case of a qualified elec-
13 trification project described in subsection
14 (d)(11)(A)(i)(I) that installs an electric
15 load or service center panel that enables
16 the installation and use of any upgrade,
17 appliance, system, equipment, infrastruc-
18 ture, component, or other item installed
19 pursuant to any other qualified electrifica-
20 tion project, not more than \$3,000;

21 “(v) in the case of a qualified elec-
22 trification project described in subsection
23 (d)(11)(A)(i)(V) that installs insulation
24 and air sealing, not more than \$800; and

1 “(vi) in the case of any other qualified
2 electrification project, including a qualified
3 electrification project described in any of
4 subclauses (I) through (III) of subsection
5 (d)(11)(A)(ii), for which the Secretary pro-
6 vides a high-efficiency electric home rebate,
7 not more than an amount determined by
8 the Secretary for that qualified electrifica-
9 tion project, subject to subparagraph (B).

10 “(B) LIMITATIONS ON AMOUNT OF RE-
11 BATE.—

12 “(i) MAXIMUM TOTAL AMOUNT.—Sub-
13 ject to subsection (c)(1)(B), the maximum
14 total amount that may be awarded as high-
15 efficiency electric home rebates under this
16 subsection shall be \$10,000 with respect to
17 each home for which a high-efficiency elec-
18 tric home rebate is provided.

19 “(ii) COSTS.—

20 “(I) IN GENERAL.—Subject to
21 subsection (c)(1)(C), the amount of a
22 high-efficiency electric home rebate
23 provided to a homeowner under this
24 subsection shall not exceed 50 percent

1 of the total cost of the applicable
2 qualified electrification project.

3 “(II) LABOR COSTS.—Subject to
4 subsection (c)(1)(C), not more than
5 50 percent of the labor costs associ-
6 ated with a qualified electrification
7 project may be included in the 50 per-
8 cent of total costs for which a high-ef-
9 ficiency electric home rebate is pro-
10 vided under this subsection, as de-
11 scribed in subclause (I), subject to the
12 condition that labor costs account for
13 not more than 50 percent of the
14 amount of the high-efficiency electric
15 home rebate.

16 “(3) LIMITATIONS ON QEPS.—

17 “(A) CONTRACTORS.—A high-efficiency
18 electric home rebate may be provided for a
19 qualified electrification project carried out by a
20 contractor company only if that contractor com-
21 pany is a certified contractor company.

22 “(B) HEAT PUMP HVAC SYSTEMS.—A
23 high-efficiency electric home rebate may be pro-
24 vided for a qualified electrification project that
25 installs or enables the installation of a heat

1 pump HVAC system only if the heat pump
2 HVAC system—

3 “(i) replaces—

4 “(I) a nonelectric HVAC system;

5 “(II) an electric resistance
6 HVAC system; or

7 “(III) an air conditioning unit
8 that—

9 “(aa) does not have a re-
10 versing valve; and

11 “(bb) has a lower seasonal
12 energy-efficiency ratio than the
13 heat pump HVAC system; or

14 “(ii) is part of new construction, as
15 determined by the Secretary.

16 “(C) HEAT PUMPS FOR WATER HEAT-
17 ING.—A high-efficiency electric home rebate
18 may be provided for a qualified electrification
19 project that installs or enables the installation
20 of a heat pump used for water heating only if
21 the heat pump—

22 “(i) replaces—

23 “(I) a nonelectric heat pump
24 water heater;

1 “(II) a nonelectric water heater;

2 or

3 “(III) an electric resistance water

4 heater; or

5 “(ii) is part of new construction, as
6 determined by the Secretary.

7 “(D) ELECTRIC STOVES, COOKTOPS,
8 RANGES, AND OVENS.—A high-efficiency electric
9 home rebate may be provided for a qualified
10 electrification project described in subsection
11 (d)(11)(A)(i)(III) only if the applicable electric
12 stove, cooktop, range, or oven—

13 “(i) replaces a nonelectric stove,
14 cooktop, range, or oven; or

15 “(ii) is part of new construction, as
16 determined by the Secretary.

17 “(E) ELECTRIC HEAT PUMP CLOTHES
18 DRYERS.—A high-efficiency electric home re-
19 bate may be provided for a qualified electrifica-
20 tion project described in subsection
21 (d)(11)(A)(i)(IV) only if the applicable electric
22 heat pump clothes dryer—

23 “(i) replaces a nonelectric clothes
24 dryer; or

25 “(ii) is part of new construction.

1 “(4) ADDITIONAL INCENTIVES FOR CONTRAC-
2 TORS AND QUALIFIED PROVIDERS.—

3 “(A) GENERAL INCENTIVE.—

4 “(i) IN GENERAL.—With respect to
5 each qualified electrification project de-
6 scribed in clause (ii), the Secretary shall
7 provide a payment of \$100 to the certified
8 contractor company or qualified provider
9 carrying out the qualified electrification
10 project.

11 “(ii) QUALIFIED ELECTRIFICATION
12 PROJECT DESCRIBED.—A qualified elec-
13 trification project referred to in clause (i)
14 is a qualified electrification project—

15 “(I) that is carried out at a home
16 or multifamily building;

17 “(II) for which a rebate is pro-
18 vided under this subsection; and

19 “(III) with respect to which the
20 certified contractor company or quali-
21 fied provider is not eligible for a high-
22 er payment under any of subpara-
23 graphs (B) through (D).

24 “(B) INCENTIVE FOR QEPS IN CERTAIN
25 COMMUNITIES AND HOUSEHOLDS.—

1 “(i) IN GENERAL.—With respect to
2 each qualified electrification project de-
3 scribed in clause (ii), the Secretary shall
4 provide a payment of \$200 to the certified
5 contractor company or qualified provider
6 carrying out the qualified electrification
7 project.

8 “(ii) QUALIFIED ELECTRIFICATION
9 PROJECT DESCRIBED.—A qualified elec-
10 trification project referred to in clause (i)
11 is a qualified electrification project—

12 “(I) that is carried out at a home
13 or multifamily building that—

14 “(aa) is located in an under-
15 served community or a Tribal
16 community; or

17 “(bb) is certified, or the
18 household of the homeowner of
19 which is certified, as applicable,
20 as low- or moderate-income;

21 “(II) for which a rebate is pro-
22 vided under this subsection; and

23 “(III) with respect to which the
24 certified contractor company or quali-
25 fied provider is not eligible for a high-

1 er payment under subparagraph (C)
2 or (D).

3 “(C) INCENTIVE FOR CERTAIN LABOR
4 PRACTICES.—

5 “(i) IN GENERAL.—With respect to
6 each qualified electrification project de-
7 scribed in clause (ii), the Secretary shall
8 provide a payment of \$250 to the certified
9 contractor company or qualified provider
10 carrying out the qualified electrification
11 project.

12 “(ii) QUALIFIED ELECTRIFICATION
13 PROJECT DESCRIBED.—A qualified elec-
14 trification project referred to in clause (i)
15 is a qualified electrification project—

16 “(I) that is carried out—

17 “(aa) at a home or multi-
18 family building; and

19 “(bb) by a certified con-
20 tractor company or qualified pro-
21 vider that allows for the use of
22 collective bargaining agreements;

23 “(II) for which a rebate is pro-
24 vided under this subsection; and

25 “(III) with respect to which—

1 “(aa) all laborers and me-
2 chanics employed on the qualified
3 electrification project are paid
4 wages at rates not less than
5 those prevailing on projects of a
6 character similar in the locality;
7 and

8 “(bb) the certified con-
9 tractor company or qualified pro-
10 vider is not eligible for a higher
11 payment under subparagraph
12 (D).

13 “(D) MAXIMUM INCENTIVE.—

14 “(i) IN GENERAL.—With respect to
15 each qualified electrification project de-
16 scribed in clause (ii), the Secretary shall
17 provide a payment of \$500 to the certified
18 contractor company or qualified provider
19 carrying out the qualified electrification
20 project.

21 “(ii) QUALIFIED ELECTRIFICATION
22 PROJECT DESCRIBED.—A qualified elec-
23 trification project referred to in clause (i)
24 is a qualified electrification project—

25 “(I) that is carried out—

1 “(aa) at a home or multi-
2 family building that—

3 “(AA) is located in an
4 underserved community or a
5 Tribal community; or

6 “(BB) is certified, or
7 the household of the home-
8 owner of which is certified,
9 as applicable, as low- or
10 moderate-income; and

11 “(bb) by a certified con-
12 tractor company or qualified pro-
13 vider that allows for the use of
14 collective bargaining agreements;

15 “(II) for which a rebate is pro-
16 vided under this subsection; and

17 “(III) with respect to which all
18 laborers and mechanics employed on
19 the qualified electrification project are
20 paid wages at rates not less than
21 those prevailing on projects of a char-
22 acter similar in the locality.

23 “(E) CLARIFICATION.—An amount pro-
24 vided to a certified contractor company or
25 qualified provider under any of subparagraphs

1 (A) through (D) shall be in addition to the
2 amount of any high-efficiency electric home re-
3 bate received by the certified contractor com-
4 pany or qualified provider.

5 “(5) CLAIM.—

6 “(A) IN GENERAL.—Subject to paragraph
7 (2)(B), a homeowner, a certified contractor
8 company, or a qualified provider may claim a
9 separate high-efficiency electric home rebate
10 under this subsection for each qualified elec-
11 trification project carried out at a home.

12 “(B) TRANSFER.—The Secretary shall es-
13 tablish and publish procedures pursuant to
14 which a homeowner or owner of a multifamily
15 building may transfer the right to claim a re-
16 bate under this subsection to the certified con-
17 tractor company or qualified provider carrying
18 out the applicable qualified electrification
19 project.

20 “(6) MULTIFAMILY BUILDINGS.—

21 “(A) IN GENERAL.—Subject to subpara-
22 graph (B), the owner of a multifamily building
23 may combine the amounts of high-efficiency
24 electric home rebates for each dwelling unit in

1 the multifamily building into a single rebate,
2 subject to—

3 “(i) the condition that the applicable
4 qualified electrification projects benefit
5 each dwelling unit with respect to which
6 the rebate is claimed; and

7 “(ii) any maximum per-dwelling unit
8 rate established by the Secretary.

9 “(B) COSTS.—

10 “(i) IN GENERAL.—Subject to clause
11 (ii), the amount of a rebate under subpara-
12 graph (A) shall not exceed 50 percent of
13 the total cost, including labor costs, of the
14 applicable qualified electrification projects.

15 “(ii) LOW- OR MODERATE-INCOME
16 BUILDINGS.—In the case of a multifamily
17 building that is certified by the Secretary
18 as low- or moderate-income, the amount of
19 a rebate under subparagraph (A) shall not
20 exceed 100 percent of the total cost of the
21 applicable qualified electrification projects.

22 “(C) PROCEDURES.—The Secretary shall
23 establish and publish procedures—

24 “(i) pursuant to which the owner of a
25 multifamily building may combine rebate

1 amounts in accordance with this sub-
2 section; and

3 “(ii) for the enforcement of any limi-
4 tations under this subsection.

5 “(7) PROCESS.—

6 “(A) REBATE PROCESS.—Not later than
7 July 1, 2022, the Secretary shall establish a re-
8 bate processing system that provides immediate
9 price relief for consumers who purchase and
10 have installed qualified electrification projects,
11 in accordance with this section.

12 “(B) QUALIFIED ELECTRIFICATION
13 PROJECT LIST.—

14 “(i) IN GENERAL.—Not later than
15 July 1, 2022, the Secretary shall publish a
16 list of qualified electrification projects for
17 which a high-efficiency electric home re-
18 bate may be provided under this subsection
19 that includes, at a minimum, the qualified
20 electrification projects described in sub-
21 section (d)(11)(A).

22 “(ii) REQUIREMENTS.—The list pub-
23 lished under clause (i) shall include speci-
24 fications for each qualified electrification
25 project included on the list, including—

1 “(I) appropriate certifications
2 under the Energy Star program; and

3 “(II) other applicable require-
4 ments, such as requirements relating
5 to grid-interactive capability.

6 “(iii) UPDATES.—

7 “(I) IN GENERAL.—Not less fre-
8 quently than once every 3 years and
9 subject to subclause (II), the Sec-
10 retary shall publish an updated list of
11 qualified electrification projects for
12 which a high-efficiency electric home
13 rebate may be provided under this
14 subsection.

15 “(II) LIMITATION.—An updated
16 list under subclause (I) shall not allow
17 for any reductions in efficiency levels
18 for qualified electrification projects in-
19 cluded on the updated list that are
20 below an efficiency level provided in a
21 previously published version of the
22 list.

23 “(c) SPECIAL PROVISIONS FOR LOW- AND MOD-
24 ERATE-INCOME HOUSEHOLDS AND MULTIFAMILY BUILD-
25 INGS.—

1 “(1) MAXIMUM AMOUNTS.—With respect to a
2 qualified electrification project carried out at a loca-
3 tion described in paragraph (2)—

4 “(A) a high-efficiency electric home rebate
5 shall be equal to—

6 “(i) in the case of a qualified elec-
7 trification project described in subsection
8 (b)(2)(A)(i), not more than \$1,750;

9 “(ii) in the case of a qualified elec-
10 trification project described in subsection
11 (b)(2)(A)(ii)—

12 “(I)(aa) not more than \$6,000 if
13 the applicable heat pump HVAC sys-
14 tem has a heating capacity of not less
15 than 27,500 Btu per hour; or

16 “(bb) not more than \$7,000 if
17 the applicable heat pump HVAC sys-
18 tem meets Energy Star program cold
19 climate criteria and is installed in a
20 cold climate, as determined by the
21 Secretary; and

22 “(II)(aa) not more than \$3,000 if
23 the applicable heat pump HVAC sys-
24 tem has a heating capacity of less
25 than 27,500 Btu per hour; or

1 “(bb) not more than \$3,500 if
2 the applicable heat pump HVAC sys-
3 tem meets Energy Star program cold
4 climate criteria and is installed in a
5 cold climate, as determined by the
6 Secretary;

7 “(iii) in the case of a qualified elec-
8 trification project described in subsection
9 (b)(2)(A)(iii), not more than \$840;

10 “(iv) in the case of a qualified elec-
11 trification project described in subsection
12 (b)(2)(A)(iv), not more than \$4,000;

13 “(v) in the case of a qualified elec-
14 trification project described in subsection
15 (b)(2)(A)(v) that installs insulation and air
16 sealing, not more than \$1,600; and

17 “(vi) in the case of a qualified elec-
18 trification project described in subsection
19 (b)(2)(A)(vi), not more than an amount
20 determined by the Secretary for that quali-
21 fied electrification project, subject to sub-
22 paragraph (B);

23 “(B) the maximum total amount of high-
24 efficiency electric home rebates that may be

1 awarded with respect to each home of a home-
2 owner shall be \$14,000; and

3 “(C) the amount of a high-efficiency elec-
4 tric home rebate may be used to cover not more
5 than 100 percent of the costs, including labor
6 costs, of the applicable qualified electrification
7 project.

8 “(2) LOCATION DESCRIBED.—The maximum
9 amounts described in paragraph (1) shall apply to—

10 “(A) a home—

11 “(i) with respect to which the house-
12 hold of the homeowner is certified as low-
13 or moderate-income;

14 “(ii) that is located in a Tribal com-
15 munity; or

16 “(iii) in the case of a home that is
17 rented, with respect to which the household
18 of the renter is certified as low- or mod-
19 erate-income; or

20 “(B) a multifamily building—

21 “(i) that—

22 “(I) is certified as low- or mod-
23 erate-income; or

24 “(II) is located in a Tribal com-
25 munity; and

1 “(ii) with respect to which more than
2 more than $\frac{1}{2}$ of the dwelling units in the
3 multifamily building—

4 “(I) are occupied by households
5 the annual household incomes of
6 which do not exceed 80 percent of the
7 median annual household income for
8 the area in which the multifamily
9 building is located; and

10 “(II) have average monthly rent-
11 al prices that are equal to, or less
12 than, an amount that is equal to 30
13 percent of the average monthly house-
14 hold income for the area in which the
15 multifamily building is located.

16 “(3) REQUIREMENT.—The Secretary may pro-
17 vide a rebate in an amount described in paragraph
18 (1) to the owner of a multifamily building or home
19 (in the case of a home that is rented) that meets the
20 requirements of this section if the owner agrees in
21 writing to provide commensurate benefits of future
22 savings to renters in the multifamily building or
23 home.

24 “(d) DEFINITIONS.—In this section:

1 “(1) CERTIFIED CONTRACTOR.—The term ‘cer-
2 tified contractor’ means a contractor with a certifi-
3 cation reflecting training, education, or other tech-
4 nical expertise relating to qualified electrification
5 projects for residential buildings, as identified by the
6 Secretary.

7 “(2) CERTIFIED CONTRACTOR COMPANY.—The
8 term ‘certified contractor company’ means a com-
9 pany—

10 “(A) the business of which is to provide
11 services—

12 “(i) to residential building owners;
13 and

14 “(ii) for which a rebate may be pro-
15 vided pursuant to this section;

16 “(B) that holds the licenses and insurance
17 required by the State in which the company
18 provides services; and

19 “(C) that employs 1 or more certified con-
20 tractors that perform the services for which a
21 rebate may be provided under this section.

22 “(3) ELECTRIC LOAD OR SERVICE CENTER UP-
23 GRADE.—The term ‘electric load or service center
24 upgrade’ means an improvement to a circuit breaker
25 panel that enables the installation and use of—

1 “(A) a QEP described in any of subclauses
2 (II) through (IV) of paragraph (9)(A)(i); or

3 “(B) a QEP described in any of subclauses
4 (I) through (III) of paragraph (9)(A)(ii).

5 “(4) ENERGY STAR PROGRAM.—The term ‘En-
6 ergy Star program’ means the program established
7 by section 324A of the Energy Policy and Conserva-
8 tion Act (42 U.S.C. 6294a).

9 “(5) HEAT PUMP.—The term ‘heat pump’
10 means a heat pump used for water heating, space
11 heating, or space cooling that—

12 “(A) relies solely on electricity for its
13 source of power; and

14 “(B) is air-sourced, geothermal- or ground-
15 sourced, or water-sourced.

16 “(6) HIGH-EFFICIENCY ELECTRIC HOME RE-
17 BATE.—The term ‘high-efficiency electric home re-
18 bate’ means a rebate provided in accordance with
19 subsection (b).

20 “(7) HOME.—The term ‘home’ means each of—

21 “(A) a building with not more than 4
22 dwelling units, individual condominium units, or
23 manufactured housing units, that—

24 “(i) is located in a State; and

25 “(ii)(I) is the primary residence of—

1 “(aa) the owner of that building,
2 condominium unit, or manufactured
3 housing unit, as applicable; or

4 “(bb) a renter; or

5 “(II) is a new-construction single-fam-
6 ily residential home; and

7 “(B) a unit of a multifamily building
8 that—

9 “(i) is owned by an individual who is
10 not the owner of the multifamily building;

11 “(ii) is located in a State, the District
12 of Columbia, or a territory of the United
13 States; and

14 “(iii) is the primary residence of—

15 “(I) the owner of that unit; or

16 “(II) a renter.

17 “(8) HVAC.—The term ‘HVAC’ means heat-
18 ing, ventilation, and air conditioning.

19 “(9) LOW- OR MODERATE-INCOME.—The term
20 ‘low - or moderate -income’, with respect to a house-
21 hold, means a household—

22 “(A) with an annual income that is less
23 than 80 percent of the annual median income
24 of the area in which the household is located,
25 which such annual median income of the area

1 is determined according to publicly available
2 data; or

3 “(B) that is low-income as determined by
4 the Secretary.

5 “(10) MULTIFAMILY BUILDING.—The term
6 ‘multifamily building’ means any building—

7 “(A) with 5 or more dwelling units that—

8 “(i) are built on top of one another or
9 side-by-side; and

10 “(ii) may share common facilities; and

11 “(B) that is not a home.

12 “(11) QUALIFIED ELECTRIFICATION PROJECT;
13 QEP.—

14 “(A) IN GENERAL.—The terms ‘qualified
15 electrification project’ and ‘QEP’ mean a
16 project that, as applicable—

17 “(i) installs, or enables the installa-
18 tion and use of, in a home or multifamily
19 building—

20 “(I) an electric load or service
21 center upgrade;

22 “(II) an electric heat pump;

23 “(III) an induction or noninduc-
24 tion electric stove, cooktop, range, or
25 oven;

1 “(IV) an electric heat pump
2 clothes dryer; or

3 “(V) insulation, air sealing, and
4 ventilation, in accordance with re-
5 quirements established by the Sec-
6 retary; or

7 “(ii) installs, or enables the installa-
8 tion and use of, in a home or multifamily
9 building described in subparagraph (B)—

10 “(I) a solar photovoltaic system,
11 including any electrical equipment,
12 wiring, or other components necessary
13 for the installation and use of the
14 solar photovoltaic system, including a
15 battery storage system;

16 “(II) electric vehicle charging in-
17 frastructure or electric vehicle support
18 equipment necessary to recharge an
19 electric vehicle on-site; or

20 “(III) electrical rewiring, power
21 sharing plugs, or other installation
22 tasks directly related to and necessary
23 for the safe and effective functioning
24 of a QEP in a home or multifamily
25 building.

1 “(B) HOME OR MULTIFAMILY BUILDING
2 DESCRIBED.—A home or multifamily building
3 referred to in subparagraph (A)(ii) is a home or
4 multifamily building that is certified, or the
5 household of the homeowner of which is cer-
6 tified, as applicable, as low- or moderate-in-
7 come.

8 “(C) EXCLUSIONS.—The terms ‘qualified
9 electrification project’ and ‘QEP’ do not include
10 any project with respect to which the appliance,
11 system, equipment, infrastructure, component,
12 or other item described in clause (i) or (ii) of
13 subparagraph (A) is not certified under the En-
14 ergy Star program if, as of the date on which
15 the project is carried out, the item is of a cat-
16 egory for which a certification is provided under
17 that program.

18 “(12) QUALIFIED PROVIDER.—The term ‘quali-
19 fied provider’ means an electric utility, Tribal-owned
20 entity or Tribally Designated Housing Entity
21 (TDHE), or commercial, nonprofit, or government
22 entity, including a retailer and a certified contractor
23 company, that provides services for which a rebate
24 may be provided pursuant to this section for 1 or

1 more portfolios that consist of 1 or more qualified
2 electrification projects.

3 “(13) SOLAR PHOTOVOLTAIC SYSTEM.—The
4 term ‘solar photovoltaic system’ means a system—

5 “(A) placed on-site at a home or multi-
6 family building, or as part of the community of
7 the home or multifamily building; and

8 “(B) that generates electricity from the
9 sun specifically for the home, multifamily build-
10 ing, or community.

11 “(14) TRIBAL COMMUNITY.—The term ‘Tribal
12 community’ means a Tribal tract or Tribal block
13 group.

14 “(15) UNDERSERVED COMMUNITY.—The term
15 ‘underserved community’ means a community lo-
16 cated in a census tract that is identified by the Sec-
17 retary as—

18 “(A) a low- or moderate-income commu-
19 nity; or

20 “(B) a community of racial or ethnic mi-
21 nority concentration.”.

22 (b) CONFORMING AMENDMENTS.—

23 (1) The table of contents for the Energy Policy
24 Act of 2005 (Public Law 109–58; 119 Stat. 594) is

1 amended by striking the item relating to section 124
2 and inserting the following:

“Sec. 124. High-Efficiency Electric Home Rebate Program.”.

3 (2) Section 3201(c)(2)(A)(i) of the Energy Act
4 of 2020 (42 U.S.C. 17232(c)(2)(A)(i)) is amended
5 by striking “(a)” each place it appears.

6 **PART 2—BUILDING EFFICIENCY AND**
7 **RESILIENCE**

8 **SEC. 30421. CRITICAL FACILITY MODERNIZATION.**

9 (a) APPROPRIATION.—In addition to amounts other-
10 wise available, there is appropriated to the Secretary of
11 Energy for fiscal year 2022, out of any money in the
12 Treasury not otherwise appropriated, \$500,000,000, to re-
13 main available until September 30, 2031, to carry out a
14 program under which the Secretary of Energy provides
15 funds to States to be used in accordance with subsection
16 (c).

17 (b) ALLOCATION OF FUNDS.—The Secretary of En-
18 ergy shall allocate funds made available under subsection
19 (a) to States in accordance with the formula used to allo-
20 cate Federal financial assistance granted pursuant to sec-
21 tion 363 of the Energy Policy and Conservation Act (42
22 U.S.C. 6323) (as of January 1, 2021), except that no
23 matching requirement shall apply.

24 (c) USE OF FUNDS.—

1 (1) IN GENERAL.—A State that receives funds
2 under this section shall use such funds to—

3 (A) provide technical assistance for car-
4 rying out a covered project;

5 (B) facilitate carrying out a covered
6 project, including by providing a grant, loan, or
7 other financial assistance to another entity;

8 (C) carry out a covered project; or

9 (D) pay for any administrative expenses
10 related to any activity described in subpara-
11 graphs (A) through (C).

12 (2) LIMIT ON TECHNICAL ASSISTANCE.—A
13 State that receives funds under this section may not
14 use more than 10 percent of such funds to provide
15 technical assistance under paragraph (1)(A) related
16 to the development, facilitation, management, over-
17 sight, or measurement of results of covered projects.

18 (d) DEFINITIONS.—In this section:

19 (1) COVERED PROJECT.—The term “covered
20 project” means a building project at an eligible facil-
21 ity that—

22 (A) increases—

23 (i) the resiliency of an eligible facility;

24 (ii) energy efficiency;

25 (iii) the use of renewable energy; or

1 (iv) grid integration; and

2 (B) may include a combined heat and
3 power, microgrid, or energy storage component.

4 (2) ELIGIBLE FACILITY.—The term “eligible fa-
5 cility” means a public or nonprofit building de-
6 scribed in section 362(d)(5)(B) of the Energy Policy
7 and Conservation Act (42 U.S.C. 6322(d)(5)(B)).

8 (3) STATE.—The term “State” has the mean-
9 ing given the term in section 3 of the Energy Policy
10 and Conservation Act (42 U.S.C. 6202).

11 **SEC. 30422. ASSISTANCE FOR LATEST AND ZERO BUILDING**
12 **ENERGY CODE ADOPTION.**

13 (a) APPROPRIATION.—In addition to amounts other-
14 wise available, there is appropriated to the Secretary of
15 Energy for fiscal year 2022, out of any money in the
16 Treasury not otherwise appropriated—

17 (1) \$100,000,000, to remain available until
18 September 30, 2031, to carry out activities under
19 part D of title III of the Energy Policy and Con-
20 servation Act (42 U.S.C. 6321 through 6326) in ac-
21 cordance with subsection (b); and

22 (2) \$200,000,000, to remain available until
23 September 30, 2031, to carry out activities under
24 part D of title III of the Energy Policy and Con-

1 servation Act (42 U.S.C. 6321 through 6326) in ac-
2 cordance with subsection (c).

3 (b) LATEST BUILDING ENERGY CODE.—The Sec-
4 retary of Energy shall use funds made available under
5 subsection (a)(1) for grants to assist States, and units of
6 local government that have authority to adopt building
7 codes, to—

8 (1) adopt—

9 (A) a building energy code (or codes) for
10 residential buildings that meets or exceeds the
11 2021 International Energy Conservation Code,
12 or achieves equivalent or greater energy sav-
13 ings;

14 (B) a building energy code (or codes) for
15 commercial buildings that meets or exceeds the
16 ANSI/ASHRAE/IES Standard 90.1–2019, or
17 achieves equivalent or greater energy savings;
18 or

19 (C) any combination of building energy
20 codes described in subparagraph (A) or (B);
21 and

22 (2) implement a plan for the jurisdiction to
23 achieve full compliance with any building energy
24 code adopted under paragraph (1) in new and ren-
25 ovated residential or commercial buildings, as appli-

1 cable, which plan shall include active training and
2 enforcement programs and measurement of the rate
3 of compliance each year.

4 (c) ZERO ENERGY CODE.—The Secretary of Energy
5 shall use funds made available under subsection (a)(2) for
6 grants to assist States, and units of local government that
7 have authority to adopt building codes, to—

8 (1) adopt a building energy code (or codes) for
9 residential and commercial buildings that meets or
10 exceeds the zero energy provisions in the 2021 Inter-
11 national Energy Conservation Code or an equivalent
12 stretch code; and

13 (2) implement a plan for the jurisdiction to
14 achieve full compliance with any building energy
15 code adopted under paragraph (1) in new and ren-
16 ovated residential and commercial buildings, which
17 plan shall include active training and enforcement
18 programs and measurement of the rate of compli-
19 ance each year.

20 (d) STATE MATCH.—The State cost share require-
21 ment under the item relating to “Department of Energy—
22 Energy Conservation” in title II of the Department of the
23 Interior and Related Agencies Appropriations Act, 1985
24 (42 U.S.C. 6323a; 98 Stat. 1861) shall not apply to assist-
25 ance provided under this section.

1 (e) STATE DEFINED.—In this section, the term
2 “State” has the meaning given that term in section 3 of
3 the Energy Policy and Conservation Act (42 U.S.C.
4 6202).

5 (f) ADMINISTRATIVE COSTS.—Of the amounts made
6 available under this section, the Secretary shall reserve 5
7 percent for administrative costs necessary to carry out this
8 section.

9 **PART 3—ZERO-EMISSIONS VEHICLE**

10 **INFRASTRUCTURE**

11 **SEC. 30431. ZERO-EMISSIONS VEHICLE INFRASTRUCTURE**

12 **GRANTS.**

13 (a) APPROPRIATIONS.—In addition to amounts other-
14 wise available, there is appropriated to the Secretary for
15 fiscal year 2022, out of any money in the Treasury not
16 otherwise appropriated, to remain available through Sep-
17 tember 30, 2028—

18 (1) \$600,000,000 to provide financial assistance
19 to States to develop and implement State programs
20 described in subsection (d)(5) of section 362 of the
21 Energy Policy and Conservation Act (42 U.S.C.
22 6322), as part of an approved State energy con-
23 servation plan under that section, to carry out
24 projects to build out publicly accessible level 2 elec-

1 tric vehicle supply equipment in rural communities
2 or underserved or disadvantaged communities;

3 (2) \$200,000,000 to provide financial assistance
4 to States to develop and implement State programs
5 described in subsection (d)(5) of section 362 of the
6 Energy Policy and Conservation Act (42 U.S.C.
7 6322), as part of an approved State energy con-
8 servation plan under that section, to carry out
9 projects to build out publicly accessible networked
10 direct current fast electric vehicle supply equipment
11 in rural communities or underserved or disadvan-
12 tagged communities; and

13 (3) \$200,000,000 to provide financial assistance
14 to States to develop and implement State programs
15 described in subsection (d)(5) of section 362 of the
16 Energy Policy and Conservation Act (42 U.S.C.
17 6322), as part of an approved State energy con-
18 servation plan under that section, to carry out
19 projects to build out hydrogen fueling stations in
20 rural communities or underserved or disadvantaged
21 communities.

22 (b) REQUIREMENTS.—

23 (1) RULEMAKING.—

24 (A) IN GENERAL.—Not later than 180
25 days after the date of enactment of this Act,

1 the Secretary shall issue regulations for meas-
2 ures required to be included in any State pro-
3 gram that receives financial assistance under
4 this section.

5 (B) ADMINISTRATIVE EXPENSES.—The
6 regulations issued under this paragraph shall
7 require a State receiving financial assistance
8 under this section to use not more than 5 per-
9 cent of such financial assistance for administra-
10 tive purposes.

11 (C) NO MATCHING FUNDS REQUIRE-
12 MENT.—The regulations issued under this para-
13 graph shall not require a State receiving finan-
14 cial assistance under this section to provide a
15 share of the costs of projects carried out pursu-
16 ant to this section.

17 (2) ELIGIBLE ENTITIES.—Financial assistance
18 provided by a State using funds made available
19 under this section shall only be available to eligible
20 entities.

21 (3) THIRD-PARTY CONTRACTS.—A State or eli-
22 gible entity may enter into a contract with a private
23 third-party entity for the build out of electric vehicle
24 supply equipment or hydrogen fueling stations under
25 subsection (a).

1 (4) USE OF PRIVATE PROPERTY.—A State or
2 eligible entity may enter into an agreement for the
3 use of publicly accessible private property.

4 (5) LIMITATION.—The Secretary shall ensure
5 that no entity receives a profit for access to or
6 hosting of electric vehicle supply equipment or hy-
7 drogen fueling stations built out under a contract
8 entered into under paragraph (3) or pursuant to an
9 agreement entered into under paragraph (4), except
10 that the Secretary shall determine an appropriate
11 amount of profit that an entity may receive for the
12 sale of electricity or hydrogen and the operation and
13 maintenance of such electric vehicle supply equip-
14 ment or hydrogen fueling stations.

15 (6) REALLOCATION OF FUNDS.—A State shall
16 return to the Secretary any funds received under
17 subsection (a) that the State does not award within
18 3 years of receiving such funds, and the Secretary
19 shall reallocate such funds to other States.

20 (c) DEFINITIONS.—In this section:

21 (1) ELECTRIC VEHICLE SUPPLY EQUIPMENT.—
22 The term “electric vehicle supply equipment” means
23 any conductors, including ungrounded, grounded,
24 and equipment grounding conductors, electric vehicle
25 connectors, attachment plugs, and all other fittings,

1 devices, power outlets, electrical equipment, off-grid
2 charging installations, or apparatuses installed spe-
3 cifically for the purpose of delivering energy to an
4 electric vehicle or to a battery intended to be used
5 in an electric vehicle.

6 (2) ELIGIBLE ENTITY.—The term “eligible enti-
7 ty” means a local, Tribal, or territorial government,
8 a not-for-profit entity, a nonprofit entity, a metro-
9 politan planning organization, or an entity with
10 fewer than 50 employees, as determined by the Sec-
11 retary.

12 (3) LEVEL 2 ELECTRIC VEHICLE SUPPLY
13 EQUIPMENT.—The term “level 2 electric vehicle sup-
14 ply equipment” means electric vehicle supply equip-
15 ment that provides an alternating current power
16 source at a minimum of 208 volts.

17 (4) NETWORKED DIRECT CURRENT FAST ELEC-
18 TRIC VEHICLE SUPPLY EQUIPMENT.—The term
19 “networked direct current fast electric vehicle supply
20 equipment” means electric vehicle supply equipment
21 that is capable of providing a direct current power
22 source at a minimum of 50 kilowatts and is enabled
23 to connect to a network to facilitate data collection
24 and access.

1 (5) PRIVATE THIRD-PARTY ENTITY.—The term
2 “private third-party entity” means a non-govern-
3 mental entity, including a private business, that is
4 able to contract with the State or an eligible entity
5 to carry out projects to build out electric vehicle sup-
6 ply equipment or hydrogen fueling stations.

7 (6) PUBLICLY ACCESSIBLE.—The term “pub-
8 licly accessible” means available to members of the
9 public, including within or around—

10 (A) public sidewalks and streets;

11 (B) public parks;

12 (D) multiunit housing structures;

13 (C) public buildings;

14 (D) public parking;

15 (E) shopping centers;

16 (F) commuter transit hubs;

17 (G) workplaces;

18 (H) commercial locations that are acces-
19 sible for a minimum of 12 hours per day at
20 least 5 days a week, and capable of being mon-
21 itored remotely; or

22 (I) other locations that are accessible for a
23 minimum of 12 hours per day at least 5 days
24 a week, and capable of being monitored re-
25 motely.

1 (7) SECRETARY.—The term “Secretary” means
2 the Secretary of Energy.

3 (8) UNDERSERVED OR DISADVANTAGED COM-
4 MUNITY.—The term “underserved or disadvantaged
5 community” means a community or geographic area
6 that is identified by the Secretary as—

7 (A) a low-income community;

8 (B) a Tribal community;

9 (C) having a disproportionately low num-
10 ber of electric vehicle charging stations per cap-
11 ita, compared to similar areas; or

12 (D) disproportionately vulnerable to, or
13 bearing a disproportionate burden of, any com-
14 bination of economic, social, environmental, or
15 climate stressors.

16 **PART 4—DOE LOAN AND GRANT PROGRAMS**

17 **SEC. 30441. FUNDING FOR DEPARTMENT OF ENERGY LOAN** 18 **PROGRAMS OFFICE.**

19 (a) COMMITMENT AUTHORITY.—In addition to com-
20 mitment authority otherwise available and previously pro-
21 vided, the Secretary of Energy may make commitments
22 to guarantee loans for eligible projects under section 1703
23 of the Energy Policy Act of 2005 up to a total principal
24 amount of \$40,000,000,000, to remain available until Sep-
25 tember 30, 2026: *Provided*, That for amounts collected

1 pursuant to section 1702(b)(2) of the Energy Policy Act
2 of 2005, the source of such payment received from bor-
3 rowers may not be a loan or other debt obligation that
4 is guaranteed by the Federal Government: *Provided fur-*
5 *ther*, That none of the loan guarantee authority made
6 available by this section shall be available for any project
7 unless the President has certified in advance in writing
8 that the loan guarantee and the project comply with the
9 provisions under this section: *Provided further*, That none
10 of such loan guarantee authority made available by this
11 section shall be available for commitments to guarantee
12 loans for any projects where funds, personnel, or property
13 (tangible or intangible) of any Federal agency, instrumen-
14 tality, personnel, or affiliated entity are expected to be
15 used (directly or indirectly) through acquisitions, con-
16 tracts, demonstrations, exchanges, grants, incentives,
17 leases, procurements, sales, other transaction authority, or
18 other arrangements, to support the project or to obtain
19 goods or services from the project: *Provided further*, That
20 the previous proviso shall not be interpreted as precluding
21 the use of the loan guarantee authority provided by this
22 section for commitments to guarantee loans for—
23 (1) projects as a result of such projects benefit-
24 ting from otherwise allowable Federal tax benefits;

1 (2) projects as a result of such projects benefit-
2 ting from being located on Federal land pursuant to
3 a lease or right-of-way agreement for which all con-
4 sideration for all uses is—

5 (A) paid exclusively in cash;

6 (B) deposited in the Treasury as offsetting
7 receipts; and

8 (C) equal to the fair market value;

9 (3) projects as a result of such projects benefit-
10 ting from the Federal insurance program under sec-
11 tion 170 of the Atomic Energy Act of 1954 (42
12 U.S.C. 2210); or

13 (4) electric generation projects using trans-
14 mission facilities owned or operated by a Federal
15 Power Marketing Administration or the Tennessee
16 Valley Authority that have been authorized, ap-
17 proved, and financed independent of the project re-
18 ceiving the guarantee.

19 (b) APPROPRIATION.—In addition to amounts other-
20 wise available and previously provided, there is appro-
21 priated to the Secretary of Energy for fiscal year 2022,
22 out of any money in the Treasury not otherwise appro-
23 priated, \$3,600,000,000, to remain available until Sep-
24 tember 30, 2026, for the costs of guarantees made under
25 section 1703 of the Energy Policy Act of 2005, using the

1 loan guarantee authority provided under subsection (a) of
2 this section.

3 (c) ADMINISTRATIVE EXPENSES.—Of the amount
4 made available under subsection (b), the Secretary of En-
5 ergy shall reserve 3 percent for administrative expenses
6 to carry out title XVII of the Energy Policy Act of 2005
7 and for carrying out section 1702(h)(3) of such Act.

8 **SEC. 30442. ADVANCED TECHNOLOGY VEHICLE MANUFAC-**
9 **TURING.**

10 (a) APPROPRIATION.—In addition to amounts other-
11 wise available, there is appropriated to the Secretary of
12 Energy for fiscal year 2022, out of any money in the
13 Treasury not otherwise appropriated, \$3,000,000,000, to
14 remain available until September 30, 2028, for the costs
15 of—

16 (1) providing direct loans under section 136(d)
17 of the Energy Independence and Security Act of
18 2007 (42 U.S.C. 17013(d)); and

19 (2) providing direct loans, in accordance with
20 section 136 of such Act, for reequipping, expanding,
21 or establishing a manufacturing facility in the
22 United States to produce, or for engineering integra-
23 tion performed in the United States of—

24 (A) a medium duty vehicle or a heavy duty
25 vehicle; or

1 (B) any of the following that emit, under
2 any possible operational mode or condition, zero
3 exhaust emissions of any greenhouse gas:

4 (i) A train or locomotive.

5 (ii) A maritime vessel.

6 (iii) An aircraft.

7 (iv) Hyperloop technology.

8 (b) ADMINISTRATIVE COSTS.—The Secretary shall
9 reserve \$25,000,000 of amounts made available under
10 subsection (a) for administrative costs of providing loans
11 as described in subsection (a).

12 (c) ELIMINATION OF LOAN PROGRAM CAP.—Section
13 136(d)(1) of the Energy Independence and Security Act
14 of 2007 (42 U.S.C. 17013(d)(1)) is amended by striking
15 “a total of not more than \$25,000,000,000 in”.

16 **SEC. 30443. DOMESTIC MANUFACTURING CONVERSION**
17 **GRANTS.**

18 (a) APPROPRIATION.—In addition to amounts other-
19 wise available, there is appropriated to the Secretary of
20 Energy for fiscal year 2022, out of any money in the
21 Treasury not otherwise appropriated, \$3,500,000,000, to
22 remain available until expended, for grants relating to do-
23 mestic production of plug-in electric hybrid, plug-in elec-
24 tric drive, and hydrogen fuel cell electric vehicles, in ac-

1 cordance with section 712 of the Energy Policy Act of
2 2005 (42 U.S.C. 16062).

3 (b) ADMINISTRATIVE COSTS.—The Secretary shall
4 reserve 2 percent of amounts made available under sub-
5 section (a) for administrative costs of making grants de-
6 scribed in such subsection (a) pursuant to section 712 of
7 the Energy Policy Act of 2005 (42 U.S.C. 16062).

8 **SEC. 30444. ENERGY COMMUNITY REINVESTMENT FINANC-**
9 **ING.**

10 Title XVII of the Energy Policy Act of 2005 is
11 amended by inserting after section 1705 (42 U.S.C.
12 16516) the following:

13 **“SEC. 1706. ENERGY COMMUNITY REINVESTMENT FINANC-**
14 **ING PROGRAM.**

15 “(a) APPROPRIATION.—In addition to amounts oth-
16 erwise available, there is appropriated to the Secretary for
17 fiscal year 2022, out of any money in the Treasury not
18 otherwise appropriated, \$5,000,000,000, to remain avail-
19 able until September 30, 2026, for the cost of providing
20 financial support under this section.

21 “(b) ESTABLISHMENT.—Notwithstanding section
22 1702(f) and section 1703, and not later than 180 days
23 after the date of enactment of this section, the Secretary
24 shall establish a program to provide financial support, in
25 such form and on such terms and conditions as the Sec-

1 retary determines appropriate, to eligible entities for the
2 purpose of making or enabling low-carbon reinvestments
3 in energy communities, which such reinvestments may in-
4 clude—

5 “(1) supporting workers who are or have been
6 engaged in providing, or have been affected by the
7 provision of, energy-intensive goods or services by
8 helping such workers find employment opportunities,
9 including by providing training and education;

10 “(2) redeveloping a community that is or was
11 engaged in providing, or has been affected by the
12 provision of, energy-intensive goods or services;

13 “(3) accelerating remediation of environmental
14 damage caused by the provision of energy-intensive
15 goods or services; and

16 “(4) mitigating the effects on customers of any
17 significant reduction in the carbon intensity of goods
18 or services provided by the eligible entity, including
19 by the cost-effective abatement of greenhouse gas
20 emissions from continuing operations and the
21 repowering, retooling, repurposing, redeveloping, or
22 remediating of any long-lived assets, lands, or infra-
23 structure currently or previously used by the eligible
24 entity primarily to support the provision of energy-
25 intensive goods or services.

1 “(c) APPLICATION REQUIREMENT.—To apply for fi-
2 nancial support provided under this section, an eligible en-
3 tity shall submit to the Secretary an application at such
4 time, in such manner, and containing such information as
5 the Secretary may require, which such application shall
6 include—

7 “(1) a detailed plan describing the activities to
8 be carried out in accordance with subsection (b), in-
9 cluding activities for the measurement, monitoring,
10 and verification of emissions of greenhouse gases;
11 and

12 “(2) if the eligible entity is a utility subject to
13 regulation by a State commission or other State reg-
14 ulatory authority, assurances, as determined appro-
15 priate by the Secretary, that such eligible entity
16 shall pass through any financial benefit from the
17 provision of any financial support under this section
18 to its customers or energy communities.

19 “(d) OTHER REQUIREMENTS.—

20 “(1) FEES.—Notwithstanding section
21 1702(h)(1), the Secretary shall charge and collect a
22 fee from each eligible entity that received financial
23 support provided under this section in an amount
24 the Secretary determines sufficient to cover applica-
25 ble administrative expenses (including any costs as-

1 sociated with third party consultants engaged by the
2 Secretary).

3 “(2) USE OF APPROPRIATED FUNDS.—Any cost
4 for any financial support provided under this section
5 shall be paid by the Secretary using appropriated
6 funds.

7 “(e) DEFINITIONS.—In this section:

8 “(1) COST.—Notwithstanding section 1701, the
9 term ‘cost’ has the meaning given such term in sec-
10 tion 502 of the Federal Credit Reform Act of 1990
11 (2 U.S.C. 661a).

12 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
13 tity’ means any entity that is directly affiliated with
14 the provision of energy-intensive goods or services.

15 “(3) ENERGY COMMUNITY.—The term ‘energy
16 community’ means a community whose members are
17 or were engaged in providing, or have been affected
18 by the provision of, energy-intensive goods and serv-
19 ices.

20 “(4) FINANCIAL SUPPORT.—The term ‘financial
21 support’ means any credit product or support the
22 Secretary determines appropriate to implement this
23 section, including—

24 “(A) a line of credit; and

1 “(B) a guarantee, including of a letter of
2 credit for the purposes of subsection (b)(3).”.

3 **SEC. 30445. TRIBAL ENERGY LOAN GUARANTEE PROGRAM.**

4 (a) APPROPRIATION.—In addition to amounts other-
5 wise available, there is appropriated to the Secretary of
6 Energy for fiscal year 2022, out of any money in the
7 Treasury not otherwise appropriated, \$200,000,000, to re-
8 main available until September 30, 2028, to carry out sec-
9 tion 2602(c) of the Energy Policy Act of 1992 (25 U.S.C.
10 3502(c)).

11 (b) INCLUSIONS IN TITLE XVII DEFINITION OF
12 GUARANTEE.—Section 1701(4)(B) of the Energy Policy
13 Act of 2005 (42 U.S.C. 16511(4)(B)) is amended by strik-
14 ing the period at the end and inserting “and, for purposes
15 of minimizing financing costs, includes a guarantee by the
16 Secretary of 100 percent of the unpaid principal and inter-
17 est due on any obligation to the Federal Financing
18 Bank.”.

19 (c) DEPARTMENT OF ENERGY TRIBAL ENERGY
20 LOAN GUARANTEE PROGRAM.— Section 2602(c) of the
21 Energy Policy Act of 1992 (25 U.S.C. 3502(c)) is amend-
22 ed—

23 (1) in paragraph (1), by striking “(as defined
24 in section 502 of the Federal Credit Reform Act of
25 1990 (2 U.S.C. 661a)) for an amount equal to not

1 more than 90 percent of” and inserting “(as defined
2 in section 1701 of the Energy Policy Act of 2005
3 (42 U.S.C. 16511)) for”; and

4 (2) in paragraph (4), by striking
5 “\$2,000,000,000” and inserting “\$20,000,000,000”.

6 **PART 5—ELECTRIC TRANSMISSION**

7 **SEC. 30451. TRANSMISSION LINE AND INTERTIE GRANTS** 8 **AND LOANS.**

9 (a) APPROPRIATION.—In addition to amounts other-
10 wise available, there is appropriated to the Secretary of
11 Energy for fiscal year 2022, out of any money in the
12 Treasury not otherwise appropriated, to remain available
13 until September 30, 2030, \$1,500,000,000 for purposes
14 of providing grants under subsection (b) and for adminis-
15 trative expenses associated with carrying out this section,
16 and \$500,000,000 for the costs of providing direct loans
17 under subsection (b): *Provided*, That the Secretary shall
18 not enter into any loan agreement pursuant to this section
19 that could result in disbursements after September 30,
20 2031, or any grant agreement pursuant to this section
21 that could result in any outlays after September 30, 2031:
22 *Provided further*, That none of such loan authority made
23 available by this section shall be available for loans for
24 any projects where funds, personnel, or property (tangible
25 or intangible) of any Federal agency, instrumentality, per-

1 sonnel, or affiliated entity are expected to be used (directly
2 or indirectly) through acquisitions, contracts, demonstra-
3 tions, exchanges, grants, incentives, leases, procurements,
4 sales, other transaction authority, or other arrangements
5 to support the project or to obtain goods or services from
6 the project: *Provided further*, That the previous proviso
7 shall not be interpreted as precluding the use of the loan
8 authority provided by this section for commitments to
9 loans for: (1) projects benefitting from otherwise allowable
10 Federal tax benefits; (2) projects benefitting from being
11 located on Federal land pursuant to a lease or right-of-
12 way agreement for which all consideration for all uses is:
13 (A) paid exclusively in cash; (B) deposited in the Treasury
14 as offsetting receipts; and (C) equal to the fair market
15 value; (3) projects benefitting from the Federal insurance
16 program under section 170 of the Atomic Energy Act of
17 1954 (42 U.S.C. 2210); or (4) electric generation projects
18 using transmission facilities owned or operated by a Fed-
19 eral Power Marketing Administration or the Tennessee
20 Valley Authority that have been authorized, approved, and
21 financed independent of the project receiving the guar-
22 antee: *Provided further*, That none of the loan authority
23 made available by this section shall be available for any
24 project unless the President has certified in advance in

1 writing that the loan and the project comply with the pro-
2 visions under this section.

3 (b) IN GENERAL.—Except as provided in subsection
4 (c), the Secretary of Energy may provide grants and direct
5 loans to eligible entities to construct new, or make up-
6 grades to existing, eligible transmission lines or eligible
7 interties, including the related facilities thereof, if the Sec-
8 retary of Energy determines that such construction or up-
9 grade would support—

10 (1) a more robust and resilient electric grid;
11 and

12 (2) the integration of electricity from a clean
13 energy facility into the electric grid.

14 (c) OTHER REQUIREMENTS.—

15 (1) INTEREST RATES.—The Secretary of En-
16 ergy shall determine the rate of interest to charge on
17 direct loans provided under subsection (b) by taking
18 into consideration market yields on outstanding mar-
19 ketable obligations of the United States of com-
20 parable maturities as of the date the loan is dis-
21 bursed.

22 (2) RECOVERY OF COSTS FOR GRANTS.—A
23 grant provided under this section may not be used
24 to cover the portion of costs for the construction of
25 new, or for making upgrades to existing, eligible

1 transmission lines or eligible interties, including the
2 related facilities thereof, that are approved for recovery
3 through a Transmission Organization, regional
4 planning authority, governing or ratemaking body of
5 an electric cooperative, State commission, or another
6 similar body.

7 (3) NO DUPLICATE ASSISTANCE.—No eligible
8 entity may receive both a grant and a direct loan for
9 the same construction of, or upgrade to, an eligible
10 transmission line or eligible intertie under this section.
11 tion.

12 (d) DEFINITIONS.—In this section:

13 (1) CLEAN ENERGY FACILITY.—The term
14 “clean energy facility” means any electric generating
15 unit that does not emit carbon dioxide.

16 (2) DIRECT LOAN.—The term “direct loan”
17 means a disbursement of funds by the Government
18 to a non-Federal borrower under a contract that requires
19 the repayment of such funds with or without
20 interest. The term includes the purchase of, or participation
21 in, a loan made by another lender and financing
22 arrangements that defer payment for more
23 than 90 days, including the sale of a government
24 asset on credit terms.

1 (3) ELIGIBLE ENTITY.—The term “eligible enti-
2 ty” means a non-Federal entity.

3 (4) ELIGIBLE INTERTIE.—The term “eligible
4 intertie” means—

5 (A) any interties across the seam between
6 the Western Interconnection and the Eastern
7 Interconnection;

8 (B) the Pacific Northwest-Pacific South-
9 west Intertie;

10 (C) any interties between the Electric Reli-
11 ability Council of Texas and the Western Inter-
12 connection or the Eastern Interconnection; or

13 (D) such other interties that the Secretary
14 determines contribute to—

15 (i) a more robust and resilient electric
16 grid; and

17 (ii) the integration of electricity from
18 a clean energy facility into the electric
19 grid.

20 (5) ELIGIBLE TRANSMISSION LINE.—The term
21 “eligible transmission line” means an electric power
22 transmission line that—

23 (A) in the case of new construction under
24 subsection (b), has a transmitting capacity of
25 not less than 1,000 megawatts;

1 (B) in the case of an upgrade made under
2 subsection (b), the upgrade to which will in-
3 crease its transmitting capacity by not less than
4 500 megawatts; and

5 (C) is capable of transmitting electricity—

6 (i) across any eligible intertie;

7 (ii) from an offshore wind generating
8 facility; or

9 (iii) along a route, or in a corridor,
10 determined by the Secretary of Energy to
11 be necessary to meet interregional or na-
12 tional electricity transmission needs.

13 (6) STATE COMMISSION; TRANSMISSION ORGA-
14 NIZATION.—The terms “State commission” and
15 “Transmission Organization” have the meanings
16 given such terms in section 3 of the Federal Power
17 Act (16 U.S.C. 796).

18 **SEC. 30452. GRANTS TO FACILITATE THE SITING OF INTER-**

19 **STATE ELECTRICITY TRANSMISSION LINES.**

20 (a) APPROPRIATION.—In addition to amounts other-
21 wise available, there is appropriated to the Secretary of
22 Energy for fiscal year 2022, out of any money in the
23 Treasury not otherwise appropriated, \$800,000,000, to re-
24 main available until September 30, 2029, for making

1 grants in accordance with this section and for administra-
2 tive expenses associated with carrying out this section.

3 (b) USE OF FUNDS.—

4 (1) IN GENERAL.—The Secretary may make a
5 grant under this section to a siting authority for,
6 with respect to a covered transmission project, any
7 of the following activities:

8 (A) Studies and analyses of the impacts of
9 the covered transmission project.

10 (B) Examination of up to 3 alternate
11 siting corridors within which the covered trans-
12 mission project feasibly could be sited.

13 (C) Hosting and facilitation of negotiations
14 in settlement meetings involving the siting au-
15 thority, the covered transmission project appli-
16 cant, and opponents of the covered transmission
17 project, for the purpose of identifying and ad-
18 dressing issues that are preventing approval of
19 the application relating to the siting or permit-
20 ting of the covered transmission project.

21 (D) Participation by the siting authority in
22 regulatory proceedings or negotiations in an-
23 other jurisdiction, or under the auspices of a
24 Transmission Organization (as defined in sec-
25 tion 3 of the Federal Power Act (16 U.S.C.

1 796)) that is also considering the siting or per-
2 mitting of the covered transmission project.

3 (E) Participation by the siting authority in
4 regulatory proceedings at the Federal Energy
5 Regulatory Commission or a State regulatory
6 commission for determining applicable rates
7 and cost allocation for the covered transmission
8 project.

9 (F) Other measures and actions that may
10 improve the chances of, and shorten the time
11 required for, approval by the siting authority of
12 the application relating to the siting or permit-
13 ting of the covered transmission project, as the
14 Secretary determines appropriate.

15 (2) ECONOMIC DEVELOPMENT.—The Secretary
16 may make a grant under this section to a siting au-
17 thority, or other State, local, or Tribal governmental
18 entity, for economic development activities for com-
19 munities that may be affected by the construction
20 and operation of a covered transmission project, pro-
21 vided that the Secretary shall not enter into any
22 grant agreement pursuant to this section that could
23 result in any outlays after September 30, 2031.

24 (c) CONDITIONS.—

1 (1) FINAL DECISION ON APPLICATION.—In
2 order to receive a grant for an activity described in
3 subsection (b)(1), the Secretary shall require a siting
4 authority to agree, in writing, to reach a final deci-
5 sion on the application relating to the siting or per-
6 mitting of the applicable covered transmission
7 project not later than 2 years after the date on
8 which such grant is provided, unless the Secretary
9 authorizes an extension for good cause.

10 (2) FEDERAL SHARE.—The Federal share of
11 the cost of an activity described in subparagraph
12 (D) or (E) of subsection (b)(1) shall not exceed 50
13 percent.

14 (3) ECONOMIC DEVELOPMENT.—The Secretary
15 may only disburse grant funds for economic develop-
16 ment activities under subsection (b)(2)—

17 (A) to a siting authority upon approval by
18 the siting authority of the applicable covered
19 transmission project; and

20 (B) to any other State, local, or Tribal
21 governmental entity upon commencement of
22 construction of the applicable covered trans-
23 mission project in the area under the jurisdic-
24 tion of the entity.

1 (d) RETURNING FUNDS.—If a siting authority that
2 receives a grant for an activity described in subsection
3 (b)(1) fails to use all grant funds within 2 years of receipt,
4 the siting authority shall return to the Secretary any such
5 unused funds.

6 (e) DEFINITIONS.—In this section:

7 (1) COVERED TRANSMISSION PROJECT.—The
8 term “covered transmission project” means a high-
9 voltage interstate or offshore electricity transmission
10 line—

11 (A) that is proposed to be constructed and
12 to operate at a minimum of 275 kilovolts of ei-
13 ther alternating-current or direct-current elec-
14 tric energy by an entity; and

15 (B) for which such entity has applied, or
16 informed a siting authority of such entity’s in-
17 tent to apply, for regulatory approval.

18 (2) SITING AUTHORITY.—The term “siting au-
19 thority” means a State, local, or Tribal govern-
20 mental entity with authority to make a final deter-
21 mination regarding the siting, permitting, or regu-
22 latory status of a covered transmission project that
23 is proposed to be located in an area under the juris-
24 diction of the entity.

1 (3) STATE.—The term “State” means a State,
2 the District of Columbia, or any territory or posses-
3 sion of the United States.

4 **SEC. 30453. ORGANIZED WHOLESALE ELECTRICITY MAR-**
5 **KET TECHNICAL ASSISTANCE GRANTS.**

6 (a) APPROPRIATION.—In addition to amounts other-
7 wise available, there is appropriated to the Secretary for
8 fiscal year 2022, out of any money in the Treasury not
9 otherwise appropriated, \$50,000,000, to remain available
10 until fiscal year 2031, for purposes of providing technical
11 assistance and grants under subsection (b).

12 (b) TECHNICAL ASSISTANCE AND GRANTS.—The
13 Secretary shall use amounts made available under sub-
14 section (a) to—

15 (1) provide grants to States to pay for—

16 (A) technical assistance for any of the ac-
17 tivities described in subsection (c); or

18 (B) the procurement of data or technology
19 systems related to any of the activities de-
20 scribed in subsection (c); and

21 (2) provide technical assistance for the activities
22 described in subsection (c).

23 (c) ACTIVITIES.—The activities described in this sub-
24 section are—

1 (1) forming, expanding, or improving an orga-
2 nized wholesale electricity market, including with re-
3 spect to—

4 (A) market governance assistance;

5 (B) planning and policy assistance; and

6 (C) regulatory development assistance;

7 (2) aligning the policies of an organized whole-
8 sale electricity market with relevant State policies;
9 and

10 (3) evaluating the economic, operational, reli-
11 ability, environmental, and other benefits of orga-
12 nized wholesale electricity markets.

13 (d) APPLICATIONS.—

14 (1) IN GENERAL.—To apply for technical as-
15 sistance or a grant provided under this section, a
16 State shall submit to the Secretary an application at
17 such time, in such manner, and containing such in-
18 formation as the Secretary may require.

19 (2) GRANTS.—An application for a grant sub-
20 mitted under paragraph (1) shall certify how the
21 State will use the grant in accordance with sub-
22 section (b).

23 (e) DEFINITIONS.—In this section:

24 (1) INDEPENDENT SYSTEM OPERATOR; RE-
25 GIONAL TRANSMISSION ORGANIZATION.—The terms

1 “Independent System Operator” and “Regional
2 Transmission Organization” have the meanings
3 given such terms in section 3 of the Federal Power
4 Act (16 U.S.C. 796).

5 (2) ORGANIZED WHOLESALE ELECTRICITY MAR-
6 KET.—The term “organized wholesale electricity
7 market” means an Independent System Operator or
8 a Regional Transmission Organization.

9 (3) SECRETARY.—The term “Secretary” means
10 the Secretary of Energy.

11 (4) STATE.—The term “State” means a State,
12 the District of Columbia, or any territory or posses-
13 sion of the United States.

14 **SEC. 30454. INTERREGIONAL AND OFFSHORE WIND ELEC-**
15 **TRICITY TRANSMISSION PLANNING, MOD-**
16 **ELING, AND ANALYSIS.**

17 (a) APPROPRIATION.—In addition to amounts other-
18 wise available, there is appropriated to the Secretary of
19 Energy for fiscal year 2022, out of any money in the
20 Treasury not otherwise appropriated, \$100,000,000, to re-
21 main available until September 30, 2031, to carry out this
22 section.

23 (b) USE OF FUNDS.—The Secretary of Energy shall
24 use amounts made available under subsection (a) to—

1 (1) pay expenses associated with convening rel-
2 evant stakeholders, including States, generation and
3 transmission developers, regional transmission orga-
4 nizations, independent system operators, environ-
5 mental organizations, electric utilities, and other
6 stakeholders the Secretary determines appropriate,
7 to address the development of interregional elec-
8 tricity transmission and transmission of electricity
9 that is generated by offshore wind; and

10 (2) conduct planning, modeling, and analysis
11 regarding interregional electricity transmission and
12 transmission of electricity that is generated by off-
13 shore wind, taking into account the local, regional,
14 and national economic, reliability, resilience, secu-
15 rity, public policy, and environmental benefits of
16 interregional electricity transmission and trans-
17 mission of electricity that is generated by offshore
18 wind, including planning, modeling, and analysis, as
19 the Secretary determines appropriate, pertaining
20 to—

21 (A) clean energy integration into the elec-
22 tric grid, including the identification of renew-
23 able energy zones;

1 (B) the effects of changes in weather due
2 to climate change on the reliability and resil-
3 ience of the electric grid;

4 (C) cost allocation methodologies that fa-
5 cilitate the expansion of the bulk power system;

6 (D) the benefits of coordination between
7 generator interconnection processes and trans-
8 mission planning processes;

9 (E) the effect of increased electrification
10 on the electric grid;

11 (F) power flow modeling;

12 (G) the benefits of increased interconnec-
13 tions or interties between or among the West-
14 ern Interconnection, the Eastern Interconnec-
15 tion, the Electric Reliability Council of Texas,
16 and other interconnections, as applicable;

17 (H) the cooptimization of transmission and
18 generation, including variable energy resources,
19 energy storage, and demand-side management;

20 (I) the opportunities for use of nontrans-
21 mission alternatives, energy storage, and grid-
22 enhancing technologies;

23 (J) economic development opportunities for
24 communities arising from development of inter-
25 regional electricity transmission and trans-

1 mission of electricity that is generated by off-
2 shore wind;

3 (K) evaluation of existing rights-of-way
4 and the need for additional transmission cor-
5 ridors; and

6 (L) a planned national transmission grid,
7 which would include a networked transmission
8 system to optimize the existing grid for inter-
9 connection of offshore wind farms.

10 **PART 6—ENVIRONMENTAL REVIEWS**

11 **SEC. 30461. DEPARTMENT OF ENERGY.**

12 In addition to amounts otherwise available, there is
13 appropriated to the Department of Energy for fiscal year
14 2022, out of any money in the Treasury not otherwise ap-
15 propriated, \$125,000,000, to remain available until Sep-
16 tember 30, 2031, to provide for the development of more
17 efficient, accurate, and timely reviews for planning, per-
18 mitting, and approval processes through the hiring and
19 training of personnel, the development of programmatic
20 documents, the procurement of technical or scientific serv-
21 ices for reviews, the development of data or information
22 systems, stakeholder and community engagement, the pur-
23 chase of new equipment for analysis, and the development
24 of geographic information systems and other analysis

1 tools, techniques, and guidance to improve agency trans-
2 parency, accountability, and public engagement.

3 **SEC. 30462. FEDERAL ENERGY REGULATORY COMMISSION.**

4 (a) IN GENERAL.—In addition to amounts otherwise
5 available, there is appropriated to the Federal Energy
6 Regulatory Commission for fiscal year 2022, out of any
7 money in the Treasury not otherwise appropriated,
8 \$75,000,000, to provide for the development of more effi-
9 cient, accurate, and timely reviews for planning, permit-
10 ting, and approval processes through the hiring and train-
11 ing of personnel, the development of programmatic docu-
12 ments, the procurement of technical or scientific services
13 for reviews, the development of data or information sys-
14 tems, stakeholder and community engagement, the pur-
15 chase of new equipment for analysis, and the development
16 of geographic information systems and other analysis
17 tools, techniques, and guidance to improve agency trans-
18 parency, accountability, and public engagement.

19 (b) FEES AND CHARGES.—Section 3401(a) of the
20 Omnibus Budget Reconciliation Act of 1986 (42 U.S.C.
21 7178(a)) shall not apply to the costs incurred by the Fed-
22 eral Energy Regulatory Commission in carrying out this
23 section.

1 **PART 7—INDUSTRIAL**
2 **SEC. 30471. ADVANCED INDUSTRIAL FACILITIES DEPLOY-**
3 **MENT PROGRAM.**

4 (a) **APPROPRIATION.**—In addition to amounts other-
5 wise available, there is appropriated to the Secretary of
6 Energy for fiscal year 2022, out of any money in the
7 Treasury not otherwise appropriated, \$4,000,000,000, to
8 remain available until September 30, 2026, to carry out
9 this section.

10 (b) **PROGRAM.**—The Secretary shall use funds appro-
11 priated by subsection (a) to establish a program to provide
12 financial assistance, on a competitive basis, to eligible enti-
13 ties to carry out projects for—

14 (1) the purchase and installation, or implemen-
15 tation, of advanced industrial technology at an eligi-
16 ble facility;

17 (2) retrofits, upgrades to, or operational im-
18 provements at an eligible facility to install or imple-
19 ment advanced industrial technology; or

20 (3) engineering studies and other work needed
21 to prepare an eligible facility for activities described
22 in paragraph (1) or (2).

23 (c) **APPLICATION.**—To be eligible to receive financial
24 assistance under the program established under subsection
25 (b), an eligible entity shall submit to the Secretary an ap-
26 plication at such time, in such manner, and containing

1 such information as the Secretary may require, including
2 the expected greenhouse gas emissions reductions to be
3 achieved by carrying out the project.

4 (d) PRIORITY.—In providing financial assistance
5 under the program established under subsection (b), the
6 Secretary shall give priority consideration to projects on
7 the basis of, as determined by the Secretary—

8 (1) the expected greenhouse gas emissions re-
9 ductions to be achieved by carrying out the project;

10 (2) the extent to which the project would pro-
11 vide the greatest benefit for the greatest number of
12 people within the area in which the eligible facility
13 is located; and

14 (3) whether the eligible entity participates or
15 would participate in a partnership with purchasers
16 of the output of the eligible facility.

17 (e) COST SHARE.—The Federal share of the cost of
18 a project carried out pursuant to this section shall not ex-
19 ceed 50 percent.

20 (f) ADMINISTRATIVE COSTS.—The Secretary shall re-
21 serve \$200,000,000 of amounts made available under sub-
22 section (a) for administrative costs of carrying out this
23 section.

24 (g) DEFINITIONS.—

1 (1) ADVANCED INDUSTRIAL TECHNOLOGY.—

2 The term “advanced industrial technology” means
3 technology or processes designed to accelerate green-
4 house gas emissions reduction progress to net-zero
5 at an eligible facility, as determined by the Sec-
6 retary, including—

7 (A) industrial energy efficiency tech-
8 nologies;

9 (B) equipment to electrify industrial proc-
10 esses;

11 (C) equipment to utilize low- or zero-car-
12 bon fuels, feedstocks, and energy sources;

13 (D) low- or zero-carbon process heat sys-
14 tems; and

15 (E) carbon capture, transport, utilization,
16 and storage systems.

17 (2) ELIGIBLE ENTITY.—The term “eligible enti-
18 ty” means the owner or operator of an eligible facil-
19 ity.

20 (3) ELIGIBLE FACILITY.—The term “eligible fa-
21 cility” means a domestic, non-Federal, nonpower in-
22 dustrial or manufacturing facility engaged in energy-
23 intensive industrial processes, including production
24 processes for iron, steel, steel mill products, alu-

1 minum, cement, concrete, glass, pulp, paper, and in-
2 dustrial ceramics.

3 (4) FINANCIAL ASSISTANCE.—The term “finan-
4 cial assistance” means a grant, rebate, direct loan,
5 or cooperative agreement.

6 (5) SECRETARY.—The term “Secretary” means
7 the Secretary of Energy.

8 **PART 8—OTHER ENERGY MATTERS**

9 **SEC. 30481. OVERSIGHT.**

10 In addition to amounts otherwise available, there is
11 appropriated to the Department of Energy for fiscal year
12 2022, out of any money in the Treasury not otherwise ap-
13 propriated, \$5,000,000, to remain available until Sep-
14 tember 30, 2031, for oversight by the Department of En-
15 ergy Office of Inspector General of the Department of En-
16 ergy activities for which funding is appropriated in this
17 subtitle.

18 **Subtitle E—Affordable Health Care** 19 **Coverage**

20 **SEC. 30601. ENSURING AFFORDABILITY OF COVERAGE FOR** 21 **CERTAIN LOW-INCOME POPULATIONS.**

22 (a) REDUCING COST SHARING UNDER QUALIFIED
23 HEALTH PLANS.—Section 1402 of the Patient Protection
24 and Affordable Care Act (42 U.S.C. 18071) is amended—

25 (1) in subsection (b)—

1 (A) in paragraph (2), by inserting “(or,
2 with respect to plan years 2023, 2024, and
3 2025, whose household income does not exceed
4 400 percent of the poverty line for a family of
5 the size involved)” before the period; and

6 (B) in the matter following paragraph (2),
7 by adding at the end the following new sen-
8 tence: “In the case of an individual who, at any
9 point during 2022, has a household income that
10 does not exceed 138 percent of the poverty line
11 for a family of the size involved, such individual
12 shall, for each month during such year, be
13 treated as having household income equal to
14 100 percent for purposes of applying this sec-
15 tion.”; and

16 (2) in subsection (c)—

17 (A) in paragraph (1)(A), in the matter
18 preceding clause (i), by inserting “, with respect
19 to eligible insureds (other than, with respect to
20 plan years 2023, 2024, and 2025, specified en-
21 rollees (as defined in paragraph (6)(C))),” after
22 “first be achieved”;

23 (B) in paragraph (2), in the matter pre-
24 ceding subparagraph (A), by inserting “with re-
25 spect to eligible insureds (other than, with re-

1 spect to plan years 2023, 2024, and 2025, spec-
2 ified enrollees)” after “under the plan”;

3 (C) in paragraph (3)—

4 (i) in subparagraph (A), by striking
5 “this subsection” and inserting “paragraph
6 (1) or (2)”; and

7 (ii) in subparagraph (B), by striking
8 “this section” and inserting “paragraphs
9 (1) and (2)”; and

10 (D) by adding at the end the following new
11 paragraph:

12 “(6) SPECIAL RULE FOR SPECIFIED ENROLL-
13 EES.—

14 “(A) IN GENERAL.—The Secretary shall
15 establish procedures under which the issuer of
16 a qualified health plan to which this section ap-
17 plies shall reduce cost-sharing under the plan
18 with respect to months occurring during plan
19 years 2023, 2024, and 2025 for enrollees who
20 are specified enrollees (as defined in subpara-
21 graph (C)) in a manner sufficient to increase
22 the plan’s share of the total allowed costs of
23 benefits provided under the plan to 99 percent
24 of such costs.

1 “(B) METHODS FOR REDUCING COST
2 SHARING.—

3 “(i) IN GENERAL.—An issuer of a
4 qualified health plan making reductions
5 under this paragraph shall notify the Sec-
6 retary of such reductions and the Sec-
7 retary shall, out of funds made available
8 under clause (ii), make periodic and timely
9 payments to the issuer equal to 12 percent
10 of the total allowed costs of benefits pro-
11 vided under each such plan to specified en-
12 rollees during plan years 2023, 2024, and
13 2025.

14 “(ii) APPROPRIATION.—In addition to
15 amounts otherwise available, there are ap-
16 propriated, out of any money in the Treas-
17 ury not otherwise appropriated, such sums
18 as may be necessary to the Secretary to
19 make payments under clause (i).

20 “(C) SPECIFIED ENROLLEE DEFINED.—
21 For purposes of this section, the term ‘specified
22 enrollee’ means, with respect to a plan year, an
23 eligible insured who, at any point during such
24 plan year, has a household income that does not
25 exceed 138 percent of the poverty line for a

1 family of the size involved. Such insured shall
2 be deemed to be a specified enrollee for each
3 month in such plan year.”.

4 (b) OPEN ENROLLMENTS APPLICABLE TO CERTAIN
5 LOWER-INCOME POPULATIONS.—Section 1311(c) of the
6 Patient Protection and Affordable Care Act (42 U.S.C.
7 18031(c)) is amended—

8 (1) in paragraph (6)—

9 (A) in subparagraph (C), by striking at the
10 end “and”;

11 (B) in subparagraph (D), by striking the
12 period at the end and inserting “; and”; and

13 (C) by adding at the end the following new
14 subparagraph:

15 “(E) with respect to a qualified health plan
16 with respect to which section 1402 applies, for
17 months occurring during the period beginning
18 on January 1, 2022, and ending on December
19 31, 2025, enrollment periods described in sub-
20 paragraph (A) of paragraph (8) for individuals
21 described in subparagraph (B) of such para-
22 graph.”; and

23 (2) by adding at the end the following new
24 paragraph:

1 “(8) SPECIAL ENROLLMENT PERIOD FOR CER-
2 TAIN LOW-INCOME POPULATIONS.—

3 “(A) IN GENERAL.—The enrollment period
4 described in this paragraph is, in the case of an
5 individual described in subparagraph (B), the
6 continuous period beginning on the first day
7 that such individual is so described.

8 “(B) INDIVIDUAL DESCRIBED.—For pur-
9 poses of subparagraph (A), an individual de-
10 scribed in this subparagraph is an individual—

11 “(i) with a household income that
12 does not exceed 138 percent of the poverty
13 line for a family of the size involved; and

14 “(ii) who is not eligible for minimum
15 essential coverage (as defined in section
16 5000A(f) of the Internal Revenue Code of
17 1986), other than for coverage described in
18 any of subparagraphs (B) through (E) of
19 paragraph (1) of such section.”.

20 (c) ADDITIONAL BENEFITS FOR CERTAIN LOW-IN-
21 COME INDIVIDUALS FOR PLAN YEARS 2024 AND 2025.—

22 Section 1301(a) of the Patient Protection and Affordable
23 Care Act (42 U.S.C. 18021(a)) is amended—

24 (1) in paragraph (1)—

1 (A) in subparagraph (B), by striking
2 “and” at the end;

3 (B) in subparagraph (C)(iv), by striking
4 the period and inserting “; and”; and

5 (C) by adding at the end the following new
6 subparagraph:

7 “(D) provides, with respect to a plan of-
8 fered in the silver level of coverage to which sec-
9 tion 1402 applies during plan year 2024 and
10 2025, for benefits described in paragraph (5) in
11 the case of an individual who has a household
12 income that does not exceed 138 percent of the
13 poverty line for a family of the size involved,
14 and who is eligible to receive cost-sharing re-
15 ductions under section 1402.”; and

16 (2) by adding at the end the following new
17 paragraph:

18 “(5) ADDITIONAL BENEFITS FOR CERTAIN
19 LOW-INCOME INDIVIDUALS FOR PLAN YEAR 2024 AND
20 2025.—

21 “(A) IN GENERAL.—

22 “(i) BENEFITS.—For purposes of
23 paragraph (1)(D), the benefits described in
24 this paragraph to be provided by a quali-

1 fied health plan are benefits consisting
2 of—

3 “(I) non-emergency medical
4 transportation services (as described
5 in section 1902(a)(4) of the Social Se-
6 curity Act) for which Federal pay-
7 ments would have been available
8 under title XIX of the Social Security
9 Act had such services been furnished
10 to an individual enrolled under a
11 State plan (or waiver of such plan)
12 under such title; and

13 “(II) services described in sub-
14 section (a)(4)(C) of section 1905 of
15 such Act for which Federal payments
16 would have been so available;

17 which are not otherwise provided under
18 such plan as part of the essential health
19 benefits package described in section
20 1302(a).

21 “(ii) CONDITION ON PROVISION OF
22 BENEFITS.—Benefits described in this
23 paragraph shall be provided—

24 “(I) without any restriction on
25 the choice of a qualified provider from

1 whom an individual may receive such
2 benefits; and

3 “(II) without any imposition of
4 cost sharing.

5 “(B) PAYMENTS FOR ADDITIONAL BENE-
6 FITS.—

7 “(i) IN GENERAL.—An issuer of a
8 qualified health plan making payments for
9 services described in subparagraph (A) fur-
10 nished to individuals described in para-
11 graph (1)(D) during plan year 2024 or
12 2025 shall notify the Secretary of such
13 payments and the Secretary shall, out of
14 funds made available under clause (ii),
15 make periodic and timely payments to the
16 issuer equal to payments for such services
17 so furnished.

18 “(ii) APPROPRIATION.—In addition to
19 amounts otherwise available, there is ap-
20 propriated, out of any money in the Treas-
21 ury not otherwise appropriated, such sums
22 as may be necessary to the Secretary to
23 make payments under clause (i).”.

24 (d) EDUCATION AND OUTREACH ACTIVITIES.—

1 (1) IN GENERAL.—Section 1321(c) of the Pa-
2 tient Protection and Affordable Care Act (42 U.S.C.
3 18041(c)) is amended by adding at the end the fol-
4 lowing new paragraph:

5 “(3) OUTREACH AND EDUCATIONAL ACTIVI-
6 TIES.—

7 “(A) IN GENERAL.—In the case of an Ex-
8 change established or operated by the Secretary
9 within a State pursuant to this subsection, the
10 Secretary shall carry out outreach and edu-
11 cational activities for purposes of informing in-
12 dividuals described in section
13 1902(a)(10)(A)(i)(VIII) of the Social Security
14 Act who reside in States that have not ex-
15 pended amounts under a State plan (or waiver
16 of such plan) under title XIX of such Act for
17 all such individuals about qualified health plans
18 offered through the Exchange, including by in-
19 forming such individuals of the availability of
20 coverage under such plans and financial assist-
21 ance for coverage under such plans. Such out-
22 reach and educational activities shall be pro-
23 vided in a manner that is culturally and linguis-
24 tically appropriate to the needs of the popu-
25 lations being served by the Exchange (including

1 hard-to-reach populations, such as racial and
2 sexual minorities, limited English proficient
3 populations, individuals residing in areas where
4 the unemployment rates exceeds the national
5 average unemployment rate, individuals in rural
6 areas, veterans, and young adults).

7 “(B) LIMITATION ON USE OF FUNDS.—No
8 funds appropriated under this paragraph shall
9 be used for expenditures for promoting non-
10 ACA compliant health insurance coverage.

11 “(C) NON-ACA COMPLIANT HEALTH INSUR-
12 ANCE COVERAGE.—For purposes of subpara-
13 graph (B):

14 “(i) The term ‘non-ACA compliant
15 health insurance coverage’ means health
16 insurance coverage, or a group health plan,
17 that is not a qualified health plan.

18 “(ii) Such term includes the following:

19 “(I) An association health plan.

20 “(II) Short-term limited duration
21 insurance.

22 “(D) FUNDING.—In addition to amounts
23 otherwise available, there is appropriated, out of
24 any money in the Treasury not otherwise ap-
25 propriated, to remain available until expended,

1 \$105,000,000 for fiscal year 2022 to carry out
2 this paragraph, of which—

3 “(i) \$15,000,000 shall be used to
4 carry out this paragraph in fiscal year
5 2022; and

6 “(ii) \$30,000,000 shall be used to
7 carry out this paragraph for each of fiscal
8 years 2023 through 2025.”.

9 (2) NAVIGATOR PROGRAM.—Section 1311(i)(6)
10 of the Patient Protection and Affordable Care Act
11 (42 U.S.C. 18031(i)(6)) is amended—

12 (A) by striking “FUNDING.—Grants
13 under” and inserting “FUNDING.—

14 “(A) STATE EXCHANGES.—Grants under”;
15 and

16 (B) by adding at the end the following new
17 subparagraph:

18 “(B) FEDERAL EXCHANGES.—For pur-
19 poses of carrying out this subsection, with re-
20 spect to an Exchange established and operated
21 by the Secretary within a State pursuant to sec-
22 tion 1321(c), the Secretary shall obligate not
23 less than \$10,000,000 out of amounts collected
24 through the user fees on participating health in-
25 surance issuers pursuant to section 156.50 of

1 title 45, Code of Federal Regulations (or any
2 successor regulations) for fiscal year 2022, and
3 not less than \$20,000,000 for each of fiscal
4 years 2023, 2024, and 2025. Such amount so
5 obligated for a fiscal year shall remain available
6 until expended.”.

7 (e) FUNDING.—In addition to amounts otherwise
8 available, there is appropriated to the Secretary of Health
9 and Human Services for fiscal year 2022, out of any
10 money in the Treasury not otherwise appropriated,
11 \$65,000,000, to remain available until expended, for pur-
12 poses of carrying out the provisions of, and the amend-
13 ments made by, this section, section 30602, and section
14 30603.

15 **SEC. 30602. ESTABLISHING A HEALTH INSURANCE AFFORD-**
16 **ABILITY FUND.**

17 (a) IN GENERAL.—Subtitle D of title I of the Patient
18 Protection and Affordable Care Act is amended by insert-
19 ing after section 1343 (42 U.S.C. 18063) the following
20 new part:

21 **“PART 6—IMPROVE HEALTH INSURANCE**
22 **AFFORDABILITY FUND**

23 **“SEC. 1351. ESTABLISHMENT OF PROGRAM.**

24 “There is hereby established the ‘Improve Health In-
25 surance Affordability Fund’ to be administered by the Sec-

1 retary of Health and Human Services, acting through the
2 Administrator of the Centers for Medicare & Medicaid
3 Services (in this section referred to as the ‘Adminis-
4 trator’), to provide funding, in accordance with this part,
5 to the 50 States and the District of Columbia (each re-
6 ferred to in this section as a ‘State’) beginning on January
7 1, 2023, for the purposes described in section 1352.

8 **“SEC. 1352. USE OF FUNDS.**

9 “(a) IN GENERAL.—A State shall use the funds allo-
10 cated to the State under this part for one of the following
11 purposes:

12 “(1) To provide reinsurance payments to health
13 insurance issuers with respect to individuals enrolled
14 under individual health insurance coverage (other
15 than through a plan described in subsection (b)) of-
16 fered by such issuers.

17 “(2) To provide assistance (other than through
18 payments described in paragraph (1)) to reduce out-
19 of-pocket costs, such as copayments, coinsurance,
20 premiums, and deductibles, of individuals enrolled
21 under qualified health plans offered on the indi-
22 vidual market through an Exchange and of individ-
23 uals enrolled under standard health plans offered
24 through a basic health program established under
25 section 1331.

1 “(b) EXCLUSION OF CERTAIN GRANDFATHERED
2 PLANS, TRANSITIONAL PLANS, STUDENT HEALTH
3 PLANS, AND EXCEPTED BENEFITS.—For purposes of
4 subsection (a), a plan described in this subsection is the
5 following:

6 “(1) A grandfathered health plan (as defined in
7 section 1251).

8 “(2) A plan (commonly referred to as a ‘transi-
9 tional plan’) continued under the letter issued by the
10 Centers for Medicare & Medicaid Services on No-
11 vember 14, 2013, to the State Insurance Commis-
12 sioners outlining a transitional policy for coverage in
13 the individual and small group markets to which sec-
14 tion 1251 does not apply, and under the extension
15 of the transitional policy for such coverage set forth
16 in the Insurance Standards Bulletin Series guidance
17 issued by the Centers for Medicare & Medicaid Serv-
18 ices on March 5, 2014, February 29, 2016, Feb-
19 ruary 13, 2017, April 9, 2018, March 25, 2019,
20 January 31, 2020, and January 19, 2021, or under
21 any subsequent extensions thereof.

22 “(3) Student health insurance coverage (as de-
23 fined in section 147.145 of title 45, Code of Federal
24 Regulations, or any successor regulation).

1 “(4) Excepted benefits (as defined in section
2 2791(e) of the Public Health Service Act).

3 **“SEC. 1353. STATE ELIGIBILITY AND APPROVAL; DEFAULT**
4 **SAFEGUARD.**

5 “(a) ENCOURAGING STATE OPTIONS FOR ALLOCA-
6 TIONS.—

7 “(1) IN GENERAL.—Subject to subsection (b),
8 to be eligible for an allocation of funds under this
9 part for a year (beginning with 2023), a State shall
10 submit to the Administrator an application at such
11 time (but, in the case of allocations for 2023, not
12 later than 120 days after the date of the enactment
13 of this part and, in the case of allocations for a sub-
14 sequent year, not later than January 1 of the pre-
15 vious year) and in such form and manner as speci-
16 fied by the Administrator containing—

17 “(A) a description of how the funds will be
18 used; and

19 “(B) such other information as the Admin-
20 istrator may require.

21 “(2) AUTOMATIC APPROVAL.—An application so
22 submitted is approved (as outlined in the terms of
23 the plan) unless the Administrator notifies the State
24 submitting the application, not later than 90 days
25 after the date of the submission of such application,

1 that the application has been denied for not being in
2 compliance with any requirement of this part and of
3 the reason for such denial.

4 “(3) SUBSEQUENT YEAR APPLICATION AP-
5 PROVAL.—If an application of a State is approved
6 for a purpose described in section 1352 for a year,
7 such application shall be treated as approved for
8 such purpose for each of subsequent year through
9 2025.

10 “(4) OVERSIGHT AUTHORITY AND AUTHORITY
11 TO REVOKE APPROVAL.—

12 “(A) OVERSIGHT.—The Secretary may
13 conduct periodic reviews of the use of funds
14 provided to a State under this section, with re-
15 spect to a purpose described in section 1352, to
16 ensure the State uses such funds for such pur-
17 pose and otherwise complies with the require-
18 ments of this section.

19 “(B) REVOCATION OF APPROVAL.—The
20 approval of an application of a State, with re-
21 spect to a purpose described in section 1352,
22 may be revoked if the State fails to use funds
23 provided to the State under this section for
24 such purpose or otherwise fails to comply with
25 the requirements of this section.

1 “(b) DEFAULT FEDERAL SAFEGUARD FOR 2023,
2 2024, AND 2025 FOR CERTAIN STATES.—

3 “(1) IN GENERAL.—For 2023, 2024, and 2025,
4 in the case of a State described in paragraph (5),
5 with respect to such year, the State shall not be eli-
6 gible to submit an application under subsection (a),
7 and the Administrator, in consultation with the ap-
8 plicable State authority, shall from the amount cal-
9 culated under paragraph (3) for such year, carry out
10 the purpose described in paragraph (2) in such State
11 for such year.

12 “(2) SPECIFIED USE.—The amount described
13 in paragraph (3), with respect to a State described
14 in paragraph (5) for 2023, 2024, or 2025, shall be
15 used to carry out the purpose described in section
16 1352(a)(1) in such State for such year, as applica-
17 ble, by providing reinsurance payments to health in-
18 surance issuers with respect to attachment range
19 claims (as defined in section 1354(b)(2), using the
20 dollar amounts specified in subparagraph (B) of
21 such section for such year) in an amount equal to,
22 subject to paragraph (4), the percentage (specified
23 for such year by the Secretary under such subpara-
24 graph) of the amount of such claims.

1 “(3) AMOUNT DESCRIBED.—The amount de-
2 scribed in this paragraph, with respect to 2023,
3 2024, or 2025, is the amount equal to the total sum
4 of amounts that the Secretary would otherwise esti-
5 mate under section 1354(b)(2)(A)(i) for such year
6 for each State described in paragraph (5) for such
7 year, as applicable, if each such State were not so
8 described for such year.

9 “(4) ADJUSTMENT.—For purposes of this sub-
10 section, the Secretary may apply a percentage under
11 paragraph (3) with respect to a year that is less
12 than the percentage otherwise specified in section
13 1354(b)(2)(B) for such year, if the cost of paying
14 the total eligible attachment range claims for States
15 described in paragraph (5) for such year at such
16 percentage otherwise specified would exceed the
17 amount calculated under paragraph (3) for such
18 year.

19 “(5) STATE DESCRIBED.—A State described in
20 this paragraph, with respect to years 2023, 2024,
21 and 2025, is a State that, as of January 1 of 2022,
22 2023, or 2024, respectively, was not expending
23 amounts under the State plan (or waiver of such
24 plan) for all individuals described in section
25 1902(a)(10)(A)(i)(VIII) during such year.

1 **“SEC. 1354. ALLOCATIONS.**

2 “(a) APPROPRIATION.—In addition to amounts oth-
3 erwise available, there is appropriated, out of any money
4 in the Treasury not otherwise appropriated,
5 \$10,000,000,000 for 2023 and each subsequent year
6 through 2025 to provide allocations for States under sub-
7 section (b) and payments under section 1353(b).

8 “(b) ALLOCATIONS.—

9 “(1) PAYMENT.—

10 “(A) IN GENERAL.—From amounts appro-
11 priated under subsection (a) for a year, the
12 Secretary shall, with respect to a State not de-
13 scribed in section 1353(b) for such year and
14 not later than the date specified under subpara-
15 graph (B) for such year, allocate for such State
16 the amount determined for such State and year
17 under paragraph (2).

18 “(B) SPECIFIED DATE.—For purposes of
19 subparagraph (A), the date specified in this
20 subparagraph is—

21 “(i) for 2023, the date that is 90 days
22 after the date of the enactment of this
23 part; and

24 “(ii) for 2024 or 2025, January 1 of
25 the previous year.

1 “(C) NOTIFICATIONS OF ALLOCATION
2 AMOUNTS.—For 2024 and 2025, the Secretary
3 shall notify each State of the amount deter-
4 mined for such State under paragraph (2) for
5 such year by not later than January 1 of the
6 previous year.

7 “(2) ALLOCATION AMOUNT DETERMINA-
8 TIONS.—

9 “(A) IN GENERAL.—For purposes of para-
10 graph (1), the amount determined under this
11 paragraph for a year for a State described in
12 paragraph (1)(A) for such year is the amount
13 equal to—

14 “(i) the amount that the Secretary es-
15 timates would be expended under this part
16 for such year on attachment range claims
17 of individuals residing in such State if such
18 State used such funds only for the purpose
19 described in paragraph (1) of section
20 1352(a) at the dollar amounts and per-
21 centage specified under subparagraph (B)
22 for such year; minus

23 “(ii) the amount, if any, by which the
24 Secretary determines—

1 “(I) the estimated amount of
2 premium tax credits under section
3 36B of the Internal Revenue Code of
4 1986 that would be attributable to in-
5 dividuals residing in such State for
6 such year without application of this
7 part; exceeds

8 “(II) the estimated amount of
9 premium tax credits under section
10 36B of the Internal Revenue Code of
11 1986 that would be attributable to in-
12 dividuals residing in such State for
13 such year if section 1353(b) applied
14 for such year and applied with respect
15 to such State for such year.

16 For purposes of the previous sentence and sec-
17 tion 1353(b)(3), the term ‘attachment range
18 claims’ means, with respect to an individual, the
19 claims for such individual that exceed a dollar
20 amount specified by the Secretary for a year,
21 but do not exceed a ceiling dollar amount speci-
22 fied by the Secretary for such year, under sub-
23 paragraph (B).

24 “(B) SPECIFICATIONS.—For purposes of
25 subparagraph (A) and section 1353(b)(3), the

1 Secretary shall determine the dollar amounts
2 and the percentage to be specified under this
3 subparagraph for a year in a manner to ensure
4 that the total amount of expenditures under
5 this part for such year is estimated to equal the
6 total amount appropriated for such year under
7 subsection (a) if such expenditures were used
8 solely for the purpose described in paragraph
9 (1) of section 1352(a) for attachment range
10 claims at the dollar amounts and percentage so
11 specified for such year.

12 “(3) AVAILABILITY.—Funds allocated to a
13 State under this subsection for a year shall remain
14 available through the end of the subsequent year.”.

15 (b) BASIC HEALTH PROGRAM FUNDING ADJUST-
16 MENTS.—Section 1331 of the Patient Protection and Af-
17 fordable Care Act (42 U.S.C. 18051) is amended—

18 (1) in subsection (a), by adding at the end the
19 following new paragraph:

20 “(3) PROVISION OF INFORMATION ON QUALI-
21 FIED HEALTH PLAN PREMIUMS.—

22 “(A) IN GENERAL.—For plan years begin-
23 ning on or after January 1, 2023, the program
24 described in paragraph (1) shall provide that a
25 State may not establish a basic health program

1 unless such State furnishes to the Secretary,
2 with respect to each qualified health plan of-
3 fered in such State during a year that receives
4 any reinsurance payment from funds made
5 available under part 6 for such year, the ad-
6 justed premium amount (as defined in subpara-
7 graph (B)) for each such plan and year.

8 “(B) ADJUSTED PREMIUM AMOUNT DE-
9 FINED.—For purposes of subparagraph (A), the
10 term ‘adjusted premium amount’ means, with
11 respect to a qualified health plan and a year,
12 the monthly premium for such plan and year
13 that would have applied had such plan not re-
14 ceived any payments described in subparagraph
15 (A) for such year.”; and

16 (2) in subsection (d)(3)(A)(ii), by adding at the
17 end the following new sentence: “In making such de-
18 termination, the Secretary shall calculate the value
19 of such premium tax credits that would have been
20 provided to such individuals enrolled through a basic
21 health program established by a State during a year
22 using the adjusted premium amounts (as defined in
23 subsection (a)(3)(B)) for qualified health plans of-
24 fered in such State during such year.”.

1 (c) IMPLEMENTATION AUTHORITY.—The Secretary
2 of Health and Human Services may implement the provi-
3 sions of, and the amendments made by, this section by
4 subregulatory guidance or otherwise.

5 **SEC. 30603. FUNDING FOR THE PROVISION OF HEALTH IN-**
6 **SURANCE CONSUMER INFORMATION.**

7 Section 2793(e) of the Public Health Service Act (42
8 U.S.C. 300gg–93(e)) is amended by adding at the end the
9 following new paragraph:

10 “(3) FUNDING FOR 2022 THROUGH 2025.—In
11 addition to amounts otherwise available, there is ap-
12 propriated, out of any money in the Treasury not
13 otherwise appropriated, \$100,000,000 for 2022, to
14 remain available until expended, of which
15 \$25,000,000 shall be used for each of 2022 through
16 2025 to carry out this section.”.

17 **SEC. 30605. COST-SHARING REDUCTIONS FOR INDIVIDUALS**
18 **RECEIVING UNEMPLOYMENT COMPENSA-**
19 **TION.**

20 Section 1402(f) of the Patient Protection and Afford-
21 able Care Act (42 U.S.C. 18071(f)) is amended—

22 (1) in the header, by striking “2021” and in-
23 serting “CERTAIN YEARS”;

1 (2) in the matter preceding paragraph (1), by
2 striking “2021” and inserting “any of years 2021
3 through 2025”; and

4 (3) in paragraph (2), by striking “133 percent”
5 and inserting “150 percent”.

6 **Subtitle F—Medicaid**

7 **PART 1—INVESTMENTS IN HOME AND**

8 **COMMUNITY-BASED SERVICES**

9 **SEC. 30711. HCBS IMPROVEMENT PLANNING GRANTS.**

10 (a) FUNDING.—

11 (1) IN GENERAL.—In addition to amounts oth-
12 erwise available, there is appropriated to the Sec-
13 retary for fiscal year 2022, out of any money in the
14 Treasury not otherwise appropriated, \$130,000,000,
15 to remain available until expended, for carrying out
16 this section.

17 (2) TECHNICAL ASSISTANCE AND GUIDANCE.—

18 In addition to amounts otherwise available, there is
19 appropriated to the Secretary for fiscal year 2022,
20 out of any money in the Treasury not otherwise ap-
21 propriated, \$5,000,000, for purposes of issuing guid-
22 ance and providing technical assistance to States in-
23 tending to apply for, or which are awarded, a plan-
24 ning grant under this section, and for other adminis-

1 trative expenses related to awarding planning grants
2 under this section.

3 (b) AWARD AND USE OF GRANTS.—

4 (1) DEADLINE FOR AWARD OF GRANTS.—From
5 the amount appropriated under subsection (a)(1),
6 the Secretary, not later than 12 months after the
7 date of enactment of this Act, shall solicit State re-
8 quests for HCBS improvement planning grants and
9 award such grants to all States that meet such re-
10 quirements as determined by the Secretary.

11 (2) USE OF FUNDS.—Subject to paragraph (3),
12 a State awarded a planning grant under this section
13 shall use the grant to carry out planning activities
14 for purposes of developing and submitting to the
15 Secretary an HCBS improvement plan for the State
16 that meets the requirements of subsections (c) and
17 (d). A State may use planning grant funds to sup-
18 port activities related to the implementation of the
19 HCBS improvement plan for the State, collect and
20 report information described in subsection (c), iden-
21 tify areas for improvement to the service delivery
22 systems for home and community-based services,
23 carry out activities related to evaluating payment
24 rates for home and community-based services and
25 identifying improvements to update the rate setting

1 process, and make related infrastructure investments
2 (such as case management or other information
3 technology systems).

4 (3) LIMITATION ON USE OF FUNDS.—None of
5 the funds awarded to a State under this section may
6 be used by a State as the source of the non-Federal
7 share of expenditures under the State plan (or waiv-
8 er of such plan).

9 (c) HCBS IMPROVEMENT PLAN REQUIREMENTS.—
10 In order to meet the requirements of this subsection, an
11 HCBS improvement plan developed using funds awarded
12 to a State under this section shall include, with respect
13 to the State and subject to subsection (d), the following:

14 (1) EXISTING MEDICAID HCBS LANDSCAPE.—

15 (A) ELIGIBILITY AND BENEFITS.—A de-
16 scription of the existing standards, pathways,
17 and methodologies for eligibility for home and
18 community-based services pursuant to the State
19 plan (or waiver of such plan), including limits
20 on assets and income, the home and commu-
21 nity-based services available under the State
22 Medicaid program and the types of settings in
23 which they may be provided, and utilization
24 management standards for such services.

25 (B) ACCESS.—

1 (i) BARRIERS.—A description of the
2 barriers to accessing home and community-
3 based services in the State identified by
4 Medicaid eligible individuals, the families
5 of such individuals, and direct care work-
6 ers and home care agencies, or other simi-
7 lar organizations.

8 (ii) AVAILABILITY; UNMET NEED.—A
9 summary, in accordance with guidance
10 issued by the Secretary and as able to be
11 practicably determined by the State, of the
12 extent to which home and community-
13 based services are available to all individ-
14 uals in the State who would be eligible for
15 such services under the State Medicaid
16 program (including individuals who are on
17 a waiting list for such services).

18 (C) UTILIZATION.—An assessment of the
19 utilization of home and community-based serv-
20 ices in the State (including the number of indi-
21 viduals receiving such services) during such pe-
22 riod specified by the Secretary.

23 (D) SERVICE DELIVERY STRUCTURES AND
24 SUPPORTS.—A description of the service deliv-

1 ery structures for providing home and commu-
2 nity-based services in the State.

3 (E) WORKFORCE.—A description of the di-
4 rect care workforce, including estimates of the
5 number of full- and part-time direct care work-
6 ers, the average and range of direct care worker
7 wages, the benefits provided to direct care
8 workers, and the turnover and vacancy rates of
9 direct care worker positions.

10 (F) PAYMENT RATES.—

11 (i) IN GENERAL.—A description of the
12 payment rates for home and community-
13 based services, including, to the extent ap-
14 plicable, how payments for such services
15 are factored into the development of man-
16 aged care capitation rates, when the State
17 last updated payment rates for home and
18 community-based services, and an estimate
19 of the portion of the payment rate that
20 goes toward direct care worker compensa-
21 tion.

22 (ii) ASSESSMENT.—An assessment of
23 the relationship between payment rates for
24 such services and workforce shortages, av-
25 erage beneficiary wait times for such serv-

1 ices, and provider-to-beneficiary ratios in
2 the geographic region.

3 (G) QUALITY.—A description of how the
4 quality of home and community-based services
5 is measured and monitored.

6 (H) LONG-TERM SERVICES AND SUPPORTS
7 PROVIDED IN INSTITUTIONAL SETTINGS.—A de-
8 scription of the number of individuals enrolled
9 in the State Medicaid program in a year who
10 receive items and services furnished by an insti-
11 tution for greater than 30 days in an institu-
12 tional setting.

13 (I) HCBS SHARE OF OVERALL MEDICAID
14 LTSS SPENDING.—For the most recent State
15 fiscal year for which complete data is available,
16 the percentage of expenditures made by the
17 State under the State Medicaid program for
18 long-term services and supports that are for
19 home and community-based services.

20 (J) DEMOGRAPHIC DATA.—To the extent
21 available and as applicable with respect to the
22 information required under subparagraphs (B),
23 (C), and (H), demographic data for such infor-
24 mation, disaggregated by age groups, primary
25 disability, income brackets, gender, race, eth-

1 nicity, geography, primary language, and type
2 of service setting.

3 (2) GOALS FOR HCBS IMPROVEMENTS.—A de-
4 scription of how the State will do the following:

5 (A) Conduct the activities required under
6 subsection (jj) of section 1905 of the Social Se-
7 curity Act (as added under section 30712).

8 (B) Reduce barriers to and disparities in
9 access or utilization of home and community-
10 based services in the State.

11 (C) Monitor and report on access to home
12 and community-based services under the State
13 Medicaid program, disparities in access to such
14 services, and the utilization of such services.

15 (D) Monitor and report the amount of
16 State Medicaid expenditures for home and com-
17 munity-based services under the State Medicaid
18 program as a proportion of the total amount of
19 State expenditures under the State Medicaid
20 program for long-term services and supports.

21 (E) Monitor and report on wages, benefits,
22 and vacancy and turnover rates for direct care
23 workers.

24 (F) Assess and monitor the sufficiency of
25 payment rates under the State Medicaid pro-

1 gram, in a manner specified by the Secretary,
2 for the specific types of home and community-
3 based services available under such program for
4 purposes of supporting direct care worker re-
5 cruitment and retention and ensuring the avail-
6 ability of home and community-based services.

7 (G) Coordinate implementation of the
8 HCBS improvement plan among the State
9 Medicaid agency, agencies serving individuals
10 with disabilities, and agencies serving the elder-
11 ly.

12 (d) DEVELOPMENT AND APPROVAL REQUIRE-
13 MENTS.—

14 (1) DEVELOPMENT REQUIREMENTS.—In order
15 to meet the requirements of this subsection, a State
16 awarded a planning grant under this section shall
17 develop an HCBS improvement plan for the State
18 through a public notice and comment process that
19 includes consultation with Medicaid eligible individ-
20 uals who are recipients of home and community-
21 based services, family caregivers of such recipients,
22 providers, health plans, direct care workers, chosen
23 representatives of direct care workers, and aging,
24 disability, and workforce advocates.

1 (2) AUTHORITY TO ADJUST CERTAIN PLAN
2 CONTENT REQUIREMENTS.—The Secretary may
3 modify the requirements for any of the information
4 specified in subsection (c)(1) if a State requests a
5 modification and demonstrates to the satisfaction of
6 the Secretary that it is impracticable for the State
7 to collect and submit the information.

8 (3) SUBMISSION AND APPROVAL.—Not later
9 than 24 months after the date on which a State is
10 awarded a planning grant under this section, the
11 State shall submit an HCBS improvement plan for
12 approval by the Secretary, along with assurances by
13 the State that the State will implement the plan in
14 accordance with the requirements of the HCBS Im-
15 provement Program established under subsection (jj)
16 of section 1905 of the Social Security Act (42
17 U.S.C. 1396d) (as added by section 30712). The
18 Secretary shall approve and make publicly available
19 the HCBS improvement plan for a State after the
20 plan and such assurances are submitted to the Sec-
21 retary for approval and the Secretary determines the
22 plan meets the requirements of subsection (c). A
23 State may amend its HCBS improvement plan, sub-
24 ject to the approval of the Secretary that the plan
25 as so amended meets the requirements of subsection

1 (c). The Secretary may withhold or recoup funds
2 provided under this section to a State, if the State
3 fails to comply with the requirements of this section.

4 (e) DEFINITIONS.—In the part:

5 (1) DIRECT CARE WORKER.—The term “direct
6 care worker” means, with respect to a State, any of
7 the following individuals who are paid to provide di-
8 rectly to Medicaid eligible individuals home and com-
9 munity-based services available under the State
10 Medicaid program:

11 (A) A registered nurse, licensed practical
12 nurse, nurse practitioner, or clinical nurse spe-
13 cialist, or a licensed nursing assistant who pro-
14 vides such services under the supervision of a
15 registered nurse, licensed practical nurse, nurse
16 practitioner, or clinical nurse specialist.

17 (B) A direct support professional.

18 (C) A personal care attendant.

19 (D) A home health aide.

20 (E) Any other paid health care profes-
21 sional or worker determined to be appropriate
22 by the State and approved by the Secretary.

23 (2) HCBS PROGRAM IMPROVEMENT STATE.—
24 The term “HCBS program improvement State”
25 means a State that is awarded a planning grant

1 under subsection (b) and has an HCBS improve-
2 ment plan approved by the Secretary under sub-
3 section (d)(3).

4 (3) HEALTH PLAN.—The term “health plan”
5 means any of the following entities that provide or
6 arrange for home and community-based services for
7 Medicaid eligible individuals who are enrolled with
8 the entities under a contract with a State:

9 (A) A medicaid managed care organiza-
10 tion, as defined in section 1903(m)(1)(A) of the
11 Social Security Act (42 U.S.C.
12 1396b(m)(1)(A)).

13 (B) A prepaid inpatient health plan or pre-
14 paid ambulatory health plan, as defined in sec-
15 tion 438.2 of title 42, Code of Federal Regula-
16 tions (or any successor regulation).

17 (4) HOME AND COMMUNITY-BASED SERV-
18 ICES.—The term “home and community-based serv-
19 ices” means any of the following (whether provided
20 on a fee-for-service, risk, or other basis):

21 (A) Home health care services authorized
22 under paragraph (7) of section 1905(a) of the
23 Social Security Act (42 U.S.C. 1396d(a)).

24 (B) Private duty nursing services author-
25 ized under paragraph (8) of such section, when

1 such services are provided in a Medicaid eligible
2 individual's home.

3 (C) Personal care services authorized
4 under paragraph (24) of such section.

5 (D) PACE services authorized under para-
6 graph (26) of such section.

7 (E) Home and community-based services
8 authorized under subsections (b), (c), (i), (j),
9 and (k) of section 1915 of such Act (42 U.S.C.
10 1396n), authorized under a waiver under sec-
11 tion 1115 of such Act (42 U.S.C. 1315), or
12 provided through coverage authorized under
13 section 1937 of such Act (42 U.S.C. 1396u-7).

14 (F) Case management services authorized
15 under section 1905(a)(19) of the Social Secu-
16 rity Act (42 U.S.C. 1396d(a)(19)) and section
17 1915(g) of such Act (42 U.S.C. 1396n(g)).

18 (G) Rehabilitative services, including those
19 related to behavioral health, described in section
20 1905(a)(13) of such Act (42 U.S.C.
21 1396d(a)(13)).

22 (H) Such other services specified by the
23 Secretary.

24 (5) INSTITUTIONAL SETTING.—The term “insti-
25 tutional setting” means—

1 (A) a skilled nursing facility (as defined in
2 section 1819(a) of the Social Security Act (42
3 U.S.C. 1395i-3(a)));

4 (B) a nursing facility (as defined in section
5 1919(a) of such Act (42 U.S.C. 1396r(a)));

6 (C) a long-term care hospital (as described
7 in section 1886(d)(1)(B)(iv) of such Act (42
8 U.S.C. 1395ww(d)(1)(B)(iv)));

9 (D) a facility described in section 1905(d)
10 of such Act (42 U.S.C. 1396d(d));

11 (E) an institution which is a psychiatric
12 hospital (as defined in section 1861(f) of such
13 Act (42 U.S.C. 1395x(f))) or that provides in-
14 patient psychiatric services in a residential set-
15 ting specified by the Secretary; and

16 (F) an institution described in section
17 1905(i) of such Act (42 U.S.C. 1396d(i)).

18 (6) MEDICAID ELIGIBLE INDIVIDUAL.—The
19 term “Medicaid eligible individual” means an indi-
20 vidual who is eligible for and receiving medical as-
21 sistance under a State Medicaid plan or a waiver of
22 such plan. Such term includes an individual who is
23 on a waiting list and who would become eligible for
24 medical assistance and enrolled under a State Med-

1 icaid plan, or waiver of such plan, upon receipt of
2 home and community-based services.

3 (7) STATE MEDICAID PROGRAM.—The term
4 “State Medicaid program” means, with respect to a
5 State, the State program under title XIX of the So-
6 cial Security Act (42 U.S.C. 1396 through 1396w-
7 6) (including any waiver or demonstration under
8 such title or under section 1115 of such Act (42
9 U.S.C. 1315) relating to such title).

10 (8) SECRETARY.—The term “Secretary” means
11 the Secretary of Health and Human Services.

12 (9) STATE.—The term “State” means each of
13 the 50 States, the District of Columbia, Puerto Rico,
14 the Virgin Islands, Guam, the Northern Mariana Is-
15 lands, and American Samoa.

16 **SEC. 30712. HCBS IMPROVEMENT PROGRAM.**

17 (a) INCREASED FMAP FOR HCBS PROGRAM IM-
18 PROVEMENT STATES.—Section 1905 of the Social Secu-
19 rity Act (42 U.S.C. 1396d) is amended—

20 (1) in subsection (b), by striking “and (ii)” and
21 inserting “(ii), and (jj)”; and

22 (2) by adding at the end the following new sub-
23 section:

24 “(jj) ADDITIONAL SUPPORT FOR HCBS PROGRAM
25 IMPROVEMENT STATES.—

1 “(1) IN GENERAL.—

2 “(A) ADDITIONAL SUPPORT.—Subject to
3 paragraph (5), in the case of a State that is an
4 HCBS program improvement State, for each
5 fiscal quarter that begins on or after the first
6 date on which the State is an HCBS program
7 improvement State—

8 “(i) and for which the State meets the
9 requirements described in paragraphs (2)
10 and (4), notwithstanding subsection (b) or
11 (ff), subject to subparagraph (B), with re-
12 spect to amounts expended during the
13 quarter by such State for medical assist-
14 ance for home and community-based serv-
15 ices, the Federal medical assistance per-
16 centage for such State and quarter (as de-
17 termined for the State under subsection
18 (b) and, if applicable, increased under sub-
19 section (y), (z), (aa), or (ii), section
20 6008(a) of the Families First Coronavirus
21 Response Act), or section 1915(k)(2) shall
22 be increased by 6 percentage points in ad-
23 dition to any percentage point increases
24 pursuant to either such subsection (y), (z),

1 (aa), or (ii), such section 6008(a), or such
2 section 1915(k)(2); and
3 “(ii) with respect to the State meeting
4 the requirements described in paragraphs
5 (2) and (4), notwithstanding sections
6 1903(a)(7) and 1903(a)(3), with respect to
7 amounts expended during the quarter and
8 before October 1, 2031, for administrative
9 costs for expanding and enhancing home
10 and community-based services, including
11 for enhancing Medicaid data and tech-
12 nology infrastructure, modifying rate set-
13 ting processes, adopting or improving
14 training programs for direct care workers
15 and family caregivers, home and commu-
16 nity-based services ombudsman office ac-
17 tivities, developing processes to identify di-
18 rect care workers and assign such workers
19 unique identifiers, and adopting, carrying
20 out, or enhancing programs that register
21 direct care workers or connect beneficiaries
22 to direct care workers, the per centum
23 specified in such sections 1903(a)(7) and
24 1903(a)(3) shall be increased to 80 per-
25 cent.

1 In no case may the application of clause (i) re-
2 sult in the Federal medical assistance percent-
3 age determined for a State being more than 95
4 percent with respect to such expenditures. In no
5 case shall the application of clause (ii) result in
6 a reduction to the per centum otherwise speci-
7 fied without application of such clause. Any in-
8 crease pursuant to clause (ii) shall be available
9 to a State before the State meets the require-
10 ments of paragraphs (2) and (4).

11 “(B) ADDITIONAL HCBS IMPROVEMENT
12 EFFORTS.—Subject to paragraph (5), in addi-
13 tion to the increase to the Federal medical as-
14 sistance percentage under subparagraph (A)(i)
15 for amounts expended during a quarter for
16 medical assistance for home and community-
17 based services by an HCBS program improve-
18 ment State that meets the requirements of
19 paragraphs (2) and (4) for the quarter, the
20 Federal medical assistance percentage for
21 amounts expended by the State during the
22 quarter for medical assistance for home and
23 community-based services shall be further in-
24 creased by 2 percentage points (but not to ex-
25 ceed 95 percent) during the first 6 fiscal quar-

1 ters throughout which the State has imple-
2 mented and has in effect a program that meets
3 the requirements of paragraph (3).

4 “(C) NONAPPLICATION OF TERRITORIAL
5 FUNDING CAPS.—Any payment made to Puerto
6 Rico, the Virgin Islands, Guam, the Northern
7 Mariana Islands, or American Samoa for ex-
8 penditures that are subject to an increase in the
9 Federal medical assistance percentage under
10 subparagraph (A)(i) or (B), or an increase in
11 an applicable Federal matching percentage
12 under subparagraph (A)(ii), shall not be taken
13 into account for purposes of applying payment
14 limits under subsections (f) and (g) of section
15 1108.

16 “(D) NONAPPLICATION TO CHIP EFMAP.—
17 Any increase described in subparagraph (A) (or
18 payment made for expenditures on medical as-
19 sistance that are subject to such increase) shall
20 not be taken into account in calculating the en-
21 hanced FMAP of a State under section 2105.

22 “(2) REQUIREMENTS.—Subject to the last sen-
23 tence of paragraph (1)(A), as conditions for receipt
24 of the increase under paragraph (1) to the Federal
25 medical assistance percentage determined for a

1 State, with respect to a fiscal year quarter, the State
2 shall meet each of the following requirements:

3 “(A) NONSUPPLANTATION.—The State
4 uses the Federal funds attributable to the in-
5 crease in the Federal medical assistance per-
6 centage for amounts expended during a quarter
7 for medical assistance for home and commu-
8 nity-based services under paragraph (1)(A) and
9 paragraph (1)(B) (if applicable) to supplement,
10 and not supplant, the level of State funds ex-
11 pended for home and community-based services
12 for eligible individuals through programs in ef-
13 fect as of the date the State is awarded a plan-
14 ning grant under section 30711 of the Act ti-
15 tled ‘An Act to provide for reconciliation pursu-
16 ant to title II of S. Con. Res. 14’. In applying
17 this subparagraph, the Secretary shall provide
18 that a State shall have a 3-year period, as spec-
19 ified by the Secretary, to spend any accumu-
20 lated unspent State funds attributable to the
21 increase described in clause (i) in the Federal
22 medical assistance percentage.

23 “(B) MAINTENANCE OF EFFORT.—

24 “(i) IN GENERAL.—The State does
25 not—

1 “(I) reduce the amount, dura-
2 tion, or scope of home and commu-
3 nity-based services available under the
4 State plan (or waiver of such plan)
5 relative to the home and community-
6 based services available under the
7 plan or a waiver of such plan as of
8 the date on which the State was
9 awarded a planning grant under sec-
10 tion 30711 of the Act titled ‘An Act
11 to provide for reconciliation pursuant
12 to title II of S. Con. Res. 14’;

13 “(II) reduce payment rates for
14 home and community-based services
15 lower than such rates that were in
16 place as of the date described in sub-
17 clause (I), including, to the extent ap-
18 plicable, assumed payment rates for
19 such services that are included in
20 managed care capitation rates as such
21 rates are being prospectively built; or

22 “(III) except to the extent per-
23 mitted under clause (ii), adopt more
24 restrictive standards, methodologies,
25 or procedures for determining eligi-

1 bility for or the scope of medical as-
2 sistance of home and community-
3 based services, including with respect
4 to cost-sharing, than the standards,
5 methodologies, or procedures applica-
6 ble as of the date described in sub-
7 clause (I).

8 “(ii) CONDITIONS FOR FLEXI-
9 BILITY.—A State may make modifications
10 that would otherwise violate the mainte-
11 nance of effort described in clause (i) if the
12 State demonstrates to the satisfaction of
13 the Secretary that such modifications shall
14 not result in—

15 “(I) home and community-based
16 services that are less comprehensive
17 or lower in amount, duration, or
18 scope;

19 “(II) fewer individuals (overall
20 and within particular eligibility
21 groups) receiving home and commu-
22 nity-based services, the calculation of
23 which may be adjusted for demo-
24 graphic changes since the date de-
25 scribed in clause (i)(I); or

1 “(III) increased cost-sharing
2 (other than resulting from the rate of
3 inflation) for home and community-
4 based services.

5 “(C) ACCESS TO SERVICES.—Not later
6 than an implementation date as specified by the
7 Secretary (which may vary for each of the fol-
8 lowing clauses) after the first day of the first
9 fiscal quarter for which a State receives an in-
10 crease to the Federal medical assistance per-
11 centage or other applicable Federal matching
12 percentage under paragraph (1), the State does
13 all of the following to improve access to serv-
14 ices:

15 “(i) Reduce access barriers and dis-
16 parities in access or utilization of home
17 and community-based services, as de-
18 scribed in the State HCBS improvement
19 plan.

20 “(ii) Provides coverage of personal
21 care services authorized under subsection
22 (a)(24) for all individuals eligible for and
23 enrolled in medical assistance in the State.

24 “(iii) Provides for navigation of home
25 and community-based services through ‘no

1 wrong door' programs, provides expedited
2 eligibility for home and community-based
3 services, and improves home and commu-
4 nity-based services counseling and edu-
5 cation programs.

6 “(iv) Expands access to behavioral
7 health services furnished in home and com-
8 munity-based settings.

9 “(v) Improves coordination of home
10 and community-based services with em-
11 ployment, housing, and transportation sup-
12 ports.

13 “(vi) Provides supports to family care-
14 givers.

15 “(vii) Newly provides coverage under,
16 or expands existing eligibility criteria for, 1
17 or more of the eligibility categories author-
18 ized under subclause (XIII), (XV), or
19 (XVI) of section 1902(a)(10)(A)(ii).

20 “(D) WORKFORCE.—

21 “(i) IN GENERAL.—The State
22 strengthens and expands the direct care
23 workforce that provides home and commu-
24 nity-based services by—

1 “(I) adopting processes to ensure
2 that payment rates for home and com-
3 munity-based services are sufficient
4 (as defined by the Secretary) to en-
5 sure that care and services are avail-
6 able to the extent described in the
7 State HCBS improvement plan; and

8 “(II) updating qualification
9 standards as appropriate, and devel-
10 oping and adopting training opportu-
11 nities for direct care workers and fam-
12 ily caregivers, at such time as the Sec-
13 retary shall prescribe.

14 “(ii) PAYMENT RATES.—In carrying
15 out clause (i)(I), the State shall—

16 “(I) update and, as appropriate,
17 increase payment rates for home and
18 community-based services to support
19 recruitment and retention of the di-
20 rect care workforce by not later than
21 2 years after approval of the HCBS
22 improvement plan and, at least every
23 3 years thereafter, using, through ex-
24 isting or other processes to determine
25 provider payment, a transparent proc-

1 ess involving meaningful input from
2 nongovernmental stakeholders; and

3 “(II) ensure that increases in the
4 payment rates for home and commu-
5 nity-based services—

6 “(aa) at a minimum, result
7 in a proportionate increase to
8 payments for direct care workers
9 and in a manner that is deter-
10 mined with input from the stake-
11 holders described in subclause
12 (I); and

13 “(bb) are incorporated into
14 provider payment rates for home
15 and community-based services
16 provided under this title by a
17 health plan, under a contract and
18 paid through capitation rates
19 with the State.

20 “(3) SELF-DIRECTED MODELS FOR THE DELIV-
21 ERY OF SERVICES.—As conditions for receipt of the
22 increase under paragraph (1)(B) to the Federal
23 medical assistance percentage determined for a
24 State, with respect to a fiscal year quarter, the State
25 shall establish directly, or by contract with 1 or

1 more entities, including an agency with choice or a
2 similar service delivery model, a program for the
3 performance of all of the following functions to fa-
4 cilitate beneficiary use of self-directed care in the
5 case the State covers home and community-based
6 services under authorities that permit self-direction:

7 “(A) Registering qualified direct care
8 workers and assisting beneficiaries in finding
9 direct care workers.

10 “(B) Undertaking activities to recruit and
11 train independent providers to enable bene-
12 ficiaries to direct their own care, including by
13 providing or coordinating training for bene-
14 ficiaries on self-directed care.

15 “(C) Ensuring the safety of, and sup-
16 porting the quality of, care provided to bene-
17 ficiaries.

18 “(D) Facilitating coordination between
19 State and local agencies and direct care workers
20 for matters of public health, training opportuni-
21 ties, changes in program requirements, work-
22 place health and safety, or related matters.

23 “(E) Supporting beneficiary hiring, if se-
24 lected by the beneficiary, of independent pro-
25 viders of home and community-based services,

1 including by processing applicable tax informa-
2 tion, collecting and processing timesheets, sub-
3 mitting claims and processing payments to such
4 providers.

5 “(F) To the extent a State permits bene-
6 ficiaries to hire a family member or individual
7 with whom they have an existing relationship to
8 provide home and community-based services,
9 providing support to beneficiaries who wish to
10 hire a caregiver who is a family member or in-
11 dividual with whom they have an existing rela-
12 tionship.

13 “(G) Ensuring that the program under
14 this paragraph does not promote or prevent the
15 ability of workers to form a labor organization
16 or discriminate against workers who may join
17 or decline to join such an organization.

18 “(4) REPORTING AND OVERSIGHT.—As condi-
19 tions for receipt of the increase under paragraph (1)
20 to the Federal medical assistance percentage deter-
21 mined for a State, with respect to a fiscal year quar-
22 ter, the State shall meet each of the following re-
23 quirements:

24 “(A) The State designates (by a date spec-
25 ified by the Secretary) an HCBS ombudsman

1 (or a long-term care ombudsman program of-
2 fice) that—

3 “(i) operates independently from the
4 State Medicaid agency and managed care
5 entities;

6 “(ii) provides direct assistance to re-
7 cipients of home and community-based
8 services available under the State Medicaid
9 program and their families; and

10 “(iii) identifies and reports systemic
11 problems to State officials, the public, and
12 the Secretary.

13 “(B) Beginning with the last day of the
14 5th fiscal quarter for which the state is an
15 HCBS program improvement State, and annu-
16 ally thereafter, the State reports to the Sec-
17 retary, in a manner the Secretary shall pre-
18 scribe, on the progress of implementation of the
19 activities described in subparagraphs (C) and
20 (D) of paragraph (2), paragraph (3) (if applica-
21 ble), the use of enhanced Federal funding pro-
22 vided under this subsection, and progress with
23 respect to service availability, utilization, dis-
24 parities in access and use of services, spending

1 on HCBS, and the status of the direct care
2 workforce.

3 “(5) BENCHMARKS FOR DEMONSTRATING IM-
4 PROVEMENTS.—An HCBS program improvement
5 State shall cease to be eligible for an increase in the
6 Federal medical assistance percentage under para-
7 graph (1)(A)(i) or (1)(B) or an increase in an appli-
8 cable Federal matching percentage under paragraph
9 (1)(A)(ii) on or after the first date on which a State
10 is an HCBS program improvement State if the
11 State is found to be out of compliance with the re-
12 quirements of this subsection and unless, at the end
13 of the 29th fiscal quarter, the State demonstrates
14 the following in the annual report required in para-
15 graph (4) for such quarter:

16 “(A) Increased availability (above a mar-
17 ginal increase) of home and community-based
18 services in the State relative to such availability
19 as reported in the State HCBS improvement
20 plan and adjusted for demographic changes in
21 the State since the submission of such plan.

22 “(B) With respect to the percentage of ex-
23 penditures made by the State for long-term
24 services and supports that are for home and
25 community-based services, in the case of an

1 HCBS program improvement State for which
2 such percentage (as reported in the State
3 HCBS improvement plan) was—

4 “(i) less than 50 percent, the State
5 demonstrates that the percentage of such
6 expenditures has increased to at least 50
7 percent since the plan was approved; and

8 “(ii) at least 50 percent, the State
9 demonstrates that such percentage has not
10 decreased since the plan was approved.

11 “(6) DEFINITIONS.—In this subsection, the
12 terms ‘State Medicaid plan’, ‘direct care worker’,
13 ‘HCBS program improvement State’, ‘health plan’;
14 and ‘home and community-based services’ have the
15 meaning given those terms in section 30711(e) of
16 the Act titled ‘An Act to provide for reconciliation
17 pursuant to title II of S. Con. Res. 14.’.”

18 **SEC. 30713. FUNDING FOR FEDERAL ACTIVITIES RELATED**
19 **TO MEDICAID HCBS.**

20 In addition to amounts otherwise available, there is
21 appropriated to the Secretary for fiscal year 2022, out of
22 any money in the Treasury not otherwise appropriated,
23 \$15,000,000, to remain available until expended, to carry
24 out section 30712 (including the amendments made by
25 such section), including by issuing necessary guidance and

1 technical assistance to States, conducting program integ-
2 rity and oversight efforts, and preparing and submitting
3 to the Committee on Energy and Commerce of the House
4 of Representatives and the Committee on Finance of the
5 Senate, beginning 5 years after the date of the enactment
6 of this Act and every three years thereafter, a report de-
7 scribing the progress of the HCBS planning and improve-
8 ment activities undertaken by States as applicable and as
9 described in sections 30711 and 30712 (including the
10 amendments made by such sections), and describing the
11 impact of such activities on access to care, including with
12 respect to disparities in access and utilization, and the di-
13 rect care workforce.

14 **SEC. 30714. FUNDING FOR HCBS QUALITY MEASUREMENT**
15 **AND IMPROVEMENT.**

16 (a) INCREASED FEDERAL MATCHING RATE FOR
17 ADOPTION AND REPORTING OF HCBS QUALITY MEAS-
18 URES.—

19 (1) IN GENERAL.—Section 1903(a)(3) of the
20 Social Security Act (42 U.S.C. 1396b(a)(3)) is
21 amended—

22 (A) in subparagraph (F)(ii), by striking
23 “plus” after the semicolon and inserting “and”;
24 and

1 (B) by inserting after subparagraph (F),
2 the following:

3 “(G) 80 percent of so much of the sums
4 expended during such quarter as are attrib-
5 utable to the reporting of information regarding
6 the quality of home and community-based serv-
7 ices in accordance with sections
8 1139A(a)(4)(B)(ii) and 1139B(b)(3)(C); and”.

9 (2) EXEMPTION FROM TERRITORIES’ PAYMENT
10 LIMITS.—Section 1108(g)(4) of the Social Security
11 Act is amended by adding at the end the following
12 new subparagraph:

13 “(C) ADDITIONAL EXEMPTION RELATING
14 TO HCBS QUALITY REPORTING.—Payments
15 under section 1903(a)(3)(G) shall not be taken
16 into account in applying payment limits under
17 subsections (f) and (g) of this subsection.”.

18 (b) HCBS QUALITY MEASURES FOR INCREASE.—
19 Title XI of the Social Security Act (42 U.S.C. 1301
20 through 1320e–3) is amended—

21 (1) in section 1139A—

22 (A) in subsection (a)(4)(B)—

23 (i) by striking “Beginning with the
24 annual State report on fiscal year 2024”
25 and inserting the following:

1 “(i) IN GENERAL.—Subject to clause
2 (ii), beginning with the annual State report
3 on fiscal year 2024”; and

4 (ii) by adding at the end the following
5 new clause:

6 “(ii) REPORTING HCBS QUALITY
7 MEASURES.—With respect to reporting on
8 information regarding the quality of home
9 and community-based services provided to
10 children under title XIX or title XXI, be-
11 ginning with the annual State report re-
12 quired under subsection (c)(1) for the first
13 fiscal year that begins on or after the date
14 that is 2 years after the date that the Sec-
15 retary publishes the home and community-
16 based services quality measures developed
17 under subsection (b)(5)(B) the Secretary
18 shall require States to report such infor-
19 mation using the standardized format for
20 reporting information and procedures de-
21 veloped under subparagraph (A) and using
22 all such home and community-based qual-
23 ity measures developed under subsection
24 (b)(5) (including any updates or changes
25 to such measures).”; and

1 (B) in subsection (b)(5)—

2 (i) by striking “Beginning no later
3 than January 1, 2013” and inserting the
4 following:

5 “(A) IN GENERAL.—Beginning no later
6 than January 1, 2013”; and

7 (ii) by adding at the end the following
8 new subparagraph:

9 “(B) HCBS QUALITY MEASURES.—Begin-
10 ning with the first year that begins on the date
11 that is 2 years after the date of enactment of
12 this subparagraph (or, in the case of measures
13 that require development and testing prior to
14 availability, not later than 4 years after the
15 date of enactment of this subparagraph), the
16 requirements of subparagraph (A) shall apply,
17 and the core measures described in subsection
18 (a) (and any updates or changes to such meas-
19 ures) shall include home and community-based
20 services, and quality measures developed by the
21 Secretary. The Secretary shall ensure that such
22 measures reflects the full array of home and
23 community-based services, and consult with
24 nongovernmental stakeholders with expertise in

1 home and community-based services (including
2 recipients and providers of such services).”;

3 (C) in subsection (b)(6)—

4 (i) by inserting “or support services”
5 before “that is capable of”;

6 (ii) by striking “and ambulatory
7 health care settings” and inserting “, am-
8 bulatory health care, and home and com-
9 munity-based settings”; and

10 (iii) by inserting “and home and com-
11 munity-based” before “care system”; and

12 (D) in subsection (c)(1), in the matter pre-
13 ceding subparagraph (A), by inserting “, sub-
14 ject to subsection (a)(4)(B)(ii),” before “annu-
15 ally report”; and

16 (2) in section 1139B—

17 (A) in subsection (b)—

18 (i) in paragraph (3), by adding at the
19 end the following new subparagraph:

20 “(C) MANDATORY REPORTING WITH RE-
21 SPECT TO HCBS QUALITY MEASURES.—Begin-
22 ning with the State report required under sub-
23 section (d)(1) for the first year that begins on
24 or after the date that is 2 years after the date
25 that the Secretary publishes the home and com-

1 community-based quality measures developed under
2 paragraph (5)(D), the Secretary shall require
3 States to report information, using the stand-
4 dardized format for reporting information and
5 procedures developed under subparagraph (A),
6 regarding the quality of home and community-
7 based services for Medicaid eligible adults using
8 all of the home and community-based services
9 quality measures included in the core set of
10 adult health quality measures under paragraph
11 (5)(D), and any updates or changes to such
12 measures.”; and

13 (ii) in paragraph (5), by adding at the
14 end the following new subparagraph:

15 “(D) HCBS QUALITY MEASURES.—

16 “(i) FUNDING.—In addition to
17 amounts otherwise available, there is ap-
18 propriated to the Secretary, for fiscal year
19 2022, to be available until expended, out of
20 any money in the Treasury not otherwise
21 appropriated, \$22,000,000, for carrying
22 out this subparagraph.

23 “(ii) INCLUSION OF HCBS QUALITY
24 MEASURES.—Beginning with respect to
25 State reports required under subsection

1 (d)(1) for the first year that begins on or
2 after the date that is 2 years after the date
3 of enactment of this subparagraph (or, in
4 the case of measures that require develop-
5 ment and testing prior to availability, not
6 later than 4 years after the date of enact-
7 ment of this subparagraph) the core set of
8 adult health quality measures maintained
9 under this paragraph (and any updates or
10 changes to such measures) shall include
11 home and community-based services qual-
12 ity measures developed in accordance with
13 this subparagraph.

14 “(iii) REQUIREMENTS.—

15 “(I) IN GENERAL.—In devel-
16 oping, reviewing and updating the
17 home and community-based services
18 quality measures included in the core
19 set of adult health quality measures
20 maintained under this paragraph, the
21 Secretary shall consult with non-
22 governmental stakeholders with exper-
23 tise in home and community-based
24 services (including recipients and pro-
25 viders of such services) and ensure

1 such measures reflect the full array of
2 home and community-based services
3 and recipients of such services

4 “(II) DEFINITIONS.—For pur-
5 poses of this section and section
6 1139A, the terms ‘home and commu-
7 nity-based services’, and ‘direct care
8 worker’ have the meanings given those
9 terms in section 30711(e) of the Act
10 titled ‘An Act to provide for reconcili-
11 ation pursuant to title II of S. Con.
12 Res. 14’.”; and

13 (B) in subsection (d)(1)(A), by striking “;
14 and” and inserting “and, beginning with the re-
15 port for the first year that begins after the date
16 that is 2 years after the Secretary publishes the
17 home and community-based quality measures
18 developed under subsection (b)(5)(D), all home
19 and community-based services quality measures
20 included in the core set of adult health quality
21 measures maintained under subsection (b)(5)
22 and any updates or changes to such measures;
23 and”.

1 **SEC. 30715. PERMANENT EXTENSION OF MEDICAID PRO-**
2 **TECTIONS AGAINST SPOUSAL IMPOVERISH-**
3 **MENT FOR RECIPIENTS OF HOME AND COM-**
4 **MUNITY-BASED SERVICES.**

5 (a) IN GENERAL.—Section 1924(h)(1)(A) of the So-
6 cial Security Act (42 U.S.C. 1396r–5(h)(1)(A)) is amend-
7 ed by striking “(at the option of the State) is described
8 in section 1902(a)(10)(A)(ii)(VI)” and inserting the fol-
9 lowing: “is eligible for medical assistance for home and
10 community-based services provided under subsection (c),
11 (d), or (i) of section 1915 or under a waiver approved
12 under section 1115, or who is eligible for such medical
13 assistance by reason of being determined eligible under
14 section 1902(a)(10)(C) or by reason of section 1902(f) or
15 otherwise on the basis of a reduction of income based on
16 costs incurred for medical or other remedial care, or who
17 is eligible for medical assistance for home and community-
18 based attendant services and supports under section
19 1915(k)”.

20 (b) CONFORMING AMENDMENT.—Section 2404 of the
21 Patient Protection and Affordable Care Act (42 U.S.C.
22 1396r–5 note) is amended by striking “September 30,
23 2023” and inserting “the date of the enactment of the
24 Act titled ‘An Act to provide for reconciliation pursuant
25 to title II of S. Con. Res. 14’”.

1 **SEC. 30716. PERMANENT EXTENSION OF MONEY FOLLOWS**
2 **THE PERSON REBALANCING DEMONSTRATION.**
3 **TION.**

4 (a) IN GENERAL.—Subsection (h) of section 6071 of
5 the Deficit Reduction Act of 2005 (42 U.S.C. 1396a note)
6 is amended—

7 (1) in paragraph (1)—

8 (A) in subparagraph (I), by inserting
9 “and” after the semicolon;

10 (B) by amending subparagraph (J) to read
11 as follows:

12 “(J) \$450,000,000 for each fiscal year
13 after fiscal year 2021.”; and

14 (C) by striking subparagraph (K);

15 (2) in paragraph (2), by striking “September
16 30, 2023” and inserting “September 30 of the sub-
17 sequent fiscal year”; and

18 (3) by adding at the end the following new
19 paragraph:

20 “(3) TECHNICAL ASSISTANCE.—In addition to
21 amounts otherwise available, there is appropriated to
22 the Secretary for fiscal year 2022 and for each sub-
23 sequent 3-year period, out of any money in the
24 Treasury not otherwise appropriated, \$5,000,000, to
25 remain available until expended, for carrying out
26 subsections (f), (g), and (i).”.

1 (b) REDISTRIBUTION OF UNEXPENDED GRANT
2 AWARDS.—Subsection (e)(2) of section 6071 of the Deficit
3 Reduction Act of 2005 (42 U.S.C. 1396a note) is amended
4 by adding at the end the following new sentence: “Any
5 portion of a State grant award for a fiscal year under this
6 section that is unexpended by the State at the end of the
7 fourth succeeding fiscal year shall be rescinded by the Sec-
8 retary and added to the appropriation for the fifth suc-
9 ceeding fiscal year.”.

10 **PART 2—OTHER MEDICAID**

11 **SEC. 30721. INVESTMENTS TO ENSURE CONTINUED ACCESS**
12 **TO HEALTH CARE FOR CHILDREN, PREG-**
13 **NANT INDIVIDUALS, AND OTHER INDIVID-**
14 **UALS.**

15 (a) EXTENDING CONTINUOUS COVERAGE FOR PREG-
16 NANT AND POSTPARTUM INDIVIDUALS.—

17 (1) MEDICAID.—

18 (A) REQUIRING FULL BENEFITS FOR
19 PREGNANT AND POSTPARTUM INDIVIDUALS FOR
20 12-MONTH PERIOD POST PREGNANCY.—

21 (i) IN GENERAL.—Paragraph (5) of
22 section 1902(e) of the Social Security Act
23 (42 U.S.C. 1396a(e)) is amended—

24 (I) by striking “(5) A woman
25 who” and inserting “(5)(A) For any

1 fiscal year quarter (beginning with the
2 first fiscal year quarter beginning one
3 year after the date of the enactment
4 of the Act titled ‘An Act to provide
5 for reconciliation pursuant to title II
6 of S. Con. Res. 14’) with respect to
7 which subparagraph (B) does not
8 apply, an individual who’’; and

9 (II) by adding at the end the fol-
10 lowing new subparagraph:

11 “(B) For any fiscal year quarter (beginning
12 with the first fiscal year quarter beginning one year
13 after the date of the enactment of the Act titled ‘An
14 Act to provide for reconciliation pursuant to title II
15 of S. Con. Res. 14’), any individual who, while preg-
16 nant, is eligible for and received medical assistance
17 under the State plan or a waiver of such plan (re-
18 gardless of the basis for the individual’s eligibility
19 for medical assistance and including during a period
20 of retroactive eligibility under subsection (a)(34)),
21 shall remain eligible, notwithstanding section
22 1916(e)(3) or any other limitation under this title,
23 for medical assistance through the end of the month
24 in which the 12-month period (beginning on the last
25 day of pregnancy of the individual) ends, and such

1 medical assistance shall be in accordance with
2 clauses (i) and (ii) of paragraph (16)(B).”.

3 (ii) CONFORMING AMENDMENTS.—
4 Title XIX of the Social Security Act (42
5 U.S.C. 1396 through 1396w-6) is amend-
6 ed—

7 (I) in section 1902(a)(10), in the
8 matter following subparagraph (G), by
9 striking “(VII) the medical assist-
10 ance” and all that follows through “,
11 (VIII)” and inserting “(VIII)”;

12 (II) in section 1902(e)(6), by
13 striking “In the case of” and inserting
14 “For any fiscal year quarter with re-
15 spect to which paragraph (5)(B) does
16 not apply, in the case of”;

17 (III) in section 1902(l)(1)(A), by
18 striking “60-day period” and inserting
19 “12-month period (or, for any fiscal
20 year quarter with respect to which
21 subsection (e)(5)(B) does not apply
22 and for which the State has not
23 adopted the option under section
24 1902(e)(16)(A), 60-day period)”;

25 (IV) in section 1903(v)(4)—

1 (aa) in subparagraph (A)(i),
2 by striking “the 60-day period”
3 and inserting “the applicable pe-
4 riod (as described in subpara-
5 graph (D))”;

6 (bb) in subparagraph (A)(ii),
7 by striking the period at the end
8 and inserting the following: “and
9 including—

10 “(I) for any fiscal year quarter
11 (beginning with the first fiscal year
12 quarter beginning one year after the
13 date of the enactment of the Amer-
14 ican Rescue Plan of 2021) with re-
15 spect to which section 1902(e)(5)(B)
16 does not apply, an individual to whom
17 section 1902(e)(5)(A) applies, in ac-
18 cordance with such section
19 1902(e)(5)(A), as applicable pursuant
20 to section 1902(e)(16)(A); and”;

21 (cc) in subparagraph (A)(ii),
22 as amended by item (bb), by add-
23 ing at the end the following new
24 subelause:

1 “(II) for any fiscal year quarter
2 (beginning with the first fiscal year
3 quarter beginning one year after the
4 date of the enactment of the Act titled
5 ‘An Act to provide for reconciliation
6 pursuant to title II of S. Con. Res.
7 14’), an individual to whom section
8 1902(e)(5)(B) applies, in accordance
9 with such section, through the end of
10 the month in which the 12-month pe-
11 riod (beginning on the last day of
12 pregnancy of the individual) ends.”;

13 (dd) by adding at the end
14 the following new subparagraph:

15 “(D) For purposes of subparagraph (A),
16 the applicable period described in this subpara-
17 graph is—

18 “(i) beginning with the first fiscal
19 year quarter that begins one year after the
20 date of the enactment of the American
21 Rescue Plan of 2021, for a State that has
22 adopted the option under section
23 1902(e)(16)(A), the 12-month period;”;
24 and

1 (ee) in the subparagraph
2 (D) added by item (dd), by add-
3 ing at the end the following new
4 clauses:

5 “(ii) beginning with the first fiscal
6 year quarter beginning one year after the
7 date of the enactment of the Act titled ‘An
8 Act to provide for reconciliation pursuant
9 to title II of S. Con. Res. 14’, the 12-
10 month period; and

11 “(iii) for any fiscal year quarter (be-
12 ginning with such first fiscal year quarter)
13 with respect to which section
14 1902(e)(5)(B) does not apply and for
15 which the State has not adopted the option
16 under section 1902(e)(16)(A), the 60-day
17 period.”;

18 (V) in section 1905(a), in the 4th
19 sentence in the matter following para-
20 graph (31), by striking “60-day pe-
21 riod” and inserting “12-month period
22 (or, for any fiscal year quarter with
23 respect to which section
24 1902(e)(5)(B) does not apply and for
25 which the State has not adopted the

1 option under section 1902(e)(16)(A),
2 60-day period)”; and

3 (VI) in section 1905(y)(2), by
4 adding at the end the following new
5 subparagraph:

6 “(C) TREATMENT FOR CERTAIN
7 INDIVIDUALS.—Notwithstanding subparagraph
8 (A) of this paragraph, section
9 1902(a)(10)(A)(i)(III), and section
10 1902(a)(10)(A)(i)(IV), the term ‘newly eligible’
11 shall apply to individuals who but for the
12 amendment made by section
13 30721(a)(1)(A)(i)(II) of the Act titled ‘An Act
14 to provide for reconciliation pursuant to title II
15 of S. Con. Res. 14’ would be eligible under the
16 State plan (or waiver) for medical assistance
17 under section 1902(a)(10)(A)(i)(VIII) for the
18 period beginning on the first day occurring
19 after the end of such 60-day period and ending
20 on the last day of the month in which the 12-
21 month period (beginning on the last day of her
22 pregnancy) ends.”.

23 (B) TRANSITION FROM STATE OPTION.—

24 (i) IN GENERAL.—Section
25 1902(e)(16)(A) of the Social Security Act

1 (42 U.S.C. 1396a(e)(16)(A)) is amended
2 by striking “At the option of the State”
3 and inserting “For any fiscal year quarter
4 with respect to which paragraph (5)(B)
5 does not apply, at the option of the State”.

6 (ii) CONFORMING AMENDMENT.—Sec-
7 tion 9812 of the American Rescue Plan of
8 2021 (Public Law 117–2) is amended by
9 striking “during the 5-year period”.

10 (C) EFFECTIVE DATE.—

11 (i) IN GENERAL.—Subject to clauses
12 (i) and (ii), the amendments made by this
13 paragraph shall take effect on the 1st day
14 of the 1st fiscal year quarter that begins
15 one year after the date of the enactment of
16 this Act and shall apply with respect to
17 medical assistance provided on or after
18 such date.

19 (ii) EXCEPTION FOR CERTAIN AMER-
20 ICAN RESCUE PLAN OF 2021 CONFORMING
21 AMENDMENTS.—The amendments made by
22 items (aa), (bb), and (dd) of subparagraph
23 (A)(ii)(IV) shall take effect on the first day
24 of the first fiscal year quarter that begins
25 one year after the date of the enactment of

1 the American Rescue Plan of 2021 and
2 shall apply with respect to medical assist-
3 ance provided on or after such date.

4 (iii) EXCEPTION FOR STATE LEGISLA-
5 TION.—In the case of a State plan under
6 title XIX of the Social Security Act (42
7 U.S.C. 1396 through 1396w-6) that the
8 Secretary of Health and Human Services
9 determines requires State legislation in
10 order for the plan to meet any requirement
11 imposed by amendments made by this
12 paragraph, the plan shall not be regarded
13 as failing to comply with the requirements
14 of such title solely on the basis of its fail-
15 ure to meet such a requirement before the
16 first day of the first calendar quarter be-
17 ginning after the close of the first regular
18 session of the State legislature that begins
19 after the date of the enactment of this Act.
20 For purposes of the previous sentence, in
21 the case of a State that has a 2-year legis-
22 lative session, each year of the session
23 shall be considered to be a separate regular
24 session of the State legislature.

25 (2) CHIP.—

1 (A) REQUIRING FULL BENEFITS FOR
2 PREGNANT AND POSTPARTUM WOMEN FOR 12-
3 MONTH PERIOD POST PREGNANCY.—

4 (i) IN GENERAL.—Section
5 2107(e)(1)(J) of the Social Security Act
6 (42 U.S.C. 1397gg(e)(1)(J)) is amended—

7 (I) by striking “Paragraphs (5)
8 and (16)” and inserting “(i) For any
9 fiscal year quarter with respect to
10 which paragraph (5)(B) does not
11 apply, paragraphs (5)(A) and (16)”;
12 and

13 (II) by adding at the end the fol-
14 lowing new clause:

15 “(ii) For any fiscal year quarter (beginning
16 with the first fiscal year quarter beginning one
17 year after the date of the enactment of the Act
18 titled ‘An Act to provide for reconciliation pur-
19 suant to title II of S. Con. Res. 14’), section
20 1902(e)(5)(B) (requiring, notwithstanding sec-
21 tion 2103(e)(3)(C)(ii)(I) or any other limitation
22 under this title, continuous coverage for preg-
23 nant and postpartum individuals, including 12
24 months postpartum, of medical assistance) if
25 the State provides child health assistance for

1 targeted low-income children or to targeted low-
2 income pregnant women, under the State child
3 health plan or waiver, including coverage of all
4 items or services provided to a targeted low-in-
5 come child or targeted low-income pregnant
6 woman (as applicable) under the State child
7 health plan or waiver).”.

8 (ii) CONFORMING AMENDMENTS.—
9 Section 2112 of the Social Security Act
10 (42 U.S.C. 1397ll) is amended—

11 (I) in subsection (d)—

12 (aa) in paragraph (1), by in-
13 serting “and includes, through
14 application of section
15 1902(e)(5)(B) pursuant to sec-
16 tion 2107(e)(1)(J)(ii), continuous
17 coverage for pregnant and
18 postpartum individuals, including
19 12 months postpartum, of assist-
20 ance” before the period at the
21 end; and

22 (bb) in paragraph (2)(A), by
23 striking “60-day period” and all
24 that follows through “ends” and
25 inserting “12-month period (or,

1 (B) TRANSITION FROM STATE PLAN OP-
2 TION.—Section 9822(b) of the American Res-
3 cue Plan Act of 2021 (Public Law 117–2) is
4 amended by striking “5-year period”.

5 (C) EFFECTIVE DATE.—

6 (i) IN GENERAL.—Subject to clause
7 (ii), the amendments made by this para-
8 graph shall take effect on the 1st day of
9 the 1st fiscal year quarter that begins one
10 year after the date of the enactment of this
11 Act and shall apply with respect to child
12 health assistance and pregnancy-related as-
13 sistance, as applicable, provided on or after
14 such date.

15 (ii) EXCEPTION FOR STATE LEGISLA-
16 TION.—In the case of a State child health
17 plan under title XXI of the Social Security
18 Act (42 U.S.C. 1397aa through 1397mm)
19 that the Secretary of Health and Human
20 Services determines requires State legisla-
21 tion in order for the plan to meet any re-
22 quirement imposed by amendments made
23 under this paragraph, the plan shall not be
24 regarded as failing to comply with the re-
25 quirements of such title solely on the basis

1 of its failure to meet such a requirement
2 before the first day of the first calendar
3 quarter beginning after the close of the
4 first regular session of the State legislature
5 that begins after the date of the enactment
6 of this Act. For purposes of the previous
7 sentence, in the case of a State that has a
8 2-year legislative session, each year of the
9 session shall be considered to be a separate
10 regular session of the State legislature.

11 (b) PROVIDING FOR 1 YEAR OF CONTINUOUS ELIGI-
12 BILITY FOR CHILDREN.—

13 (1) UNDER THE MEDICAID PROGRAM.—

14 (A) IN GENERAL.—Section 1902(e) of the
15 Social Security Act (42 U.S.C. 1396a(e)) is
16 amended—

17 (i) in paragraph (12), by inserting
18 “before the date that is one year after the
19 date of the enactment of paragraph (17)”
20 after “subsection (a)(10)(A)”; and

21 (ii) by adding at the end following
22 new paragraph:

23 “(17) 1 YEAR OF CONTINUOUS ELIGIBILITY FOR
24 CHILDREN.—The State plan (or waiver of such
25 State plan) shall provide that an individual who is

1 under the age of 19 and who is determined to be eli-
2 gible for benefits under a State plan (or waiver of
3 such plan) approved under subsection (a)(10)(A)
4 shall remain eligible for such benefits until the ear-
5 lier of—

6 “(A) the end of the 12-month period begin-
7 ning on the date of such determination;

8 “(B) the time that such individual attains
9 the age of 19; or

10 “(C) the date that such individual ceases
11 to be a resident of such State.”.

12 (B) EFFECTIVE DATE.—

13 (i) IN GENERAL.—Subject to clause
14 (ii), the amendments made by subpara-
15 graph (A)(ii) shall take effect one year
16 after the date of enactment of this Act.

17 (ii) EXCEPTION FOR STATE LEGISLA-
18 TION.—In the case of a State plan under
19 title XIX of the Social Security Act (42
20 U.S.C. 1396 through 1396w-6) that the
21 Secretary of Health and Human Services
22 determines requires State legislation in
23 order for the plan to meet any requirement
24 imposed by amendments made under sub-
25 paragraph (A)(ii), the plan shall not be re-

1 garded as failing to comply with the re-
2 quirements of such title solely on the basis
3 of its failure to meet such a requirement
4 before the first day of the first calendar
5 quarter beginning after the close of the
6 first regular session of the State legislature
7 that begins after the date of the enactment
8 of this Act. For purposes of the previous
9 sentence, in the case of a State that has a
10 2-year legislative session, each year of the
11 session shall be considered to be a separate
12 regular session of the State legislature.

13 (2) UNDER THE CHILDREN’S HEALTH INSUR-
14 ANCE PROGRAM.—Section 2107(e)(1) of the Social
15 Security Act (42 U.S.C. 1397gg(e)(1)) is amended—

16 (A) by redesignating subparagraphs (K)
17 through (T) as subparagraphs (L) through (U),
18 respectively; and

19 (B) by inserting after subparagraph (J)
20 the following new subparagraph:

21 “(K) Section 1902(e)(17) (relating to 1
22 year of continuous eligibility for children).”.

23 (c) REVISIONS TO TEMPORARY INCREASE OF MED-
24 ICAID FMAP UNDER THE FAMILIES FIRST CORONAVIRUS
25 RESPONSE ACT.—Section 6008 of the Families First

1 Coronavirus Response Act (42 U.S.C. 1396d note) is
2 amended—

3 (1) in subsection (a)—

4 (A) by striking “IN GENERAL.—Subject
5 to” and inserting “TEMPORARY INCREASE.—
6 “(1) IN GENERAL.—Subject to”;

7 (B) in the paragraph (1) inserted by sub-
8 paragraph (A)—

9 (i) by striking “the last day of the cal-
10 endar quarter in which the last day of such
11 emergency period occurs” and inserting
12 “September 30, 2022”; and

13 (ii) by striking “6.2 percentage
14 points” and inserting “the number of per-
15 centage points specified in paragraph (2)
16 with respect to such calendar quarter”;
17 and

18 (C) by adding at the end the following new
19 paragraph:

20 “(2) PERCENTAGE POINTS SPECIFIED.—For
21 purposes of paragraph (1), the number of percent-
22 age points specified in this paragraph is—

23 “(A) 6.2 percentage points with respect to
24 each calendar quarter occurring during the pe-
25 riod beginning on the first day of the emer-

1 agency period defined in paragraph (1)(B) of
2 section 1135(g) of the Social Security Act (42
3 U.S.C. 1320b-5(g)) and ending March 31,
4 2022;

5 “(B) 3.0 percentage points with respect to
6 the calendar quarter beginning on April 1,
7 2022, and ending on June 30, 2022; and

8 “(C) 1.5 percentage points with respect to
9 the calendar quarter beginning on July 1, 2022,
10 and ending on September 30, 2022.”;

11 (2) in subsection (b)(3)—

12 (A) by striking “the State fails” and in-
13 serting “subject to subsection (f), the State
14 fails”;

15 (B) by striking “and ending the last day of
16 the month in which the emergency period de-
17 scribed in subsection (a) ends” and inserting
18 “and ending on March 31, 2022,”; and

19 (C) by striking “through the end of the
20 month in which such emergency period ends”
21 and inserting “through September 30, 2022,”;

22 (3) by redesignating the second subsection (d),
23 as added by section 11 of division X of the Consoli-
24 dated Appropriations Act, 2021 (Public Law 116-
25 260), as subsection (e); and

1 (4) by adding at the end the following new sub-
2 section:

3 “(f) SPECIAL RULE FOR ENROLLMENTS AS OF APRIL
4 1, 2022.—For calendar quarters during the period de-
5 scribed in subsection (a) that begin on or after April 1,
6 2022, a State described in such subsection may, in accord-
7 ance with paragraph (3), terminate coverage for an indi-
8 vidual who is determined to be no longer eligible for med-
9 ical assistance and who has been enrolled for at least 12
10 consecutive months under the State plan of such State
11 under title XIX of the Social Security Act (42 U.S.C.
12 1396) (or waiver of such plan), and such State shall not
13 be ineligible for the increase to the Federal medical assist-
14 ance percentage of the State described in such subsection
15 on the basis that the State is in violation of the require-
16 ment of subsection (b)(3), if the State, with respect to
17 such terminations of coverage conducted through Sep-
18 tember 30, 2022, for such individuals, is in compliance
19 with each of the following:

20 “(1) The State shall conduct such eligibility re-
21 determinations, with respect to such an individual,
22 in accordance with the provisions of section 435.916
23 of title 42 of the Code of Federal Regulations (or
24 any successor regulation), based on the current cir-
25 cumstances of such individual.

1 “(2) In the case of such an individual, the State
2 shall assess whether the individual is eligible for all
3 categories under the State plan (or waiver).

4 “(3) In the case of such an individual deter-
5 mined ineligible pursuant to such a redetermination
6 of medical assistance under the State plan (or waiv-
7 er) for all eligibility categories under the State plan
8 (or waiver), the State shall comply with the require-
9 ments of section 1943 of the Social Security Act (42
10 U.S.C. 1396w-3), including that the State shall de-
11 termine potential eligibility for, and as appropriate,
12 transfer via a secure electronic interface the individ-
13 ual’s electronic account to, other insurance afford-
14 ability programs.

15 “(4) Prior to terminating coverage for an indi-
16 vidual, the State shall undertake a good faith effort
17 to ensure that the State has contact information (in-
18 cluding an up-to-date mailing address, phone num-
19 ber, or email address) for such individuals by con-
20 firming with Medicaid managed care organizations
21 (where applicable), and other applicable State health
22 and human services agencies.

23 “(5) The State may not disenroll from the
24 State plan (or waiver) such an individual determined
25 ineligible pursuant to such a redetermination for

1 medical assistance under the State plan (or waiver)
2 on the basis of returned mail unless—

3 “(A) there have been at least two failed at-
4 tempts to contact such individual; and

5 “(B) after the second attempt, the indi-
6 vidual had 30 days notice before such
7 disenrollment takes effect.

8 “(6) The State may not initiate such eligibility
9 redeterminations for more than 1/12 of such individ-
10 uals enrolled in the State plan (or waiver) with re-
11 spect to any month during the period beginning on
12 April 1, 2022, and ending on September 30, 2022.

13 “(7) The State shall submit to the Secretary
14 monthly reports during the period described in sub-
15 section (a) that begin on or after April 1, 2022
16 which the State receives an increase pursuant to
17 such subsection period on the activities of the State,
18 including, with respect to the period for which the
19 report is submitted—

20 “(A) the number of cases of such eligibility
21 redeterminations conducted by the State during
22 such period in which the eligibility of such an
23 individual for medical assistance under the
24 State plan (or waiver) was renewed and the
25 number of cases of such eligibility redetermina-

1 tions so conducted during such period in which
2 the eligibility of such an individual for medical
3 assistance under the State plan (or waiver) was
4 terminated;

5 “(B) the number of such cases in which
6 eligibility for medical assistance under the State
7 plan (or waiver) were so terminated pursuant to
8 such a redetermination due to insufficient docu-
9 mentation related to verification of eligibility;

10 “(C) the number of such cases in which
11 eligibility for medical assistance under the State
12 plan (or waiver) were so terminated pursuant to
13 such a redetermination due to a known change
14 in circumstance;

15 “(D) the number of individuals whose cov-
16 erage was terminated pursuant to such a rede-
17 termination who, during such period, trans-
18 ferred to a qualified health plan through an Ex-
19 change, CHIP, or basic health program pursu-
20 ant to paragraph (3); and

21 “(E) with respect to eligibility redeter-
22 minations, the average volume, wait times, and
23 abandonment rate (as determined by the Sec-
24 retary) for each call center during such
25 month.”.

1 (d) ALLOWING FOR MEDICAL ASSISTANCE UNDER
2 MEDICAID FOR INMATES DURING 30-DAY PERIOD PRE-
3 CEDING RELEASE.—

4 (1) IN GENERAL.—The subdivision (A) fol-
5 lowing paragraph (31) of section 1905(a) of the So-
6 cial Security Act (42 U.S.C. 1396d(a)) is amended
7 by inserting “and, beginning on the first day of the
8 first fiscal year quarter that begins two years after
9 the date of the enactment of the Act titled ‘An Act
10 to provide for reconciliation pursuant to title II of
11 S. Con. Res. 14’, except during the 30-day period
12 preceding the date of release of an inmate of a pub-
13 lic institution” after “medical institution”.

14 (2) CONFORMING AMENDMENTS.—Section
15 1902(a) of the Social Security Act (42 U.S.C.
16 1396a(a)) is amended—

17 (A) in paragraph (74), by striking at the
18 end “and”; and

19 (B) in paragraph (84)—

20 (i) in subparagraph (A), by inserting
21 “, except, beginning on the first day of the
22 first fiscal year quarter that begins two
23 years after the date of the enactment of
24 the Act titled ‘An Act to provide for rec-
25 onciliation pursuant to title II of S. Con.

1 Res. 14’, the State may not suspend cov-
2 erage during the 30-day period preceding
3 the expected date of release of the juve-
4 nile” after “during the period the juvenile
5 is such an inmate”; and

6 (ii) in subparagraph (C), by striking
7 “upon release” and inserting “30 days
8 prior to release”.

9 (e) EXTENSION OF CERTAIN PROVISIONS.—

10 (1) EXPRESS LANE ELIGIBILITY OPTION.—Sec-
11 tion 1902(e)(13) of the Social Security Act (42
12 U.S.C. 1396a(e)(13)) is amended by striking sub-
13 paragraph (I).

14 (2) CONFORMING AMENDMENTS FOR ASSUR-
15 ANCE OF AFFORDABILITY STANDARD FOR CHILDREN
16 AND FAMILIES.—Section 1902(gg)(2) of the Social
17 Security Act (42 U.S.C. 1396a(gg)(2)) is amend-
18 ed—

19 (A) in the paragraph heading, by striking
20 “THROUGH SEPTEMBER 30, 2027”; and

21 (B) by striking “through September 30”
22 and all that follows through “ends on Sep-
23 tember 30, 2027” and inserting “(but begin-
24 ning on October 1, 2019,”.

1 (f) STATE OPTION TO PROVIDE COORDINATED CARE
2 THROUGH A MATERNAL HEALTH HOME FOR PREGNANT
3 AND POSTPARTUM INDIVIDUALS.—Title XIX of the Social
4 Security Act (42 U.S.C. 1396a) is amended by inserting
5 after section 1945A the following new section:

6 **“SEC. 1945B. STATE OPTION TO PROVIDE COORDINATED**
7 **CARE THROUGH A MATERNAL HEALTH HOME**
8 **FOR PREGNANT AND POSTPARTUM INDIVID-**
9 **UALS.**

10 “(a) IN GENERAL.—Notwithstanding section
11 1902(a)(1) (relating to statewideness) and section
12 1902(a)(10)(B) (relating to comparability), beginning 24
13 months after the date of enactment of this section, a
14 State, at its option as a State plan amendment, may pro-
15 vide for medical assistance under this title to eligible indi-
16 viduals who choose to enroll in a maternal health home
17 under this section and receive maternal health home serv-
18 ices from a designated provider, a team of health profes-
19 sionals operating with such a provider, or a health team.

20 “(b) MATERNAL HEALTH HOME QUALIFICATION
21 STANDARDS.—A maternal health home under this section
22 shall demonstrate to the State the ability to do the fol-
23 lowing:

24 “(1) Develop an individualized comprehensive
25 care plan for each eligible individual, working in a

1 culturally and linguistically appropriate manner with
2 such individual to develop and incorporate such care
3 plan in a manner consistent with such individual's
4 needs and choices, including—

5 “(A) primary care;

6 “(B) inpatient care;

7 “(C) social support services;

8 “(D) local hospital emergency care;

9 “(E) care management and planning re-
10 lated to a change in an eligible individual's eli-
11 gibility for medical assistance or a change in
12 health insurance coverage as needed; and

13 “(F) behavioral health services.

14 “(2) Coordinate all necessary services to sup-
15 port prenatal, labor and delivery, and postpartum
16 care for eligible individuals.

17 “(3) Coordinate access to specialists, behavioral
18 health providers, early intervention services, and pe-
19 diatricians.

20 “(4) Collect and report information under sub-
21 section (d).

22 “(c) PAYMENTS.—

23 “(1) IN GENERAL.—A State shall provide a des-
24 ignated provider, a team of health professionals op-
25 erating with such a provider, or a health team with

1 payments for the provision of maternal health home
2 services to each eligible individual enrolled in a ma-
3 ternal health home. Payments for maternal health
4 home services made to a designated provider, a team
5 of health professionals operating with such a pro-
6 vider, or a health team shall be treated as payments
7 for medical assistance for purposes of section
8 1903(a), except that, during the first 8 fiscal quar-
9 ters that the State plan amendment is in effect, the
10 Federal medical assistance percentage otherwise ap-
11 plicable to such payments shall be increased by 15
12 percentage points, not to exceed 90 percent.

13 “(2) METHODOLOGY.—

14 “(A) IN GENERAL.—The State shall speci-
15 fy in the State plan amendment the method-
16 ology the State will use for determining pay-
17 ment for the provision of maternal health home
18 services. Such methodology for determining
19 payment—

20 “(i) may be tiered or adjusted to re-
21 flect, with respect to each individual pro-
22 vided such services by a designated pro-
23 vider, a team of health care professionals
24 operating with such a provider, or a health
25 team, the acuity of each individual receiv-

1 ing care, or the specific capabilities of the
2 provider, team of health care providers, or
3 health team; and

4 “(ii) shall be established consistent
5 with section 1902(a)(30)(A).

6 “(B) ALTERNATE MODEL OF PAYMENT.—

7 The methodology for determining payment for
8 provision of maternal health home services
9 under this section shall not be limited to a fee-
10 for-service or per-member per-month payment
11 model, and may provide for alternate models of
12 payment that reflect the needs of a State, sub-
13 ject to the approval of the Secretary.

14 “(3) PLANNING GRANTS.—

15 “(A) IN GENERAL.—Beginning 12 months
16 after the date of enactment of this section, the
17 Secretary may award planning grants to States
18 for purposes of developing a State plan amend-
19 ment under this section. A planning grant
20 awarded to a State under this paragraph shall
21 remain available until expended.

22 “(B) STATE CONTRIBUTION.—A State
23 awarded a planning grant shall contribute an
24 amount equal to the State percentage deter-

1 mined under section 1905(b) for each fiscal
2 year for which the grant is awarded.

3 “(C) APPROPRIATIONS.—In addition to
4 amounts otherwise available, there is appro-
5 priated for fiscal year 2022, out of any money
6 in the Treasury not otherwise appropriated, to
7 remain available until expended, to carry out
8 this paragraph, \$5,000,000 for awarding grants
9 under this section.

10 “(d) DATA COLLECTION AND REPORTING.—

11 “(1) PROVIDER REPORTING REQUIREMENTS.—

12 “(A) IN GENERAL.—In order to receive
13 payments from a State under subsection (c), a
14 designated provider, a team of health profes-
15 sionals operating with such a provider, or a
16 health team shall report to the State, in accord-
17 ance with such requirements as the Secretary
18 shall specify, the following:

19 “(i) With respect to each such des-
20 ignated provider, team of health profes-
21 sionals, or health team, the name, national
22 provider identification number, address,
23 and specific maternal health home services
24 offered to be provided to eligible individ-
25 uals who have selected such designated

1 provider, team of health professionals, or
2 health team as the maternal health home
3 of such eligible individuals.

4 “(ii) Information on all applicable
5 measures for determining the quality of
6 maternal health home services provided by
7 such designated provider, team of health
8 professionals, or health team, including, to
9 the extent applicable, the core set of child
10 health quality measures published under
11 section 1139A, the core set of adult health
12 quality measures for Medicaid eligible
13 adults published under section 1139B, and
14 maternal health quality measures.

15 “(B) USE OF HEALTH INFORMATION
16 TECHNOLOGY.—A designated provider, a team
17 of health professionals operating with such a
18 provider, or a health team shall use, to the ex-
19 tent practicable, health information technology
20 to provide a State with the information required
21 under subparagraph (A) and to improve care
22 coordination for eligible individuals, such as
23 by—

24 “(i) facilitating the review of person-
25 centered care plans;

1 “(ii) monitoring service delivery and
2 identifying gaps in treatment; and

3 “(iii) communicating with eligible in-
4 dividuals and with primary, behavioral
5 health and specialty care providers.

6 “(2) STATE REPORTING REQUIREMENTS.—A
7 State with a State plan amendment approved under
8 this section shall collect and report to the Secretary,
9 at such time and in such form and manner as re-
10 quired by the Secretary, the following information:

11 “(A) The number of maternal health
12 homes in a State in which individuals are en-
13 rolled pursuant to a State plan amendment
14 under this section.

15 “(B) The number of individuals served
16 who selected a maternal health home,
17 disaggregated by race and ethnicity, pursuant
18 to a State plan amendment under this section.

19 “(C) Information on the quality measures
20 applicable for maternal health home services,
21 including, to the extent applicable, the core set
22 of child health quality measures published
23 under section 1139A, and the core set of adult
24 health quality measures for Medicaid eligible

1 adults published under section 1139B, and ma-
2 ternal health quality measures.

3 “(D) The type of delivery systems and pay-
4 ment models used to provide health home serv-
5 ices to eligible individuals enrolled in a mater-
6 nal health home under a State plan amendment
7 under this section.

8 “(E) The number and characteristics of
9 designated providers, teams of health profes-
10 sionals, and health teams selected as maternal
11 health homes pursuant to a State plan amend-
12 ment under this section.

13 “(F) Information on hospitalizations, mor-
14 bidity, and mortality of eligible individuals and
15 their infants enrolled in a maternal health home
16 in such State alongside comparable data from a
17 State’s maternal mortality review committee.

18 “(G) A report on best practices for effec-
19 tive strategies in coordinating care to support
20 access to comprehensive maternal health serv-
21 ices.

22 “(H) Information reported to the State
23 under paragraph (1).

24 “(e) STATE PLAN AMENDMENT.—

1 “(1) IN GENERAL.—A State plan amendment
2 submitted pursuant to this section shall include—

3 “(A) eligibility criteria for maternal health
4 homes;

5 “(B) services available to eligible individ-
6 uals through the maternal health home;

7 “(C) a description of providers that may
8 provide care through a maternal health home,
9 and that include how such State will ensure any
10 provider arrangement offered includes a person-
11 centered planning approach to determining nec-
12 essary services and supports and providing the
13 appropriate care coordination to meet clinical
14 and non-clinical needs of eligible individuals;
15 and

16 “(D) reimbursement methodologies (as de-
17 scribed in subsection (c)(2)).

18 “(2) HOSPITAL NOTIFICATION.—A State with a
19 State plan amendment approved under this section
20 shall require each hospital that is a participating
21 provider under the State plan (or a waiver of such
22 plan) to establish procedures for, in the case of an
23 individual who is enrolled in a maternal health home
24 pursuant to this section and seeks treatment in the
25 emergency department of such hospital, notifying

1 the health home of such individual of such treat-
2 ment.

3 “(3) EDUCATION WITH RESPECT TO AVAIL-
4 ABILITY OF MATERNAL HEALTH HOME SERVICES.—

5 In order for a State plan amendment to be approved
6 under this section, a State shall include in the State
7 plan amendment—

8 “(A) a description of the State’s process
9 for educating providers participating in the
10 State plan (or a waiver of such plan) on the
11 availability of maternal health home services,
12 including the process by which such providers
13 can refer individuals to a designated provider,
14 team of health care professionals operating such
15 a provider, or health team for the purpose of
16 establishing a maternal health home through
17 which such individuals may receive such serv-
18 ices; and

19 “(B) a description of the State’s process
20 for educating individuals on the availability of
21 such services.

22 “(4) CONFIDENTIALITY.—A State with a State
23 plan amendment approved under this section shall
24 establish confidentiality protections to ensure, at a
25 minimum, that the State does not disclose any iden-

1 tifying information with respect to any specific mor-
2 tality case (including pursuant to the reporting of
3 information required under subsection (d)(2)(F)).

4 “(f) RULE OF CONSTRUCTION.—Nothing in this sec-
5 tion shall be construed—

6 “(1) to require an eligible individual to enroll
7 in, or prohibit an eligible individual from disenrolling
8 at any time from, a maternal health home under this
9 section; or

10 “(2) to require a designated provider, team of
11 health professionals, or health team to act as a ma-
12 ternal health home and provide services in accord-
13 ance with this section if the designated provider,
14 team of health professionals, or health team does not
15 voluntarily agree to act as a maternal health home.

16 “(g) DEFINITIONS.—In this section:

17 “(1) DESIGNATED PROVIDER.—The term ‘des-
18 ignated provider’ means a physician, clinical practice
19 or clinical group practice, rural health clinic, free-
20 standing birth center, community health center, ob-
21 stetrician gynecologist, midwife who meets at a min-
22 imum the international definition of the midwife and
23 global standards for midwifery education as estab-
24 lished by the International Confederation of Mid-
25 wives, or any other entity or provider determined by

1 the State and approved by the Secretary to be quali-
2 fied to act as a maternal health home.

3 “(2) ELIGIBLE INDIVIDUAL.—The term ‘eligible
4 individual’ means an individual eligible for medical
5 assistance under the State plan or under a waiver of
6 such plan who—

7 “(A) is pregnant or in the postpartum pe-
8 riod that begins on the last day of the preg-
9 nancy and ends on the last day of the month
10 in which the 12-month period (beginning on the
11 last day of the pregnancy of the individual)
12 ends (or, if the State provides for a longer pe-
13 riod of postpartum coverage period under such
14 plan or waiver, on the last day of such longer
15 period); and

16 “(B) is not enrolled in a health home
17 under section 1945 or 1945A.

18 “(3) HEALTH TEAM.—The term ‘health team’
19 has the meaning given such term for purposes of
20 section 3502 of Public Law 111–148.

21 “(4) MATERNAL HEALTH HOME.—The term
22 ‘maternal health home’ means a designated provider
23 (including a provider that operates in coordination
24 with a team of health care professionals), or a health
25 team selected by a State to provide maternal health

1 home services to pregnant and postpartum individ-
2 uals.

3 “(5) MATERNAL HEALTH HOME SERVICES.—

4 “(A) IN GENERAL.—The term ‘maternal
5 health home services’ means comprehensive and
6 timely high-quality services described in sub-
7 paragraph (B) that are provided by a des-
8 ignated provider, a team of health professionals
9 operating with such a provider, or a health
10 team.

11 “(B) SERVICES DESCRIBED.—The services
12 described in this subparagraph shall include—

13 “(i) a standardized risk assessment
14 for all participants to determine needs;

15 “(ii) comprehensive care management;

16 “(iii) care coordination and health
17 promotion;

18 “(iv) comprehensive transitional care,
19 including arranging appropriate follow-up,
20 for individuals transitioning from inpatient
21 care to other settings;

22 “(v) individual and family support (in-
23 cluding authorized representatives);

1 “(vi) making referrals to other med-
2 ical, community, and social support serv-
3 ices, if relevant; and

4 “(vii) the use of health information
5 technology to link services and coordinate
6 care, to the extent practicable.

7 “(6) STANDARDIZED RISK ASSESSMENT.—The
8 term ‘standardized risk assessment’ means an as-
9 sessment to determine the needs of an eligible indi-
10 vidual, and shall include an assessment of medical,
11 obstetric, behavioral health, and social needs per-
12 formed at the initial prenatal or postpartum visit.

13 “(7) TEAM OF HEALTH PROFESSIONALS.—The
14 term ‘team of health professionals’ means a team of
15 health professionals (as described in the State plan
16 amendment under this section) that may—

17 “(A) include physicians, midwives who
18 meet at a minimum the international definition
19 of the midwife and global standards for mid-
20 wifery education as established by the Inter-
21 national Confederation of Midwives, nurses,
22 nurse care coordinators, nutritionists, social
23 workers, doulas, behavioral health professionals,
24 community health workers, translators and in-

1 terpreters, and other professionals determined
2 to be appropriate by the State;

3 “(B) a health care entity or individual who
4 is designated to coordinate such a team; and

5 “(C) provide care at a facility that is free-
6 standing, virtual, or based at a hospital, free-
7 standing birth center, community health center,
8 community mental health center, rural clinic,
9 clinical practice or clinical group practice, aca-
10 demic health center, children’s hospital, or any
11 entity determined to be appropriate by the
12 State and approved by the Secretary.”.

13 (g) **FUNDING FOR IMPLEMENTATION AND ADMINIS-**
14 **TRATION.**—In addition to amounts otherwise available,
15 there is appropriated to the Secretary, for fiscal year
16 2022, to be available until expended, out of any money
17 in the Treasury not otherwise appropriated, \$20,000,000,
18 to provide technical assistance and guidance and cover ad-
19 ministrative costs associated with implementing the
20 amendments made by this section.

21 **SEC. 30722. INVESTMENTS TO EXPAND ACCESS TO BEHAV-**
22 **IORAL HEALTH.**

23 (a) **EXPANSION OF COMMUNITY MENTAL HEALTH**
24 **SERVICES DEMONSTRATION PROGRAM.**—

1 (1) IN GENERAL.—Section 223 of the Pro-
2 tecting Access to Medicare Act of 2014 (42 U.S.C.
3 1396a note) is amended—

4 (A) in subsection (c), by adding at the end
5 the following new paragraph:

6 “(3) ADDITIONAL PLANNING GRANTS.—In addi-
7 tion to the planning grants awarded under para-
8 graph (1), the Secretary shall award planning grants
9 to States (other than States selected to conduct
10 demonstration programs under paragraph (1) or (8)
11 of subsection (d)) for the purpose of developing pro-
12 posals to participate in time-limited demonstration
13 programs described in subsection (d).”;

14 (B) in subsection (d)—

15 (i) in paragraph (3), by striking
16 “Subject to paragraph (8)” and inserting
17 “Subject to paragraphs (8) and (9)”;

18 (ii) in paragraph (5)(C)(iii)(II), by in-
19 serting “or paragraph (9)” after “para-
20 graph (8)”;

21 (iii) in paragraph (7)(B)—

22 (I) by striking “December 31,
23 2021” and inserting “March 31,
24 2026”;

1 (II) by striking “recommenda-
2 tions concerning” and all that follows
3 through the period and inserting “rec-
4 ommendations concerning whether
5 and how the demonstration programs
6 under this section should be modi-
7 fied.”; and

8 (III) by adding at the end the
9 following new sentence: “Such rec-
10 ommendations shall be based on data
11 collected from States selected to con-
12 duct demonstration programs under
13 paragraph (1) and, to the extent
14 available, data collected from States
15 selected to conduct demonstration
16 programs under paragraphs (8) and
17 (9).”; and

18 (iv) by adding at the end the following
19 new paragraph:

20 “(9) FURTHER ADDITIONAL PROGRAMS.—

21 “(A) IN GENERAL.—In addition to the
22 States selected under paragraphs (1) and (8)
23 and without regard to paragraph (4), the Sec-
24 retary shall select any State that meets the re-
25 quirements described in subparagraph (B) to

1 conduct a demonstration program that meets
2 the requirements of this subsection for 2 years.

3 “(B) REQUIREMENTS.—The requirements
4 described in this subparagraph with respect to
5 a State are that the State—

6 “(i) was awarded a planning grant
7 under paragraph (1) or (3) of subsection
8 (c); and

9 “(ii) submits an application (in addi-
10 tion to any application that the State may
11 have previously submitted under this sec-
12 tion) that meets the requirements of para-
13 graph (2)(B).

14 “(C) REQUIREMENTS FOR SELECTED
15 STATES.—The requirements applicable to
16 States selected under paragraph (8) pursuant
17 to subparagraph (C) of such paragraph shall
18 apply in the same manner to States selected
19 under this paragraph.”;

20 (C) in subsection (e), by amending para-
21 graph (4) to read as follows:

22 “(4) STATE.—The term State means each of
23 the 50 States, the District of Columbia, Puerto Rico,
24 the Virgin Islands, Guam, the Northern Mariana Is-
25 lands, and American Samoa.”; and

1 (D) in subsection (f)(1)—

2 (i) in subparagraph (A), by striking “;
3 and” and inserting a semicolon;

4 (ii) in subparagraph (B), by striking
5 the period and inserting “, and
6 \$40,000,000 for fiscal year 2022; and”;
7 and

8 (iii) by adding at the end the fol-
9 lowing new subparagraph:

10 “(C) for purposes of updating the criteria
11 under subsection (a) as needed for certified
12 community behavioral health clinics and car-
13 rying out subsections (c)(3), (d)(7), and (d)(9)
14 (including the provision of technical assistance
15 to States applying for planning grants under
16 subsection (c)(3), and to conduct demonstration
17 projects under subsection (d)(9)), \$5,000,000
18 for fiscal year 2022.”.

19 (2) EXCLUSION OF AMOUNTS ATTRIBUTABLE
20 TO INCREASED FMAP FROM TERRITORIAL CAPS.—
21 Section 1108 of the Social Security Act (42 U.S.C.
22 1308) is amended—

23 (A) in subsection (f), in the matter pre-
24 ceding paragraph (1), by striking “subsections

1 (g) and (h)” and inserting “subsections (g),
2 (h), and (i)”;

3 (B) by adding at the end the following:

4 “(i) EXCLUSION FROM CAPS OF AMOUNTS ATTRIB-
5 UTABLE TO ENHANCED FMAP FOR COMMUNITY MENTAL
6 HEALTH SERVICES.—Any additional amount paid to
7 Puerto Rico, the Virgin Islands, Guam, the Northern Mar-
8 iana Islands, and American Samoa for expenditures for
9 medical assistance that is attributable to an enhanced
10 Federal medical assistance percentage applicable to such
11 expenditures under section 223(d)(5) of the Protecting
12 Access to Medicare Act of 2014 shall not be taken into
13 account for purposes of applying payment limits under
14 subsections (f) and (g).”.

15 (b) MAKING PERMANENT A STATE OPTION TO PRO-
16 VIDE QUALIFYING COMMUNITY-BASED MOBILE CRISIS
17 INTERVENTION SERVICES.—Section 1947 of the Social
18 Security Act (42 U.S.C. 1396w–6) is amended—

19 (1) in subsection (a), by striking “during the 5-
20 year period”;

21 (2) in subsection (c), by striking “occurring
22 during the period described in subsection (a) that a
23 State” and inserting “in which a State provides
24 medical assistance for qualifying community-based

1 mobile crisis intervention services under this section
2 and”; and

3 (3) in subsection (d)(2)—

4 (A) in subparagraph (A), by striking “for
5 the fiscal year preceding the first fiscal quarter
6 occurring during the period described in sub-
7 section (a)” and inserting “for the fiscal year
8 preceding the first fiscal quarter in which the
9 State provides medical assistance for qualifying
10 community-based mobile crisis intervention
11 services under this section”; and

12 (B) in subparagraph (B), by striking “oc-
13 ccurring during the period described in sub-
14 section (a)” and inserting “occurring during a
15 fiscal quarter”.

16 **SEC. 30723. EXTENSION OF 100 PERCENT FEDERAL MED-**
17 **ICAL ASSISTANCE PERCENTAGE FOR URBAN**
18 **INDIAN HEALTH ORGANIZATIONS AND NA-**
19 **TIVE HAWAIIAN HEALTH CARE SYSTEMS.**

20 The third sentence of section 1905(b) of the Social
21 Security Act (42 U.S.C. 1396d(b)) is amended—

22 (1) by striking “for the 8 fiscal year quarters
23 beginning with the first fiscal year quarter beginning
24 after the date of the enactment of the American

1 Rescue Plan Act of 2021” and inserting “for the 16-
2 quarter period that begins on April 1, 2021”; and

3 (2) by striking “such 8 fiscal year quarters”
4 and inserting “such 16-quarter period”.

5 **SEC. 30724. ADJUSTMENTS TO UNCOMPENSATED CARE**
6 **POOLS AND DISPROPORTIONATE SHARE HOS-**
7 **PITAL PAYMENTS.**

8 (a) ADJUSTMENTS TO UNCOMPENSATED CARE
9 POOLS.—Section 1903 of the Social Security Act (42
10 U.S.C. 1396b) is amended by adding at the end the fol-
11 lowing new subsection:

12 “(cc) EXCLUDING EXPENDITURES FOR EXPANSION
13 POPULATION FROM ASSISTANCE UNDER WAIVERS RE-
14 LATING TO UNCOMPENSATED CARE.—With respect to a
15 State with a State plan (or waiver of such plan) that does
16 not provide, with respect to a fiscal year (beginning with
17 fiscal year 2023), to all individuals described in section
18 1902(a)(10)(A)(i)(VIII) benchmark coverage described in
19 section 1937(b)(1) or benchmark equivalent coverage de-
20 scribed in section 1937(b)(2), in the case of any experi-
21 mental, pilot, or demonstration project undertaken under
22 section 1115(a), with respect to such State and fiscal year,
23 that provides for Federal assistance with respect to pay-
24 ments for expenditures associated with uncompensated
25 care that is furnished for low-income individuals, unin-

1 sured individuals, or underinsured individuals, such
2 project shall exclude from the determination of such ex-
3 penditures any care that is furnished with respect to such
4 fiscal year to individuals described in section
5 1902(a)(10)(A)(i)(VIII).”.

6 (b) ADJUSTMENTS TO DISPROPORTIONATE SHARE
7 HOSPITAL PAYMENTS.—Section 1923(f) of the Social Se-
8 curity Act (42 U.S.C.1396r–4(f)) is amended—

9 (1) in paragraph (3)(A), by striking “para-
10 graphs (6), (7), and (8)” and inserting “paragraphs
11 (6), (7), (8), and (10)”;

12 (2) in paragraph (6)(A)(vi), by inserting “(ex-
13 cept paragraph (10))” before “, any other provision
14 of law”;

15 (3) in paragraph (7)(A), by inserting “without
16 regard to the allotment cap under paragraph (10),”
17 before “the Secretary”; and

18 (4) by adding at the end the following new
19 paragraph:

20 “(10) ALLOTMENT CAP FOR NON-EXPANSION
21 STATES.—

22 “(A) IN GENERAL.—For fiscal year 2023
23 and each subsequent fiscal year—

24 “(i) in the case of a State with a
25 State plan (or waiver of such plan) that,

1 with respect to such fiscal year, does not
2 provide to all individuals described in sec-
3 tion 1902(a)(10)(A)(i)(VIII) benchmark
4 coverage described in section 1937(b)(1) or
5 benchmark equivalent coverage described
6 in section 1937(b)(2), the DSH allotment
7 for such State for such fiscal year is equal
8 to 87.5 percent of the DSH allotment that
9 would (without application of paragraphs
10 (6), (7), (8), or this paragraph) be deter-
11 mined under this subsection for the State
12 for fiscal year 2023;

13 “(ii) in the case of a State with a
14 State plan (or waiver of such plan) that,
15 with respect to such fiscal year, is revised
16 to not include the providing to all individ-
17 uals described in section
18 1902(a)(10)(A)(i)(VIII) benchmark cov-
19 erage described in section 1937(b)(1) or
20 benchmark equivalent coverage described
21 in section 1937(b)(2), the DSH allotment
22 for such State for such fiscal year is equal
23 to the product of—

24 “(I) 87.5 percent of the DSH al-
25 lotment that would (without applica-

1 tion of paragraphs (6), (7), (8), or
2 this paragraph) be determined under
3 this subsection for the State for fiscal
4 year 2023; and

5 “(II) expressed as a percentage,
6 the number of days of a fiscal year
7 during which such State plan (or
8 waiver of such plan) includes, with re-
9 spect to a fiscal year, the providing to
10 such individuals such benchmark cov-
11 erage or such benchmark equivalent
12 coverage; or

13 “(iii) in the case of a State with a
14 State plan (or waiver of such plan) that,
15 with respect to such fiscal year, is revised
16 to include the providing to all individuals
17 described in section
18 1902(a)(10)(A)(i)(VIII) benchmark cov-
19 erage described in section 1937(b)(1) or
20 benchmark equivalent coverage described
21 in section 1937(b)(2), the DSH allotment
22 for such State for such fiscal year is equal
23 to the DSH allotment that would (without
24 application of paragraphs (6), (7), (8), or
25 this paragraph) be determined under this

1 subsection for the State for fiscal year
2 2023.

3 “(B) NO APPLICATION ON DSH ALLOT-
4 MENT FOR FISCAL YEARS AFTER EXPANSION.—
5 The DSH allotments determined under sub-
6 paragraph (A) for a State for a fiscal year shall
7 not be taken into account in determining DSH
8 allotments under this subsection for such State
9 for any fiscal year with respect to which such
10 subparagraph does not apply to such State.”.

11 **PART 3—TERRITORIES**

12 **SEC. 30731. INCREASING MEDICAID CAP AMOUNTS AND**
13 **THE FEDERAL MEDICAL ASSISTANCE PER-**
14 **CENTAGE FOR THE TERRITORIES.**

15 (a) CAP AMOUNT ADJUSTMENTS.—Section
16 1108(g)(2) of the Social Security Act (42 U.S.C.
17 1308(g)(2)) is amended—

18 (1) in subparagraph (A)—

19 (A) in clause (i)—

20 (i) by striking “except as provided in
21 clause (ii)” and inserting “for each of fis-
22 cal years 1999 through 2019”; and

23 (ii) by striking “and” at the end; and

24 (B) by adding at the end the following new
25 clauses:

1 “(iii) for fiscal year 2022,
2 \$3,600,000,000; and

3 “(iv) for fiscal year 2023 and each
4 subsequent year, the sum of the amount
5 provided in this subsection for the pre-
6 ceding fiscal year, increased by the per-
7 centage increase, if any, in Medicaid
8 spending under title XIX during the pre-
9 ceding year (as determined based on the
10 most recent National Health Expenditure
11 data with respect to such year), rounded to
12 the nearest \$100,000;”;

13 (2) in subparagraph (B)—

14 (A) in clause (i), by striking “except as
15 provided in clause (ii),” and inserting “for each
16 of fiscal years 1999 through 2019,”;

17 (B) in clause (ii), by striking “and” at the
18 end;

19 (C) by adding at the end the following:

20 “(iv) for fiscal year 2022,
21 \$135,000,000; and

22 “(v) for fiscal year 2023 and each
23 subsequent year, the sum of the amount
24 provided in this subsection for the pre-
25 ceding fiscal year, increased by the per-

1 centage increase described in subparagraph
2 (A)(iv) for the preceding year, rounded to
3 the nearest \$10,000;”;

4 (3) in subparagraph (C)—

5 (A) in clause (i), by striking “except as
6 provided in clause (ii),” and inserting “for each
7 of fiscal years 1999 through 2019,”;

8 (B) in clause (ii), by striking “and” at the
9 end;

10 (C) by adding at the end the following:

11 “(iv) for fiscal year 2022,
12 \$140,000,000; and

13 “(v) for fiscal year 2023 and each
14 subsequent year, the sum of the amount
15 provided in this subsection for the pre-
16 ceding fiscal year, increased by the per-
17 centage increase described in subparagraph
18 (A)(iv) for the preceding year, rounded to
19 the nearest \$10,000;”;

20 (4) in subparagraph (D)—

21 (A) in clause (i), by striking “except as
22 provided in clause (ii),” and inserting “for each
23 of fiscal years 1999 through 2019,”;

24 (B) in clause (ii), by striking “and” at the
25 end;

1 (C) in clause (iii), by striking “and” at the
2 end; and

3 (D) by adding at the end the following new
4 clauses:

5 “(iv) for fiscal year 2022,
6 \$70,000,000; and

7 “(v) for fiscal year 2023 and each
8 subsequent year, the sum of the amount
9 provided in this subsection for the pre-
10 ceding fiscal year, increased by the per-
11 centage increase described in subparagraph
12 (A)(iv) for the preceding year, rounded to
13 the nearest \$10,000; and”;

14 (5) in subparagraph (E)—

15 (A) in clause (i), by striking “except as
16 provided in clause (ii),” and inserting “for each
17 of fiscal years 1999 through 2019,”;

18 (B) in clause (ii), by striking “and” at the
19 end;

20 (C) in clause (iii), by striking the period
21 and inserting a semicolon; and

22 (D) by adding at the end the following:

23 “(iv) for fiscal year 2022,
24 \$90,000,000; and

1 “(v) for fiscal year 2023 and each
2 subsequent year, the sum of the amount
3 provided in this subsection for the pre-
4 ceding fiscal year, increased by the per-
5 centage increase described in subparagraph
6 (A)(iv) for the preceding year, rounded to
7 the nearest \$10,000.”; and

8 (6) by striking the flush matter following sub-
9 paragraph (E).

10 (b) FMAP ADJUSTMENTS.—Section 1905(ff) of the
11 Social Security Act (42 U.S.C. 1396d(ff)) is amended—

12 (1) by redesignating paragraphs (1) through
13 (3) as subparagraphs (A) through (C), respectively,
14 and adjusting the margins accordingly;

15 (2) by striking “Notwithstanding” and insert-
16 ing the following:

17 “(1) IN GENERAL.—Notwithstanding”;

18 (3) in paragraph (1), as so inserted—

19 (A) in the matter preceding subparagraph
20 (A), as so redesignated, by inserting “para-
21 graph (2) and” after “subject to”;

22 (B) in subparagraph (B), as so redesi-
23 gnated—

24 (i) by striking “December 3, 2021,”
25 and inserting “September 30, 2021”; and

1 (ii) by striking “and” at the end;

2 (C) in subparagraph (C), as so redesign-
3 nated, by striking “December 3, 2021,” and in-
4 serting “September 30, 2021”;

5 (D) by adding at the end the following:

6 “(D) for fiscal year 2022 and each subse-
7 quent fiscal year, the Federal medical assist-
8 ance percentage for the Virgin Islands, Guam,
9 the Northern Mariana Islands, and American
10 Samoa shall be equal to 83 percent;

11 “(E) for fiscal year 2022, the Federal
12 medical assistance percentage for Puerto Rico
13 shall be equal to 76 percent; and

14 “(F) for fiscal year 2023 and each subse-
15 quent fiscal year, the Federal medical assist-
16 ance percentage for Puerto Rico shall be equal
17 to 83 percent.”; and

18 (4) by adding at the end the following new
19 paragraph:

20 “(2) SPECIAL RULE FOR PUERTO RICO RELAT-
21 ING TO ESTABLISHING A PAYMENT FLOOR.—

22 “(A) IN GENERAL.—For each fiscal quar-
23 ter (beginning with the first fiscal quarter be-
24 ginning on or after the date of the enactment
25 of this paragraph), Puerto Rico’s State plan (or

1 waiver of such plan) shall establish a reimburse-
2 ment floor, implemented through a directed
3 payment arrangement plan, for physician serv-
4 ices that are covered under the Medicare part
5 B fee schedule in the Puerto Rico locality estab-
6 lished under section 1848(b) that is not less
7 than 70 percent of the payment that would
8 apply to such services if they were furnished
9 under part B of title XVIII during such fiscal
10 quarter.

11 “(B) APPLICATION TO MANAGED CARE.—
12 In determining whether Puerto Rico has estab-
13 lished a reimbursement floor under a directed
14 payment arrangement plan that satisfies the re-
15 quirements of subparagraph (A) for a fiscal
16 quarter occurring during fiscal year 2022 or a
17 subsequent fiscal year—

18 “(i) the Secretary shall disregard pay-
19 ments made under sub-capitated arrange-
20 ments for services such as primary care
21 case management; and

22 “(ii) if the reimbursement floor for
23 physician services applicable under a man-
24 aged care contract satisfies the require-
25 ments of subparagraph (A) for a fiscal

1 quarter occurring during a year in which
2 the contract is entered into or renewed,
3 such reimbursement floor shall be deemed
4 to satisfy such requirements for each sub-
5 sequent fiscal quarter occurring during
6 such year and for each fiscal quarter oc-
7 ccurring during the subsequent fiscal year.

8 “(C) FMAP REDUCTION FOR FAILURE TO
9 ESTABLISH PAYMENT FLOOR.—

10 “(i) IN GENERAL.—In the case that
11 the Secretary determines that Puerto Rico
12 has failed to meet the requirement of sub-
13 paragraph (A) with respect to a fiscal
14 quarter, the Federal medical assistance
15 percentage otherwise determined under
16 this subsection for Puerto Rico shall be re-
17 duced for such quarter by the applicable
18 number of percentage points described in
19 clause (ii).

20 “(ii) APPLICABLE NUMBER OF PER-
21 CENTAGE POINTS.—For purposes of clause
22 (i), the applicable number of percentage
23 points described in this clause is, with re-
24 spect to a fiscal quarter, the following:

1 “(g) ENCOURAGING CONTINUED ACCESS AFTER THE
2 END OF THE PUBLIC HEALTH EMERGENCY.—

3 “(1) IN GENERAL.—Subject to paragraph (2),
4 if, between September 1, 2022 and December 31,
5 2025, a State puts into effect for any calendar quar-
6 ter occurring during such period eligibility standards
7 for individuals (except individuals described in sub-
8 paragraph (D) of section 1902(e)(14)) who are ap-
9 plying for or receiving medical assistance, meth-
10 odologies, or procedures under the State plan of
11 such State under title XIX of the Social Security
12 Act (42 U.S.C. 1396 through 1396w-6) (including
13 any waiver under such title or section 1115 of such
14 Act (42 U.S.C. 1315)) that are more restrictive than
15 the eligibility standards, methodologies, or proce-
16 dures, respectively, under the State plan (or waiver
17 of such plan) that are in effect on October 1, 2021,
18 the Federal medical assistance percentage otherwise
19 determined under section 1905(b) of the Social Se-
20 curity Act (42 U.S.C. 1396d(b)) for that State shall
21 be reduced by 3.1 percentage points for such cal-
22 endar quarter.

23 “(2) NONAPPLICATION.—During the period de-
24 scribed in paragraph (1), at the option of the a
25 State, the condition under such paragraph may not

1 apply to the State with respect to nonpregnant, non-
2 disabled adults who are eligible for medical assist-
3 ance under the State plan (or waiver such plan)
4 whose income exceeds 133 percent of the poverty
5 line (as defined in section 2110(c)(5)) applicable to
6 a family of the size involved if, on or after December
7 31, 2010, the State had certified or certifies to the
8 Secretary that, with respect to the State fiscal year
9 during which the certification is made, the State has
10 a budget deficit, or with respect to the succeeding
11 State fiscal year, the State is projected to have a
12 budget deficit. Upon submission of such a certifi-
13 cation to the Secretary, the condition under para-
14 graph (1) shall not apply to the State with respect
15 to any remaining portion of the period described in
16 the preceding sentence.”.

17 **SEC. 30742. ENSURING ACCURATE PAYMENTS TO PHAR-**
18 **MACIES UNDER MEDICAID.**

19 (a) IN GENERAL.—Section 1927(f) of the Social Se-
20 curity Act (42 U.S.C. 1396r–8(f)) is amended—

21 (1) by striking “and” after the semicolon at the
22 end of paragraph (1)(A)(i) and all that precedes it
23 through “(1)” and inserting the following:

24 “(1) DETERMINING PHARMACY ACTUAL ACQUI-
25 SITION COSTS.—The Secretary shall conduct a sur-

1 vey of retail community pharmacy drug prices, to
2 determine the national average drug acquisition cost,
3 as follows:

4 “(A) USE OF VENDOR.—The Secretary
5 may contract services for—

6 “(i) with respect to retail community
7 pharmacies, the determination of retail
8 survey prices of the national average drug
9 acquisition cost for covered outpatient
10 drugs based on a monthly survey of such
11 pharmacies, net of all discounts and re-
12 bates (to the extent any information with
13 respect to such discounts and rebates is
14 available), the average reimbursement re-
15 ceived for such drugs by such pharmacies
16 from all sources of payment and, to the ex-
17 tent available, the usual and customary
18 charges to consumers for such drugs;
19 and”;

20 (2) by adding at the end of paragraph (1) the
21 following:

22 “(F) SURVEY REPORTING.—A State shall
23 require that any retail community pharmacy in
24 the State that receives any payment, reimburse-
25 ment, administrative fee, discount, or rebate re-

1 lated to the dispensing of covered outpatient
2 drugs to individuals receiving benefits under
3 this title or title XXI, regardless of whether
4 such payment, fee, discount, or rebate is re-
5 ceived from the State or a managed care entity
6 directly or from a pharmacy benefit manager or
7 another entity that has a contract with the
8 State or a managed care entity or other speci-
9 fied entity (as such terms are defined in section
10 1903(m)(9)(D)), shall respond to surveys of re-
11 tail prices conducted under this subsection with
12 the specific information requested by the ven-
13 dor.

14 “(G) SURVEY INFORMATION.—Information
15 on retail community actual acquisition prices
16 obtained under this paragraph shall be made
17 publicly available and shall include at least the
18 following:

19 “(i) The monthly response rate of the
20 survey, including a list of pharmacies not
21 in compliance with subparagraph (F) and
22 the identification numbers for such phar-
23 macies.

24 “(ii) The sampling frame and number
25 of pharmacies sampled monthly.

1 “(iii) Characteristics of reporting
2 pharmacies, including type (such as inde-
3 pendent or chain), geographic or regional
4 location, and dispensing volume.

5 “(iv) Reporting of a separate national
6 average drug acquisition cost for each drug
7 for independent retail pharmacies and
8 chain pharmacies.

9 “(v) Information on price concessions
10 including on and off invoice discounts, re-
11 bates, and other price concessions.

12 “(vi) Information on average profes-
13 sional dispensing fees paid.

14 “(H) PENALTIES.—

15 “(i) FAILURE TO PROVIDE TIMELY IN-
16 FORMATION.—A retail community phar-
17 macy that knowingly fails to respond to a
18 survey conducted under this subsection on
19 a timely basis may be subject to a civil
20 monetary penalty in an amount not to ex-
21 ceed \$10,000 for each day in which such
22 information has not been provided. A retail
23 community pharmacy shall not be subject
24 to such penalty if the pharmacy makes a

1 good faith effort to provide the information
2 requested by the survey on a timely basis.

3 “(ii) FALSE INFORMATION.—A retail
4 community pharmacy that knowingly pro-
5 vides false information in response to a
6 survey conducted under this subsection
7 may be subject to a civil money penalty in
8 an amount not to exceed \$100,000 for
9 each item of false information.

10 “(iii) OTHER PENALTIES.—Any civil
11 money penalties imposed under this sub-
12 paragraph shall be in addition to other
13 penalties as may be prescribed by law. The
14 provisions of section 1128A (other than
15 subsections (a) and (b)) shall apply to a
16 civil money penalty under this subpara-
17 graph in the same manner as such provi-
18 sions apply to a penalty or proceeding
19 under section 1128A(a).”; and

20 (3) in paragraph (4), by inserting “, and
21 \$7,000,000 for fiscal year 2023 and each fiscal year
22 thereafter,” after “2010”.

23 (b) CONDITION FOR FEDERAL FINANCIAL PARTICI-
24 PATION.—Section 1903(i)(10) of the Social Security Act
25 (42 U.S.C. 1396b(i)(10)) is amended—

1 (1) in subparagraph (D), by striking “and”
2 after the semicolon;

3 (2) in subparagraph (E), by striking “or” after
4 the semicolon and inserting “and”; and

5 (3) by inserting after subparagraph (E), the
6 following new subparagraph:

7 “(F) with respect to any amount expended for
8 reimbursement to a retail community pharmacy
9 under this title unless the State requires the retail
10 community pharmacy to respond to surveys of retail
11 prices conducted under section 1927(f) in accord-
12 ance with paragraph (1)(F) of such section; or”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section take effect on the 1st day of the 1st quarter
15 that begins on or after the date that is 18 months after
16 the date of enactment of this Act.

17 **SEC. 30743. FURTHER INCREASE IN FMAP FOR MEDICAL AS-**
18 **SISTANCE FOR NEWLY ELIGIBLE MANDA-**
19 **TORY INDIVIDUALS.**

20 Section 1905(y)(1) of the Social Security Act (42
21 U.S.C. 1396d(y)(1)) is amended—

22 (1) in subparagraph (D), by striking at the end
23 “and”;

1 (2) in subparagraph (E), by striking “2020 and
2 each year thereafter.” and inserting “2020, 2021,
3 and 2022; and”; and

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

6 “(F) 93 percent for calendar quarters in
7 2023, 2024, and 2025; and

8 “(G) 90 percent for calendar quarters in
9 2026 and each year thereafter.”.

10 **Subtitle G—Children’s Health** 11 **Insurance Program**

12 **SEC. 30801. INVESTMENTS TO STRENGTHEN CHIP.**

13 (a) PERMANENT EXTENSION OF CHILDREN’S
14 HEALTH INSURANCE PROGRAM.—

15 (1) IN GENERAL.—Section 2104(a)(28) of the
16 Social Security Act (42 U.S.C. 1397dd(a)(28)) is
17 amended to read as follows:

18 “(28) for fiscal year 2027 and each subsequent
19 year, such sums as are necessary to fund allotments
20 to States under subsection (m).”.

21 (2) ALLOTMENTS.—

22 (A) IN GENERAL.—Section 2104(m) of the
23 Social Security Act (42 U.S.C. 1397dd(m)) is
24 amended—

1 (i) in paragraph (2)(B)(i), by striking
2 “, 2023, and 2027” and inserting “and
3 2023”;

4 (ii) in paragraph (5)—

5 (I) by striking “(10), or (11)”
6 and inserting “or (10)”;

7 (II) by striking “for a fiscal
8 year” and inserting “for a fiscal year
9 before 2027”; and

10 (III) by striking “2023, or 2027”
11 and inserting “or 2023”;

12 (iii) in paragraph (7)—

13 (I) in subparagraph (A), by strik-
14 ing “and ending with fiscal year
15 2027,”; and

16 (II) in the flush left matter at
17 the end, by striking “or fiscal year
18 2026” and inserting “fiscal year
19 2026, or a subsequent even-numbered
20 fiscal year”;

21 (iv) in paragraph (9)—

22 (I) by striking “(10), or (11)”
23 and inserting “or (10)”;

24 (II) by striking “2023, or 2027,”
25 and inserting “or 2023”; and

1 (v) by striking paragraph (11).

2 (B) CONFORMING AMENDMENT.—Section
3 50101(b)(2) of the Bipartisan Budget Act of
4 2018 (Public Law 115–123) is repealed.

5 (b) OTHER RELATED CHIP POLICIES.—

6 (1) PEDIATRIC QUALITY MEASURES PRO-
7 GRAM.—Section 1139A(i)(1) of the Social Security
8 Act (42 U.S.C. 1320b–9a(i)(1)) is amended—

9 (A) in subparagraph (C), by striking at the
10 end “and”;

11 (B) in subparagraph (D), by striking the
12 period at the end and inserting a semicolon;
13 and

14 (C) by adding at the end the following new
15 subparagraphs:

16 “(E) for fiscal year 2028, \$15,000,000 for
17 the purpose of carrying out this section (other
18 than subsections (e), (f), and (g)); and

19 “(F) for each subsequent fiscal year, the
20 amount appropriated under this paragraph for
21 the previous fiscal year, increased by the per-
22 centage increase in the consumer price index for
23 all urban consumers (all items; United States
24 city average, as published by the Bureau of
25 Labor Statistics) rounded to the nearest

1 \$100,000 over such previous fiscal year, for the
2 purpose of carrying out this section (other than
3 subsections (e), (f), and (g)).”.

4 (2) ASSURANCE OF ELIGIBILITY STANDARDS
5 FOR CHILDREN.—Section 2105(d)(3) of the Social
6 Security Act (42 U.S.C. 1397ee(d)(3)) is amended—

7 (A) in the paragraph heading, by striking
8 “THROUGH SEPTEMBER 30, 2027”; and

9 (B) in subparagraph (A)—

10 (i) in the matter preceding clause

11 (i)—

12 (I) by striking “During the pe-
13 riod that begins on the date of enact-
14 ment of the Patient Protection and
15 Affordable Care Act and ends on Sep-
16 tember 30, 2027” and inserting “Be-
17 ginning on the date of the enactment
18 of the Patient Protection and Afford-
19 able Care Act”;

20 (II) by striking “During the pe-
21 riod that begins on October 1, 2019,
22 and ends on September 30, 2027”
23 and inserting “Beginning on October
24 1, 2019”; and

1 (III) by striking “The preceding
2 sentences shall not be construed as
3 preventing a State during any such
4 periods from” and inserting “The pre-
5 ceding sentences shall not be con-
6 strued as preventing a State from”;

7 (ii) in clause (i), by striking the semi-
8 colon at the end and inserting a period;

9 (iii) by striking clauses (ii) and (iii);
10 and

11 (iv) as amended by subclause (I)(cc),
12 by striking “as preventing a State from”
13 and all that follows through “applying eli-
14 gibility standards” and inserting “as pre-
15 venting a State from applying eligibility
16 standards”.

17 (3) QUALIFYING STATES OPTION.—Section
18 2105(g)(4) of the Social Security Act (42 U.S.C.
19 1397ee(g)(4)) is amended—

20 (A) in the paragraph heading, by striking
21 “FOR FISCAL YEARS 2009 THROUGH 2027” and
22 inserting “AFTER FISCAL YEAR 2008”; and

23 (B) in subparagraph (A), by striking “for
24 any of fiscal years 2009 through 2027” and in-

1 serting “for any fiscal year after fiscal year
2 2008”.

3 (4) OUTREACH AND ENROLLMENT PROGRAM.—
4 Section 2113 of the Social Security Act (42 U.S.C.
5 1397mm) is amended—

6 (A) in subsection (a)—

7 (i) in paragraph (1), by striking “dur-
8 ing the period of fiscal years 2009 through
9 2027” and inserting “, beginning with fis-
10 cal year 2009,”;

11 (ii) in paragraph (2)—

12 (I) by striking “10 percent of
13 such amounts” and inserting “10 per-
14 cent of such amounts for the period or
15 the fiscal year for which such amounts
16 are appropriated”; and

17 (II) by striking “during such pe-
18 riod” and inserting “, during such pe-
19 riod or such fiscal year,”; and

20 (iii) in paragraph (3), by striking
21 “For the period of fiscal years 2024
22 through 2027, an amount equal to 10 per-
23 cent of such amounts” and inserting “Be-
24 ginning with fiscal year 2024, an amount
25 equal to 10 percent of such amounts for

1 the period or the fiscal year for which such
2 amounts are appropriated”; and

3 (B) in subsection (g)—

4 (i) by striking “2017,,” and inserting
5 “2017,”;

6 (ii) by striking “and \$48,000,000”
7 and inserting “\$48,000,000”; and

8 (iii) by inserting after “through
9 2027” the following: “, \$60,000,000 for
10 fiscal years 2028, 2029, and 2030, and for
11 each 3 fiscal years after fiscal year 2030,
12 the amount appropriated under this sub-
13 section for the previous fiscal year, in-
14 creased by the percentage increase in the
15 consumer price index for all urban con-
16 sumers (all items; United States city aver-
17 age, as published by the Bureau of Labor
18 Statistics) rounded to the nearest
19 \$100,000 over such previous fiscal year”.

20 (5) CHILD ENROLLMENT CONTINGENCY
21 FUND.—Section 2104(n) of the Social Security Act
22 (42 U.S.C. 1397dd(n)) is amended—

23 (A) in paragraph (2)—

24 (i) in subparagraph (A)(ii)—

1 (I) by striking “2024 through
2 2026” and inserting “beginning with
3 fiscal year 2024”; and

4 (II) by striking “2023, and
5 2027” and inserting “and 2023”; and

6 (ii) in subparagraph (B)—

7 (I) by striking “2024 through
8 2026” and inserting “beginning with
9 fiscal year 2024”; and

10 (II) by striking “2023, and
11 2027” and inserting “and 2023”; and

12 (B) in paragraph (3)(A)—

13 (i) by striking “fiscal years 2024
14 through 2026” and inserting “fiscal year
15 2024 or any subsequent fiscal year”; and

16 (ii) by striking “2023, or 2027” and
17 inserting “or 2023”.

18 (c) CHIP DRUG REBATES.—

19 (1) IN GENERAL.—Section 2107 of the Social
20 Security Act (42 U.S.C. 1397gg), as amended by
21 section 30721(b)(2), is further amended—

22 (A) in subsection (e)(1) by adding at the
23 end the following new subparagraph:

24 “(V) Beginning January 1, 2024, section
25 1927 (relating to covered outpatient drugs), in

1 accordance with subsection (h) of this section,
2 with respect to covered outpatient drugs (as de-
3 fined in section 1927) for which child health as-
4 sistance or pregnancy-related assistance (as de-
5 fined in section 2112(d)(1)) is provided under
6 the State child health plan, including such
7 drugs dispensed to individuals enrolled with a
8 managed care organization that meets the re-
9 quirements of subpart L of part 457 of title 42,
10 Code of Federal Regulations (or a successor
11 regulation) if the organization is responsible for
12 coverage of such drugs.”; and

13 (B) by adding at the end the following new
14 subsection:

15 “(h) DRUG REBATES.—For purposes of subsection
16 (e)(1)(U), in applying section 1927—

17 “(1) the Secretary shall take such actions as
18 are necessary and develop or adapt such processes
19 and mechanisms as are necessary, including to re-
20 port and collect data to bill and track rebates under
21 section 1927, as applied pursuant to subsection
22 (e)(1)(V) for covered outpatient drugs (as defined in
23 such section 1927) for which child health assistance
24 or pregnancy-related assistance (as defined in sec-

1 tion 2112(d)(1)) is provided under the State child
2 health plan;

3 “(2) the requirements of such section 1927
4 shall apply to any drug or biological product de-
5 scribed in paragraph (1)(A) of section 1905(ee) that
6 is—

7 “(A) furnished as child health assistance
8 or pregnancy-related assistance under the State
9 child health plan; and

10 “(B) a covered outpatient drug (as defined
11 in section 1927(k), except that, in applying
12 paragraph (2)(A) of such section to a drug de-
13 scribed in such paragraph (1)(A) of such sec-
14 tion 1905(ee), such drug shall be deemed ‘a
15 prescribed drug for purposes of subsection
16 (a)(12))’; and

17 “(3) in order for payment to be available under
18 section 2105 with respect to child health assistance
19 or pregnancy-related assistance for covered out-
20 patient drugs of a manufacturer, the manufacturer
21 must have entered into and have in effect a single
22 rebate agreement to—

23 “(A) provide rebates under section 1927 to
24 a State Medicaid program under title XIX as
25 well as a State program under this title; and

1 “(B) provide such rebates to a State pro-
2 gram under this title in the same form and
3 manner as the manufacturer is required to pro-
4 vide rebates under an agreement described in
5 section 1927(b) to a State Medicaid program
6 under title XIX.

7 Nothing in this subsection or subsection (e)(1)(V)
8 shall be construed as limiting Federal financial par-
9 ticipation for prescription drugs and biological prod-
10 ucts that do not satisfy the definition of a covered
11 outpatient drug and for which there is not a rebate
12 agreement in effect.”.

13 (2) DRUG REBATE CONFORMING AMEND-
14 MENT.—Section 1927(a)(1) of the Social Security
15 Act (42 U.S.C. 1396r–8(a)(1)) is amended in the
16 first sentence—

17 (A) by striking “or under part B of title
18 XVIII” and inserting “, under part B of title
19 XVIII, or, beginning with the first full calendar
20 quarter with respect to which section
21 2107(e)(1)(V) applies, under section 2105 with
22 respect to child health assistance or pregnancy-
23 related assistance under title XXI”;

24 (B) by striking “a rebate agreement de-
25 scribed in subsection (b)” and inserting “a sin-

1 gle rebate agreement described in subsection (b)
2 with respect to payment under section 1903(a)
3 and, beginning January 1, 2024, title XXI,”;
4 and

5 (C) by inserting “and including as such
6 subsection (b) is applied pursuant to sub-
7 sections (e)(1)(V) and (h) of section 2107 with
8 respect to child health assistance and preg-
9 nancy-related assistance under a State child
10 health plan under title XXI,” before “, and
11 must meet”.

12 (3) NON-DUPLICATION OF REBATES CON-
13 FORMING AMENDMENT.—Section 340B(a)(5)(A) of
14 the Public Health Service Act (42 U.S.C.
15 256b(a)(5)(A)) is amended—

16 (A) in clause (i), by inserting before the
17 period the following: “and shall not request
18 payment under title XXI of such Act for child
19 health assistance or pregnancy-related assist-
20 ance (as defined in section 2112(d)(1) of such
21 Act) under a State child health plan under title
22 XXI of such Act with respect to a drug that is
23 subject to an agreement under this section if
24 the drug is subject to the payment of a rebate
25 to the State under section 1927 of such Act, as

1 applied pursuant to subsections (e)(1)(V) and
2 (h) of section 2107 of such Act”; and

3 (B) in clause (ii), by inserting “, including
4 as applied pursuant to subsections (e)(1)(V)
5 and (h) of section 2107 of such Act,” after “the
6 requirements of section 1927(a)(5)(C) of the
7 Social Security Act”.

8 (4) EXCLUSION OF REBATES FROM BEST PRICE
9 CONFORMING AMENDMENT.—Section
10 1927(e)(1)(C)(i) of the Social Security Act (42
11 U.S.C. 1396r–8(c)(1)(C)(i)) is amended—

12 (A) in subclause (V), by striking “and” at
13 the end;

14 (B) in subclause (VI), by striking the pe-
15 riod and inserting “; and”; and

16 (C) by adding at the end the following new
17 subclause:

18 “(VII) any rebates paid pursuant
19 to section 2107(e)(1)(V).”.

20 (d) STATE OPTION TO EXPAND CHILDREN’S ELIGI-
21 BILITY FOR MEDICAID AND CHIP.—

22 (1) IN GENERAL.—Section 2110(b)(1)(B)(ii) of
23 the Social Security Act (42 U.S.C.
24 1397jj(b)(1)(B)(ii)) is amended—

1 (A) in subclause (II), by striking “or” at
2 the end;

3 (B) in subclause (III), by striking “and”
4 at the end and inserting “or”; and

5 (C) by inserting after subclause (III) the
6 following new subclause:

7 “(IV) at the option of the State,
8 whose family income exceeds the maximum
9 income level otherwise established for chil-
10 dren under the State child health plan as
11 of the date of the enactment of this sub-
12 clause; and”.

13 (2) TREATMENT OF TERRITORIES.—Section
14 2104(m)(7) of the Social Security Act (42 U.S.C.
15 1397dd(m)(7)) is amended—

16 (A) in the matter preceding subparagraph
17 (A), by striking “the 50 States or the District
18 of Columbia” and inserting “a State (including
19 the District of Columbia and each common-
20 wealth and territory)”;

21 (B) in subparagraph (B)(ii), by striking
22 “or District”; and

23 (C) in the matter following subparagraph
24 (B), by striking each place it occurs “or Dis-
25 trict”

1 (3) REMOVAL OF SUNSET FOR INCREASES IN
2 ALLOTMENTS.—Section 2107(a)(7)(A) of the Social
3 Security Act (42 U.S.C. (a)(7)(A)) is amended by
4 striking “and ending with fiscal year 2027,”.

5 **Subtitle H—Medicare Coverage of**
6 **Hearing Services**

7 **SEC. 30901. PROVIDING COVERAGE FOR HEARING CARE**
8 **UNDER THE MEDICARE PROGRAM.**

9 (a) PROVISION OF AUDIOLOGY SERVICES BY QUALI-
10 FIED AUDIOLOGISTS AND QUALIFIED HEARING AID PRO-
11 FESSIONALS.—

12 (1) IN GENERAL.—Section 1861(ll) of the So-
13 cial Security Act (42 U.S.C. 1395x(ll)) is amend-
14 ed—

15 (A) in paragraph (3)—

16 (i) by inserting “(and, beginning Jan-
17 uary 1, 2024, such aural rehabilitation and
18 treatment services)” after “assessment
19 services”;

20 (ii) by inserting “, and, beginning
21 January 1, 2024, such hearing assessment
22 services furnished by a qualified hearing
23 aid professional,” after “by a qualified au-
24 diologist”; and

1 (iii) by striking “the audiologist” and
2 inserting “the audiologist or qualified hear-
3 ing aid professional”; and

4 (B) in paragraph (4), by adding at the end
5 the following new subparagraph:

6 “(C) The term ‘qualified hearing aid profes-
7 sional’ means, with respect to hearing assessment
8 services described in paragraph (3), an individual
9 who—

10 “(i) is licensed as a hearing aid dispenser,
11 hearing aid specialist, hearing instrument dis-
12 penser, or related professional by the State in
13 which the individual furnishes such services;
14 and

15 “(ii) meets such other requirements as the
16 Secretary determines appropriate, taking into
17 account any additional requirements for hearing
18 aid specialists, hearing aid dispensers, and
19 hearing instrument dispensers established by
20 Medicare Advantage organizations under part
21 C, State plans (or waivers of such plans) under
22 title XIX, and the group health plans and
23 health insurance issuers (as such terms are de-
24 fined in section 2791 of the Public Health Serv-
25 ice Act).”.

1 (2) PAYMENT FOR QUALIFIED HEARING AID
2 PROFESSIONALS.—Section 1833(a)(1) of the Social
3 Security Act (42 U.S.C. 1395l(a)(1)), as amended
4 by section 139101(b), is further amended—

5 (A) by striking “and” before “(EE)”; and

6 (B) by inserting before the semicolon at
7 the end the following: “and (FF) with respect
8 to hearing assessment services (as described in
9 paragraph (3) of section 1861(ll)) furnished by
10 a qualified hearing aid professional (as defined
11 in paragraph (4)(C) of such section), the
12 amounts paid shall be equal to 80 percent of
13 the lesser of the actual charge for such services
14 or 85 percent of the amount for such services
15 determined under the payment basis determined
16 under section 1848”.

17 (b) COVERAGE OF HEARING AIDS.—

18 (1) INCLUSION OF HEARING AIDS AS PROS-
19 THETIC DEVICES.—Section 1861(s)(8) of the Social
20 Security Act (42 U.S.C. 1395x(s)(8)) is amended by
21 inserting “, and including hearing aids (as described
22 in section 1834(h)(7)) furnished on or after January
23 1, 2024, to individuals diagnosed with profound or
24 severe hearing loss” before the semicolon at the end.

1 (2) PAYMENT LIMITATIONS FOR HEARING
2 AIDS.—Section 1834(h) of the Social Security Act
3 (42 U.S.C. 1395m(h)) is amended by adding at the
4 end the following new paragraphs:

5 “(6) PAYMENT ONLY ON AN ASSIGNMENT-RE-
6 LATED BASIS.—Payment for hearing aids for which
7 payment may be made under this part may be made
8 only on an assignment-related basis. The provisions
9 of section 1842(b)(18)(B) shall apply to hearing aids
10 in the same manner as they apply to services fur-
11 nished by a practitioner described in subsection
12 (b)(18)(C).

13 “(7) LIMITATIONS FOR HEARING AIDS.—Pay-
14 ment may be made under this part with respect to
15 an individual, with respect to hearing aids furnished
16 on or after January 1, 2024—

17 “(A) not more than once per ear during a
18 5-year period;

19 “(B) only for types of such hearing aids
20 that are not over-the-counter hearing aids (as
21 defined in section 520(q)(1) of the Federal
22 Food, Drug, and Cosmetic Act) and that are
23 determined appropriate by the Secretary; and

24 “(C) only if furnished pursuant to a writ-
25 ten order of a physician, qualified audiologist

1 (as defined in section 1861(l)(4)), qualified
2 hearing aid professional (as so defined), physi-
3 cian assistant, nurse practitioner, or clinical
4 nurse specialist.”.

5 (3) APPLICATION OF COMPETITIVE ACQUI-
6 TION.—

7 (A) IN GENERAL.—Section 1834(h)(1)(H)
8 of the Social Security Act (42 U.S.C.
9 1395m(h)(1)(H)) is amended—

10 (i) in the header, by inserting “AND
11 HEARING AIDS” after “ORTHOTICS”;

12 (ii) by inserting “, or of hearing aids
13 described in paragraph (2)(D) of such sec-
14 tion,” after “2011,”; and

15 (iii) in clause (i), by inserting “or
16 such hearing aids” after “such orthotics”.

17 (B) CONFORMING AMENDMENT.—

18 (i) IN GENERAL.—Section 1847(a)(2)
19 of the Social Security Act (42 U.S.C.
20 1395w-3(a)(2)) is amended by adding at
21 the end the following new subparagraph:

22 “(D) HEARING AIDS.—Hearing aids de-
23 scribed in section 1861(s)(8) for which payment
24 would otherwise be made under section
25 1834(h).”.

1 (ii) EXEMPTION OF CERTAIN ITEMS
2 FROM COMPETITIVE ACQUISITION.—Sec-
3 tion 1847(a)(7) of the Social Security Act
4 (42 U.S.C. 1395w–3(a)(7)) is amended by
5 adding at the end the following new sub-
6 paragraph:

7 “(C) CERTAIN HEARING AIDS.—Those
8 items and services described in paragraph
9 (2)(D) if furnished by a physician or other
10 practitioner (as defined by the Secretary) to the
11 physician’s or practitioner’s own patients as
12 part of the physician’s or practitioner’s profes-
13 sional service.”.

14 (4) INCLUSION OF QUALIFIED AUDIOLOGISTS
15 AND QUALIFIED HEARING AID PROFESSIONALS AS
16 CERTAIN PRACTITIONERS TO RECEIVE PAYMENT ON
17 AN ASSIGNMENT-RELATED BASIS.—Section
18 1842(b)(18)(C) of the Social Security Act (42
19 U.S.C. 1395u(b)(18)(C)), is amended by adding at
20 the end the following new clauses:

21 “(vii) Beginning January 1, 2024, a
22 qualified audiologist (as defined in section
23 1861(l)(4)(B)).

1 “(viii) A qualified hearing aid profes-
2 sional (as defined in section
3 1861(ll)(4)(C)).”.

4 (c) EXCLUSION MODIFICATION.—Section 1862(a)(7)
5 of the Social Security Act (42 U.S.C. 1395y(a)(7)) is
6 amended by inserting “(except such hearing aids or exami-
7 nations therefor as described in and otherwise allowed
8 under section 1861(s)(8))” after “hearing aids or exami-
9 nations therefor”.

10 (d) INCLUSION AS EXCEPTED MEDICAL TREAT-
11 MENT.—Section 1821(b)(5)(A) of the Social Security Act
12 (42 U.S.C. 1395i–5(b)(5)(A)) is amended—

13 (1) in clause (i), by striking “or”;

14 (2) in clause (ii), by striking the period and in-
15 serting “, or”; and

16 (3) by adding at the end the following new
17 clause:

18 “(iii) consisting of items or services
19 described in section 1861(ll)(3) that are
20 payable under part B as a result of the
21 amendments made by An Act to provide
22 for reconciliation pursuant to title II of S.
23 Con. Res. 14.”.

24 (e) RURAL HEALTH CLINICS AND FEDERALLY
25 QUALIFIED HEALTH CENTERS.—

1 (1) CLARIFYING COVERAGE OF AUDIOLOGY
2 SERVICES AS PHYSICIANS' SERVICES.—Section
3 1861(aa)(1)(A) of the Social Security Act (42
4 U.S.C. 1395x(aa)(1)(A)) is amended by inserting
5 “(including audiology services (as defined in sub-
6 section (ll)(3)))” after “physicians’ services”.

7 (2) INCLUSION OF QUALIFIED AUDIOLOGISTS
8 AND QUALIFIED HEARING AID PROFESSIONALS AS
9 RHC AND FQHC PRACTITIONERS.—Section
10 1861(aa)(1)(B) of the Social Security Act (42
11 U.S.C. 1395x(aa)(1)(B)) is amended by inserting
12 “or by a qualified audiologist or a qualified hearing
13 aid professional (as such terms are defined in sub-
14 section (ll)),” after “(as defined in subsection
15 (hh)(1)),”.

16 (3) TEMPORARY PAYMENT RATES FOR CERTAIN
17 SERVICES UNDER THE RHC AIR AND FQHC PPS.—

18 (A) AIR.—Section 1833 of the Social Se-
19 curity Act (42 U.S.C. 1395l) is amended—

20 (i) in subsection (a)(3)(A), by insert-
21 ing “(which shall, in the case of audiology
22 services (as defined in section 1861(ll)(3)),
23 in lieu of any limits on reasonable charges
24 otherwise applicable, be based on the rates
25 payable for such services under the pay-

1 ment basis determined under section 1848
2 until such time as the Secretary deter-
3 mines sufficient data has been collected to
4 otherwise apply such limits)” after “may
5 prescribe in regulations”; and

6 (ii) by adding at the end the following
7 new subsection:

8 “(ee) DISREGARD OF COSTS ATTRIBUTABLE TO CER-
9 TAIN SERVICES FROM CALCULATION OF RHC AIR.—
10 Payments for rural health clinic services other than audi-
11 ology services (as defined in section 1861(ll)(3)) under the
12 methodology for all-inclusive rates (established by the Sec-
13 retary) under subsection (a)(3) shall not take into account
14 the costs of such services while rates for such services are
15 based on rates payable for such services under the pay-
16 ment basis established under section 1848.”.

17 (B) PPS.—Section 1834(o) of the Social
18 Security Act (42 U.S.C. 1395m(o)) is amended
19 by adding at the end the following new para-
20 graph:

21 “(5) TEMPORARY PAYMENT RATES BASED ON
22 PPS FOR CERTAIN SERVICES.—The Secretary shall,
23 in establishing payment rates for audiology services
24 (as defined in section 1861(ll)(3)) that are Federally
25 qualified health center services under the prospective

1 payment system established under this subsection, in
2 lieu of the rates otherwise applicable under such sys-
3 tem, base such rates on rates payable for such serv-
4 ices under the payment basis established under sec-
5 tion 1848 until such time as the Secretary deter-
6 mines sufficient data has been collected to otherwise
7 establish rates for such services under such system.
8 Payments for Federally qualified health center serv-
9 ices other than such audiology services under such
10 system shall not take into account the costs of such
11 services while rates for such services are based on
12 rates payable for such services under the payment
13 basis established under section 1848.”.

14 (f) IMPLEMENTATION.—In addition to amounts oth-
15 erwise available, there is appropriated to the Secretary of
16 Health and Human Services for fiscal year 2022, out of
17 any money in the Treasury not otherwise appropriated,
18 \$370,000,000, to remain available until expended, for pur-
19 poses of implementing the amendments made by this sec-
20 tion during the period beginning on January 1, 2022, and
21 ending on September 30, 2031.

1 **Subtitle I—Public Health**
2 **PART 1—HEALTH CARE INFRASTRUCTURE AND**
3 **WORKFORCE**
4 **SECTION 31001. FUNDING TO SUPPORT CORE PUBLIC**
5 **HEALTH INFRASTRUCTURE FOR STATE, TER-**
6 **RITORIAL, LOCAL, AND TRIBAL HEALTH DE-**
7 **PARTMENTS AT THE CENTERS FOR DISEASE**
8 **CONTROL AND PREVENTION.**

9 (a) IN GENERAL.—In addition to amounts otherwise
10 available, there is appropriated to the Secretary of Health
11 and Human Services (in this subtitle referred to as the
12 “Secretary”), acting through the Director of the Centers
13 for Disease Control and Prevention (in this section re-
14 ferred to as the “Director”), for fiscal year 2022, out of
15 any money in the Treasury not otherwise appropriated,
16 and to remain available until expended—

17 (1) for the purposes of carrying out subsection

18 (c)(1)(A)—

19 (A) \$200,000,000 in fiscal year 2022;

20 (B) \$300,000,000 in fiscal year 2023; and

21 (C) \$1,000,000,000 in each of fiscal years
22 2024 through 2026;

23 (2) for the purposes of carrying out subsection

24 (c)(1)(B)—

25 (A) \$100,000,000 in fiscal year 2022;

1 (B) \$150,000,000 in fiscal year 2023; and
2 (C) \$500,000,000 in each of fiscal years
3 2024 through 2026; and

4 (3) for the purposes of carrying out subsection
5 (d)—

6 (A) \$100,000,000 in fiscal year 2022;
7 (B) \$150,000,000 in fiscal year 2023; and
8 (C) \$500,000,000 in each of fiscal years
9 2024 through 2026.

10 (b) USE OF FUNDS.—Amounts made available pursu-
11 ant to subsection (a) shall be used to support core public
12 health infrastructure activities to strengthen the public
13 health system of the United States, including by awarding
14 grants under this section and expanding and improving
15 activities of the Centers for Disease Control and Preven-
16 tion under subsections (c) and (d).

17 (c) GRANTS.—

18 (1) AWARDS.—For the purpose of addressing
19 core public health infrastructure needs, the Sec-
20 retary shall award—

21 (A) a grant to each State or territorial
22 health department, and to local health depart-
23 ments that serve counties with a population of
24 at least 2,000,000 or cities with a population of
25 at least 400,000 people; and

1 (B) grants on a competitive basis to State,
2 territorial, local, or Tribal health departments.

3 (2) REQUIRED USES.—

4 (A) REALLOCATION TO LOCAL HEALTH
5 DEPARTMENTS.—A State health department re-
6 ceiving funds under subparagraph (A) or (B) of
7 paragraph (1) shall allocate at least 25 percent
8 of the such funds to local health departments,
9 as applicable, within the State to support con-
10 tributions of the local health departments to
11 core public health infrastructure.

12 (B) PROGRESS IN MEETING ACCREDITA-
13 TION STANDARDS.—A health department receiv-
14 ing funds under this section that is not accred-
15 ited shall report to the Secretary on an annual
16 basis how the department is working to meet
17 accreditation standards.

18 (3) FORMULA GRANTS TO HEALTH DEPART-
19 MENTS.—In awarding grants under paragraph (1),
20 the Secretary shall award funds to each health de-
21 partment in accordance with a formula which con-
22 siders population size, the Social Vulnerability Index
23 of the Centers for Disease Control and Prevention,
24 and other factors as determined by the Secretary.

1 (4) COMPETITIVE GRANTS TO STATE, TERRI-
2 TORIAL, LOCAL, AND TRIBAL HEALTH DEPART-
3 MENTS.—In making grants under paragraph (1)(B),
4 the Secretary shall give priority to applicants dem-
5 onstrating core public health infrastructure needs
6 for public health agencies in the applicant’s jurisdic-
7 tion.

8 (5) PERMITTED USES.—

9 (A) IN GENERAL.—The Secretary may
10 make available a subset of the funds available
11 for grants under paragraph (1) for purposes of
12 awarding grants to State, territorial, local, and
13 Tribal health departments for planning or to
14 support public health accreditation.

15 (B) USES.—Recipients of such grants may
16 use the grant funds to assess core public health
17 infrastructure needs and report to the Centers
18 for Disease Control and Prevention on efforts
19 to achieve accreditation, as applicable.

20 (6) REQUIREMENTS.—To be eligible for a grant
21 under this section, an entity shall—

22 (A) submit an application in such form
23 and containing such information as the Sec-
24 retary shall require;

1 (B) demonstrate to the satisfaction of the
2 Secretary that—

3 (i) funds received through the grant
4 will be expended only to supplement, and
5 not supplant, non-Federal and Federal
6 funds otherwise available to the entity for
7 the purpose of addressing core public
8 health infrastructure needs; and

9 (ii) with respect to activities for which
10 the grant is awarded, the entity will main-
11 tain expenditures of non-Federal amounts
12 for such activities at a level not less than
13 the level of such expenditures maintained
14 by the entity for fiscal year 2019; and

15 (C) agree to report annually to the Direc-
16 tor regarding the use of the grant funds.

17 (d) CORE PUBLIC HEALTH INFRASTRUCTURE AND
18 ACTIVITIES FOR THE CDC.—The Secretary, acting
19 through the Director, shall expand and improve the core
20 public health infrastructure and activities of the Centers
21 for Disease Control and Prevention to support activities
22 necessary to address unmet, ongoing, and emerging public
23 health needs, including prevention, preparation for, and
24 response to public health emergencies.

1 (e) DEFINITION.—In this section, the term “core
2 public health infrastructure” includes—

3 (1) health equity activities;

4 (2) workforce capacity and competency;

5 (3) all hazards public health and preparedness;

6 (4) testing capacity, including test platforms,
7 mobile testing units, and personnel;

8 (5) health information, health information sys-
9 tems, and health information analysis (including
10 data analytics);

11 (6) epidemiology and disease surveillance;

12 (7) contact tracing;

13 (8) policy and communications;

14 (9) financing;

15 (10) community partnership development; and

16 (11) relevant components of organizational ca-
17 pacity.

18 (f) SUPPLEMENT NOT SUPPLANT.—Amounts made
19 available by this section shall be used to supplement, and
20 not supplant, amounts otherwise made available for the
21 purposes described in this Act.

22 **SEC. 31002. FUNDING FOR HEALTH CENTER CAPITAL**
23 **GRANTS.**

24 (a) IN GENERAL.—In addition to amounts otherwise
25 available, there is appropriated to the Secretary for fiscal

1 year 2022, out of any money in the Treasury not otherwise
2 appropriated, \$1,000,000,000, to remain available until
3 expended, for necessary expenses for awarding grants and
4 entering into cooperative agreements for capital projects
5 to health centers funded under section 330 of the Public
6 Health Service Act (42 U.S.C. 254b) to be awarded with-
7 out regard to the time limitation in subsection (e)(3) and
8 subsections (e)(6)(A)(iii), (e)(6)(B)(iii), and (r)(2)(B) of
9 such section 330, and for necessary expenses for awarding
10 grants and cooperative agreements for capital projects to
11 Federally qualified health centers, as described in section
12 1861(aa)(4)(B) of the Social Security Act (42 U.S.C.
13 1395x(aa)(4)(B)). The Secretary shall take such steps as
14 may be necessary to expedite the awarding of such grants
15 to Federally qualified health centers for capital projects.

16 (b) USE OF FUNDS.—Amounts made available to a
17 recipient of a grant or cooperative agreement pursuant to
18 subsection (a) shall be used for health center facility alter-
19 ation, renovation, remodeling, expansion, construction,
20 and other capital improvement costs, including the costs
21 of amortizing the principal of, and paying interest on,
22 loans for such purposes.

1 **SEC. 31003. FUNDING FOR TEACHING HEALTH CENTER**
2 **GRADUATE MEDICAL EDUCATION.**

3 (a) **IN GENERAL.**—In addition to amounts otherwise
4 available, and notwithstanding the limitations referred to
5 in subsections (b)(2) and (d)(2) of section 340H of the
6 Public Health Service Act (42 U.S.C. 256h), there is ap-
7 propriated to the Secretary for fiscal year 2022, out of
8 any money in the Treasury not otherwise appropriated,
9 \$3,370,000,000, to remain available until expended, for—

10 (1) the program of payments to teaching health
11 centers that operate graduate medical education pro-
12 grams under such section; and

13 (2) the award of teaching health center develop-
14 ment grants pursuant to section 749A of the Public
15 Health Service Act (42 U.S.C. 2931–1).

16 (b) **EXEMPTION FROM AMOUNT AND DURATION LIM-**
17 **ITATIONS.**—Subsection (b) of section 749A of the Public
18 Health Service Act (42 U.S.C. 2931–1) shall not apply
19 with respect to amounts awarded under such section out
20 of amounts appropriated under subsection (a) or under
21 section 2604 of the American Rescue Plan Act (Public
22 Law 117–2).

23 (c) **USE OF FUNDS.**—Amounts made available pursu-
24 ant to subsection (a) shall be used for the following activi-
25 ties:

1 (1) For making payments to establish new ap-
2 proved graduate medical residency training pro-
3 grams pursuant to section 340H(a)(1)(C) of the
4 Public Health Service Act (42 U.S.C.
5 256h(a)(1)(C)).

6 (2) For making payments under section
7 340H(a)(1)(A) of the Public Health Service Act (42
8 U.S.C. 256h(a)(1)(A)) to qualified teaching health
9 centers for maintenance of filled positions at existing
10 approved graduate medical residency training pro-
11 grams.

12 (3) For making payments under section
13 340H(a)(1)(B) of the Public Health Service Act (42
14 U.S.C. 256h(a)(1)(B)) for the expansion of existing
15 approved graduate medical residency training pro-
16 grams.

17 (4) For making awards under section 749A of
18 the Public Health Service Act (42 U.S.C. 2931-1) to
19 teaching health centers for the purpose of estab-
20 lishing new accredited or expanded primary care
21 residency programs.

22 (5) To provide an increase to the per resident
23 amount described in section 340H(a)(2) of the Pub-
24 lic Health Service Act (42 U.S.C. 256h(a)(2)).

1 (d) PRIORITY USES OF FUNDS.—In making pay-
2 ments and awards under subsection (c), the Secretary
3 shall, in addition to the requirements of paragraphs (3)(A)
4 and (3)(B) of section 340H of the Public Health Service
5 Act (42 U.S.C. 256h), make payments and awards to eligi-
6 ble entities in a manner that accounts for States or terri-
7 tories in which there is no existing qualified teaching
8 health center funded by payments under such section
9 340H.

10 **SEC. 31004. FUNDING FOR CHILDREN'S HOSPITALS THAT**
11 **OPERATE GRADUATE MEDICAL EDUCATION**
12 **PROGRAMS.**

13 In addition to amounts otherwise available, and not-
14 withstanding the caps on awards specified in paragraphs
15 (1) and (2) of subsection (b) and (h)(1) of section 340E
16 of the Public Health Service Act (42 U.S.C. 256e), there
17 is appropriated to the Secretary for fiscal year 2022, out
18 of any money in the Treasury not otherwise appropriated,
19 \$150,000,000, to remain available until expended, for car-
20 rying out such section 340E of the Public Health Service
21 Act (42 U.S.C. 256e).

22 **SEC. 31005. FUNDING FOR NATIONAL HEALTH SERVICE**
23 **CORPS.**

24 In addition to amounts otherwise available, there is
25 appropriated to the Secretary for fiscal year 2022, out of

1 any money in the Treasury not otherwise appropriated,
2 \$650,000,000, to remain available until expended, for car-
3 rying out sections 338A, 338B, and 338I of the Public
4 Health Service Act (42 U.S.C. 254l, 254l–1, 254q–1).

5 **SEC. 31006. FUNDING FOR THE NURSE CORPS.**

6 In addition to amounts otherwise available, there is
7 appropriated to the Secretary for fiscal year 2022, out of
8 any money in the Treasury not otherwise appropriated,
9 \$200,000,000, to remain available until expended, for car-
10 rying out section 846 of the Public Health Service Act
11 (42 U.S.C. 297n).

12 **SEC. 31007. FUNDING FOR PALLIATIVE CARE AND HOSPICE**
13 **EDUCATION AND TRAINING.**

14 (a) IN GENERAL.—In addition to amounts otherwise
15 available, there is appropriated to the Secretary for fiscal
16 year 2022, out of any money in the Treasury not otherwise
17 appropriated, \$30,000,000, to support the establishment
18 or operation of programs that—

19 (1) support training of health professionals in
20 palliative and hospice care (including through
21 traineeships or fellowships); and

22 (2) foster patient and family engagement, inte-
23 gration of palliative and hospice care with primary
24 care and other appropriate specialties, and collabora-
25 tion with community partners to address gaps in

1 health care for individuals in need of palliative or
2 hospice care.

3 (b) USE OF FUNDS.—The Secretary shall, giving pri-
4 ority to applicants proposing to carry out programs or ac-
5 tivities that demonstrate coordination with other Federal
6 or State programs and are expected to substantially ben-
7 efit rural populations, medically underserved populations,
8 medically underserved communities, Indian Tribes or
9 Tribal organizations, or Urban Indian organizations, use
10 amounts appropriated by subsection (a) to carry out a pro-
11 gram to award grants or contracts to entities defined in
12 paragraph (1), (3), or (4) of section 799B of the Public
13 Health Service Act (42 U.S.C. 295p) or section 801(2)
14 of such Act (42 U.S.C. 296) for purposes of carrying out
15 the following activities:

16 (1) Clinical training on providing integrated
17 palliative and hospice care and primary care delivery
18 services.

19 (2) Interprofessional or interdisciplinary train-
20 ing to practitioners from multiple disciplines and
21 specialties, including training on the provision of
22 care to individuals with palliative or hospice care
23 needs.

24 (3) Establishing or maintaining training-related
25 community-based programs for individuals with pal-

1 units, hospices, home care, and community care pro-
2 grams;

3 (2) develop specific performance-based meas-
4 ures to evaluate the competency of trainees; and

5 (3) provide training in interprofessional or
6 interdisciplinary, team-based palliative medicine.

7 (c) GRADUATE MEDICAL EDUCATION PROGRAM DE-
8 FINED.—In this section, the term “graduate medical edu-
9 cation program” means a program sponsored by an ac-
10 credited school of medicine, an accredited school of osteo-
11 pathic medicine, a hospital, or a public or private institu-
12 tion that—

13 (1) offers postgraduate medical training in the
14 specialties and subspecialties of medicine; and

15 (2) has been accredited by—

16 (A) the Accreditation Council for Graduate
17 Medical Education; or

18 (B) the American Osteopathic Association
19 through its Committee on Postdoctoral Train-
20 ing (or a successor committee).

21 **SEC. 31009. FUNDING FOR PALLIATIVE CARE AND HOSPICE**

22 **ACADEMIC CAREER AWARDS.**

23 In addition to amounts otherwise available, there is
24 appropriated to the Secretary for fiscal year 2022, out of
25 any money in the Treasury not otherwise appropriated,

1 \$20,000,000, to establish a program, consistent with sec-
2 tion 753(b) of the Public Health Service Act (42 U.S.C.
3 294e(b)), including paragraphs (5)(A) and (5)(B) of such
4 section 753(b) concerning the maximum amount and du-
5 ration of awards, respectively, except that such program
6 shall be to provide awards to accredited schools of medi-
7 cine, osteopathic medicine, nursing, social work, psy-
8 chology, allied health, dentistry, or chaplaincy applying on
9 behalf of board-certified or board-eligible individuals in
10 hospice and palliative medicine that have an early-career
11 junior (non-tenured) faculty appointment at an accredited
12 school of medicine, or osteopathic medicine, nursing, social
13 work, psychology, allied health, dentistry, or chaplaincy,
14 to promote the academic career development of individuals
15 as hospice and palliative care specialists.

16 **SEC. 31010. FUNDING FOR HOSPICE AND PALLIATIVE NURS-**
17 **ING.**

18 (a) IN GENERAL.—In addition to amounts otherwise
19 available, there is appropriated to the Secretary for fiscal
20 year 2022, out of any money in the Treasury not otherwise
21 appropriated, \$20,000,000, to establish a program to
22 award grants and contracts to accredited schools of nurs-
23 ing, health care facilities, programs leading to certification
24 as a certified nurse assistant, partnerships of such schools
25 and facilities, or partnerships of such programs and facili-

1 ties to develop and implement, in coordination with other
2 hospice and palliative care programs administered by the
3 Department of Health and Human Services, programs
4 and initiatives to train and educate individuals in pro-
5 viding interprofessional, interdisciplinary, team-based pal-
6 liative care in health-related educational, hospital, hospice,
7 home, or long-term care settings.

8 (b) USE OF FUNDS.—Amounts made available to an
9 awardee pursuant to subsection (a) shall be used to—

10 (1) provide training to individuals who will pro-
11 vide palliative care in health-related educational,
12 hospital, home, hospice, or long-term care settings;

13 (2) develop and disseminate curricula relating
14 to palliative care in health-related educational, hos-
15 pital, home, hospice, or long-term care settings;

16 (3) train faculty members in palliative care in
17 health-related educational, hospital, home, hospice,
18 or long-term care settings; and

19 (4) provide continuing education to individuals
20 who provide palliative care in health-related edu-
21 cational, home, hospice, or long-term care settings.

22 **SEC. 31011. FUNDING FOR DISSEMINATION OF PALLIATIVE**
23 **CARE INFORMATION.**

24 (a) IN GENERAL.—In addition to amounts otherwise
25 available, there is appropriated to the Secretary for fiscal

1 year 2022, out of any money in the Treasury not otherwise
2 appropriated, \$10,000,000, to remain available until ex-
3 pended, for the purpose described in subsection (b).

4 (b) USE OF FUNDS.—The Secretary, after consulta-
5 tion with appropriate medical and other health profes-
6 sional societies and palliative care and hospice stake-
7 holders, shall use amounts appropriated by subsection (a)
8 to award grants or contracts to public and nonprofit pri-
9 vate entities to disseminate information to inform pa-
10 tients, families, caregivers, direct care workers, and health
11 professionals about the benefits of palliative care through-
12 out the continuum of care for patients with serious or life-
13 threatening illness. Such awareness campaign shall in-
14 clude—

15 (1) information, resources, communication, and
16 education materials about palliative care for patients
17 and families facing serious or life-threatening ill-
18 nesses;

19 (2) information regarding hospice and palliative
20 care services, including information on how such
21 services may—

22 (A) incorporate age-friendly, patient-cen-
23 tered, and family-centered support throughout
24 the continuum of care for serious and life-
25 threatening illness;

1 (B) anticipate, prevent, and treat pain;

2 (C) optimize quality of life; and

3 (D) facilitate and support the goals and
4 values of patients and families;

5 (3) materials that explain the role of profes-
6 sionals trained in hospice and palliative care in pro-
7 viding team-based care for patients and families
8 throughout the continuum of care for serious or life-
9 threatening illness; and

10 (4) materials for specific populations, including
11 patients with serious or life-threatening illness who
12 are among medically underserved populations (as de-
13 fined in section 330(b)(3) of the Public Health Serv-
14 ice Act (42 U.S.C. 254b(b)(3)) and families of such
15 patients or health professionals serving medically un-
16 derserved populations.

17 **PART 2—PANDEMIC PREPAREDNESS**

18 **SEC. 31021. FUNDING FOR LABORATORY ACTIVITIES AT**
19 **THE CENTERS FOR DISEASE CONTROL AND**
20 **PREVENTION.**

21 (a) IN GENERAL.—In addition to amounts otherwise
22 available, there is appropriated to the Secretary for fiscal
23 year 2022, out of any money in the Treasury not otherwise
24 appropriated, \$1,400,000,000 to remain available until ex-

1 pending, for purposes of carrying out activities consistent
2 with subsection (b).

3 (b) USE OF FUNDS.—The Secretary, acting through
4 the Director of the Centers for Disease Control and Pre-
5 vention, shall use amounts made available pursuant to
6 subsection (a) for the following activities:

7 (1) Supporting renovation, improvement, expansion,
8 sion, and modernization of State and local public
9 health laboratory infrastructure (as the term “lab-
10 oratory” is defined in section 353 of the Public
11 Health Service Act (42 U.S.C. 263a)), including—

12 (A) the improvement and enhancement of
13 testing and response capacity;

14 (B) improvements and expansion of the
15 Laboratory Response Network for rapid out-
16 break detection;

17 (C) the improvement and expansion of
18 genomic sequencing capabilities to detect
19 emerging diseases and variant strains; and

20 (D) the improvement and expansion of bio-
21 safety and biosecurity capacity.

22 (2) Enhancing the capacity of the laboratories
23 of the Centers for Disease Control and Prevention
24 as described in subparagraphs (A) through (D) of
25 paragraph (1).

1 (3) Enhancing the ability of the Centers for
2 Disease Control and Prevention to monitor and exer-
3 cise oversight over the biosafety and biosecurity of
4 State and local public health laboratories.

5 **SEC. 31022. FUNDING FOR PUBLIC HEALTH AND PRE-**
6 **PAREDNESS RESEARCH, DEVELOPMENT, AND**
7 **COUNTERMEASURE CAPACITY.**

8 (a) IN GENERAL.—In addition to amounts otherwise
9 available, there is appropriated to the Secretary for fiscal
10 year 2022, out of any money in the Treasury not otherwise
11 appropriated, \$1,300,000,000, to carry out activities to
12 prepare for, and respond to, public health emergencies de-
13 clared under section 319 of the Public Health Service Act
14 (42 U.S.C. 247d), as described in subsection (b), to re-
15 main available until expended.

16 (b) USE OF FUNDS.—The Secretary, acting through
17 the Assistant Secretary for Preparedness and Response,
18 shall use amounts made available pursuant to subsection

19 (a)—

20 (1) to support surge capacity, including through
21 construction, expansion, or modernization of facili-
22 ties, to respond to a public health emergency, and
23 for development, procurement, and domestic manu-
24 facture of drugs, active pharmaceutical ingredients,
25 vaccines and other biological products, diagnostic

1 technologies and products, medical devices (including
2 personal protective equipment), vials, syringes, nee-
3 dles, and other components or supplies for the Stra-
4 tegic National Stockpile under section 319F-2 of
5 the Public Health Service Act (42 U.S.C. 247d-6b);

6 (2) to support expanded global and domestic
7 vaccine production capacity and capabilities, includ-
8 ing by developing or acquiring new technology and
9 expanding manufacturing capacity through construc-
10 tion, expansion, or modernization of facilities;

11 (3) to support activities to mitigate supply
12 chain risks and enhance supply chain elasticity and
13 resilience for critical drugs, active pharmaceutical in-
14 gredients, and supplies (including essential medi-
15 cines, medical countermeasures, and supplies in
16 shortage or at risk of shortage), drug and vaccine
17 raw materials, and other supplies, as the Secretary
18 determines appropriate, including construction, ex-
19 pansion, or modernization of facilities, adoption of
20 advanced manufacturing processes, and other activi-
21 ties to support domestic manufacturing of such sup-
22 plies;

23 (4) to support activities conducted by the Bio-
24 medical Advanced Research and Development Au-
25 thority for advanced research, standards develop-

1 ment, and domestic manufacturing capacity for
2 drugs, including essential medicines, diagnostics,
3 vaccines, therapeutics, and personal protective equip-
4 ment; and

5 (5) to support increased biosafety and biosecu-
6 rity in research on infectious diseases, including by
7 modernization or improvement of facilities.

8 **SEC. 31023. FUNDING FOR INFRASTRUCTURE MODERNIZA-**
9 **TION AND INNOVATION AT THE FOOD AND**
10 **DRUG ADMINISTRATION.**

11 In addition to amounts otherwise available, there is
12 appropriated to the Secretary for fiscal year 2022, out of
13 any money in the Treasury not otherwise appropriated,
14 to remain available until expended, with respect to improv-
15 ing and modernizing infrastructure at the Food and Drug
16 Administration and enhancing food and medical product
17 safety—

18 (1) \$150,000,000 for improving technological
19 infrastructure, including through developing inte-
20 grated systems and improving the interoperability of
21 information technology systems; and

22 (2) \$150,000,000 for modernizing laboratory
23 infrastructure of, or used by, the Food and Drug
24 Administration, including modernization of facilities
25 related to, and supporting, such laboratory infra-

1 structure, including through planning for, and the
2 construction, repair, improvement, extension, alter-
3 ation, demolition, and purchase of, fixed equipment
4 or facilities.

5 **PART 3—MATERNAL MORTALITY**

6 **SEC. 31031. FUNDING FOR LOCAL ENTITIES ADDRESSING**
7 **SOCIAL DETERMINANTS OF MATERNAL**
8 **HEALTH.**

9 (a) IN GENERAL.—In addition to amounts otherwise
10 available, there is appropriated to the Secretary for fiscal
11 year 2022, out of any money in the Treasury not otherwise
12 appropriated, \$100,000,000, to remain available until ex-
13 pended, for carrying out a program to award grants or
14 contracts to community-based organizations, Indian
15 Tribes and Tribal organizations, Urban Indian organiza-
16 tions, Native Hawaiian organizations, or other nonprofit
17 organizations working with a community-based organiza-
18 tion, or consortia of any such entities, operating in areas
19 with high rates of adverse maternal health outcomes or
20 with significant racial or ethnic disparities in maternal
21 health outcomes.

22 (b) USE OF FUNDING.—Amounts made available by
23 subsection (a) shall be used for the following activities:

24 (1) Addressing social determinants of health (as
25 described in Healthy People 2030), including social

1 determinants of maternal health, for pregnant and
2 postpartum individuals and eliminating racial and
3 ethnic disparities in maternal health outcomes by—

4 (A) hiring, training, or retaining staff;

5 (B) developing or distributing culturally
6 and linguistically appropriate resources for so-
7 cial services programs;

8 (C) offering programs and resources to ad-
9 dress social determinants of health;

10 (D) conducting demonstration projects to
11 address social determinants of health;

12 (E) establishing a culturally and linguis-
13 tically appropriate resource center that provides
14 multiple social services programs in a single lo-
15 cation; and

16 (F) consulting with pregnant and
17 postpartum individuals to conduct an assess-
18 ment of the activities conducted under this sec-
19 tion.

20 (2) Promoting evidence-based health literacy
21 and pregnancy, childbirth, and parenting education
22 for pregnant and postpartum individuals, and indi-
23 viduals seeking to become pregnant.

24 (3) Providing support from perinatal health
25 workers, including clinical and community-based

1 staff members that provide direct care and support
2 services to pregnant and postpartum individuals.

3 (4) Providing culturally congruent, linguistically
4 appropriate, and trauma-informed training to
5 perinatal health workers, including clinical and com-
6 munity-based staff members that provide direct care
7 and support services to pregnant and postpartum in-
8 dividuals.

9 (c) TECHNICAL ASSISTANCE.—Using amounts made
10 available under subsection (a), the Secretary shall—

11 (1) conduct outreach to eligible entities to apply
12 for grants or contracts under subsection (a); and

13 (2) provide technical assistance, including
14 through a grant or contract, to eligible entities re-
15 ceiving funding pursuant to subsection (a).

16 **SEC. 31032. FUNDING FOR THE OFFICE OF MINORITY**
17 **HEALTH.**

18 (a) IN GENERAL.—In addition to amounts otherwise
19 available, there is appropriated to the Secretary for fiscal
20 year 2022, out of any money in the Treasury not otherwise
21 appropriated, \$75,000,000, to remain available until ex-
22 pended, for carrying out a program to award grants or
23 contracts to community-based organizations operating in
24 areas with high rates of adverse maternal health outcomes

1 or with significant racial or ethnic disparities in maternal
2 health outcomes.

3 (b) USE OF FUNDS.—The Secretary, acting through
4 the Deputy Assistant Secretary for Minority Health, shall
5 use amounts made available under subsection (a) to award
6 grants for the following activities:

7 (1) Addressing social determinants of health,
8 including social determinants of maternal health, for
9 pregnant and postpartum individuals and elimi-
10 nating racial and ethnic disparities in maternal
11 health outcomes by—

12 (A) hiring, training, or retaining staff;

13 (B) developing or distributing culturally
14 and linguistically appropriate resources for so-
15 cial services programs;

16 (C) offering programs and resources to ad-
17 dress social determinants of health;

18 (D) conducting demonstration projects to
19 address social determinants of health;

20 (E) establishing a culturally and linguis-
21 tically appropriate resource center that provides
22 multiple social services programs in a single lo-
23 cation; and

24 (F) consulting with pregnant and
25 postpartum individuals to conduct an assess-

1 ment of the activities conducted under this sec-
2 tion.

3 (2) Promoting evidence-based health literacy
4 and pregnancy, childbirth, and parenting education
5 for pregnant and postpartum individuals, and indi-
6 viduals seeking to become pregnant.

7 (3) Providing support from perinatal health
8 workers, including clinical and community-based
9 staff members that provide direct care and support
10 services to pregnant and postpartum individuals.

11 (4) Providing culturally congruent, linguistically
12 appropriate, and trauma-informed training to
13 perinatal health workers, including clinical and com-
14 munity-based staff members that provide direct care
15 and support services to pregnant and postpartum in-
16 dividuals.

17 (c) TECHNICAL ASSISTANCE.—Using amounts made
18 available under subsection (a), the Secretary shall—

19 (1) conduct outreach to eligible entities to apply
20 for grants or contracts under subsection (a); and

21 (2) provide technical assistance, including
22 through a grant or contract, to eligible entities re-
23 ceiving funding pursuant to subsection (a).

1 **SEC. 31033. FUNDING TO GROW AND DIVERSIFY THE NURS-**
2 **ING WORKFORCE IN MATERNAL AND**
3 **PERINATAL HEALTH.**

4 (a) IN GENERAL.—In addition to amounts otherwise
5 available, there is appropriated to the Secretary for fiscal
6 year 2022, out of any money in the Treasury not otherwise
7 appropriated, \$170,000,000, to remain available until ex-
8 pended, for carrying out a program to award grants or
9 contracts to accredited schools of nursing for the purpose
10 of growing and diversifying the perinatal nursing work-
11 force, including through improving the capacity and sup-
12 ply of health care providers.

13 (b) USES OF FUNDS.—

14 (1) AWARDEES.—Prioritizing students and reg-
15 istered nurses who plan to practice or currently
16 practice in a health professional shortage area des-
17 ignated under section 332 of the Public Health Serv-
18 ice Act (42 U.S.C. 254e), amounts made available to
19 awardees by subsection (a) shall be used for the fol-
20 lowing activities:

21 (A) Providing scholarships to students, in-
22 cluding those from racial and ethnic groups
23 underrepresented in the health professions,
24 seeking to become nurse practitioners whose
25 education includes a focus on maternal and
26 perinatal health.

1 (B) Providing scholarships to students
2 seeking to become clinical nurse specialists
3 whose education includes a focus on maternal
4 and perinatal health.

5 (C) Providing scholarships to students
6 seeking to become certified nurse midwives.

7 (D) Providing scholarships to registered
8 nurses seeking certification as an obstetrics and
9 gynecology registered nurse.

10 (2) SECRETARY.—The Secretary shall use
11 amounts made available pursuant to subsection (a)
12 for the following activities:

13 (A) Developing and implementing strate-
14 gies to recruit and retain a diverse pool of stu-
15 dents seeking to enter careers focused on ma-
16 ternal and perinatal health.

17 (B) Developing partnerships with practice
18 settings in a health professional shortage area
19 designated under such section for the clinical
20 placements of students at the schools receiving
21 such grants.

22 (C) Developing curriculum for students
23 seeking to enter careers focused on maternal
24 and perinatal health that includes training pro-
25 grams on bias, racism, discrimination, providing

1 culturally competent care, or trauma-informed
2 care.

3 (D) Carrying out other activities under
4 title VIII of the Public Health Service Act for
5 the purpose under subsection (a).

6 **SEC. 31034. FUNDING FOR PERINATAL QUALITY**
7 **COLLABORATIVES.**

8 In addition to amounts otherwise available, there is
9 appropriated to the Secretary for fiscal year 2022, out of
10 any money in the Treasury not otherwise appropriated,
11 \$50,000,000, to remain available until expended, for car-
12 rying out a program to establish or support perinatal qual-
13 ity collaboratives to improve perinatal care and perinatal
14 health outcomes for pregnant and postpartum individuals
15 and their infants.

16 **SEC. 31035. FUNDING TO GROW AND DIVERSIFY THE DOULA**
17 **WORKFORCE.**

18 (a) IN GENERAL.—In addition to amounts otherwise
19 available, there is appropriated to the Secretary for fiscal
20 year 2022, out of any money in the Treasury not otherwise
21 appropriated, \$50,000,000, to remain available until ex-
22 pended, for carrying out a program to award grants or
23 contracts to health professions schools, academic health
24 centers, State or local governments, territories, Indian
25 Tribes and Tribal organizations, Urban Indian organiza-

1 tions, Native Hawaiian organizations, or other appropriate
2 public or private nonprofit entities (or consortia of any
3 such entities, including entities promoting multidisci-
4 plinary approaches), to establish or expand programs to
5 grow and diversify the doula workforce, including through
6 improving the capacity and supply of health care pro-
7 viders.

8 (b) USE OF FUNDS.—Amounts made available by
9 subsection (a) shall be used for the following activities:

10 (1) Establishing programs that provide edu-
11 cation and training to individuals seeking appro-
12 priate training or certification as doulas.

13 (2) Expanding the capacity of existing pro-
14 grams described in paragraph (1), for the purpose of
15 increasing the number of students enrolled in such
16 programs, including by awarding scholarships for
17 students who agree to work in underserved commu-
18 nities after receiving such education and training.

19 (3) Developing and implementing strategies to
20 recruit and retain students from underserved com-
21 munities, particularly from demographic groups ex-
22 perience high rates of maternal mortality and se-
23 vere maternal morbidity, including racial and ethnic
24 minority groups, into programs described in para-
25 graphs (1) and (2).

1 **SEC. 31036. FUNDING TO GROW AND DIVERSIFY THE MA-**
2 **TERNAL MENTAL HEALTH AND SUBSTANCE**
3 **USE DISORDER TREATMENT WORKFORCE.**

4 (a) IN GENERAL.—In addition to amounts otherwise
5 available, there is appropriated to the Secretary for fiscal
6 year 2022, out of any money in the Treasury not otherwise
7 appropriated, \$75,000,000, to remain available until ex-
8 pended, for carrying out a program to award grants or
9 contracts to health professions schools, academic health
10 centers, State or local governments, territories, Indian
11 Tribes and Tribal organizations, Urban Indian organiza-
12 tions, Native Hawaiian organizations, or other appropriate
13 public or private nonprofit entities (or consortia of any
14 such entities, including entities promoting multidisci-
15 plinary approaches), to establish or expand programs to
16 grow and diversify the maternal mental health and sub-
17 stance use disorder treatment workforce, including
18 through improving the capacity and supply of health care
19 providers.

20 (b) USE OF FUNDS.—Amounts made available by
21 subsection (a) shall be used for the following activities:

22 (1) Establishing programs that provide edu-
23 cation and training to individuals seeking appro-
24 priate licensing or certification as mental health or
25 substance use disorder treatment providers who plan

1 to specialize in maternal mental health conditions or
2 substance use disorders.

3 (2) Expanding the capacity of existing pro-
4 grams described in paragraph (1), for the purposes
5 of increasing the number of students enrolled in
6 such programs, including by awarding scholarships
7 for students.

8 (3) Developing and implementing strategies to
9 recruit and retain students from underserved com-
10 munities into programs described in paragraphs (1)
11 and (2).

12 **SEC. 31037. FUNDING FOR MATERNAL MENTAL HEALTH EQ-**
13 **UITY GRANT PROGRAMS.**

14 (a) IN GENERAL.—In addition to amounts otherwise
15 available, there is appropriated to the Secretary for fiscal
16 year 2022, out of any money in the Treasury not otherwise
17 appropriated, \$100,000,000, to remain available until ex-
18 pended, for carrying out a program to award grants or
19 contracts to community-based organizations, Indian
20 Tribes and Tribal organizations, Urban Indian organiza-
21 tions, Native Hawaiian organizations, health care pro-
22 viders, accredited medical schools, accredited schools of
23 nursing, teaching hospitals, accredited midwifery pro-
24 grams, physician assistant education programs, residency
25 or fellowship programs, or other nonprofit organizations,

1 schools, or programs determined appropriate by the Sec-
2 retary, or consortia of any such entities, to address mater-
3 nal mental health conditions and substance use disorders
4 with respect to pregnant, lactating, and postpartum indi-
5 viduals in areas with high rates of adverse maternal health
6 outcomes or with significant racial or ethnic disparities in
7 maternal health outcomes.

8 (b) USE OF FUNDS.—Amounts made available pursu-
9 ant to subsection (a), prioritizing community-based orga-
10 nizations, shall be for the following activities:

11 (1) Establishing or expanding maternity care
12 programs to improve—

13 (A) the integration of mental health and
14 substance use disorder treatment services into
15 primary care settings where pregnant individ-
16 uals regularly receive health care services; and

17 (B) the coordination between such primary
18 care settings and mental health and substance
19 use disorder professionals who treat maternal
20 mental health conditions and substance use dis-
21 orders.

22 (2) Establishing or expanding programs that
23 improve maternal mental health and substance use
24 disorder treatment from the preconception through
25 the postpartum periods, with a focus on individuals

1 from racial and ethnic minority groups with high
2 rates of maternal mortality and morbidity.

3 (3) Establishing or expanding programs to pre-
4 vent suicide or self-harm among pregnant, lactating,
5 and postpartum individuals.

6 (4) Establishing or expanding programs to pro-
7 vide education and training to maternity care pro-
8 viders, with respect to identifying potential warning
9 signs for maternal mental health conditions or sub-
10 stance use disorders in pregnant, lactating, and
11 postpartum individuals, with a focus on individuals
12 from racial and ethnic minority groups and offering
13 referrals to mental health substance use disorder
14 treatment professionals;

15 (5) Carrying out other evidence-based or evi-
16 dence-informed programs to address maternal men-
17 tal health conditions and substance use disorders for
18 pregnant and postpartum individuals from racial
19 and ethnic minority groups.

20 (6) Raising awareness of, and addressing stig-
21 ma associated with, maternal mental health condi-
22 tions and substance use disorders, with a focus on
23 pregnant, lactating, and postpartum individuals
24 from racial and ethnic minority groups.

1 **SEC. 31038. FUNDING FOR EDUCATION AND TRAINING AT**
2 **HEALTH PROFESSIONS SCHOOLS TO IDENTIFY AND ADDRESS HEALTH RISKS ASSOCI-**
3 **TIFY AND ADDRESS HEALTH RISKS ASSOCI-**
4 **ATED WITH CLIMATE CHANGE.**

5 (a) IN GENERAL.—In addition to amounts otherwise
6 available, there is appropriated to the Secretary for fiscal
7 year 2022, out of any money in the Treasury not otherwise
8 appropriated, \$85,000,000, to remain available until ex-
9 pended, for carrying out a program to award grants or
10 contracts to accredited medical schools, accredited schools
11 of nursing, teaching hospitals, accredited midwifery pro-
12 grams, physician assistant education programs, residency
13 or fellowship programs, or other schools or programs de-
14 termined appropriate by the Secretary, or consortia of any
15 such entities, to support the development and integration
16 of education and training programs for identifying and ad-
17 dressing health risks associated with climate change for
18 pregnant, lactating, and postpartum individuals.

19 (b) USE OF FUNDS.—Amounts made available by
20 subsection (a) shall be used for developing, integrating,
21 and implementing curriculum and continuing education
22 that focuses on the following:

23 (1) Identifying health risks associated with cli-
24 mate change for pregnant, lactating, and
25 postpartum individuals and individuals with the in-
26 tent to become pregnant.

1 (2) How health risks associated with climate
2 change affect pregnant, lactating, and postpartum
3 individuals and individuals with the intent to become
4 pregnant.

5 (3) Racial and ethnic disparities in exposure to,
6 and the effects of, health risks associated with cli-
7 mate change for pregnant, lactating, and
8 postpartum individuals and individuals with the in-
9 tent to become pregnant.

10 (4) Patient counseling and mitigation strategies
11 relating to health risks associated with climate
12 change for pregnant, lactating, and postpartum indi-
13 viduals.

14 (5) Relevant services and support for pregnant,
15 lactating, and postpartum individuals relating to
16 health risks associated with climate change and
17 strategies for ensuring such individuals have access
18 to such services and support.

19 (6) Implicit and explicit bias, racism, and dis-
20 crimination in providing care to pregnant, lactating,
21 and postpartum individuals and individuals with the
22 intent to become pregnant.

1 **SEC. 31039. FUNDING FOR MINORITY-SERVING INSTITU-**
2 **TIONS TO STUDY MATERNAL MORTALITY, SE-**
3 **VERE MATERNAL MORBIDITY, AND ADVERSE**
4 **MATERNAL HEALTH OUTCOMES.**

5 (a) IN GENERAL.—In addition to amounts otherwise
6 available, there is appropriated to the Secretary for fiscal
7 year 2022, out of any money in the Treasury not otherwise
8 appropriated, \$50,000,000, to remain available until ex-
9 pended for carrying out a program to award grants or con-
10 tracts to minority-serving institutions described in section
11 371 of the Higher Education Act of 1965 (20 U.S.C.
12 1067q) to study maternal mortality, severe maternal mor-
13 bidity, and maternal health outcomes.

14 (b) USE OF FUNDS.—Amounts made available to an
15 awardee under subsection (a) shall be used for the purpose
16 specified in such subsection, including the following activi-
17 ties:

18 (1) Developing and implementing systematic
19 processes of listening to the stories of pregnant and
20 postpartum individuals from racial and ethnic mi-
21 nority groups, and perinatal health workers sup-
22 porting such individuals, to fully understand the
23 causes of, and inform potential solutions to, the ma-
24 ternal mortality and severe maternal morbidity crisis
25 within their respective communities.

1 (2) Assessing the potential causes of relatively
2 low rates of maternal mortality among Hispanic in-
3 dividuals and foreign-born Black women.

4 (3) Assessing differences in rates of adverse
5 maternal health outcomes among subgroups identi-
6 fying as Hispanic.

7 (4) Conducting research on maternal morbidity
8 and mortality, with a focus on health disparities.

9 (c) TECHNICAL ASSISTANCE.—Using amounts made
10 available by subsection (a), the Secretary shall conduct
11 outreach to minority-serving institutions (as described in
12 section 371 of the Higher Education Act of 1965 (20
13 U.S.C. 1067q))—

14 (1) to inform and raise awareness of the avail-
15 ability funding through a grant or contract awarded
16 pursuant to this section;

17 (2) to provide technical assistance, including
18 through a grant or contract, on the application proc-
19 ess for grants or contracts awarded pursuant to sub-
20 section (a); and

21 (3) to promote capacity building to eligible enti-
22 ties for grant applications pursuant to subsection
23 (a).

1 **SEC. 31040. FUNDING FOR IDENTIFICATION OF MATERNITY**
2 **CARE HEALTH PROFESSIONAL TARGET**
3 **AREAS.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Secretary for fiscal year 2022, out of
6 any money in the Treasury not otherwise appropriated,
7 \$25,000,000, to remain available until expended, for car-
8 rying out section 332(k) of the Public Health Service Act
9 (42 U.S.C. 254e(k)).

10 **SEC. 31041. FUNDING FOR MATERNAL MORTALITY REVIEW**
11 **COMMITTEES TO PROMOTE REPRESENTA-**
12 **TIVE COMMUNITY ENGAGEMENT.**

13 In addition to amounts otherwise available, there is
14 appropriated to the Secretary for fiscal year 2022, out of
15 any money in the Treasury not otherwise appropriated,
16 \$50,000,000, to remain available until expended, for car-
17 rying out section 317K(d) of the Public Health Service
18 Act (42 U.S.C. 247b–12(d)) to promote community en-
19 gagement in maternal mortality review committees to in-
20 crease the diversity of a committee’s membership with re-
21 spect to race and ethnicity, location, and professional
22 background.

1 **SEC. 31042. FUNDING FOR THE SURVEILLANCE FOR**
2 **EMERGING THREATS TO MOTHERS AND BA-**
3 **BIES.**

4 (a) IN GENERAL.—In addition to amounts otherwise
5 available, there is appropriated to the Secretary for fiscal
6 year 2022, out of any money in the Treasury not otherwise
7 appropriated, \$100,000,000, to remain available until ex-
8 pended, for carrying out section 317C of the Public Health
9 Service Act (42 U.S.C. 247b–4) with respect to conducting
10 surveillance for emerging threats to mothers and babies.

11 (b) USE OF FUNDS.—Amounts made available by
12 subsection (a) shall be used for the following activities:

13 (1) Expanding the Surveillance for Emerging
14 Threats to Mothers and Babies activities of the Cen-
15 ters for Disease Control and Prevention.

16 (2) Working with public health, clinical, and
17 community-based organizations to provide timely,
18 continually updated, evidence-based guidance to fam-
19 ilies and health care providers on ways to reduce
20 risk to pregnant and postpartum individuals and
21 their newborns and tailor interventions to improve
22 their long-term health.

23 (3) Partnering with more State, Tribal, terri-
24 torial, and local public health programs in the collec-
25 tion and analysis of clinical data on the impact of
26 COVID–19 on pregnant and postpartum patients

1 and their newborns, particularly among patients
2 from racial and ethnic minority groups.

3 (4) Establishing regionally based centers of ex-
4 cellence to offer medical, public health, and other
5 knowledge (in coordination with State and Tribal
6 public health authorities) to ensure that commu-
7 nities, especially communities with large populations
8 of individuals from racial and ethnic minority
9 groups, can help pregnant and postpartum individ-
10 uals and newborns get the care and support they
11 need.

12 **SEC. 31043. FUNDING FOR ENHANCING REVIEWS AND SUR-**
13 **VEILLANCE TO ELIMINATE MATERNAL MOR-**
14 **TALITY PROGRAM.**

15 (a) IN GENERAL.—In addition to amounts otherwise
16 available, there is appropriated to the Secretary for fiscal
17 year 2022, out of any money in the Treasury not otherwise
18 appropriated, \$30,000,000, to remain available until ex-
19 pended, for carrying out the Enhancing Reviews and Sur-
20 veillance to Eliminate Maternal Mortality program estab-
21 lished under section 317K of the Public Health Service
22 Act (42 U.S.C. 247b–12).

23 (b) USE OF FUNDS.—Amounts made available by
24 subsection (a) shall be used for the following activities:

1 (1) Expanding the Enhancing Reviews and Sur-
2 veillance to Eliminate Maternal Mortality program
3 (commonly known as the “ERASE MM program”)
4 of the Centers for Disease Control and Prevention.

5 (2) Expanding partnerships with States, terri-
6 tories, Indian Tribes, and Tribal organizations to
7 support Maternal Mortality Review Committees.

8 (3) Providing technical assistance to existing
9 maternal mortality review committees.

10 **SEC. 31044. FUNDING FOR THE PREGNANCY RISK ASSESS-**
11 **MENT MONITORING SYSTEM.**

12 (a) IN GENERAL.—In addition to amounts otherwise
13 available, there is appropriated to the Secretary for fiscal
14 year 2022, out of any money in the Treasury not otherwise
15 appropriated, \$15,000,000, to remain available until ex-
16 pended, for carrying out section 317K of the Public
17 Health Service Act (42 U.S.C. 247b–12) with respect to
18 the Pregnancy Risk Assessment Monitoring System.

19 (b) USE OF FUNDS.—Amounts made available by
20 subsection (a) shall be used for the following activities:

21 (1) Supporting COVID–19 supplements to the
22 Pregnancy Risk Assessment Monitoring System
23 questionnaire.

24 (2) Conducting a rapid assessment of COVID–
25 19 awareness, impact on care and experiences, and

1 use of preventive measures among pregnant, labor-
2 ing and birthing, and postpartum individuals.

3 (3) Supporting the transition of the question-
4 naire described in paragraph (1) to an electronic
5 platform and expanding the distribution of the ques-
6 tionnaire to a larger population, with a special focus
7 on reaching underrepresented communities.

8 **SEC. 31045. FUNDING FOR THE NATIONAL INSTITUTE OF**
9 **CHILD HEALTH AND HUMAN DEVELOPMENT.**

10 In addition to amounts otherwise available, there is
11 appropriated to the Secretary for fiscal year 2022, out of
12 any money in the Treasury not otherwise appropriated,
13 \$15,000,000, to remain available until expended, for car-
14 rying out section 301 of the Public Health Service Act
15 (42 U.S.C. 241), with respect to child health and human
16 development and activities of the Eunice Kennedy Shriver
17 National Institute of Child Health and Human Develop-
18 ment described in section 448 of the Public Health Service
19 Act (42 U.S.C. 285g), to conduct or support research for
20 interventions to mitigate the effects of COVID-19 on
21 pregnant, lactating, and postpartum individuals, with a
22 particular focus on individuals from racial and ethnic mi-
23 nority groups.

1 **SEC. 31046. FUNDING FOR EXPANDING THE USE OF TECH-**
2 **NOLOGY-ENABLED COLLABORATIVE LEARN-**
3 **ING AND CAPACITY BUILDING MODELS FOR**
4 **PREGNANT AND POSTPARTUM INDIVIDUALS.**

5 (a) IN GENERAL.—In addition to amounts otherwise
6 available, there is appropriated to the Secretary for fiscal
7 year 2022, out of any money in the Treasury not otherwise
8 appropriated, \$30,000,000, to remain available until ex-
9 pended, for carrying out a program to award grants or
10 contracts to community-based organizations, Indian
11 Tribes and Tribal organizations, Urban Indian organiza-
12 tions, health care providers, accredited medical schools,
13 accredited schools of nursing, teaching hospitals, accred-
14 ited midwifery programs, physician assistant education
15 programs, residency or fellowship programs, or other
16 schools or programs determined appropriate by the Sec-
17 retary, or consortia of any such entities, that are operating
18 in health professional shortage areas designated under
19 section 332 of the Public Health Service Act (42 U.S.C.
20 254e) with high rates of adverse maternal health outcomes
21 or significant racial and ethnic disparities in maternal
22 health outcomes, to evaluate, develop, and expand the use
23 of technology-enabled collaborative learning and capacity
24 building models (as defined in section 330N of the Public
25 Health Service Act (42 U.S.C. 254e–20)).

26 (b) USE OF FUNDS.—

1 (1) AWARDEES.—A recipient of a grant or con-
2 tract awarded pursuant to subsection (a) shall use
3 such amounts to—

4 (A) train maternal health care providers,
5 students, staff of community-based organiza-
6 tions, and other entities described in subsection
7 (a) through the use and expansion of tech-
8 nology-enabled collaborative learning and capac-
9 ity building models, including hardware and
10 software that—

11 (i) enables distance learning and tech-
12 nical support; and

13 (ii) supports the secure exchange of
14 electronic health information; and

15 (B) conduct evaluations on the use of tech-
16 nology-enabled collaborative learning and capac-
17 ity building models to improve maternal health
18 outcomes.

19 (2) SECRETARY.—The Secretary shall use
20 amounts made available pursuant to subsection (a)
21 to provide technical assistance to recipients of grants
22 awarded pursuant to subsection (a) on the develop-
23 ment, use, and sustainability of technology-enabled
24 collaborative learning and capacity building models

1 to expand access to maternal health services pro-
2 vided by such entities.

3 **SEC. 31047. FUNDING FOR PROMOTING EQUITY IN MATER-**
4 **NAL HEALTH OUTCOMES THROUGH DIGITAL**
5 **TOOLS.**

6 (a) IN GENERAL.—In addition to amounts otherwise
7 available, there is appropriated to the Secretary for fiscal
8 year 2022, out of any money in the Treasury not otherwise
9 appropriated, \$30,000,000, to remain available until ex-
10 pended, for carrying out a program to award grants or
11 contracts to community-based organizations, Indian
12 Tribes and Tribal organizations, Urban Indian organiza-
13 tions, health care providers, accredited medical schools,
14 accredited schools of nursing, teaching hospitals, accred-
15 ited midwifery programs, physician assistant education
16 programs, residency or fellowship programs, or other
17 schools or programs determined appropriate by the Sec-
18 retary, or consortia of any such entities, that are operating
19 in health professional shortage areas designated under
20 section 332 of the Public Health Service Act (42 U.S.C.
21 254e) with high rates of adverse maternal health outcomes
22 or significant racial and ethnic disparities in maternal
23 health outcomes to reduce racial and ethnic disparities in
24 maternal health outcomes by increasing access to digital
25 tools related to maternal health care.

1 (b) USE OF FUNDS.—Amounts made available to an
2 awardee pursuant to subsection (a) shall be used for the
3 purpose specified in such subsection, including for increas-
4 ing access to telehealth technologies (as defined in section
5 330I of the Public Health Service Act (42 U.S.C. 254c–
6 14)) and digital tools that could improve maternal health
7 outcomes, such as wearable technologies, patient portals,
8 telehealth services, and web-based and mobile phone appli-
9 cations, digital health services, secure text messaging, on-
10 line provider communities, mobile clinical decision support
11 services, and clinical tools to increase diagnostic accuracy.

12 (c) TECHNICAL ASSISTANCE.—Using amounts made
13 available under subsection (a), the Secretary shall provide
14 technical assistance, including through a grant or con-
15 tract, to eligible entities receiving funding pursuant to
16 subsection (a) on the development, use, evaluation, and
17 post-grant sustainability of digital tools designed to pro-
18 mote equity and reduce disparities in maternal health out-
19 comes.

20 **SEC. 31048. FUNDING FOR ANTIDISCRIMINATION AND BIAS**
21 **TRAINING.**

22 (a) IN GENERAL.—In addition to amounts otherwise
23 available, there is appropriated to the Secretary for fiscal
24 year 2022, out of any money in the Treasury not otherwise

1 appropriated, \$50,000,000, to remain available until ex-
2 pended, for the purpose described in subsection (b).

3 (b) USE OF FUNDS.—The Secretary shall, with a
4 focus on maternal health providers, use amounts appro-
5 priated under subsection (a) to carry out a program to
6 award competitive grants or contracts to national non-
7 profit organizations focused on improving health equity,
8 accredited schools of medicine or nursing, and other health
9 professional training programs to develop, disseminate, re-
10 view, research, and evaluate training for health profes-
11 sionals and all staff who interact with patients to reduce
12 discrimination and bias in the provision of health care,
13 with a focus on maternal health care.

14 **PART 4—OTHER PUBLIC HEALTH INVESTMENTS**

15 **SEC. 31051. FUNDING FOR MENTAL HEALTH AND SUB-**
16 **STANCE USE DISORDER PROFESSIONALS.**

17 In addition to amounts otherwise available, there is
18 appropriated to the Secretary for fiscal year 2022, out of
19 any money in the Treasury not otherwise appropriated,
20 \$50,000,000, to remain available until expended, for pur-
21 poses of carrying out section 597 of the Public Health
22 Service Act (42 U.S.C. 2901l).

1 **SEC. 31052. FUNDING TO SUPPORT PEER RECOVERY SPE-**
2 **CIALISTS.**

3 In addition to amounts otherwise available, there is
4 appropriated to the Secretary for fiscal year 2022, out of
5 any money in the Treasury not otherwise appropriated,
6 \$25,000,000, to remain available until expended, to carry
7 out section 509 of the Public Health Service Act (42
8 U.S.C. 290bb-2) with respect to strengthening recovery
9 community organizations and their statewide network of
10 recovery stakeholders.

11 **SEC. 31053. FUNDING FOR PROJECT AWARE.**

12 In addition to amounts otherwise available, there is
13 appropriated to the Secretary for fiscal year 2022, out of
14 any money in the Treasury not otherwise appropriated,
15 \$15,000,000, to remain available until expended, for car-
16 rying out section 520A of the Public Health Service Act
17 (42 U.S.C. 290bb-32) with respect to advancing wellness
18 and resiliency in education.

19 **SEC. 31054. FUNDING FOR THE NATIONAL SUICIDE PRE-**
20 **VENTION LIFELINE.**

21 In addition to amounts otherwise available, there is
22 appropriated to the Secretary for fiscal year 2022, out of
23 any money in the Treasury not otherwise appropriated,
24 \$75,000,000, to remain available until expended, for ad-
25 vancing infrastructure for the National Suicide Prevention
26 Lifeline program under section 520E-3 of the Public

1 Health Service Act (42 U.S.C. 290bb–36c) in order to ex-
2 pand existing capabilities for response in a manner that
3 avoids duplicating existing capabilities for text-based crisis
4 support.

5 **SEC. 31055. FUNDING FOR COMMUNITY VIOLENCE AND**
6 **TRAUMA INTERVENTIONS.**

7 (a) IN GENERAL.—In addition to amounts otherwise
8 available, there is appropriated to the Secretary, for fiscal
9 year 2022, out of any money in the Treasury not otherwise
10 appropriated \$2,500,000,000, to remain available until ex-
11 pended, for the purposes described in subsection (b):

12 (b) USE OF FUNDING.—The Secretary, acting
13 through the Director of the Centers for Disease Control
14 and Prevention, and in consultation with the Assistant
15 Secretary for Mental Health and Substance Use, the Ad-
16 ministrator of the Health Resources and Services Admin-
17 istration, the Deputy Assistant Secretary for Minority
18 Health, and the Assistant Secretary for the Administra-
19 tion for Children and Families, shall use amounts appro-
20 priated by subsection (a) to support public health-based
21 interventions to reduce community violence and trauma,
22 taking into consideration the needs of communities with
23 high rates of, and prevalence of risk factors associated
24 with, violence-related injuries and deaths, by—

1 (1) awarding competitive grants or contracts to
2 local governmental entities, States, territories, In-
3 dian Tribes and Tribal organizations, Urban Indian
4 organizations, hospitals and community health cen-
5 ters, nonprofit community-based organizations, cul-
6 turally specific organizations, victim services pro-
7 viders, or other entities as determined by the Sec-
8 retary (or consortia of such entities) to support evi-
9 dence-informed, culturally competent, and develop-
10 mentally appropriate strategies to reduce community
11 violence, including outreach and conflict mediation,
12 hospital-based violence intervention, violence inter-
13 ruption, and services for victims and individuals and
14 communities at risk for experiencing violence, such
15 as trauma-informed mental health care and coun-
16 seling, social-emotional learning and school-based
17 mental health services, workforce development serv-
18 ices, and other services that prevent or mitigate the
19 impact of trauma, build appropriate skills, or pro-
20 mote resilience; and

21 (2) supporting training, technical assistance, re-
22 search, evaluation, surveillance systems, data collec-
23 tion, and coordination among relevant stakeholders,
24 to facilitate support for strategies to reduce commu-

1 nity violence and ensure safe and healthy commu-
2 nities.

3 (c) SUPPLEMENT NOT SUPPLANT.—Amounts appro-
4 priated under this section shall be used to supplement and
5 not supplant any Federal, State, or local funding other-
6 wise made available for the purposes described in this sec-
7 tion.

8 (d) EXPENDITURE REQUIREMENT.—All expenditures
9 made pursuant to subsection (a) shall be made on or be-
10 fore September 30, 2031.

11 **SEC. 31056. FUNDING FOR THE NATIONAL CHILD TRAU-**
12 **MATIC STRESS NETWORK.**

13 In addition to amounts otherwise available, there is
14 appropriated to the Secretary for fiscal year 2022, out of
15 any money in the Treasury not otherwise appropriated,
16 \$5,000,000, to remain available until expended, for car-
17 rying out section 582 of the Public Health Service Act
18 (42 U.S.C. 290hh–1) with respect to addressing the prob-
19 lem of high-risk or medically underserved persons who ex-
20 perience violence-related stress.

21 **SEC. 31057. FUNDING FOR HIV HEALTH CARE SERVICES**
22 **PROGRAMS.**

23 In addition to amounts otherwise available, there is
24 appropriated to the Secretary for fiscal year 2022, out of
25 any money in the Treasury not otherwise appropriated,

1 \$75,000,000, to remain available until expended, for nec-
2 essary expenses for modifications to existing contracts,
3 and supplements to existing grants and cooperative agree-
4 ments under parts A, B, C, and D of title XXVI of the
5 Public Health Service Act and section 2692(a) of such Act
6 (42 U.S.C. 300ff-111(a)).

7 **SEC. 31058. FUNDING FOR CLINICAL SERVICES DEM-**
8 **ONSTRATION PROJECT.**

9 In addition to amounts otherwise available, there is
10 appropriated to the Secretary for fiscal year 2022, out of
11 any money in the Treasury not otherwise appropriated,
12 \$100,000,000, to remain available until expended, to, act-
13 ing through the Administrator of the Health Resources
14 and Services Administration, carry out a program to
15 award grants or contracts to public and private nonprofit
16 clinics for the provision of clinical services, pursuant to
17 a demonstration project under section 318(b)(2) of the
18 Public Health Service Act (42 U.S.C. 247c(b)(2)).

19 **SEC. 31059. FUNDING TO SUPPORT THE LIFESPAN RESPITE**
20 **CARE PROGRAM.**

21 In addition to amounts otherwise available, there is
22 appropriated to the Secretary for fiscal year 2022, out of
23 any money in the Treasury not otherwise appropriated,
24 \$5,000,000, to remain available until expended, for car-
25 rying out title XXIX of the Public Health Service Act.

1 **SEC. 31060. FUNDING TO INCREASE RESEARCH CAPACITY**
2 **AT CERTAIN INSTITUTIONS.**

3 (a) **IN GENERAL.**—In addition to amounts otherwise
4 available, there is appropriated to the Secretary for fiscal
5 year 2022, out of any money in the Treasury not otherwise
6 appropriated, \$75,000,000, to remain available until ex-
7 pended, for the purposes described in subsection (b).

8 (b) **USE OF FUNDS.**—The Secretary, acting through
9 the Director of the National Institutes of Health, shall use
10 amounts made available under subsection (a) to—

11 (1) maintain and expand programs to increase
12 research capacity at minority-serving institutions (as
13 described in section 371 of the Higher Education
14 Act of 1965 (20 U.S.C. 1067q)), including by sup-
15 porting the Path to Excellence and Innovation pro-
16 gram of the National Institutes of Health;

17 (2) support centers of excellence under sections
18 464z–4 and 736 of the Public Health Service Act
19 (42 U.S.C. 285t–1, 293);

20 (3) support efforts to diversify the national sci-
21 entific workforce and expand recruitment and reten-
22 tion of individuals who are—

23 (A) underrepresented in the biomedical,
24 clinical, behavioral, and social sciences; and

25 (B) from disadvantaged backgrounds; and

1 (4) support and expand the activities of the Sci-
2 entific Workforce Diversity Office of the National
3 Institutes of Health.

4 **SEC. 31061. FUNDING FOR RESEARCH RELATED TO DEVEL-**
5 **OPMENTAL DELAYS.**

6 (a) IN GENERAL.—In addition to amounts otherwise
7 available, there is appropriated to the Secretary for fiscal
8 year 2022, out of any money in the Treasury not otherwise
9 appropriated, \$10,000,000, to remain available until ex-
10 pended, for the purpose described in subsection (b).

11 (b) USE OF FUNDS.—The Secretary, acting through
12 the Director of the National Institutes of Health, shall use
13 amounts appropriated by subsection (a) to conduct or sup-
14 port research related to developmental delays, including
15 speech and language delays in infants and toddlers, char-
16 acterizing speech and language development and outcomes
17 in infants and toddlers through early adolescence. Such
18 research shall include studies, including longitudinal stud-
19 ies, conducted or supported by the National Institute on
20 Deafness and Other Communication Disorders, the Eu-
21 nice Kennedy Shriver National Institute of Child Health
22 and Human Development, and other relevant institutes
23 and centers of the National Institutes of Health.

24 (c) SUPPLEMENT, NOT SUPPLANT.—Amounts made
25 available to carry out this section shall be used to supple-

1 ment and not supplant other Federal, State, and local
2 public funds expended to conduct or support research re-
3 lated to developmental delays, including speech and lan-
4 guage delays, in infants, toddlers, and children.

5 **SEC. 31062. SUPPLEMENTAL FUNDING FOR THE WORLD**
6 **TRADE CENTER HEALTH PROGRAM.**

7 (a) IN GENERAL.—Title XXXIII of the Public
8 Health Service Act is amended by adding at the end the
9 following:

10 **“SEC. 3352. SUPPLEMENTAL FUND.**

11 “(a) IN GENERAL.—There is established a fund to
12 be known as the World Trade Center Health Program
13 Supplemental Fund (referred to in this section as the
14 ‘Supplemental Fund’), consisting of amounts deposited
15 into the Supplemental Fund under subsection (b).

16 “(b) AMOUNT.—Out of any money in the Treasury
17 not otherwise appropriated, there is appropriated for fiscal
18 year 2022, \$2,860,000,000, for deposit into the Supple-
19 mental Fund, which amounts shall remain available
20 through fiscal year 2031.

21 “(c) USES OF FUNDS.—Amounts deposited into the
22 Supplemental Fund under subsection (b) shall be avail-
23 able, without further appropriation and without regard to
24 any spending limitation under section 3351(c), to the
25 WTC Program Administrator as needed at the discretion

1 of such Administrator for carrying out any provision in
2 this title, including sections 3303 and 3341(c).

3 “(d) RETURN OF FUNDS.—Any amounts that remain
4 in the Supplemental Fund on September 30, 2031, shall
5 be deposited into the Treasury as miscellaneous receipts.”.

6 (b) CONFORMING AMENDMENTS.—Title XXXIII of
7 the Public Health Service Act is amended—

8 (1) in section 3311(a)(4)(B)(i)(II) (42 U.S.C.
9 300mm–21(a)(4)(B)(i)(II)), by striking “section
10 3351” and inserting “sections 3351 and 3352”;

11 (2) in section 3321(a)(3)(B)(i)(II) (42 U.S.C.
12 300mm–31(a)(3)(B)(i)(II)), by striking “section
13 3351” and inserting “sections 3351 and 3352”;

14 (3) in section 3331 (42 U.S.C. 300mm–41)—

15 (A) in subsection (a), by inserting “and
16 the World Trade Center Health Program Sup-
17 plemental Fund” before the period at the end;
18 and

19 (B) in subsection (d)—

20 (i) in paragraph (1)(B), by inserting
21 “(excluding any expenditures from
22 amounts in the World Trade Center
23 Health Program Supplemental Fund under
24 section 3352)” before the period at the
25 end; and

1 (ii) in paragraph (2), in the flush text
2 following subparagraph (C), by inserting
3 “(excluding any expenditures from
4 amounts in the World Trade Center
5 Health Program Supplemental Fund under
6 section 3352)” before the period at the
7 end; and

8 (4) in section 3351(b) (42 U.S.C. 300mm–
9 61(b))—

10 (A) in paragraph (2), by inserting “or as
11 available from the World Trade Center Health
12 Program Supplemental Fund under section
13 3352” before the period at the end; and

14 (B) in paragraph (3), by inserting “or as
15 available from the World Trade Center Health
16 Program Supplemental Fund under section
17 3352” before the period at the end.

18 **PART 5—NATIVE HAWAIIAN PROVISIONS**

19 **SEC. 31071. NATIVE HAWAIIAN HEALTH CARE SYSTEMS.**

20 (a) IN GENERAL.—In addition to amounts otherwise
21 available, there is appropriated to the Secretary for fiscal
22 year 2022, out of any money in the Treasury not otherwise
23 appropriated, \$50,000,000, to remain available until Sep-
24 tember 30, 2031, for the Secretary, not later than 180
25 days after the date of enactment of this Act, to award

1 grants to, or enter into contracts with, Papa Ola Lokahi
2 to support services described in section 6(c) of the Native
3 Hawaiian Health Care Improvement Act (42 U.S.C.
4 11705(c)) in accordance with this section.

5 (b) USE OF FUNDS.—Amounts made available to an
6 awardee pursuant to subsection (a) shall be used for—

7 (1) the purchase, construction, alteration, ren-
8 ovation, or equipping of health facilities;

9 (2) maintenance and improvement projects;

10 (3) information technology, telehealth infra-
11 structure, electric health records systems, and med-
12 ical equipment; and

13 (4) awarding grants to, or entering into con-
14 tracts with, Native Hawaiian health care systems
15 (directly, or through subgrants or subcontracts) to
16 support services described in section 6(c) of the Na-
17 tive Hawaiian Health Care Improvement Act (42
18 U.S.C. 11705(c)), on the condition that such grants
19 or contracts may only be used for the purposes and
20 uses described in paragraphs (1) through (3).

21 (c) WAIVER OF CERTAIN RESTRICTIONS.—Sub-
22 sections (e) and (f)(4) of section 6 of the Native Hawaiian
23 Health Care Improvement Act (42 U.S.C. 11705(e),
24 11705(f)(4)) shall not apply to grants (or subgrants)
25 made using amounts made available under subsection (a).

1 (d) DEFINITIONS.—In this section:

2 (1) NATIVE HAWAIIAN HEALTH CARE SYS-
3 TEM.—The term “Native Hawaiian health care sys-
4 tem” has the meaning given the term in section 12
5 of the Native Hawaiian Health Care Improvement
6 Act (42 U.S.C. 11711).

7 (2) PAPA OLA LOKAHI.—The term “Papa Ola
8 Lokahi” has the meaning given the term in section
9 12 of the Native Hawaiian Health Care Improve-
10 ment Act (42 U.S.C. 11711).

11 **SEC. 31072. NATIVE HAWAIIAN HEALTH IMPROVEMENT**
12 **GRANTS.**

13 (a) IN GENERAL.—In addition to amounts otherwise
14 available, there is appropriated to the Secretary for fiscal
15 year 2022, out of any money in the Treasury not otherwise
16 appropriated, \$224,000,000, to remain available until
17 September 30, 2031, to award grants to eligible Native
18 Hawaiian entities to improve the health status of Native
19 Hawaiians, including by providing to Native Hawaiians
20 comprehensive health promotion services, disease preven-
21 tion services, and primary health services, as described in
22 section 6(e) of the Native Hawaiian Health Care Improve-
23 ment Act (42 U.S.C. 11705(c)).

1 (b) DEFINITION OF ELIGIBLE NATIVE HAWAIIAN
2 ENTITY.—In this section, the term “eligible Native Ha-
3 waiian entity” means—

4 (1) Papa Ola Lokahi (as defined in section 12
5 of the Native Hawaiian Health Care Improvement
6 Act (42 U.S.C. 11711));

7 (2) a Native Hawaiian health care system (as
8 defined in section 12 of that Act (42 U.S.C.
9 11711));

10 (3) a Native Hawaiian organization (as defined
11 in section 12 of that Act (42 U.S.C. 11711));

12 (4) a consortium of 2 or more entities described
13 in paragraphs (1) through (3); and

14 (5) a consortium that contains at least 1 entity
15 described in any of paragraphs (1) through (3).

16 **SEC. 31073. NATIVE HAWAIIAN HEALTH CARE SYSTEMS LI-**
17 **ABILITY COVERAGE.**

18 (a) IN GENERAL.—Subject to subsections (b) and (c),
19 the Secretary shall apply section 102(d) of the Indian Self-
20 Determination and Education Assistance Act (25 U.S.C.
21 5321(d)) to—

22 (1) a Native Hawaiian health care system that
23 receives a grant from or enters into a contract with
24 the Secretary under section 6 of the Native Hawai-
25 ian Health Care Improvement Act (42 U.S.C.

1 11705) to the same extent as section 102(d) of the
2 Indian Self-Determination and Education Assistance
3 Act (25 U.S.C. 5321(d)) applies to an Indian Tribe,
4 a Tribal organization, and an Indian contractor that
5 carries out a contract, grant agreement, or coopera-
6 tive agreement, as applicable, under section 102 or
7 103 of that Act (25 U.S.C. 5321, 5322); and

8 (2) the employees of a Native Hawaiian health
9 care system that receives a grant from or enters into
10 a contract with the Secretary under section 6 of the
11 Native Hawaiian Health Care Improvement Act (42
12 U.S.C. 11705) to the same extent as section 102(d)
13 of the Indian Self-Determination and Education As-
14 sistance Act (25 U.S.C. 5321(d)) applies to the em-
15 ployees of an Indian Tribe, a Tribal organization, or
16 an Indian contractor that carries out a contract,
17 grant agreement, or cooperative agreement, as appli-
18 cable, under section 102 or 103 of that Act (25
19 U.S.C. 5321, 5322).

20 (b) EFFECTIVE DATE.—For purposes of subsection
21 (a), each reference to December 22, 1987, and the ref-
22 erence to the date of enactment of the Indian Self-Deter-
23 mination and Education Assistance Act Amendments of
24 1990 contained in section 102(d) of the Indian Self-Deter-
25 mination and Education Assistance Act (25 U.S.C.

1 5321(d)) shall be deemed to be a reference to the date
2 of enactment of this section.

3 (c) SUNSET.—This section shall cease to have force
4 or effect on October 1, 2031.

5 **Subtitle J—Next Generation 9–1–1**

6 **SEC. 31101. DEPLOYMENT OF NEXT GENERATION 9–1–1.**

7 (a) APPROPRIATION.—

8 (1) IN GENERAL.—In addition to amounts oth-
9 erwise available, there is appropriated to the Assist-
10 ant Secretary for fiscal year 2022, out of any money
11 in the Treasury not otherwise appropriated,
12 \$470,000,000, to remain available until September
13 30, 2030, to make grants to eligible entities for im-
14 plementing and maintaining Next Generation 9–1–1
15 in accordance with subsection (b).

16 (2) ADMINISTRATIVE EXPENSES.—In addition
17 to amounts otherwise available, there is appropriated
18 to the Assistant Secretary for fiscal year 2022, out
19 of any money in the Treasury not otherwise appro-
20 priated, \$20,000,000, to remain available until Sep-
21 tember 30, 2030, to administer this section.

22 (b) USE OF FUNDS.—An eligible entity may use
23 grant funds received under this section for—

1 (1) reasonable costs associated with planning,
2 implementation, and development activities, includ-
3 ing such activities related to the grant application;

4 (2) deployment, operation, and maintenance of
5 interoperable and reliable Next Generation 9–1–1,
6 including ensuring the cybersecurity of Next Genera-
7 tion 9–1–1; and

8 (3) training of personnel related to Next Gen-
9 eration 9–1–1.

10 (c) CLAWBACK.—The Assistant Secretary shall re-
11 cover some or all of the grant funds made available to
12 an eligible entity under this section if—

13 (1) the eligible entity uses the funds for any
14 other purpose than those set forth in subsection (b);

15 (2) the eligible entity fails to establish a fund-
16 ing mechanism for Next Generation 9–1–1 sufficient
17 to cover operations, maintenance, and upgrade costs
18 within 3 years of the establishment of the grant pro-
19 gram;

20 (3) the eligible entity engages in the diversion
21 of any 9–1–1 fee or charge imposed by the eligible
22 entity; or

23 (4) the eligible entity uses funds to purchase,
24 rent, lease, or otherwise obtain covered communica-
25 tions equipment or services (as defined in section 9

1 of the Secure and Trusted Communications Net-
2 works Act of 2019 (47 U.S.C. 1608)).

3 **SEC. 31102. ESTABLISHMENT OF NEXT GENERATION 9-1-1**
4 **CYBERSECURITY CENTER.**

5 In addition to amounts otherwise available, there is
6 appropriated to the National Telecommunications and In-
7 formation Administration for fiscal year 2022, out of any
8 money in the Treasury not otherwise appropriated,
9 \$9,000,000, to remain available until September 30, 2030,
10 for the establishment of a Next Generation 9-1-1 Cyber-
11 security Center to coordinate with State, local, and re-
12 gional governments on the sharing of cybersecurity infor-
13 mation about, the analysis of cybersecurity threats to, and
14 strategies to detect and prevent cybersecurity intrusions
15 relating to, Next Generation 9-1-1.

16 **SEC. 31103. PUBLIC SAFETY NEXT GENERATION 9-1-1 ADVI-**
17 **SORY BOARD.**

18 In addition to amounts otherwise available, there is
19 appropriated to the National Telecommunications and In-
20 formation Administration for fiscal year 2022, out of any
21 money in the Treasury not otherwise appropriated,
22 \$1,000,000, to remain available until September 30, 2030,
23 to establish a 16-member Public Safety Next Generation
24 9-1-1 Advisory Board, consisting of public safety officials
25 and 9-1-1 professionals from diverse backgrounds and

1 with the necessary technical expertise, to provide rec-
2 ommendations to the Assistant Secretary with respect to
3 carrying out the duties and responsibilities of the Assist-
4 ant Secretary related to Next Generation 9-1-1, including
5 with respect to the grant program established under sec-
6 tion 31101.

7 **SEC. 31104. DEFINITIONS.**

8 In this subtitle:

9 (1) 9-1-1 FEE OR CHARGE.—The term “9-1-
10 1 fee or charge” has the meaning given the term in
11 section 6(f)(3)(D) of the Wireless Communications
12 and Public Safety Act of 1999 (47 U.S.C. 615a-
13 1(f)(3)(D)).

14 (2) ASSISTANT SECRETARY.—The term “Assist-
15 ant Secretary” means the Assistant Secretary of
16 Commerce for Communications and Information.

17 (3) COMMONLY ACCEPTED STANDARDS.—The
18 term “commonly accepted standards” means the
19 technical standards followed by the communications
20 industry for network, device, and Internet Protocol
21 connectivity that—

22 (A) ensure interoperability by enabling
23 emergency communications centers to receive,
24 process, and analyze all types of 9-1-1 requests
25 for emergency assistance (including multimedia

1 and data) and share such requests with other
2 emergency communications centers and emer-
3 gency response providers without the need for
4 proprietary interfaces and regardless of juris-
5 diction, equipment, device, software, service
6 provider, or any other factor; and

7 (B) are developed and approved by a
8 standards development organization that is ac-
9 credited by a United States or international
10 standards body through a process—

11 (i) that is consensus-based and open
12 for participation, provides conflict resolu-
13 tion, and invites comment; and

14 (ii) through which standards are made
15 publicly available once approved.

16 (4) ELIGIBLE ENTITY.—The term “eligible enti-
17 ty” means a State or a Tribal organization that
18 has—

19 (A) named a single point of contact to co-
20 ordinate the implementation of Next Generation
21 9–1–1; and

22 (B) developed and submitted a plan for the
23 coordination and implementation of Next Gen-
24 eration 9–1–1 consistent with any requirements
25 of the Assistant Secretary.

1 (5) NEXT GENERATION 9–1–1.—The term
2 “Next Generation 9–1–1” means an interoperable,
3 secure, Internet Protocol-based system that—

4 (A) employs commonly accepted standards;

5 (B) enables emergency communications
6 centers to receive, process, and analyze all types
7 of 9–1–1 requests for emergency assistance;

8 (C) acquires and integrates additional in-
9 formation useful to handling 9–1–1 requests for
10 emergency assistance;

11 (D) supports sharing information related
12 to 9–1–1 requests for emergency assistance
13 among emergency communications centers and
14 emergency response providers without the need
15 for proprietary interfaces and regardless of ju-
16 risdiction, equipment, device, software, service
17 provider, or any other factor; and

18 (E) ensures reliability by enabling ongoing
19 operation, including through the use of geo-di-
20 verse device and network agnostic elements that
21 provide more than 1 physical route between end
22 points with no common points where a single
23 failure at that point would cause the operation
24 of Next Generation 9–1–1 to fail.

1 (6) STATE.—The term “State” means any
2 State of the United States, the District of Columbia,
3 Puerto Rico, American Samoa, Guam, the United
4 States Virgin Islands, the Northern Mariana Is-
5 lands, and any other territory or possession of the
6 United States.

7 **Subtitle K—Other Matters Related**
8 **to Connectivity**

9 **SEC. 31201. OUTREACH.**

10 In addition to amounts otherwise available, there is
11 appropriated to the Federal Communications Commission
12 for fiscal year 2022, out of any money in the Treasury
13 not otherwise appropriated, \$100,000,000, to remain
14 available until September 30, 2031, to conduct outreach
15 and provide education to the public regarding the
16 broadband and communications affordability programs of
17 the Federal Communications Commission to raise aware-
18 ness about the programs and help consumers access the
19 programs.

20 **SEC. 31202. FUTURE OF TELECOMMUNICATIONS COUNCIL.**

21 In addition to amounts otherwise available, there is
22 appropriated to the Secretary of Commerce for fiscal year
23 2022, out of any money in the Treasury not otherwise ap-
24 propriated, \$7,000,000, to remain available until Sep-
25 tember 30, 2031, to establish a council of 14 members

1 in coordination with the Committee on Commerce,
2 Science, and Transportation of the Senate, the Committee
3 on Energy and Commerce of the House of Representa-
4 tives, the Deputy Secretary of Commerce, the Assistant
5 Secretary of Commerce for Communications and Informa-
6 tion, the Under Secretary of Commerce for Standards and
7 Technology, the Chair of the Federal Communications
8 Commission, the Director of the National Science Founda-
9 tion, the Majority Leader of the Senate, and the Speaker
10 of the House of Representatives, to be known as the “Fu-
11 ture of Telecommunications Council”, to advise Congress
12 on the development and adoption of 6G and other ad-
13 vanced wireless communications technologies, including
14 ensuring equity in access to those technologies for commu-
15 nities of color and rural communities.

16 **SEC. 31203. AFFORDABILITY.**

17 (a) DEFINITIONS.—In this section:

18 (1) BROADBAND; BROADBAND SERVICE.—The
19 term “broadband” or “broadband service” has the
20 meaning given the term “broadband internet access
21 service” in section 8.1 of title 47, Code of Federal
22 Regulations, or any successor regulation.

23 (2) COVERED BROADBAND SERVICE.—The term
24 “covered broadband service” means broadband serv-

1 ice being delivered through a broadband network
2 that can easily scale speeds over time to—

3 (A) meet the evolving connectivity needs of
4 households and businesses; and

5 (B) support the deployment of 5G, suc-
6 cessor wireless technologies, and other advanced
7 services.

8 (3) COVERED PUBLIC-PRIVATE PARTNER-
9 SHIP.—The term “covered public-private partner-
10 ship” means a partnership between—

11 (A) a State, 1 or more political subdivi-
12 sions of a State, a utility (including a utility co-
13 operative), a public utility district, a nonprofit
14 organization, a regional planning council, or an
15 economic development authority; and

16 (B) a provider of covered broadband serv-
17 ice.

18 (4) STATE.—The term “State” means any
19 State of the United States, the District of Columbia,
20 Puerto Rico, American Samoa, Guam, the United
21 States Virgin Islands, the Northern Mariana Is-
22 lands, and any other territory or possession of the
23 United States.

24 (b) FUNDING.—

1 (1) PILOT PROJECTS.—In addition to amounts
2 otherwise available, there is appropriated to the Na-
3 tional Telecommunications and Information Admin-
4 istration for fiscal year 2022, out of any money in
5 the Treasury not otherwise appropriated,
6 \$295,000,000, to remain available until September
7 30, 2031, for grants to covered public-private part-
8 nerships for pilot projects to increase access to af-
9 fordable covered broadband service in urban commu-
10 nities, including communities of color and for low-
11 and middle-income consumers, through long-term so-
12 lutions for such affordability.

13 (2) ADVISORY COMMITTEE.—In addition to
14 amounts otherwise available, there is appropriated to
15 the National Telecommunications and Information
16 Administration for fiscal year 2022, out of any
17 money in the Treasury not otherwise appropriated,
18 \$5,000,000, to remain available until September 30,
19 2031, to establish an advisory committee of 12
20 members consisting of experts on broadband afford-
21 ability from diverse backgrounds, to be known as the
22 “Affordable Urban and Suburban Broadband Advi-
23 sory Committee”, to advise the National Tele-
24 communications and Information Administration,
25 the Federal Communications Commission, and Con-

1 gress on ways to make broadband more affordable
2 for urban and suburban broadband subscribers, in-
3 cluding for communities of color and low- and mid-
4 dle-income consumers, through long-term solutions
5 for such affordability.

6 **SEC. 31204. ACCESS TO DEVICES.**

7 (a) DEFINITIONS.—In this section:

8 (1) ASSISTANT SECRETARY.—The term “Assist-
9 ant Secretary” means the Assistant Secretary of
10 Commerce for Communications and Information.

11 (2) CONNECTED DEVICE.—The term “con-
12 nected device” means any of the following devices
13 that meets minimum standards established by the
14 Assistant Secretary:

15 (A) A WiFi-enabled desktop computer.

16 (B) A WiFi-enabled laptop computer.

17 (C) A WiFi-enabled tablet computer.

18 (D) Any similar WiFi-enabled device (ex-
19 cept for a telephone or smartphone).

20 (3) CONNECTED DEVICE DISTRIBUTION PRO-
21 GRAM.—The term “connected device distribution
22 program” means a program approved by the Assist-
23 ant Secretary that makes available connected devices
24 for free or at a low cost to an eligible household.

1 (4) ELIGIBLE HOUSEHOLD.—The term “eligible
2 household” means a household in which—

3 (A) at least one member of the household
4 meets the qualifications for the Lifeline pro-
5 gram of the Federal Communications Commis-
6 sion, except that a household shall be deemed to
7 meet the income component of those qualifica-
8 tions if the household’s income is at or below
9 200 percent of the Federal Poverty Guidelines
10 for a household of that size;

11 (B) at least one member of the household
12 has applied for and been approved to receive
13 benefits under the free and reduced price lunch
14 program or the school breakfast program;

15 (C) at least one member of the household
16 has received a Federal Pell Grant in the current
17 award year, if such award is verifiable through
18 the National Verifier or National Lifeline Ac-
19 countability Database or a connected device dis-
20 tribution program verifies eligibility; or

21 (D) at least one member of the household
22 receives assistance through the special supple-
23 mental nutritional program for women, infants,
24 and children.

25 (b) CONNECTED DEVICE GRANT PROGRAM.—

1 (1) APPROPRIATIONS.—

2 (A) IN GENERAL.—In addition to amounts
3 otherwise available, there is appropriated to the
4 Assistant Secretary for fiscal year 2022, out of
5 any money in the Treasury not otherwise ap-
6 propriated, \$475,000,000, to remain available
7 until September 30, 2031, for the awarding of
8 grants to connected device distribution pro-
9 grams in accordance with this section.

10 (B) ADMINISTRATION.—In addition to
11 amounts otherwise available, there is appro-
12 priated to the Assistant Secretary for fiscal
13 year 2022, out of any money in the Treasury
14 not otherwise appropriated, \$20,000,000, to re-
15 main available until September 30, 2031, to ad-
16 minister this section, including providing tech-
17 nical assistance to a connected device distribu-
18 tion program.

19 (C) OUTREACH.—In addition to amounts
20 otherwise available, there is appropriated to the
21 Assistant Secretary for fiscal year 2022, out of
22 any money in the Treasury not otherwise ap-
23 propriated, \$5,000,000, to remain available
24 until September 30, 2031, to conduct outreach

1 related to the availability of grants under this
2 section.

3 (2) USE OF FUNDS.—

4 (A) IN GENERAL.—A connected device dis-
5 tribution program shall use grant funds re-
6 ceived under this section for—

7 (i) the reasonable purchase or refur-
8 bishment cost of connected devices for dis-
9 tribution to eligible households consistent
10 with this section; and

11 (ii) the reasonable administrative
12 costs associated with the distribution of
13 connected devices described in clause (i).

14 (B) LIMITATION.—A connected device dis-
15 tribution program may use grant funds received
16 under this section to provide not more than—

17 (i) 1 connected device to an eligible
18 household that includes not more than 2
19 members over the age of 6; or

20 (ii) 2 connected devices to an eligible
21 household that includes not fewer than 3
22 members over the age of 6.

23 (3) CLAWBACK.—If a connected device distribu-
24 tion program is found to have used grant funds
25 awarded under this section in a manner not per-

1 mitted under this section or is found to have other-
2 wise violated a requirement under this section, the
3 Assistant Secretary shall recover from the program
4 some or all of the grant funds awarded to the pro-
5 gram.

6 **Subtitle L—Distance Learning**

7 **SEC. 31301. ADDITIONAL SUPPORT FOR DISTANCE LEARN-** 8 **ING.**

9 (a) APPROPRIATION.—In addition to amounts other-
10 wise available, there is appropriated to the Emergency
11 Connectivity Fund established under subsection (c)(1) of
12 section 7402 of the American Rescue Plan Act of 2021
13 (Public Law 117–2) for fiscal year 2022, out of any money
14 in the Treasury not otherwise appropriated,
15 \$300,000,000, to remain available until September 30,
16 2030, to provide support under the covered regulations
17 promulgated under subsection (a) of that section, except
18 that that amount shall be used to provide support under
19 the covered regulations for costs incurred after the date
20 of enactment of this Act but before June 30, 2030, regard-
21 less of whether those costs are incurred during a COVID–
22 19 emergency period (as defined in subsection (d) of that
23 section).

24 (b) LIMITATION.—None of the funds appropriated
25 under subsection (a) may be used to purchase, rent, lease,

1 or otherwise obtain any covered communications equip-
2 ment or service (as defined in section 9 of the Secure and
3 Trusted Communications Networks Act of 2019 (47
4 U.S.C. 1608)).

5 **Subtitle M—Manufacturing Supply** 6 **Chain and Tourism**

7 **SEC. 31401. MANUFACTURING SUPPLY CHAIN RESILIENCE.**

8 In addition to amounts otherwise available, there is
9 appropriated for fiscal year 2022, out of any money in
10 the Treasury not otherwise appropriated, \$5,000,000,000,
11 to remain available until September 30, 2026, to the Of-
12 fice of the Secretary of Commerce, to support the resil-
13 ience of manufacturing supply chains affecting interstate
14 commerce and related administrative costs, by—

15 (1) mapping and monitoring manufacturing
16 supply chains;

17 (2) facilitating and supporting the establish-
18 ment of voluntary standards, guidelines, and best
19 practices;

20 (3) identifying, accelerating, promoting, dem-
21 onstrating, and deploying technological advances for
22 manufacturing supply chains; and

23 (4) providing grants, loans, and loan guarantees
24 to maintain and improve manufacturing supply
25 chain resiliency.

1 **SEC. 31402. DESTINATION MARKETING ORGANIZATION**
2 **GRANT PROGRAM TO PROMOTE SAFE DOMES-**
3 **TIC TRAVEL.**

4 (a) GRANTS FOR DOMESTIC MARKETING ORGANIZA-
5 TIONS.—In addition to amounts otherwise available, there
6 is appropriated for fiscal year 2022, out of any money in
7 the Treasury not otherwise appropriated, \$47,500,000, to
8 remain available until September 30, 2024, to the Sec-
9 retary of Commerce to award grants to destination mar-
10 keting organizations, including public or public-private en-
11 tities that perform the functions of a destination mar-
12 keting organization as determined by the Secretary, to
13 conduct marketing activities to promote domestic travel
14 within the United States, including with respect to current
15 travel requirements and safe travel practices, with pref-
16 erence to destination marketing organizations promoting
17 a town, city, State, or region where the civilian labor force
18 in the accommodation, leisure, and hospitality sector has
19 suffered, and continues to suffer, significant job losses as
20 a result of the COVID–19 pandemic, as determined by
21 the Secretary.

22 (b) ADMINISTRATIVE COSTS.—In addition to
23 amounts otherwise available, there is appropriated for fis-
24 cal year 2022, out of any money in the Treasury not other-
25 wise appropriated, \$1,500,000, to remain available until
26 September 30, 2027, to the Secretary of Commerce for

1 administrative costs associated with providing grants
2 under subsection (a).

3 (c) DATA ON DOMESTIC TRAVEL AND TOURISM.—

4 In addition to amounts otherwise available, there is appro-
5 priated for fiscal year 2022, out of any money in the
6 Treasury not otherwise appropriated, \$1,000,000, to re-
7 main available until September 30, 2027, to the Secretary
8 of Commerce to collect data on domestic travel and tour-
9 ism in the United States, including the impact of the
10 COVID–19 pandemic on domestic travel and tourism.

11 **Subtitle N—FTC Privacy**
12 **Enforcement**

13 **SEC. 31501. FEDERAL TRADE COMMISSION FUNDING FOR A**
14 **PRIVACY BUREAU AND RELATED EXPENSES.**

15 In addition to amounts otherwise available, there is
16 appropriated for fiscal year 2022, out of any money in
17 the Treasury not otherwise appropriated, \$500,000,000,
18 to remain available until September 30, 2029, to the Fed-
19 eral Trade Commission to create and operate a bureau,
20 including by hiring and retaining technologists, user expe-
21 rience designers, and other experts as the Commission
22 considers appropriate, to accomplish its work related to
23 unfair or deceptive acts or practices relating to privacy,
24 data security, identity theft, data abuses, and related mat-
25 ters.

1 **Subtitle O—Department of**
2 **Commerce Inspector General**

3 **SEC. 31601. FUNDING FOR THE OFFICE OF INSPECTOR GEN-**
4 **ERAL OF THE DEPARTMENT OF COMMERCE.**

5 In addition to amounts otherwise available, there is
6 appropriated for fiscal year 2022, out of any money in
7 the Treasury not otherwise appropriated, \$5,000,000, to
8 remain available until September 30, 2030, to the Office
9 of Inspector General of the Department of Commerce for
10 oversight of activities supported with funds appropriated
11 to the Department of Commerce in this Act.

12 **TITLE IV—COMMITTEE ON**
13 **FINANCIAL SERVICES**

14 **Subtitle A—Creating and Pre-**
15 **serving Affordable, Equitable**
16 **and Accessible Housing for the**
17 **21st Century**

18 **SEC. 40001. PUBLIC HOUSING INVESTMENTS.**

19 (a) APPROPRIATION.—In addition to amounts other-
20 wise made available, there is appropriated to the Secretary
21 of Housing and Urban Development (in this section re-
22 ferred to as the “Secretary”) for fiscal year 2022, out of
23 any money in the Treasury not otherwise appropriated—

24 (1) \$10,000,000,000, to remain available until
25 September 30, 2031, for the Capital Fund under

1 section 9(d) of the United States Housing Act of
2 1937 (42 U.S.C. 1437g(d)) pursuant to the same
3 formula as in fiscal year 2021, to be made available
4 within 60 days of the date of the enactment of this
5 Act;

6 (2) \$53,000,000,000, to remain available until
7 September 30, 2026, for eligible activities under sec-
8 tion 9(d)(1) of the United States Housing Act of
9 1937 (42 U.S.C. 1437g(d)(1)) for priority invest-
10 ments as determined by the Secretary to repair, re-
11 place, or construct properties assisted under such
12 section 9;

13 (3) \$1,200,000,000, to remain available until
14 September 30, 2026, for competitive grants under
15 section 24 of the United States Housing Act of 1937
16 (42 U.S.C. 1437v) (in this section referred to as
17 “section 24”), under the terms and conditions in
18 subsection (b), for transformation, rehabilitation,
19 and replacement housing needs of public and as-
20 sisted housing, and to transform neighborhoods of
21 poverty into functioning, sustainable mixed-income
22 neighborhoods;

23 (4) \$750,000,000, to remain available until
24 September 30, 2031, for the costs to the Secretary
25 of administering and overseeing the implementation

1 of this section and the Public Housing Capital Fund
2 and the section 24 grant program generally, includ-
3 ing information technology, financial reporting, re-
4 search and evaluation, other cross-program costs in
5 support of programs administered by the Secretary
6 in this title, and other costs; and

7 (5) \$50,000,000, to remain available until Sep-
8 tember 30, 2031, to make new awards or increase
9 prior awards to existing technical assistance pro-
10 viders to provide an increase in capacity building
11 and technical assistance available to entities eligible
12 for funding for activities or projects consistent with
13 this section.

14 (b) TERMS AND CONDITIONS FOR SECTION 24
15 GRANTS.—Grants awarded under subsection (a)(3) shall
16 be subject to terms and conditions determined by the Sec-
17 retary, which shall include the following:

18 (1) USE.—Grant funds may be used for resi-
19 dent and community services, community develop-
20 ment and revitalization, and affordable housing
21 needs in the community.

22 (2) APPLICANTS.—Eligible recipients of grants
23 shall include lead applicants and joint applicants, as
24 follows:

1 (A) LEAD APPLICANTS.—A lead applicant
2 shall be a local government, a public housing
3 agency, or an owner of an assisted housing
4 property.

5 (B) JOINT APPLICANTS.—A nonprofit or-
6 ganization or a for-profit developer may apply
7 jointly as a joint applicant with such public en-
8 tities specified in subparagraph (A).

9 (3) PERIOD OF AFFORDABILITY.—Grantees
10 shall commit to a period of affordability determined
11 by the Secretary of not fewer than 20 years, but the
12 Secretary may specify a period of affordability that
13 is fewer than 20 years with respect to homeowner-
14 ship units developed with section 24 grants.

15 (4) ENVIRONMENTAL REVIEW.—For purposes
16 of environmental review, a grantee shall be treated
17 as a public housing agency under section 26 of the
18 United States Housing Act of 1937 (42 U.S.C.
19 1437x).

20 (5) LOW-INCOME AND AFFORDABLE HOUS-
21 ING.—Amounts made available under this section
22 shall be used for low-income housing (as such term
23 is defined under section 3(b) of the United States
24 Housing Act of 1937 (42 U.S.C. 1437a(b))), as-
25 sisted housing, and affordable housing, which shall

1 be housing for which the owner of the project shall
2 record an affordability use restriction approved by
3 the Secretary for households earning up to 120 per-
4 cent of the area median income and is subject to the
5 period of affordability under paragraph (3) of this
6 subsection.

7 (c) OTHER TERMS AND CONDITIONS.—Grants
8 awarded under this section shall be subject to the fol-
9 lowing terms and conditions:

10 (1) LIMITATION.—Amounts provided pursuant
11 to this section may not be used for operating costs
12 or rental assistance.

13 (2) DEVELOPMENT OF NEW UNITS.—Paragraph
14 (3) of section 9(g) of the United States Housing Act
15 of 1937 (42 U.S.C. 1437g(g)(3)) shall not apply to
16 new funds made available under this section.

17 (3) HEALTH AND SAFETY.—Amounts made
18 available under this section shall be used to address
19 health, safety, and environmental hazards, including
20 lead, fire, carbon monoxide, mold, asbestos, radon,
21 pest infestation, and other hazards as defined by the
22 Secretary.

23 (4) ENERGY EFFICIENCY AND RESILIENCE.—
24 Amounts made available under this section shall ad-
25 vance improvements to energy and water efficiency

1 or climate and disaster resilience in housing assisted
2 under this section.

3 (5) RECAPTURE.—If the Secretary recaptures
4 funding allocated by formula from a public housing
5 agency under subsection (a)(1), such recaptured
6 amounts shall be added to the amounts available
7 under subsection (a)(2), and shall be obligated by
8 the Secretary prior to the expiration of such funds.

9 (6) SUPPLEMENTATION OF FUNDS.—The Sec-
10 retary shall ensure that amounts provided pursuant
11 to this section shall serve to supplement and not
12 supplant other amounts generated by a recipient of
13 such amounts or amounts provided by other Federal,
14 State, or local sources.

15 (7) WAIVERS AND ALTERNATIVE REQUIRE-
16 MENTS.—The Secretary may waive or specify alter-
17 native requirements for subsections (d)(1), (d)(2),
18 (e), and (j) of section 9 of the United States Hous-
19 ing Act of 1937 (42 U.S.C. 1437g) and associated
20 regulations in connection with the use of amounts
21 made available under this section other than require-
22 ments related to tenant rights and protections, fair
23 housing, nondiscrimination, labor standards, and the
24 environment, upon a finding that the waiver or alter-

1 native requirement is necessary to facilitate the use
2 of amounts made available under this section.

3 (d) IMPLEMENTATION.—The Secretary shall have au-
4 thority to issue such regulations or notices, or other guid-
5 ance, forms, instructions, and publications to carry out the
6 programs, projects, or activities authorized under this sec-
7 tion to ensure that such programs, projects, or activities
8 are completed in a timely and effective manner.

9 **SEC. 40002. INVESTMENTS IN AFFORDABLE AND ACCES-**
10 **SIBLE HOUSING PRODUCTION.**

11 (a) APPROPRIATION.—In addition to amounts other-
12 wise made available, there is appropriated to the Secretary
13 of Housing and Urban Development (in this section re-
14 ferred to as the “Secretary”) for fiscal year 2022, out of
15 any money in the Treasury not otherwise appropriated—

16 (1) \$9,925,000,000, to remain available until
17 September 30, 2026, for activities and assistance for
18 the HOME Investment Partnerships Program (in
19 this section referred to as the “HOME program”),
20 as authorized under sections 201 through 253 and
21 255 through 290 of the Cranston-Gonzalez National
22 Affordable Housing Act (42 U.S.C. 12721-12753,
23 42 U.S.C. 12755-12840) (in this section referred to
24 as “NAHA”), subject to the terms and conditions
25 paragraph (1)(A) of subsection (b);

1 (2) \$14,925,000,000, to remain available until
2 September 30, 2026, for activities and assistance for
3 the HOME Investment Partnerships Program, as
4 authorized under sections 201 through 253 and 255
5 through 290 of the Cranston-Gonzalez National Af-
6 fordable Housing Act (42 U.S.C. 12721-12753, 42
7 U.S.C. 12755-12840), subject to the terms and con-
8 ditions in paragraphs (1)(B) and (2) of subsection
9 (b);

10 (3) \$50,000,000, to remain available until Sep-
11 tember 30, 2031, to make new awards or increase
12 prior awards to existing technical assistance pro-
13 viders to provide an increase in capacity building
14 and technical assistance available to any grantees
15 implementing activities or projects consistent with
16 this section; and

17 (4) \$100,000,000, to remain available until
18 September 30, 2031, for the costs to the Secretary
19 of administering and overseeing the implementation
20 of this section and the HOME and Housing Trust
21 Fund programs generally, including information
22 technology, financial reporting, research and evalua-
23 tions, and other cross-program costs in support of
24 programs administered by the Secretary in this title,
25 and other costs.

1 (b) TERMS AND CONDITIONS.—

2 (1) FORMULAS.—

3 (A) The Secretary shall allocate amounts
4 made available under subsection (a)(1) pursu-
5 ant to section 217 of NAHA (42 U.S.C. 12747)
6 to grantees that received allocations pursuant
7 to that same formula in fiscal year 2021 and
8 shall make such allocations within 60 days of
9 the enactment of this Act.

10 (B) The Secretary shall allocate amounts
11 made available under subsection (a)(2) pursu-
12 ant to the formula specified in section
13 1338(c)(3) of the Federal Housing Enterprises
14 Financial Safety and Soundness Act of 1992
15 (12 U.S.C. 4568(c)(3)) to grantees that re-
16 ceived Housing Trust Fund allocations pursu-
17 ant to that same formula in fiscal year 2021
18 and shall make such allocations within 60 days
19 of the date of the enactment of this Act.

20 (2) ELIGIBLE ACTIVITIES.—Other than as pro-
21 vided in paragraph (5) of this subsection, funds
22 made available under subsection (a)(2) may only be
23 used for eligible activities described in subpara-
24 graphs (A) through (B)(i) of section 1338(c)(7) of
25 the Federal Housing Enterprises Financial Safety

1 and Soundness Act of 1992 (12 U.S.C. 4568(c)(7)),
2 except that not more than 10 percent of funds made
3 available may be used for activities under such sub-
4 paragraph (B)(i).

5 (3) FUNDING RESTRICTIONS.—The commit-
6 ment requirements in section 218(g) (42 U.S.C.
7 12748(g)) of NAHA, the matching requirements in
8 section 220 (42 U.S.C. 12750) of NAHA, and the
9 set-aside for housing developed, sponsored, or owned
10 by community housing development organizations re-
11 quired in section 231 of NAHA (42 U.S.C. 12771)
12 shall not apply for amounts made available under
13 this section.

14 (4) REALLOCATION.—For funds provided under
15 paragraphs (1) and (2) of subsection (a), the Sec-
16 retary may recapture certain amounts remaining
17 available to a grantee under this section or amounts
18 declined by a grantee, and reallocate such amounts
19 to other grantees under that paragraph to ensure
20 fund expenditure, geographic diversity, and avail-
21 ability of funding to communities within the State
22 from which the funds have been recaptured.

23 (5) ADMINISTRATION.— Notwithstanding sub-
24 sections (c) and (d)(1) of section 212 of NAHA (42
25 U.S.C. 12742), grantees may use not more than 15

1 percent of their allocations under this section for ad-
2 ministrative and planning costs.

3 (c) **WAIVERS.**—The Secretary may waive or specify
4 alternative requirements for any provision of subsection
5 (a)(1) or (a)(2) or regulation for the administration of the
6 amounts made available under this section other than re-
7 quirements related to tenant rights and protections, fair
8 housing, nondiscrimination, labor standards, and the envi-
9 ronment, upon a finding that the waiver or alternative re-
10 quirement is necessary to facilitate the use of amounts
11 made available under this section.

12 (d) **IMPLEMENTATION.**—The Secretary shall have au-
13 thority to issue such regulations, notices, or other guid-
14 ance, forms, instructions, and publications to carry out the
15 programs, projects, or activities authorized under this sec-
16 tion to ensure that such programs, projects, or activities
17 are completed in a timely and effective manner.

18 **SEC. 40003. HOUSING INVESTMENT FUND.**

19 (a) **APPROPRIATION.**—In addition to amounts other-
20 wise available, there is appropriated for fiscal year 2022,
21 out of any money in the Treasury not otherwise appro-
22 priated, to remain available until September 30, 2026—

23 (1) \$200,000,000 to the Department of the
24 Treasury to establish the Housing Investment Fund
25 established by this section within the Community

1 Development Financial Institutions Fund (in this
2 section referred to as the “CDFI Fund”) to make
3 grants to increase investment in the development,
4 preservation, rehabilitation, financing, or purchase
5 of affordable housing primarily for low-, very-low,
6 and extremely low-income families who are renters,
7 and for homeowners with incomes up to 120 percent
8 of the area median income, and for economic devel-
9 opment and community facilities related to such
10 housing and to further fair housing; and

11 (2) \$50,000,000 for the costs to the CDFI
12 Fund of administering and overseeing the implemen-
13 tation of this section, including information tech-
14 nology, financial reporting, research and evaluations,
15 and other costs.

16 (b) ELIGIBLE GRANTEES.—A grant under this sec-
17 tion may be made, pursuant to such requirements as the
18 CDFI Fund shall establish, only to—

19 (1) a CDFI Fund certified community develop-
20 ment financial institution, as such term is defined in
21 section 103 of the Riegle Community Development
22 and Regulatory Improvement Act of 1994 (12
23 U.S.C. 4702);

24 (2) a nonprofit organization having as one of its
25 principal purposes the creation, development, or

1 preservation of affordable housing and that is not
2 found to be out of compliance with the obligation to
3 affirmatively further fair housing, as applicable, in-
4 cluding a subsidiary of a public housing authority;
5 or

6 (3) a consortium comprised of certified commu-
7 nity development financial institutions, eligible non-
8 profit housing organizations, or a combination of
9 both.

10 (c) ELIGIBLE USES.—Eligible uses for grant
11 amounts awarded from the Housing Investment Fund
12 pursuant to this section shall—

13 (1) be reasonably expected to result in eligible
14 affordable housing activities that support or sustain
15 affordable housing funded by a grant under this sec-
16 tion and capital from other public and private
17 sources; and

18 (2) include activities—

19 (A) to capitalize an acquisition fund to ac-
20 quire residential, industrial, or commercial
21 property and land for the purpose of the preser-
22 vation, development, or rehabilitation of afford-
23 able housing, including to support the creation,
24 preservation, or rehabilitation of resident-owned
25 manufactured housing communities;

1 (B) to capitalize an affordable housing
2 fund, for development, preservation, rehabilita-
3 tion, or financing of affordable housing and eco-
4 nomic development activities, including commu-
5 nity facilities, if part of a mixed-use project, or
6 activities described in this paragraph related to
7 transit-oriented development, which may also be
8 designated as a focus of such a fund; and

9 (C) to capitalize an affordable housing
10 mortgage fund, to facilitate the origination of
11 mortgages to buyers that may experience sig-
12 nificant barriers to accessing affordable mort-
13 gage credit, including mortgages having low
14 original principal obligations;

15 (D) for risk-sharing loans;

16 (E) to provide loan guarantees; and

17 (F) to fund rental housing operations.

18 (d) IMPLEMENTATION.—The CDFI Fund shall have
19 the authority to issue such regulations, notice, or other
20 guidance, forms, instructions, and publications to carry
21 out the programs, projects, or activities authorized under
22 this section to ensure that such programs, projects, or ac-
23 tivities are completed in a timely and effective manner.

1 **SEC. 40004. SECTION 811 SUPPORTIVE HOUSING FOR PEO-**
2 **PLE WITH DISABILITIES.**

3 (a) APPROPRIATION.—In addition to amounts other-
4 wise available, there is appropriated to the Secretary of
5 Housing and Urban Development (in this section referred
6 to as the “Secretary”) for fiscal year 2022, out of any
7 money in the Treasury not otherwise appropriated—

8 (1) \$450,000,000 for capital advances, includ-
9 ing amendments to capital advance contracts, for
10 supportive housing for persons with disabilities, as
11 authorized by section 811(b)(2) of the Cranston-
12 Gonzalez National Affordable Housing Act (42
13 U.S.C. 8013(b)(2)) (in this section referred to as the
14 “Act”), and subject to subsections (a) through
15 (h)(4), (h)(6) through (i)(1)(C), and (i)(2) through
16 (m) of such section 811 (42 U.S.C. 8013(a)-42
17 U.S.C. 8013(h)(4), 42 U.S.C. 8013(h)(6)-42 U.S.C.
18 8013(i)(1)(C), 42 U.S.C. 8013(i)(2)-42 U.S.C.
19 8013(m)), and for project rental assistance for sup-
20 portive housing for persons with disabilities under
21 section 811(d)(2) of the Act and for project assist-
22 ance contracts pursuant to section 202(h) of the
23 Housing Act of 1959 (Public Law 86–372; 73 Stat.
24 667), for project rental assistance to State housing
25 finance agencies and other appropriate entities as

1 authorized under section 811(b)(3) of the Act, for
2 State housing finance agencies;

3 (2) \$7,500,000 for providing technical assist-
4 ance to support State-level efforts to integrate hous-
5 ing assistance and voluntary supportive services for
6 residents of housing receiving such assistance, which
7 funding may also be used to provide technical assist-
8 ance to applicants and potential applicants to under-
9 stand program requirements and develop effective
10 applications, and the Secretary may use amounts
11 made available under this paragraph to increase
12 prior awards to existing technical assistance pro-
13 viders to provide an immediate increase in capacity
14 building and technical assistance; and

15 (3) \$42,500,000 for the costs to the Secretary
16 of administering and overseeing the implementation
17 of this section and the Supportive Housing for Per-
18 sons with Disabilities program generally, including
19 information technology, financial reporting, research
20 and evaluations, other cross-program costs in sup-
21 port of programs administered by the Secretary in
22 this title, and other costs.

23 Amounts appropriated by this section shall remain avail-
24 able until September 30, 2031.

1 (b) LIMITATIONS ON COSTS.—When awarding grants
2 under paragraph (1) of subsection (a), the Secretary shall
3 establish and assess reasonable development cost limita-
4 tions by market area for various types and sizes of sup-
5 portive housing for persons with disabilities. The Sec-
6 retary shall not count owner or sponsor contributions of
7 other funding or assistance against the overall cost of a
8 project.

9 (c) OCCUPANCY STANDARDS.—The owner or sponsor
10 of housing assisted with funds provided under this section
11 may, with the approval of the Secretary, limit occupancy
12 with the housing to persons with disabilities who can ben-
13 efit from the supportive services offered in connection with
14 the housing.

15 (d) WAIVERS.—The Secretary may waive or specify
16 alternative requirements for subsection (c) or (bb) of sec-
17 tion 8 of the United States Housing Act of 1937 (42
18 U.S.C. 1437f (c), 1437f(bb)) upon a finding that the waiv-
19 er or alternative requirement is necessary to facilitate the
20 use of amounts made available under this section.

21 (e) IMPLEMENTATION.—The Secretary shall have au-
22 thority to issue such regulations, notices, or other guid-
23 ance, forms, instructions, and publications to carry out the
24 programs, projects, or activities authorized under this sec-

1 tion to ensure that such programs, projects, or activities
2 are completed in a timely and effective manner.

3 **SEC. 40005. SECTION 202 SUPPORTIVE HOUSING FOR THE**
4 **ELDERLY PROGRAM.**

5 (a) APPROPRIATION.—In addition to amounts other-
6 wise available, there is appropriated to the Secretary of
7 Housing and Urban Development (in this section referred
8 to as the “Secretary”) for fiscal year 2022, out of any
9 money in the Treasury not otherwise appropriated—

10 (1) \$450,000,000 for the Supportive Housing
11 for the Elderly Program authorized under section
12 202 of the Housing Act of 1959, and subject to sub-
13 sections (a) through (g), (h)(2) through (h)(5), and
14 (i) through (m) of such section 202 (12 U.S.C.
15 1701q(a)-12 U.S.C. 1701q(g), 12 U.S.C.
16 1701q(h)(2)-12 U.S.C. 1701q(h)(5), 12 U.S.C.
17 1701q(i)-12 U.S.C. 1701q(m)) (in this section re-
18 ferred to as the “Act”), which shall be used—

19 (A) for capital advance awards in accord-
20 ance with section 202(c)(1) of the Act to recipi-
21 ents that are eligible under the Act;

22 (B) for new section 8 project-based rental
23 assistance contracts under section 8(b) of the
24 United States Housing Act of 1937 Act (42
25 U.S.C. 1437f(b)), subject to subsection (c) of

1 this section, with the Secretary setting the
2 terms of such project-based rental assistance
3 contracts, including the duration and provisions
4 regarding rent setting and rent adjustment, to
5 support the capital advance projects funded
6 under this section; and

7 (C) for service coordinators;

8 (2) \$7,500,000, to provide technical assistance
9 to support State-level efforts to improve the design
10 and delivery of voluntary supportive services for resi-
11 dents of any housing assisted under the Act and
12 other housing supporting low-income older adults, in
13 order to support residents to age-in-place and avoid
14 institutional care, as well as to assist applicants and
15 potential applicants with project-specific design, and
16 the Secretary may use amounts made available
17 under this paragraph to increase prior awards to ex-
18 isting technical assistance providers to provide an
19 immediate increase in capacity building and tech-
20 nical assistance; and

21 (3) \$42,500,000 for the costs to the Secretary
22 of administering and overseeing the implementation
23 of this section and the Supportive Housing for the
24 Elderly program generally, including information
25 technology, financial reporting, research and evalua-

1 tion, other cross-program costs in support of pro-
2 grams administered by the Secretary in this title,
3 and other costs.

4 Amounts appropriated by this section shall remain avail-
5 able until September 30, 2031.

6 (b) **LIMITATION ON COSTS.**—When awarding grants
7 under paragraph (1) of subsection (a), the Secretary shall
8 establish and assess reasonable development cost limita-
9 tions by market area for various types and sizes of sup-
10 portive housing for the elderly. The Secretary shall not
11 count owner or sponsor contributions of other funding or
12 assistance against the overall cost of a project.

13 (c) **WAIVERS.**—The Secretary may waive or specify
14 alternative requirements for any provision of subsection
15 (c) or (bb) of section 8 of the United States Housing Act
16 of 1937 (42 U.S.C. 1437f (c), 1437f(bb)) upon a finding
17 that the waiver or alternative requirement is necessary to
18 facilitate the use of amounts made available under this
19 section.

20 (d) **IMPLEMENTATION.**—The Secretary shall have au-
21 thority to issue such regulations, notices, or other guid-
22 ance, forms, instructions, and publications to carry out the
23 programs, projects, or activities authorized under this sec-
24 tion to ensure that such programs, projects, or activities
25 are completed in a timely and effective manner.

1 **SEC. 40006. IMPROVING ENERGY EFFICIENCY OR WATER**
2 **EFFICIENCY OR CLIMATE RESILIENCE OF AF-**
3 **FORDABLE HOUSING.**

4 (a) APPROPRIATION.—In addition to amounts other-
5 wise available, there is appropriated to the Secretary of
6 Housing and Urban Development (in this section referred
7 to as the “Secretary”) for fiscal year 2022, out of any
8 money in the Treasury not otherwise appropriated—

9 (1) \$1,770,000,000, to remain available until
10 September 30, 2028, for the cost of providing direct
11 loans, including the costs of modifying such loans,
12 and for grants, as provided for and subject to terms
13 and conditions in subsection (b), including to sub-
14 sidize gross obligations for the principal amount of
15 direct loans, not to exceed \$4,000,000,000, to fund
16 projects that improve the energy or water efficiency,
17 indoor air quality and sustainability improvements,
18 implement low-emission technologies, materials, or
19 processes, including zero-emission electricity genera-
20 tion, energy storage, or building electrification, elec-
21 tric car charging station installations, or address cli-
22 mate resilience of multifamily properties;

23 (2) \$25,000,000, to remain available until Sep-
24 tember 30, 2030, for the costs to the Secretary of
25 administering and overseeing the implementation of
26 this section, including information technology, finan-

1 cial reporting, research and evaluation, other cross-
2 program costs in support of programs administered
3 by the Secretary in this title, and other costs;

4 (3) \$120,000,000, to remain available until
5 September 30, 2029, for expenses of contracts ad-
6 ministered by the Secretary, including to carry out
7 property climate risk, energy, or water assessments,
8 due diligence, and underwriting functions for such
9 grant and direct loan program; and

10 (4) \$85,000,000, to remain available until Sep-
11 tember 30, 2028, for energy and water
12 benchmarking of properties eligible to receive grants
13 or loans under this section, regardless of whether
14 they actually received such grants, along with associ-
15 ated data analysis and evaluation at the property
16 and portfolio level, including the development of in-
17 formation technology systems necessary for the col-
18 lection, evaluation, and analysis of such data.

19 (b) LOAN AND GRANT TERMS AND CONDITIONS.—
20 Amounts made available under this section shall be for
21 direct loans, grants, and direct loans that can be converted
22 to grants to eligible recipients that agree to an extended
23 period of affordability for the property.

24 (c) DEFINITIONS.—As used in this section—

1 (1) the term “eligible recipient” means any
2 owner or sponsor of an eligible property; and

3 (2) the term “eligible property” means a prop-
4 erty receiving—

5 (A) project-based assistance pursuant to
6 section 202 of the Housing Act of 1959 (12
7 U.S.C. 1701q);

8 (B) section 811 of the Cranston-Gonzalez
9 National Affordable Housing Act (42 U.S.C.
10 8013); or

11 (C) section 8(b) of the United States
12 Housing Act of 1937 (42 U.S.C. 1437f(b))

13 (d) WAIVER.—The Secretary may waive or specify al-
14 ternative requirements for any provision of subsection (c)
15 or (bb) of section 8 of the United States Housing Act of
16 1937 (42 U.S.C. 1437f(c), 1437f(bb)) upon a finding that
17 the waiver or alternative requirement is necessary to facili-
18 tate the use of amounts made available under this section.

19 (e) IMPLEMENTATION.—The Secretary shall have au-
20 thority to issue such regulations, notices, or other guid-
21 ance, forms, instructions, and publications to carry out the
22 programs, projects, or activities authorized under this sec-
23 tion to ensure that such programs, projects, or activities
24 are completed in a timely and effective manner.

1 **SEC. 40007. REVITALIZATION OF DISTRESSED MULTI-**
2 **FAMILY PROPERTIES.**

3 (a) APPROPRIATION.—In addition to amounts other-
4 wise available, there is appropriated to the Secretary of
5 Housing and Urban Development (in this section referred
6 to as the “Secretary”) for fiscal year 2022, out of any
7 money in the Treasury not otherwise appropriated—

8 (1) \$1,450,000,000 for providing direct loans,
9 which may be forgivable, to owners of distressed
10 properties for the purpose of making necessary phys-
11 ical improvements, including to subsidize gross obli-
12 gations for the principal amount of direct loans not
13 to exceed \$6,000,000,000, subject to the terms and
14 conditions in subsection (b); and

15 (2) \$50,000,000 for the costs to the Secretary
16 of administering and overseeing the implementation
17 of this section and the Office of Housing programs
18 generally, including information technology, financial
19 reporting, research and evaluations, other cross-pro-
20 gram costs in support of programs administered by
21 the Secretary in this title, and other costs.

22 Amounts appropriated by this section shall remain avail-
23 able until September 30, 2029.

24 (b) LOAN TERMS AND CONDITIONS.—

25 (1) ELIGIBILITY.—Owners or sponsors of multi-
26 family housing projects who meet each of the fol-

1 lowing requirements shall be eligible for loan assist-
2 ance under this section:

3 (A) The multifamily housing project, in-
4 cluding any project from which assistance has
5 been approved to be transferred has deficiencies
6 that cause the project to be at risk of physical
7 obsolescence or economic non-viability.

8 (B) The actual rents received by the owner
9 or sponsor of the distressed property would not
10 adequately sustain the debt needed to make
11 necessary physical improvements.

12 (C) The owner or sponsor meets any such
13 additional eligibility criteria as the Secretary
14 determines to be appropriate, considering fac-
15 tors that contributed to the project's defi-
16 ciencies.

17 (2) USE OF LOAN FUNDS.—Each recipient of
18 loan assistance under this section may only use such
19 loan assistance to make necessary physical improve-
20 ments.

21 (3) LOAN AVAILABILITY.—The Secretary shall
22 only provide loan assistance to an owner or sponsor
23 of a multifamily housing project when such assist-
24 ance, considered with other financial resources avail-

1 able to the owner or sponsor, is needed to make the
2 necessary physical improvements.

3 (4) INTEREST RATES AND LENGTH.—Loans
4 provided under this section shall bear interest at 1
5 percent, and at origination shall have a repayment
6 period coterminous with the affordability period es-
7 tablished under paragraph (6), with the frequency
8 and amount of repayments to be determined by re-
9 quirements established by the Secretary.

10 (5) LOAN MODIFICATIONS OR FORGIVENESS.—
11 With respect to loans provided under this section,
12 the Secretary may take any of the following actions
13 if the Secretary determines that doing so will pre-
14 serve affordability of the project:

15 (A) Waive any due on sale or due on refi-
16 nancing restriction.

17 (B) Consent to the terms of new debt to
18 which the loans may be subordinate, even if
19 such new debt would impact the repayment of
20 the loans.

21 (C) Extend the term of the loan.

22 (D) Forgive the loan in whole or in part.

23 (6) EXTENDED AFFORDABILITY PERIOD.—Each
24 recipient of loan assistance under this section shall
25 agree to an extended affordability period for the

1 project that is subject to the loan by extending any
2 existing affordable housing use agreements for an
3 additional 30 years or, if the project is not currently
4 subject to a use agreement establishing affordability
5 requirements, by establishing a use agreement for
6 30 years.

7 (7) MATCHING CONTRIBUTION.—Each recipient
8 of loan assistance under this section shall secure at
9 least 20 percent of the total cost needed to make the
10 necessary physical improvements from non-Federal
11 sources, except in cases where the Secretary deter-
12 mines that a lack of financial resources qualifies a
13 loan recipient for—

14 (A) a reduced contribution below 20 per-
15 cent; or

16 (B) an exemption to the matching con-
17 tribution requirement.

18 (8) ADDITIONAL LOAN CONDITIONS.—The Sec-
19 retary may establish additional conditions for loan
20 eligibility provided under this section as the Sec-
21 retary determines to be appropriate.

22 (9) PROPERTIES INSURED BY THE SEC-
23 RETARY.—In the case of any property with respect
24 to which assistance is provided under this section
25 that has a mortgage insured by the Secretary, the

1 Secretary may use funds available under this section
2 as necessary to pay for the costs of modifying such
3 loan.

4 (c) DEFINITIONS.—As used in this section—

5 (1) the term “multifamily housing project”
6 means a project consisting of five or more dwelling
7 units assisted or approved to receive a transfer of
8 assistance, insured, or with a loan held by the Sec-
9 retary or a State or State agency in part or in whole
10 pursuant to—

11 (A) section 8 of the United States Housing
12 Act of 1937 (42 U.S.C. 1437f), not including
13 subsection (o)(13) of such section;

14 (B) section 202 of the Housing Act of
15 1959 (12 U.S.C. 1701q), as amended by section
16 801 of the Cranston-Gonzalez National Afford-
17 able Housing Act;

18 (C) section 202 of the Housing Act of
19 1959 (former 12 U.S.C. 1701q), as such section
20 existed before the enactment of the Cranston-
21 Gonzalez National Affordable Housing Act;

22 (D) section 811 of the Cranston-Gonzalez
23 National Affordable Housing Act (42 U.S.C.
24 8013); or

1 (E) section 236 of the National Housing
2 Act (12 U.S.C. 1715z-1); and

3 (2) the term “necessary physical improve-
4 ments” means new construction or capital improve-
5 ments to an existing multifamily housing project
6 that the Secretary determines are necessary to ad-
7 dress the deficiencies or that rise to such a level that
8 delaying physical improvements to the project would
9 be detrimental to the longevity of the project as suit-
10 able housing for occupancy.

11 (d) WAIVER.—The Secretary may waive or specify al-
12 ternative requirements for any provision of subsection (c)
13 or (bb) of section 8 of the United States Housing Act of
14 1937 (42 U.S.C. 1437f(c), 1437f(bb)) upon a finding that
15 the waiver or alternative requirement is necessary to facili-
16 tate the use of amounts made available under this section.

17 (e) IMPLEMENTATION.—The Secretary shall have the
18 authority to issue such regulations, notices, or other guid-
19 ance, forms, instructions, and publications to carry out the
20 programs, projects, or activities authorized under this sec-
21 tion to ensure that such programs, projects, or activities
22 are completed in a timely and effective manner.

23 **SEC. 40008. INVESTMENTS IN RURAL RENTAL HOUSING.**

24 (a) APPROPRIATION.—In addition to amounts other-
25 wise available, there is appropriated to the Rural Housing

1 Service of the Department of Agriculture for fiscal year
2 2022, out of any money in the Treasury not otherwise ap-
3 propriated—

4 (1) \$1,800,000,000, to remain available until
5 September 30, 2029, for carrying out new construc-
6 tion, improvements to energy and water efficiency or
7 climate resilience, the removal of health and safety
8 hazards, and the preservation and revitalization of
9 housing authorized under section 514 of the Hous-
10 ing Act of 1949 (42 U.S.C. 1484), subsections
11 (a)(1) through (a)(2), (b)(1) through (b)(3), (b)(5)
12 through (aa)(2)(A), and (aa)(4) of section 515 of
13 such Act (42 U.S.C. 1485(a)(1)-42 U.S.C.
14 1485(a)(2), 42 U.S.C. 1485(b)(1)-(b)(3), 42 U.S.C.
15 1485(b)(5)-42 U.S.C. 1485(aa)(2)(A), 42 U.S.C.
16 1485(aa)(4)), and 516 of such act (42 U.S.C.
17 1486), subject to the terms and conditions in sub-
18 section (b);

19 (2) \$100,000,000, to remain available until
20 September 30, 2029, to provide continued assistance
21 pursuant to section 3203 of the American Rescue
22 Plan Act of 2021; and

23 (3) \$100,000,000, to remain available until
24 September 30, 2030, for the costs to the Rural
25 Housing Service of the Department of Agriculture of

1 administering and overseeing the implementation of
2 this section, including information technology, finan-
3 cial reporting, research and evaluations, other cross-
4 program costs in support of programs administered
5 by the Secretary in this title, and other costs.

6 (b) PRESERVATION AND REVITALIZATION TERMS
7 AND CONDITIONS.—

8 (1) LOANS AND GRANTS AND OTHER ASSIST-
9 ANCE.—The Administrator of the Rural Housing
10 Service of the Department of Agriculture shall pro-
11 vide direct loans and grants, including the cost of
12 modifying loans, to restructure existing Department
13 of Agriculture multi-family housing loans expressly
14 for the purposes of ensuring the project has suffi-
15 cient resources to preserve the project for the pur-
16 pose of providing safe and affordable housing for
17 low-income residents and farm laborers, including—

18 (A) reducing or eliminating interest;

19 (B) deferring loan payments;

20 (C) subordinating, reducing, or re-amor-
21 tizing loan debt; and

22 (D) providing other financial assistance,
23 including advances, payments, and incentives
24 (including the ability of owners to obtain rea-
25 sonable returns on investment) required by the

1 Secretary, including such assistance to non-
2 profit entities and public housing authorities.

3 (2) RESTRICTIVE USE AGREEMENT.—The Ad-
4 ministrator of the Rural Housing Service of the De-
5 partment of Agriculture shall as part of the preser-
6 vation and revitalization agreement obtain a restric-
7 tive use agreement consistent with the terms of the
8 restructuring.

9 (c) IMPLEMENTATION.—The Administrator of the
10 Rural Housing Service of the Department of Agriculture
11 shall have authority to issue such regulations, notices, or
12 other guidance, forms, instructions, and publications to
13 carry out the programs, projects, or activities authorized
14 under this section to ensure that such programs, projects,
15 or activities are completed in a timely and effective man-
16 ner.

17 **SEC. 40009. HOUSING VOUCHERS.**

18 (a) APPROPRIATION.—In addition to amounts other-
19 wise available, there is appropriated to the Secretary of
20 Housing and Urban Development (in this section referred
21 to as the “Secretary”) for fiscal year 2022, out of any
22 money in the Treasury not otherwise appropriated—

23 (1) \$15,000,000,000 for—

24 (A) incremental tenant-based rental assist-
25 ance for extremely low-income families under

1 section 8(o) of the United States Housing Act
2 of 1937 (42 U.S.C. 1437f(o));

3 (B) renewals of such tenant-based rental
4 assistance; and

5 (C) fees for the costs of administering ten-
6 ant-based rental assistance and other eligible
7 expenses, which may include the cost of facili-
8 tating the use of voucher assistance provided
9 under paragraph (5);

10 (2) \$7,100,000,000 for—

11 (A) incremental tenant-based rental assist-
12 ance under section 8(o) of the United States
13 Housing Act of 1937 (42 U.S.C. 1437f(o)) for
14 households experiencing or at risk of homeless-
15 ness, survivors of domestic violence, dating vio-
16 lence, sexual assault, and stalking, and sur-
17 vivors of trafficking;

18 (B) renewals of such tenant-based rental
19 assistance; and

20 (C) fees for the costs of administering ten-
21 ant-based rental assistance and other eligible
22 expenses, which may include the cost of facili-
23 tating the use of voucher assistance provided
24 under paragraph (5);

25 (3) \$1,000,000,000 for—

1 (A) tenant protection vouchers for reloca-
2 tion and replacement of public housing units
3 demolished or disposed as part of a public hous-
4 ing preservation or project-based replacement
5 transaction using funds made available under
6 this title;

7 (B) renewals of such tenant-based rental
8 assistance; and

9 (C) fees for the costs of administering ten-
10 ant-based rental assistance and other eligible
11 expenses, which may include the cost of facili-
12 tating the use of voucher assistance provided
13 under paragraph (5);

14 (4) \$300,000,000 for competitive grants, sub-
15 ject to terms and conditions determined by the Sec-
16 retary, to public housing agencies for mobility-re-
17 lated services for voucher families, including families
18 with children, and service coordination;

19 (5) \$230,000,000 for eligible expenses to facili-
20 tate the use of voucher assistance under this section
21 and for other voucher assistance under section 8(o)
22 of the United States Housing Act of 1937, as deter-
23 mined by the Secretary, in addition to amounts oth-
24 erwise available for such expenses, including prop-
25 erty owner outreach and retention activities such as

1 incentive payments, security deposit payments and
2 loss reserves, landlord liaisons, and other uses of
3 funds designed primarily—

4 (A) to recruit owners of dwelling units,
5 particularly dwelling units in census tracts with
6 a poverty rate of less than 20 percent, to enter
7 into housing assistance payment contracts; and

8 (B) to encourage owners that enter into
9 housing assistance payment contracts as de-
10 scribed in subparagraph (A) to continue to
11 lease their dwelling units to tenants assisted
12 under section 8(o) of the United States Hous-
13 ing Act of 1937;

14 (6) \$300,000,000 for the costs to the Secretary
15 of administering and overseeing the implementation
16 of this section and the Housing Choice Voucher pro-
17 gram generally, including information technology, fi-
18 nancial reporting, research and evaluations, other
19 cross-program costs in support of programs adminis-
20 tered by the Secretary in this title, and other costs;
21 and

22 (7) \$70,000,000 for making new awards or in-
23 creasing prior awards to existing technical assistance
24 providers to provide an increase in capacity building

1 and technical assistance available to public housing
2 agencies.

3 Amounts appropriated by this section shall remain avail-
4 able until September 30, 2031.

5 (b) TERMS AND CONDITIONS.—

6 (1) ALLOCATION.—The Secretary shall allocate
7 initial incremental assistance provided for rental as-
8 sistance under subsection (a)(1) and (2) in each fis-
9 cal year commencing in 2022 and ending in 2026 in
10 accordance with a formula or formulas that include
11 measures of severe housing need among extremely
12 low-income renters and public housing agency capac-
13 ity, and ensures geographic diversity among public
14 housing agencies administering the Housing Choice
15 Voucher program.

16 (2) ELECTION TO ADMINISTER.—The Secretary
17 shall establish a procedure for public housing agen-
18 cies to accept or decline the incremental vouchers
19 made available under this section.

20 (3) FAILURE TO USE VOUCHERS PROMPTLY.—
21 If a public housing agency fails to lease the author-
22 ized vouchers it has received under this subsection
23 on behalf of eligible families within a reasonable pe-
24 riod of time, the Secretary may offset the agency's
25 voucher renewal allocations and may revoke and re-

1 distribute any unleased vouchers and associated
2 funds, which may include administrative fees and
3 amounts allocated under subsections (a)(3) and
4 (a)(4), to other public housing agencies.

5 (4) LIMITATION OF USE OF FUNDS.— Public
6 housing agencies may use funds received under this
7 section only for the activities listed in subsection (a)
8 for which the funds were provided to such agency.

9 (5) CAP ON PROJECT-BASED VOUCHERS FOR
10 VULNERABLE POPULATIONS.—Upon request by a
11 public housing agency, the Secretary may designate
12 a number of the public housing agency's vouchers al-
13 located under this section as excepted units that do
14 not count against the percentage limitation on the
15 number of authorized units a public housing agency
16 may project-base under section 8(o)(13)(B) of the
17 United States Housing Act of 1937, in accordance
18 with the conditions established by the Secretary.
19 This paragraph may not be construed to waive,
20 limit, or specify alternative requirements, or permit
21 such waivers, limitations, or alternative require-
22 ments, related to fair housing and nondiscrimina-
23 tion, including the requirement to provide housing
24 and services to individuals with disabilities in inte-
25 grated settings.

1 (6) HOMELESS WAIVER AUTHORITY.— In ad-
2 ministering the voucher assistance targeted for
3 households experiencing or at risk of homelessness,
4 survivors of domestic violence, dating violence sexual
5 assault, and stalking, and survivors of trafficking
6 under subsection (a)(1), the Secretary may, upon a
7 finding that a waiver or alternative requirement is
8 necessary to facilitate the use of such assistance,
9 waive or specify alternative requirements for—

10 (A) section 8(o)(6)(A) of the United States
11 Housing Act of 1937 (42 U.S.C.
12 1437f(o)(6)(A)) and regulatory provisions re-
13 lated to the administration of waiting lists and
14 local preferences;

15 (B) section 214(d)(2) of the Housing and
16 Community Development Act of 1980 (42
17 U.S.C. 1436a(d)(2)), section 576(a), (b), and
18 (c) of the Quality Housing and Work Responsi-
19 bility Act of 1998 (42 U.S.C. 13661(a), (b), and
20 (c)), and regulatory provisions related to the
21 verification of eligibility, eligibility require-
22 ments, and the admissions process;

23 (C) section 8(o)((7)(A) of the United
24 States Housing Act of 1937 (42 U.S.C.

1 1437f(o)(7)(A)) and regulatory provisions re-
2 lated to the initial lease term;

3 (D) section 8(r)(B)(i) of the United States
4 Housing Act of 1937 (42 U.S.C.
5 1437f(r)(B)(i)) and regulatory provisions re-
6 lated to portability moves by non-resident appli-
7 cants; and

8 (E) regulatory provisions related to the es-
9 tablishment of payment standards.

10 (c) IMPLEMENTATION.—The Secretary shall have au-
11 thority to issue such regulations, notices, or other guid-
12 ance, forms, instructions, and publications to carry out the
13 programs, projects, or activities authorized under this sec-
14 tion to ensure that such programs, projects, or activities
15 are completed in a timely and effective manner.

16 **SEC. 40010. PROJECT-BASED RENTAL ASSISTANCE.**

17 (a) APPROPRIATION.—In addition to amounts other-
18 wise available, there is appropriated to the Secretary of
19 Housing and Urban Development (in this section referred
20 to as the “Secretary”) for fiscal year 2022, out of any
21 money in the Treasury not otherwise appropriated—

22 (1) \$880,000,000 for the project-based rental
23 assistance program, as authorized under section 8(b)
24 of the United States Housing Act of 1937 (42
25 U.S.C. 1437f(b)), (in this section referred to as the

1 “Act”), subject to the terms and conditions of sub-
2 section (b) of this section;

3 (2) \$20,000,000 for providing technical assist-
4 ance to recipients of or applicants for project-based
5 rental assistance or to States allocating the project-
6 based rental assistance; and

7 (3) \$100,000,000 for the costs to the Secretary
8 of administering and overseeing the implementation
9 of this section and the section 8 project-based rental
10 assistance program generally, including information
11 technology, financial reporting, research and evalua-
12 tions, other cross-program costs in support of pro-
13 grams administered by the Secretary in this title,
14 and other costs.

15 Amounts appropriated by this section shall remain avail-
16 able until September 30, 2031.

17 (b) TERMS AND CONDITIONS.—

18 (1) AUTHORITY.—Notwithstanding section 8(a)
19 the Act (42 U.S.C. 1437f(a)), the Secretary may use
20 amounts made available under this section to pro-
21 vide assistance payments with respect to newly con-
22 structed housing, existing housing, or substantially
23 rehabilitated non-housing structures for use as new
24 multifamily housing in accordance with this section
25 and the provisions of section 8 of the Act. In addi-

1 tion, the Secretary may use amounts made available
2 under this section for performance-based contract
3 administrators for section 8 project-based assistance,
4 for carrying out this section and section 8 of the
5 Act.

6 (2) PROJECT-BASED RENTAL ASSISTANCE.—

7 The Secretary may make assistance payments using
8 amounts made available under this section pursuant
9 to contracts with owners or prospective owners who
10 agree to construct housing, to substantially rehabili-
11 tate existing housing, to substantially rehabilitate
12 non-housing structures for use as new multifamily
13 housing, or to attach the assistance to newly con-
14 structed housing in which some or all of the units
15 shall be available for occupancy by very low-income
16 families in accordance with the provisions of section
17 8 of the Act. In awarding contracts pursuant to this
18 section, the Secretary shall give priority to owners or
19 prospective owners of multifamily housing projects
20 located or to be located in areas of high opportunity,
21 as defined by the Secretary, in areas experiencing
22 economic growth or rising housing prices to prevent
23 displacement or secure affordable housing for low-in-
24 come households, or that serve people at risk of
25 homelessness or that integrate additional units that

1 are accessible for persons with mobility impairments
2 and persons with hearing or visual impairments be-
3 yond those required by applicable Federal accessi-
4 bility standards.

5 (3) ALLOCATION.—The Secretary shall make
6 awards with amounts made available under this sec-
7 tion using the following mechanisms, alone or in
8 combination:

9 (A) A competitive process, which the Sec-
10 retary may carry out in multiple rounds of com-
11 petition, each of which may have its own selec-
12 tion, performance, and reporting criteria as es-
13 tablished by the Secretary.

14 (B) Selecting proposals submitted through
15 FHA loan applications that meet specified cri-
16 teria.

17 (C) Delegating to States the awarding of
18 contracts, including related determinations such
19 as the maximum monthly rent, subject to the
20 requirements of section 8 of the Act, as deter-
21 mined by the Secretary.

22 (4) CONTRACT TERM, RENT SETTING, AND
23 RENT ADJUSTMENTS.—The Secretary may set the
24 terms of the contract, including the duration and

1 provisions regarding rent setting and rent adjust-
2 ments.

3 (c) WAIVERS.—The Secretary may waive or specify
4 alternative requirements for any provision of subsection
5 (c) or (bb) of section 8 of the United States Housing Act
6 of 1937 (42 U.S.C. 1437f(c), 1437f(bb)) upon a finding
7 that the waiver or alternative requirement is necessary to
8 facilitate the use of amounts made available under this
9 section.

10 (d) IMPLEMENTATION.—The Secretary shall have the
11 authority to issue such regulations, notices, or other guid-
12 ance, forms, instructions, and publications to carry out the
13 programs, projects, or activities authorized under this sec-
14 tion to ensure that such programs, projects, or activities
15 are completed in a timely and effective manner.

16 **SEC. 40011. INVESTMENTS IN NATIVE AMERICAN COMMU-**
17 **NITIES.**

18 (a) APPROPRIATION.—In addition to amounts other-
19 wise available, there is appropriated to the Secretary of
20 Housing and Urban Development (in this section referred
21 to as the “Secretary”) for fiscal year 2022, out of any
22 money in the Treasury not otherwise appropriated—

23 (1) \$277,500,000 for grants authorized under
24 of section 101(a) of the Native American Housing
25 Assistance and Self-Determination Act of 1996 (in

1 this section referred to as “NAHASDA”) (25 U.S.C.
2 4111(a)), and the Secretary shall distribute such
3 amount according to the same funding formula used
4 in fiscal year 2021;

5 (2) \$200,000,000 for grants authorized under
6 section 802(a) of NAHASDA (25 U.S.C. 4222 (a));

7 (3) \$277,500,000 for competitive grants to eli-
8 gible recipients authorized under section 101(a) of
9 NAHASDA (25 U.S.C. 4111(a)), which may be used
10 for—

11 (A) new construction and rehabilitation of
12 affordable housing;

13 (B) improving water or energy efficiency or
14 increasing resilience to natural hazards for
15 housing assisted by amounts made available
16 under this subsection; or

17 (C) other eligible affordable housing activi-
18 ties under NAHASDA;

19 (4) \$200,000,000 for—

20 (A) competitive single-purpose Indian com-
21 munity development block grants for Indian
22 tribes under section 106(a)(1) of the Housing
23 and Community Development Act of 1974 (42
24 U.S.C. 5306(a)(1)); and

1 (B) imminent threat Indian community de-
2 velopment block grants under section 106(a)(1)
3 of the Housing and Community Development
4 Act of 1974 (42 U.S.C. 5306(a)(1)) for Indian
5 tribes, or a tribal organization, governmental
6 entity, or nonprofit organization designated by
7 the Indian tribe to apply for a grant on its be-
8 half, which may be used to—

9 (i) address environmental threats, in-
10 cluding long-term environmental threats;

11 (ii) assist Indian tribes with relocating
12 a portion of or entire communities due to
13 changes to the local environment; or

14 (iii) assist Indian tribes with address-
15 ing other threats to health and safety;

16 (5) \$25,000,000 for the costs to the Secretary
17 of administering and overseeing the implementation
18 of this section and Native American and Native Ha-
19 waiian programs generally, including information
20 technology, financial reporting, research and evalua-
21 tions, other cross-program costs in support of pro-
22 grams administered by the Secretary in this title,
23 and other costs; and

24 (6) \$20,000,000 to make new awards or in-
25 crease prior awards to existing technical assistance

1 providers to provide an immediate increase in capac-
2 ity building and technical assistance to grantees.

3 Amounts appropriated by this section shall remain avail-
4 able until September 30, 2031.

5 (b) PRELIMINARY FUNDING.—

6 (1) USE OF IMMINENT THREAT GRANT
7 AMOUNTS.—Of any amounts made available in sub-
8 section (a)(4)(B), and in consultation with the De-
9 partment of the Interior, the Secretary may award
10 preliminary grants of up to \$2,000,000 each to ap-
11 plicants that have applied for a grant under sub-
12 section (a)(4)(B) before making a final determina-
13 tion as to whether to award a grant under sub-
14 section (a)(4)(B) to such applicant.

15 (2) NEED AND CAPACITY.—Prior to awarding a
16 preliminary grant under this subsection, the Sec-
17 retary must determine, based on a preliminary as-
18 sessment of need and administrative capacity, that
19 the applicant is likely able to carry out the grant
20 successfully but would need additional administrative
21 and planning resources to develop a comprehensive
22 implementation plan and additional administrative
23 capacity in order to successfully administer a grant
24 under subsection (a)(4)(B).

1 (3) INAPPLICABILITY.—Such preliminary
2 grants are not subject to administrative and plan-
3 ning caps.

4 (c) REALLOCATION.—Amounts made available under
5 subsection (a)(1) that are not accepted within a time spec-
6 ified by the Secretary, are voluntarily returned, or are oth-
7 erwise recaptured for any reason may be used to fund
8 grants under paragraph (3) or (4) of subsection (a).

9 (d) UNDISBURSED FUNDS.—Amounts provided
10 under this Act that remain undisbursed may not be used
11 as a basis to reduce any grant allocation under section
12 302 of NAHASDA (25 U.S.C. 4152) to an Indian tribe
13 in any fiscal year.

14 (e) PROHIBITION ON INVESTMENTS.—Amounts made
15 available under this section may not be invested in invest-
16 ment securities and other obligations.

17 (f) WAIVERS.—With respect to amounts made avail-
18 able under this section, the Secretary may, upon a finding
19 that a waiver or alternative requirement is necessary to
20 facilitate the use of such amounts, waive or specify alter-
21 native requirements for—

22 (1) sections 101(b), 102, and 103 of
23 NAHASDA (25 U.S.C. 4111(b), 4112, 4113) and
24 regulatory provisions related to the submission and
25 review of Indian Housing Plans;

1 (2) regulatory provisions related to exceeding
2 the maximum caps on total development costs; and

3 (3) with respect to amounts made available
4 under subsection (a)(4)—

5 (A) regulatory provisions related to the ap-
6 plication process and funding criteria necessary
7 to facilitate the use of such amounts; and

8 (B) section 105(a) of the Housing and
9 Community Development Act of 1974 (42
10 U.S.C. 5305(a)) and regulatory provisions re-
11 lated to new housing construction and the pur-
12 chase of equipment.

13 (g) IMPLEMENTATION.—The Secretary shall have au-
14 thority to issue such regulations, notices, or other guid-
15 ance, forms, instructions, and publications to carry out the
16 programs, projects, or activities authorized under this sec-
17 tion to ensure that such programs, projects, or activities
18 are completed in a timely and effective manner.

1 **Subtitle B—21st Century Sustain-**
2 **able and Equitable Commu-**
3 **nities**

4 **SEC. 40101. COMMUNITY DEVELOPMENT BLOCK GRANT**
5 **FUNDING FOR AFFORDABLE HOUSING AND**
6 **INFRASTRUCTURE.**

7 (a) APPROPRIATION.—In addition to amounts other-
8 wise available, there is appropriated to the Secretary of
9 Housing and Urban Development (in this section referred
10 to as the “Secretary”) for fiscal year 2022, out of any
11 money in the Treasury not otherwise appropriated—

12 (1) \$1,685,000,000 for grants under sections
13 101, 102, 103, 104(a) through 104(i), 104(l),
14 104(m), 105(a) through 105(g), 106(a)(2),
15 106(a)(4), 106(b) through 106(f), 109, 110, 111,
16 113, 115, 116, 120, and 122 of the Housing and
17 Community Development Act of 1974 (42 U.S.C.
18 5301, 5302, 5303, 5304(a)-(i), 5304(l), 5304(m),
19 5305(a)-(g), 5306(a)(2), 5306(a)(4), 5306(b)-(f),
20 5309, 5310, 5311, 5313, 5314, 5315, 5316, 5319,
21 and 5321) to grantees under subsections (a)(2) and
22 (4) of section 106 of such Act (42 U.S.C.5306(a)(2),
23 (4)), subject to subsection (b) of this section, except
24 that for purposes of amounts made available by this
25 paragraph, paragraph (2) of such section 106(a)

1 shall be applied by substituting “\$70,000,000” for
2 “\$7,000,000”;

3 (2) \$700,000,000 for grants under sections
4 101, 102, 103, 104(a) through 104(i), 104(l),
5 104(m), 105(a) through 105(g), 106(a)(2),
6 106(a)(4), 106(b) through 106(f), 109, 110, 111,
7 113, 115, 116, 120, and 122 of title I of the Hous-
8 ing and Community Development Act of 1974 (42
9 U.S.C. 5301, 5302, 5303, 5304(a)-(i), 5304(l),
10 5304(m), 5305(a)-(g), 5306(a)(2), 5306(a)(4),
11 5306(b)-(f), 5309, 5310, 5311, 5313, 5314, 5315,
12 5316, 5319, and 5321) for assistance under the
13 community development block grant program under
14 title I of the Housing and Community Development
15 Act of 1974 to community development block grant
16 grantees, as determined by the Secretary, under sub-
17 sections (a)(2), (a)(4), and (b) through (f) of section
18 106 of such Act (5306(a)(2), 5306(a)(4), and
19 5306(b)-(f)), only for colonias, to address the com-
20 munity and housing infrastructure needs of existing
21 colonia residents based on a formula that takes into
22 account persons in poverty in the colonia areas, ex-
23 cept that grantees may use funds in colonias outside
24 of the 150-mile border area upon approval of the
25 Secretary;

1 (3) \$500,000,000 for grants under sections
2 101, 102, 103, 104(a) through 104(i), 104(l),
3 104(m), 105(a) through 105(g), 106(a)(2),
4 106(a)(4), 106(b) through 106(f), 109, 110, 111,
5 113, 115, 116, 120, and 122 of title I of the Hous-
6 ing and Community Development Act of 1974 (42
7 U.S.C. 5301, 5302, 5303, 5304(a)-(i), 5304(l),
8 5304(m), 5305(a)-(g), 5306(a)(2), 5306(a)(4),
9 5306(b)-(f), 5309, 5310, 5311, 5313, 5314, 5315,
10 5316, 5319, and 5321), to eligible recipients under
11 subsection (c) of this section for manufactured hous-
12 ing infrastructure improvements in eligible manufac-
13 tured home communities;

14 (4) \$87,500,000 for the costs to the Secretary
15 of administering and overseeing the implementation
16 of this section, the Community Development Block
17 Grant program, and the manufactured home con-
18 struction and safety standards program generally,
19 including information technology, financial report-
20 ing, research and evaluations, other cross-program
21 costs in support of programs administered by the
22 Secretary in this title, and other costs; and

23 (5) \$27,500,000 for providing technical assist-
24 ance to recipients of or applicants for grants under
25 this section.

1 Amounts appropriated by this section shall remain avail-
2 able until September 30, 2031.

3 (b) HOUSING CONSTRUCTION.—Expenditures on new
4 construction of housing shall be an eligible expense for a
5 recipient of funds made available under this section that
6 is not a recipient of funds under section 40002 of this
7 title.

8 (c) MANUFACTURED HOUSING COMMUNITY IM-
9 PROVEMENT GRANT PROGRAM.—

10 (1) ESTABLISHMENT.—The Secretary of Hous-
11 ing and Urban Development shall carry out a com-
12 petitive grant program to award funds appropriated
13 under subsection (a)(3) to eligible recipients to carry
14 out eligible projects for improvements in eligible
15 manufactured home communities.

16 (2) ELIGIBLE PROJECTS.—Amounts from
17 grants under this subsection shall be used to assist
18 in carrying out a project for construction, recon-
19 struction, repair, or clearance of housing, facilities
20 and improvements in or serving a manufactured
21 housing community that is necessary to protect the
22 health and safety of the residents of the manufac-
23 tured housing community and the long-term sustain-
24 ability of the community.

1 (d) WAIVERS.—The Secretary may waive or specify
2 alternative requirements for any provision of subsection
3 (a)(1), (a)(2), or (a)(3), or regulation that the Secretary
4 administers in connection with use of amounts made avail-
5 able under this section other than requirements related to
6 fair housing, nondiscrimination, labor standards, and the
7 environment, upon a finding that the waiver or alternative
8 requirement is not inconsistent with the overall purposes
9 of such Act and that the waiver or alternative requirement
10 is necessary to facilitate the use of amounts made avail-
11 able under this section.

12 (e) DEFINITIONS.—For purposes of this section, the
13 following definitions shall apply:

14 (1) COLONIA AREA.—The term “colonia area”
15 means any census tract that—

16 (A) is an area of the United States within
17 150 miles of the contiguous border between the
18 United States and Mexico, except as otherwise
19 determined by the Secretary; and

20 (B) lacks potable water supply, adequate
21 sewage systems, or decent, safe, sanitary hous-
22 ing, or other objective criteria as approved by
23 the Secretary.

1 (2) ELIGIBLE MANUFACTURED HOME COMMU-
2 NITY.—The term “eligible manufactured home com-
3 munity” means a community that—

4 (A) is affordable to low- and moderate-in-
5 come persons (as such term is defined in sec-
6 tion 102(a) of the Housing and Community De-
7 velopment Act of 1974 (42 U.S.C. 5302(a));
8 and

9 (B)(i) is owned by the residents of the
10 manufactured housing community through a
11 resident-controlled entity, as defined by the Sec-
12 retary, in which at least two-thirds of residents
13 are member-owners of the land-owning entity;
14 or

15 (ii) will be maintained as such a commu-
16 nity, and remain affordable for low- and mod-
17 erate-income families, to the maximum extent
18 practicable and for the longest period feasible.

19 (3) ELIGIBLE RECIPIENT.—The term “eligible
20 recipient” means a partnership of—

21 (A) a grantee under paragraph (2) or (4)
22 of section 106(a) of the Housing and Commu-
23 nity Development Act of 1974 (42 U.S.C.
24 5306(a)); and

1 (B) an eligible manufactured home com-
2 munity, a nonprofit entity, or a consortia of
3 nonprofit entities working with an eligible man-
4 ufactured home community.

5 (4) MANUFACTURED HOME COMMUNITY.—The
6 term “manufactured home community” means any
7 community, court, or park equipped to accommodate
8 manufactured homes for which pad sites, with or
9 without existing manufactured homes or other al-
10 lowed homes, or other suitable sites, are used pri-
11 marily for residential purposes, with any additional
12 requirements as determined by the Secretary, includ-
13 ing any manufactured housing community as such
14 term is used for purposes of the program of the
15 Federal National Mortgage Association for multi-
16 family loans for manufactured housing communities
17 and the program of the Federal Home Loan Mort-
18 gage Corporation for loans for manufactured hous-
19 ing communities.

20 (f) IMPLEMENTATION.—The Secretary shall have au-
21 thority to issue such regulations, notices, or other guid-
22 ance, forms, instructions, and publications to carry out the
23 programs, projects, or activities authorized under this sec-
24 tion to ensure that such programs, projects, or activities
25 are completed in a timely and effective manner.

1 **SEC. 40102. LEAD-BASED PAINT HAZARD CONTROL AND**
2 **HOUSING-RELATED HEALTH AND SAFETY**
3 **HAZARD MITIGATION IN HOUSING OF FAMI-**
4 **LIES WITH LOWER INCOMES.**

5 (a) APPROPRIATION.—In addition to amounts other-
6 wise made available, there is appropriated to the Secretary
7 of Housing and Urban Development (in this section re-
8 ferred to as the “Secretary”) for fiscal year 2022, out of
9 any money in the Treasury not otherwise appropriated—

10 (1) \$3,425,000,000 for grants to States, units
11 of general local government, Indian tribes or their
12 tribally designated housing entities, and nonprofit
13 organizations for the activities under subsection (c)
14 in target housing units that do not receive Federal
15 housing assistance other than assistance provided
16 under subsection 8(o) of the United States Housing
17 Act of 1937 (42 U.S.C. 1437f(o)), excluding para-
18 graph (o)(13) of such section, and common areas
19 servicing such units, where low-income families re-
20 side or are expected to reside;

21 (2) \$250,000,000 for grants to States or units
22 of general local government or nonprofit entities for
23 the activities in subsection (c) in target housing
24 units, and common areas servicing such units, that
25 are being assisted under the Weatherization Assist-
26 ance Program authorized under part A of title IV of

1 the Energy Conservation and Production Act (42
2 U.S.C. 6861-6872) but are not assisted under any
3 other Federal housing program other than sub-
4 section 8(o) of the United States Housing Act of
5 1937 (42 U.S.C. 1437f(o)), excluding paragraph
6 8(o)(13) of such section;

7 (3) \$1,000,000,000 for grants to owners of a
8 property receiving project-based rental assistance
9 under section 8 of the United States Housing Act of
10 1937 (42 U.S.C. 1437f), including under subsection
11 (o)(13) of such section, that meets the definition of
12 target housing and that has not received a grant for
13 similar purposes under this Act for the activities in
14 subsection (c), except for abatement of lead-based
15 paint by enclosure or encapsulation, or interim con-
16 trols of lead-based paint hazards in target housing
17 units receiving such assistance and common areas
18 servicing such units;

19 (4) \$75,000,000 for costs related to training
20 and technical assistance to support identification
21 and mitigation of lead and housing-related health
22 and safety hazards, research, and evaluation; and

23 (5) \$250,000,000 for the costs to the Secretary
24 of administering and overseeing the implementation
25 of this section, and the Secretary's lead hazard re-

1 duction and related programs generally including in-
2 formation technology, financial reporting, research
3 and evaluations, other cross-program costs in sup-
4 port of programs administered by the Secretary in
5 this title, and other costs.

6 Amounts appropriated by this section shall remain avail-
7 able until September 30, 2031.

8 (b) TERMS AND CONDITIONS.—

9 (1) INCOME ELIGIBILITY DETERMINATIONS.—

10 The Secretary may make income determinations of
11 eligibility for enrollment of housing units for assist-
12 ance under this section that are consistent with eligi-
13 bility requirements for grants awarded under other
14 Federal means-tested programs, provided such deter-
15 mination does not require additional action by other
16 Federal agencies.

17 (2) HOUSING FAMILIES WITH YOUNG CHIL-
18 DREN.—An owner of rental property that receives
19 assistance under subsection (a)(3) shall give priority
20 in renting units for which the lead-based paint has
21 been abated pursuant to subsection (a)(3), for not
22 less than 3 years following the completion of lead
23 abatement activities, to families with a child under
24 the age of 6 years.

1 (3) ADMINISTRATIVE EXPENSES.—A recipient
2 of a grant under this section may use up to 10 per-
3 cent of the grant for administrative expenses associ-
4 ated with the activities funded by this section.

5 (c) ELIGIBLE ACTIVITIES.—Grants awarded under
6 this section shall be used for purposes of building capacity
7 and conducting activities relating to testing, evaluating,
8 and mitigating lead-based paint, lead-based paint hazards,
9 and housing-related health and safety hazards; outreach,
10 education, and engagement with community stakeholders,
11 including stakeholders in disadvantaged communities; pro-
12 gram evaluation and research; grant administration, and
13 other activities that directly or indirectly support the work
14 under this section, as applicable, that without which such
15 activities could not be conducted.

16 (d) DEFINITIONS.—For purposes of this section, the
17 following definitions, and definitions in paragraphs (1),
18 (2), (3), (5), (6), (7), (10) through (17), and (20) through
19 (27) of section 1004 of the Residential Lead-Based Paint
20 Hazard Reduction Act of 1992 (42 U.S.C. 4851b(1)-(3),
21 42 U.S.C. 4851b(5)-(7), 42 U.S.C. 4851b(10)-(17). 42
22 U.S.C. 4851b(20)-(27), shall apply:

23 (1) NONPROFIT; NONPROFIT ORGANIZATION.—
24 The terms “nonprofit” and “nonprofit organization”
25 mean a corporation, community chest, fund, or foun-

1 dation not organized for profit, but organized and
2 operated exclusively for religious, charitable, sci-
3 entific, testing for public safety, literary, or edu-
4 cational purposes; or an organization not organized
5 for profit but operated exclusively for the promotion
6 of social welfare.

7 (2) PUBLIC HOUSING; PUBLIC HOUSING AGEN-
8 CY; LOW-INCOME FAMILY.—The terms “public hous-
9 ing”, “public housing agency”, and “low-income
10 family” have the same meaning given such terms in
11 section 3(b) of the United States Housing Act of
12 1937 (42 U.S.C. 1437a(b)).

13 (3) STATE; UNIT OF GENERAL LOCAL GOVERN-
14 MENT.—The terms “State” and “unit of general
15 local government” have the same meaning given
16 such terms in section 102 of the Housing and Com-
17 munity Development Act of 1974 (42 U.S.C. 5302).

18 (4) TRIBALLY DESIGNATED HOUSING ENTITY;
19 INDIAN TRIBE.—The terms “tribally designated
20 housing entity” and “Indian tribe” have the same
21 meaning given such terms in section 4 of the Native
22 American Housing Assistance and Self-Determina-
23 tion Act of 1996 (25 U.S.C. 4103).

24 (e) GRANT COMPLIANCE.—For any grant of assist-
25 ance under this section, a State or unit of general local

1 government may assume responsibilities for elements of
2 grant compliance, regardless of whether it is the grant re-
3 cipient, if the State or unit of general local government
4 is permitted to assume responsibility for the applicable ele-
5 ment of grant compliance for grants for which it is the
6 recipient under section 1011 of the Residential Lead-
7 Based Paint Hazard Reduction Act of 1992 (42 U.S.C.
8 4852).

9 (f) IMPLEMENTATION.—The Secretary shall have the
10 authority to issue such regulations, notices, or other guid-
11 ance, forms, instructions, and publications to carry out the
12 programs, projects, or activities authorized under this sec-
13 tion to ensure that such programs, projects, or activities
14 are completed in a timely and effective manner.

15 **SEC. 40103. UNLOCKING POSSIBILITIES PROGRAM.**

16 (a) APPROPRIATION.—In addition to amounts other-
17 wise available, there is appropriated to the Secretary of
18 Housing and Urban Development for fiscal year 2022, out
19 of any money in the Treasury not otherwise appro-
20 priated—

21 (1) \$1,646,000,000 for awarding grants under
22 section 101, 102, 103, 104(a) through 104(i),
23 104(l), 104(m), 105(a) through 105(g), 106(a)(2),
24 106(a)(4), 106(b) through 106(f), 109, 110, 111,
25 113, 115, 116, 120, and 122 of the Housing and

1 Community Development Act of 1974 (42 U.S.C.
2 5301, 5302, 5303, 5304(a)-(i), 5304(l), 5304(m),
3 5305(a)-(g), 5306(a)(2), 5306(a)(4), 5306(b)-(f),
4 5309, 5310, 5311, 5313, 5314, 5315, 5316, 5319,
5 and 5321) awarded on a competitive basis to eligible
6 recipients to carry out grants under subsection (c)
7 of this section;

8 (2) \$8,000,000 for research and evaluation re-
9 lated to housing planning and other associated costs;

10 (3) \$30,000,000 to provide technical assistance
11 to grantees or applicants for grants made available
12 by this section; and

13 (4) \$66,000,000 for the costs to the Secretary
14 of administering and overseeing the implementation
15 of this section and community and economic develop-
16 ment programs overseen by the Secretary generally,
17 including information technology, financial report-
18 ing, research and evaluations, and other cross-pro-
19 gram costs in support of programs administered by
20 the Secretary in this title, and other costs.

21 Amounts appropriated by this section shall remain avail-
22 able until September 30, 2031.

23 (b) PROGRAM ESTABLISHMENT.—The Secretary of
24 Housing and Urban Development shall establish a com-
25 petitive grant program for—

1 (1) planning grants to develop and evaluate
2 housing plans and substantially improve housing
3 strategies;

4 (2) streamlining regulatory requirements and
5 shorten processes, reform zoning codes, increasing
6 capacity to conduct housing inspections, or other ini-
7 tiatives that reduce barriers to housing supply elas-
8 ticity and affordability;

9 (3) developing and evaluating local or regional
10 plans for community development to substantially
11 improve community development strategies related
12 to sustainability, fair housing, and location effi-
13 ciency;

14 (4) implementation and livable community in-
15 vestment grants; and

16 (5) research and evaluation.

17 (c) GRANTS.—

18 (1) PLANNING GRANTS.—The Secretary shall,
19 under selection criteria determined by the Secretary,
20 award grants under this paragraph on a competitive
21 basis to eligible entities to assist planning activities,
22 including administration of such activities, engage-
23 ment with community stakeholders and housing
24 practitioners, to—

25 (A) develop housing plans;

1 (B) substantially improve State or local
2 housing strategies;

3 (C) develop new regulatory requirements
4 and processes, reform zoning codes, increasing
5 capacity to conduct housing inspections, or un-
6 dertake other initiatives to reduce barriers to
7 housing supply elasticity and affordability;

8 (D) develop local or regional plans for
9 community development; and

10 (E) substantially improve community de-
11 velopment strategies, including strategies to in-
12 crease availability and access to affordable
13 housing, to further access to public transpor-
14 tation or to advance other sustainable or loca-
15 tion-efficient community development goals.

16 (2) IMPLEMENTATION AND LIVABLE COMMU-
17 NITY INVESTMENT GRANTS.—The Secretary shall
18 award implementation grants under this paragraph
19 on a competitive basis to eligible entities for the pur-
20 pose of implementing and administering—

21 (A) completed housing strategies and hous-
22 ing plans and any planning to affirmatively fur-
23 ther fair housing within the meaning of sub-
24 sections (d) and (e) of section 808 of the Fair
25 Housing Act (42 U.S.C. 608) and applicable

1 regulations and for community investments that
2 support the goals identified in such housing
3 strategies or housing plans;

4 (B) new regulatory requirements and proc-
5 esses, reformed zoning codes, increased capacity
6 to conduct housing inspections, or other initia-
7 tives to reduce barriers to housing supply elas-
8 ticity and affordability that are consistent with
9 a plan under subparagraph (A);

10 (C) completed local or regional plans for
11 community development and any planning to in-
12 crease availability and access to affordable
13 housing, access to public transportation and
14 other sustainable or location-efficient commu-
15 nity development goals.

16 (d) COORDINATION WITH FTA ADMINISTRATOR.—
17 To the extent practicable, the Secretary shall coordinate
18 with the Federal Transit Administrator in carrying out
19 this section.

20 (e) DEFINITIONS.—For purposes of this section, the
21 following definitions apply:

22 (1) ELIGIBLE ENTITY.—The term “eligible enti-
23 ty” means—

24 (A) a State, insular area, metropolitan
25 city, or urban county, as such terms are defined

1 in section 102 of the Housing and Community
2 Development Act of 1974 (42 U.S.C. 5302); or

3 (B) for purposes of grants under sub-
4 section (b)(1), a regional planning agency or
5 consortia.

6 (2) HOUSING PLAN; HOUSING STRATEGY.—

7 (A) HOUSING PLAN.—The term “housing
8 plan” means a plan of an eligible entity to, with
9 respect to the area within the jurisdiction of the
10 eligible entity—

11 (i) match the creation of housing sup-
12 ply to existing demand and projected de-
13 mand growth in the area, with attention to
14 preventing displacement of residents, re-
15 ducing the concentration of poverty, and
16 meaningfully reducing and not perpet-
17 uating housing segregation on the basis of
18 race, color, religion, natural origin, sex,
19 disability, or familial status;

20 (ii) increase the affordability of hous-
21 ing in the area, increase the accessibility of
22 housing in the area for people with disabil-
23 ities, including location-efficient housing,
24 and preserve or improve the quality of
25 housing in the area;

1 (iii) reduce barriers to housing devel-
2 opment in the area, with consideration for
3 location efficiency, affordability, and acces-
4 sibility; and

5 (iv) coordinate with the metropolitan
6 transportation plan of the area under the
7 jurisdiction of the eligible entity, or other
8 regional plan.

9 (B) HOUSING STRATEGY.—The term
10 “housing strategy” means the housing strategy
11 required under section 105 of the Cranston-
12 Gonzalez National Affordable Housing Act (42
13 U.S.C. 12705).

14 (f) COSTS TO GRANTEES.—Up to 15 percent of a re-
15 cipient’s grant may be used for administrative costs.

16 (g) RULES OF CONSTRUCTION.—

17 (1) IN GENERAL.— Except as otherwise pro-
18 vided by this section, amounts appropriated or oth-
19 erwise made available under this section shall be
20 subject to the community development block grant
21 program requirements under title I of the Housing
22 and Community Development Act of 1974 (42
23 U.S.C. 5301-5321).

24 (2) EXCEPTIONS.—

1 (A) HOUSING CONSTRUCTION.—Expendi-
2 tures on new construction of housing shall be
3 an eligible expense under this section.

4 (B) BUILDINGS FOR GENERAL CONDUCT
5 OF GOVERNMENT.—Expenditures on building
6 for the general conduct of government, other
7 than the Federal Government, shall be eligible
8 under this section when necessary and appro-
9 priate as a part of a natural hazard mitigation
10 project.

11 (h) WAIVERS.—The Secretary may waive or specify
12 alternative requirements for any provision of subsection
13 (a)(1) or regulation for the administration of the amounts
14 made available under this section other than requirements
15 related to fair housing, nondiscrimination, labor stand-
16 ards, and the environment, upon a finding that the waiver
17 or alternative requirement is not inconsistent with the
18 overall purposes of such Act and that the waiver or alter-
19 native requirement is necessary to facilitate the use of
20 amounts made available under this section.

21 (i) IMPLEMENTATION.—The Secretary shall have the
22 authority to issue such regulations notices, or other guid-
23 ance, forms, instructions, and publications to carry out the
24 programs, projects, or activities authorized under this sec-

1 tion to ensure that such programs, projects, or activities
2 are completed in a timely and effective manner.

3 **SEC. 40104. STRENGTHENING RESILIENCE UNDER NA-**
4 **TIONAL FLOOD INSURANCE PROGRAM.**

5 (a) NFIP PROGRAM ACTIVITIES.—

6 (1) CANCELLATION.—All indebtedness of the
7 Administrator of the Federal Emergency Manage-
8 ment Agency under any notes or other obligations
9 issued pursuant to section 1309(a) of the National
10 Flood Insurance Act of 1968 (42 U.S.C. 4016(a))
11 and section 15(e) of the Federal Insurance Act of
12 1956 (42 U.S.C. 2414(e)), and outstanding as of the
13 date of the enactment of this Act, is hereby can-
14 celled, the Administrator and the National Flood In-
15 surance Fund are relieved of all liability to the Sec-
16 retary of the Treasury under any such notes or
17 other obligations, including for any interest due, in-
18 cluding capitalized interest, and any other fees and
19 charges payable in connection with such notes and
20 obligations, and the total amount of notes and obli-
21 gations issued by the Administrator pursuant to
22 such section shall be considered to be reduced by
23 such amount for purposes of the limitation on such
24 total amount under section 1309(a) (42 U.S.C.
25 4016(a)).

1 (2) USE OF SAVINGS FOR FLOOD MAPPING.—In
2 addition to amounts otherwise available, for each of
3 fiscal years 2022 and 2023, an amount equal to the
4 interest the National Flood Insurance Program
5 would have accrued from servicing the canceled debt
6 under paragraph (1) in that fiscal year, which shall
7 be derived from offsetting amounts collected under
8 section 1310(d) of the National Flood Insurance Act
9 of 1968 (42 U.S.C. 4017(d)), shall remain available
10 until expended for activities identified in section
11 100216 (b)(1)(A) of the Biggert-Waters Flood In-
12 surance Reform Act of 2012 (42 U.S.C.
13 4101b(b)(1)(A)) and related salaries and adminis-
14 trative expenses.

15 (b) MEANS-TESTED ASSISTANCE FOR NATIONAL
16 FLOOD INSURANCE PROGRAM POLICYHOLDERS.—

17 (1) APPROPRIATION.—In addition to amounts
18 otherwise available, there is appropriated to the Ad-
19 ministrator of the Federal Emergency Management
20 Agency for fiscal year 2022, out of any money in the
21 Treasury not otherwise appropriated, \$600,000,000,
22 to remain available until September 30, 2026, to
23 provide assistance to eligible policyholders in the
24 form of graduated discounts for insurance costs with
25 respect to covered properties.

1 (2) TERMS AND CONDITIONS.—

2 (A) DISCOUNTS.—The Administrator shall
3 use funds provided under this subsection to es-
4 tablish graduated discounts available to eligible
5 policyholders under this subsection, with respect
6 to covered properties, which may be based on
7 the following factors:

8 (i) The percentage by which the
9 household income of the eligible policy-
10 holder is equal to, or less than, 120 per-
11 cent of the area median income for the
12 area in which the property to which the
13 policy applies is located.

14 (ii) The number of eligible policy-
15 holders participating in the program au-
16 thorized under this subsection.

17 (iii) The availability of funding.

18 (B) DISTRIBUTION OF PREMIUM.—With
19 respect to the amount of the discounts provided
20 under this subsection in a fiscal year, and any
21 administrative expenses incurred in carrying
22 out this subsection for that fiscal year, the Ad-
23 ministrator shall, from amounts made available
24 to carry out this subsection for that fiscal year,
25 deposit in the National Flood Insurance Fund

1 established under section 1310 of the National
2 Flood Insurance Act of 1968 (42 U.S.C. 4017)
3 an amount equal to those discounts and admin-
4 istrative expenses, except to the extent that sec-
5 tion 1310A of the National Flood Insurance
6 Act of 1968 (42 U.S.C. 4017a) applies to any
7 portion of those discounts or administrative ex-
8 penses, in which case the Administrator shall
9 deposit an amount equal to those amounts to
10 which such section 1310A applies in the Na-
11 tional Flood Insurance Reserve Fund estab-
12 lished under such section 1310A.

13 (C) REQUIREMENT ON TIMING.—Not later
14 than 21 months after the date of the enactment
15 of this section, the Administrator shall issue in-
16 terim guidance to implement this subsection
17 which shall expire on the later of—

18 (i) the date that is 60 months after
19 the date of the enactment of this section;

20 or

21 (ii) the date on which a final rule
22 issued to implement this subsection takes
23 effect.

24 (3) DEFINITIONS.—In this subsection:

1 (A) ADMINISTRATOR.—The term “Admin-
2 istrator” means the Administrator of the Fed-
3 eral Emergency Management Agency.

4 (B) COVERED PROPERTY.—The term “cov-
5 ered property” means—

6 (i) a primary residential dwelling de-
7 signed for the occupancy of from 1 to 4
8 families; or

9 (ii) personal property relating to a
10 dwelling described in clause (i) or personal
11 property in the primary residential dwell-
12 ing of a renter.

13 (C) ELIGIBLE POLICYHOLDER.—The term
14 “eligible policyholder” means a policyholder
15 with a household income that is not more than
16 120 percent of the area median income for the
17 area in which the property to which the policy
18 applies is located.

19 (D) INSURANCE COSTS.—The term “insur-
20 ance costs” means insurance premiums, fees,
21 and surcharges charged under the National
22 Flood Insurance Program, with respect to a
23 covered property for a year.

1 **SEC. 40105. COMMUNITY RESTORATION AND REVITALIZA-**
2 **TION FUND.**

3 (a) APPROPRIATION.—In addition to amounts other-
4 wise available, there is appropriated to the Community
5 Restoration and Revitalization Fund established under
6 subsection (b) for fiscal year 2022, out of any money in
7 the Treasury not otherwise appropriated, to remain avail-
8 able until September 30, 2031—

9 (1) \$2,000,000,000 for awards of planning and
10 implementation grants under section 101, 102, 103,
11 104(a) through 104(i), 104(l), 104(m), 105(a)
12 through 105(g), 106(a)(2), 106(a)(4), 106(b)
13 through 106(f), 109, 110, 111, 113, 115, 116, 120,
14 and 122 of the Housing and Community Develop-
15 ment Act of 1974 (42 U.S.C. 5301, 5302, 5303,
16 5304(a)-(i), 5304(l), 5304(m), 5305(a)-(g),
17 5306(a)(2), 5306(a)(4), 5306(b)-(f), 5309, 5310,
18 5311, 5313, 5314, 5315, 5316, 5319, and 5321),
19 awarded on a competitive basis to eligible recipients,
20 as defined under subsection (c)(2) of this section, to
21 carry out community-led projects to create equitable
22 civic infrastructure and create or preserve afford-
23 able, accessible housing, including creating, expand-
24 ing, and maintaining community land trusts and
25 shared equity homeownership programs;

1 (2) \$500,000,000 for planning and implementa-
2 tion grants under section 101, 102, 103, 104(a)
3 through 104(i), 104(l), 104(m), 105(a) through
4 105(g), 106(a)(2), 106(a)(4), 106(b) through
5 106(f), 109, 110, 111, 113, 115, 116, 120, and 122
6 of the Housing and Community Development Act of
7 1974 (42 U.S.C. 5301, 5302, 5303, 5304(a)-(i),
8 5304(l), 5304(m), 5305(a)-(g), 5306(a)(2)
9 5306(a)(4), 5306(b)-(f), 5309, 5310, 5311, 5313,
10 5314, 5315, 5316, 5319, and 5321), awarded on a
11 competitive basis to eligible recipients to create, ex-
12 pand, and maintain community land trusts and
13 shared equity homeownership, including through the
14 acquisition, rehabilitation, and new construction of
15 affordable, accessible housing;

16 (3) \$400,000,000 for the Secretary to provide
17 technical assistance, capacity building, and program
18 support to applicants, potential applicants, and re-
19 cipients of amounts appropriated for grants under
20 this section; and

21 (4) \$100,000,000 for the costs to the Secretary
22 of administering and overseeing the implementation
23 of this section and community and economic develop-
24 ment programs overseen by the Secretary generally,
25 including information technology, financial report-

1 ing, research and evaluations, and other cross-pro-
2 gram costs in support of programs administered by
3 the Secretary in this title, and other costs.

4 (b) ESTABLISHMENT OF FUND.—The Secretary of
5 Housing and Urban Development (in this section referred
6 to as the “Secretary”) shall establish a Community Res-
7 toration and Revitalization Fund (in this section referred
8 to as the “Fund”) to award planning and implementation
9 grants on a competitive basis to eligible recipients as de-
10 fined in this section for activities authorized under sub-
11 sections (a) through (g) of section 105 of the Housing and
12 Community Development Act of 1974 (42 U.S.C. 5305)
13 and under this section for community-led affordable hous-
14 ing and civic infrastructure projects.

15 (c) ELIGIBLE GEOGRAPHICAL AREAS, RECIPIENTS,
16 AND APPLICANTS.—

17 (1) GEOGRAPHICAL AREAS.—The Secretary
18 shall award grants from the Fund to eligible recipi-
19 ents within geographical areas at the neighborhood,
20 county, or census tract level, including census tracts
21 adjacent to the project area that are areas in need
22 of investment, as demonstrated by two or more of
23 the following factors:

24 (A) High and persistent rates of poverty.

1 (B) Population at risk of displacement due
2 to rising housing costs.

3 (C) Dwelling unit sales prices that are
4 lower than the cost to acquire and rehabilitate,
5 or build, a new dwelling unit.

6 (D) High proportions of residential and
7 commercial properties that are vacant due to
8 foreclosure, eviction, abandonment, or other
9 causes.

10 (E) Low rates of homeownership by race
11 and ethnicity, relative to the national homeown-
12 ership rate.

13 (2) ELIGIBLE RECIPIENT.—An eligible recipient
14 of a planning or implementation grant under sub-
15 section (b)(1) or an implementation grant under
16 subsection (b)(2) shall be a local partnership of a
17 lead applicant and one or more joint applicants with
18 the ability to administer the grant. An eligible recipi-
19 ent of a planning grant under subsection (b)(2) shall
20 be a lead applicant with the ability to administer the
21 grant, including a regional, State, or national non-
22 profit.

23 (d) ELIGIBLE RECIPIENTS AND APPLICANTS.—

1 (1) LEAD APPLICANT.—An eligible lead appli-
2 cant for a grant awarded under this section shall
3 be—

4 (A)(i) a nonprofit organization that is lo-
5 cated within or serves the geographical area of
6 the project or that derives its mission and oper-
7 ational priorities from the needs of the geo-
8 graphical area of the project, demonstrates a
9 commitment to anti-displacement efforts, and
10 has expertise in community planning, engage-
11 ment, organizing, housing and community de-
12 velopment;

13 (ii) if the geographical area of the project
14 is located in any area where no such local non-
15 profit organization exists, a national nonprofit
16 organization with such expertise;

17 (B) a community development corporation,
18 that is located within or serves the geographical
19 area of the project and can demonstrate a track
20 record of making investments in the geo-
21 graphical area of the project, and demonstrates
22 a commitment to anti-displacement efforts;

23 (C) a community housing development or-
24 ganization, defined in section 104 of the Cran-
25 ston-Gonzalez National Affordable Housing Act

1 (42 U.S.C. 12704) or a community-based devel-
2 opment organization, that is located within or
3 serves the geographical area of the project and
4 experienced in neighborhood revitalization, com-
5 munity-based economic development, housing
6 development activities, and demonstrates a com-
7 mitment to anti-displacement efforts; or

8 (D) a community development financial in-
9 stitution, as defined by section 103 of the Rie-
10 gle Community Development and Regulatory
11 Improvement Act of 1994 (12 U.S.C. 4702),
12 that is located within or serves the geographical
13 area of the project, demonstrates a commitment
14 to anti-displacement efforts, and has a track
15 record of making investments in the geographic
16 project area.

17 (2) JOINT APPLICANTS.—A joint applicant shall
18 be a local, regional or national entity that is an eligi-
19 ble lead applicant or a local, regional, or national
20 nonprofit, governmental, special purpose nonprofit,
21 or public housing entity.

22 (e) USES OF FUNDS.—

23 (1) IN GENERAL.—Planning and implementa-
24 tion grants awarded under this section shall be used

1 to support civic infrastructure and housing-related
2 activities.

3 (2) IMPLEMENTATION GRANTS.—Implementa-
4 tion grants awarded under this section may be used
5 for activities eligible under subsections (a) through
6 (g) of section 105 of the Housing and Community
7 Development Act of 1974 (42 U.S.C. 5305) and
8 other activities to support civic infrastructure and
9 housing-related activities, including—

10 (A) new construction of housing;

11 (B) demolition of abandoned or distressed
12 structures, but only if such activity is part of a
13 strategy that incorporates rehabilitation or new
14 construction, anti-displacement efforts such as
15 tenants' right to return and right of first re-
16 fusal to purchase, and efforts to increase af-
17 fordable, accessible housing and homeowner-
18 ship, except that not more than 10 percent of
19 any grant made under this section may be used
20 for activities under this subparagraph unless
21 the Secretary determines that such use is to the
22 benefit of existing residents;

23 (C) facilitating the creation, maintenance,
24 or availability of rental units, including units in
25 mixed-use properties, affordable and accessible

1 to a household whose income does not exceed
2 80 percent of the median income for the area,
3 as determined by the Secretary, for a period of
4 not less than 30 years;

5 (D) facilitating the creation, maintenance,
6 or availability of homeownership units afford-
7 able and accessible to households whose incomes
8 do not exceed 120 percent of the median in-
9 come for the area, as determined by the Sec-
10 retary;

11 (E) establishing or operating land banks;
12 and

13 (F) providing assistance to existing resi-
14 dents experiencing economic distress or at risk
15 of displacement, including purchasing nonper-
16 forming mortgages and clearing and obtaining
17 formal title.

18 (3) COMMUNITY LAND TRUST GRANTS AND
19 SHARED EQUITY HOMEOWNERSHIP GRANTS.—An eli-
20 gible recipient of a community land trust grant
21 awarded for establishing and operating a community
22 land trust or shared equity homeownership program;
23 creation, subsidization, construction, acquisition, re-
24 habilitation, and preservation of housing in a com-
25 munity land trust or shared equity homeownership

1 program, and expanding the capacity of the recipient
2 to carry out the grant.

3 (f) WAIVERS.—The Secretary may waive or specify
4 alternative requirements for any provision of subsection
5 (a)(1) or (a)(2), or regulation for the administration of
6 the amounts made available under this section other than
7 requirements related to fair housing, nondiscrimination,
8 labor standards, and the environment, upon a finding that
9 the waiver or alternative requirement is not inconsistent
10 with the overall purposes of such Act and that the waiver
11 or alternative requirement is necessary to expedite or fa-
12 cilitate the use of amounts made available under this sec-
13 tion.

14 (g) DEFINITIONS.—For purposes of this section, the
15 following definitions shall apply:

16 (1) COMMUNITY LAND TRUST.—The term
17 “community land trust” means a nonprofit organi-
18 zation or State or local governments or instrumen-
19 talities that—

20 (A) use a ground lease or deed covenant
21 with an affordability period of at least 30 years
22 or more to—

23 (i) make rental and homeownership
24 units affordable to households; and

1 (ii) stipulate a preemptive option to
2 purchase the affordable rentals or home-
3 ownership units so that the affordability of
4 the units is preserved for successive in-
5 come-eligible households; and

6 (B) monitor properties to ensure afford-
7 ability is preserved.

8 (2) LAND BANK.—The term “land bank”
9 means a government entity, agency, or program, or
10 a special purpose nonprofit entity formed by one or
11 more units of government in accordance with State
12 or local land bank enabling law, that has been des-
13 ignated by one or more State or local governments
14 to acquire, steward, and dispose of vacant, aban-
15 doned, or other problem properties in accordance
16 with locally-determined priorities and goals.

17 (3) SHARED EQUITY HOMEOWNERSHIP PRO-
18 GRAM.—The term “shared equity homeownership
19 program” means a program to facilitate affordable
20 homeownership preservation through a resale restric-
21 tion program administered by a community land
22 trust, other nonprofit organization, or State or local
23 government or instrumentalities and that utilizes a
24 ground lease, deed restriction, subordinate loan, or

1 similar mechanism that includes provisions ensuring
2 that the program shall—

3 (A) maintain the home as affordable for
4 subsequent very low-, low-, or moderate-income
5 families for an affordability term of at least 30
6 years after recordation;

7 (B) apply a resale formula that limits the
8 homeowner's proceeds upon resale; and

9 (C) provide the program administrator or
10 such administrator's assignee a preemptive op-
11 tion to purchase the homeownership unit from
12 the homeowner at resale.

13 (h) IMPLEMENTATION.—The Secretary shall have au-
14 thority to issue such regulations, notices, or other guid-
15 ance, forms, instructions, and publications to carry out the
16 programs, projects, or activities authorized under this sec-
17 tion to ensure that such programs, projects, or activities
18 are completed in a timely and effective manner.

19 **SEC. 40106. FAIR HOUSING ACTIVITIES AND INVESTIGA-**
20 **TIONS.**

21 (a) APPROPRIATION.—In addition to amounts other-
22 wise available, there is appropriated to the Secretary of
23 Housing and Urban Development (in this section referred
24 to as the “Secretary”) for fiscal year 2022, out of any
25 money in the Treasury not otherwise appropriated—

1 (1) \$540,000,000, to remain available until
2 September 30, 2026, for the Fair Housing Initia-
3 tives Program under section 561 of the Housing and
4 Community Development Act of 1987 (42 U.S.C.
5 3616a) to ensure existing and new fair housing or-
6 ganizations have expanded and strengthened capac-
7 ity to address fair housing inquiries and complaints,
8 conduct local, regional, and national testing and in-
9 vestigations, conduct education and outreach activi-
10 ties, and address costs of delivering or adapting
11 services to meet increased housing market activity
12 and evolving business practices in the housing, hous-
13 ing-related, and lending markets. Amounts made
14 available under this section shall support greater or-
15 ganizational continuity and capacity, including
16 through up to 10-year grants; and

17 (2) \$160,000,000, to remain available until
18 September 30, 2031, for the costs to the Secretary
19 of administering and overseeing the implementation
20 of this section and the Fair Housing Initiatives and
21 Fair Housing Assistance Programs generally, includ-
22 ing information technology, financial reporting, re-
23 search and evaluations, other cross-program costs in
24 support of programs administered by the Secretary
25 in this title, and other costs.

1 (b) IMPLEMENTATION.—The Secretary shall have au-
2 thority to issue such regulations, notices, or other guid-
3 ance, forms, instructions, and publications to carry out the
4 programs, projects, or activities authorized under this sec-
5 tion to ensure that such programs, projects, or activities
6 are completed in a timely and effective manner.

7 **Subtitle C—Homeownership**
8 **Investments**

9 **SEC. 40201. FIRST-GENERATION DOWNPAYMENT ASSIST-**
10 **ANCE.**

11 (a) APPROPRIATION.—In addition to amounts other-
12 wise available, there is appropriated to the First Genera-
13 tion Downpayment Fund to increase equal access to home-
14 ownership, established under subsection (b) for fiscal year
15 2022, out of any money in the Treasury not otherwise ap-
16 propriated—

17 (1) \$6,825,000,000, to remain available until
18 September 30, 2026, for the First-Generation Down-
19 payment Assistance Fund under this section for allo-
20 cation among States in accordance with a formula
21 established by the Secretary, which shall take into
22 consideration best available data to approximate the
23 number of potential qualified homebuyers as defined
24 in subsection (e)(5) as well as median area home

1 prices, to carry out the eligible uses of the Fund as
2 described in subsection (c);

3 (2) \$2,275,000,000, to remain available until
4 September 30, 2026, for the First-Generation Down-
5 payment Assistance Program under this section for
6 competitive grants to eligible entities to carry out
7 the eligible uses of the Fund as described in sub-
8 section (d);

9 (3) \$500,000,000, to remain available until
10 September 30, 2031, for the costs of providing hous-
11 ing counseling required under the First-Generation
12 Downpayment Assistance Program under subsection
13 (c)(1); and

14 (4) \$400,000,000, to remain available until
15 September 30, 2031, for the costs to the Secretary
16 of Housing and Urban Development of admin-
17 istering and overseeing the implementation of the
18 First-Generation Downpayment Assistance Program,
19 including information technology, financial report-
20 ing, programmatic reporting, ensuring fair housing
21 and fair lending compliance, research and evalua-
22 tions, which shall include the program's impact on
23 racial and ethnic disparities in homeownership rates,
24 technical assistance to recipients of amounts under
25 this section, and other cross-program costs in sup-

1 port to programs administered by the Secretary in
2 this Act, and other costs.

3 (b) ESTABLISHMENT.—The Secretary of Housing
4 and Urban Development shall establish and manage a
5 fund to be known as the First Generation Downpayment
6 Fund (in this section referred to as the “Fund”) for the
7 uses set forth in subsection (d).

8 (c) ALLOCATION OF FUNDS.—

9 (1) INITIAL ALLOCATION.—The Secretary shall
10 allocate and award funding provided by subsection
11 (a) as provided under such subsection not later than
12 12 months after the date of the enactment of this
13 section.

14 (2) REALLOCATION.—If a State or eligible enti-
15 ty does not demonstrate the capacity to expend
16 grant funds provided under this section, the Sec-
17 retary may recapture amounts remaining available
18 to a grantee that has not demonstrated the capacity
19 to expend such funds in a manner that furthers the
20 purposes of this section and shall reallocate such
21 amounts among any other States or eligible entities
22 that have demonstrated to the Secretary the capac-
23 ity to expend such amounts in a manner that fur-
24 thers the purposes of this section.

1 (d) TERMS AND CONDITIONS OF GRANTS ALLO-
2 CATED OR AWARDED FROM FUND.—

3 (1) USES OF FUNDS.—States and eligible enti-
4 ties receiving grants from the Fund shall use such
5 grants to provide assistance to or on behalf of a
6 qualified homebuyer who has completed a program
7 of housing counseling provided through a housing
8 counseling agency approved by the Secretary or
9 other adequate homebuyer education before entering
10 into a sales purchase agreement for—

11 (A) costs in connection with the acquisi-
12 tion, involving an eligible mortgage loan, of an
13 eligible home, including downpayment costs,
14 closing costs, and costs to reduce the rates of
15 interest on eligible mortgage loans;

16 (B) subsidies to make shared equity homes
17 affordable to eligible homebuyers; and

18 (C) pre-occupancy home modifications to
19 accommodate qualified homebuyers or members
20 of their household with disabilities;

21 (2) AMOUNT OF ASSISTANCE.—Assistance
22 under this section—

23 (A) may be provided to or on behalf of any
24 qualified homebuyer only once in the form of

1 forgivable grants or non-amortizing, non-inter-
2 est-bearing loans; and

3 (B) may not exceed the greater of \$20,000
4 or 10 percent of the purchase price in the case
5 of a qualified homebuyer, not to include assist-
6 ance received under subsection (d)(1)(A)(iii) for
7 disability related home modifications, except
8 that the Secretary may increase such maximum
9 limitation amounts in the case of a qualified
10 homebuyer who is economically disadvantaged.

11 (3) PROHIBITION OF PRIORITY.—In selecting
12 qualified homebuyers for assistance with grant
13 amounts under this section, a State or eligible entity
14 may not provide any priority or preference for home-
15 buyers who are acquiring eligible homes with a mort-
16 gage loan made, insured, guaranteed, or otherwise
17 assisted by the State housing finance agency for the
18 State, any other housing agency of the State, or an
19 eligible entity when applicable.

20 (4) REPAYMENT OF ASSISTANCE.—

21 (A) REQUIREMENT.—The Secretary shall
22 require that, if a homebuyer to or on behalf of
23 whom assistance is provided from grant
24 amounts under this section fails or ceases to oc-
25 cupy the property acquired using such assist-

1 ance as the primary residence of the home-
2 buyer, except in the case of assistance provided
3 in connection with the purchase of a principal
4 residence through a shared equity homeownership
5 program, the homebuyer shall repay to the
6 State or eligible entity, as applicable, in a pro-
7 portional amount of the assistance the home-
8 buyer receives based on the number of years
9 they have occupied the eligible home up to 5
10 years, except that no assistance shall be repaid
11 if the qualified homebuyer occupies the eligible
12 home as a primary residence for 5 years or
13 more.

14 (B) LIMITATION.—Notwithstanding sub-
15 paragraph (A), a homebuyer to or on behalf of
16 whom assistance is provided from grant
17 amounts under this section shall not be liable to
18 the State or eligible entity for the repayment of
19 the amount of such shortage if the homebuyer
20 fails or ceases to occupy the property acquired
21 using such assistance as the principal residence
22 of the homebuyer at least in part because of a
23 hardship, or sells the property acquired with
24 such assistance before the expiration of the 60-
25 month period beginning on such date of acquisi-

1 tion and the capital gains from such sale to a
2 bona fide purchaser in an arm's length trans-
3 action are less than the amount the homebuyer
4 is required to repay the State or eligible entity
5 under subparagraph (A).

6 (5) RELIANCE ON BORROWER ATTESTATIONS.—

7 No additional documentation beyond the borrower's
8 attestation shall be required to demonstrate eligi-
9 bility under subparagraphs (B) and (C) of sub-
10 section (e)(6) and no State, eligible entity, or cred-
11 itor shall be subject to liability based on the accu-
12 racy of such attestation.

13 (e) DEFINITIONS.—For purposes of this section, the
14 following definitions shall apply:

15 (1) ELIGIBLE ENTITY.—The term “eligible enti-
16 ty” means—

17 (A) a minority depository institution, as
18 such term is defined in section 308 of the Fi-
19 nancial Institutions Reform, Recovery, and En-
20 forcement Act of 1989 (12 U.S.C. 1463 note);

21 (B) a community development financial in-
22 stitution, as such term is defined in section 103
23 of the Riegle Community Development and
24 Regulatory Improvement Act of 1994 (12
25 U.S.C. 4702), that is certified by the Secretary

1 of the Treasury and targets services to low-in-
2 come and socially disadvantaged populations
3 and provides services in neighborhoods having
4 high concentrations of minority, low-income, or
5 socially disadvantaged populations;

6 (C) any other nonprofit entity that the
7 Secretary finds has a track record of providing
8 assistance to homeowners, targets services to
9 low-income and socially disadvantaged popu-
10 lations, and provides services in neighborhoods
11 having high concentrations of minority, low-in-
12 come, or socially disadvantaged populations;
13 and

14 (D) a unit of general local government, as
15 such term is defined in section 102 of the
16 Housing and Community Development Act of
17 1974 (42 U.S.C. 5302).

18 (2) ELIGIBLE HOME.—The term “eligible
19 home” means a residential dwelling that—

20 (A) consists of 1 to 4 dwelling units; and

21 (B) will be occupied by the qualified home-
22 buyer as the primary residence of the home-
23 buyer.

1 (3) ELIGIBLE MORTGAGE LOAN.—The term “el-
2 igible mortgage loan” means a single-family residen-
3 tial mortgage loan that—

4 (A) meets the underwriting requirements
5 and dollar amount limitations for acquisition by
6 the Federal National Mortgage Association or
7 the Federal Home Loan Mortgage Corporation;

8 (B) is made, insured, or guaranteed under
9 any program administered by the Secretary;

10 (C) is made, insured, or guaranteed by the
11 Rural Housing Administrator of the Depart-
12 ment of Agriculture;

13 (D) is a qualified mortgage, as such term
14 is defined in section 129C(b)(2) of the Truth in
15 Lending Act (15 U.S.C. 1639c(b)(2)); or

16 (E) is made, insured, or guaranteed for the
17 benefit of a veteran.

18 (4) FIRST GENERATION HOMEBUYER.—The
19 term “first-generation homebuyer” means a home-
20 buyer that is, as attested by the homebuyer—

21 (A) an individual—

22 (i) whose parents or legal guardians
23 do not, or did not at the time of their
24 death, to the best of the individual’s knowl-
25 edge, have any present ownership interest

1 in a principal residence in any State, ex-
2 cluding ownership of heir property; and

3 (ii) whose spouse or domestic partner
4 has not, during the 3-year period ending
5 upon acquisition of the eligible home to be
6 acquired using such assistance, had any
7 present ownership interest in a principal
8 residence in any State, excluding owner-
9 ship of heir property, whether the indi-
10 vidual is a co-borrower on the loan or not;
11 or

12 (B) an individual who has at any time
13 been placed in foster care or institutional care
14 whose spouse or domestic partner has not, dur-
15 ing the 3-year period ending upon acquisition of
16 the eligible home to be acquired using such as-
17 sistance, had any ownership interest in a prin-
18 cipal residence in any State, excluding owner-
19 ship of heir property, whether such individuals
20 are co-borrowers on the loan or not.

21 (5) HEIR PROPERTY.—The term “heir prop-
22 erty” means residential property for which title
23 passed by operation of law through intestacy and is
24 held by two or more heirs as tenants in common.

1 (6) OWNERSHIP INTEREST.—The term “own-
2 ership interest” means any ownership, excluding any
3 interest in heir property, in—

4 (A) real estate in fee simple;

5 (B) a leasehold on real estate under a lease
6 for not less than ninety-nine years which is re-
7 newable; or

8 (C) a fee interest in, or long-term leasehold
9 interest in, real estate consisting of a one-family
10 unit in a multifamily project, including a
11 project in which the dwelling units are attached,
12 or are manufactured housing units, semi-de-
13 tached, or detached, and an undivided interest
14 in the common areas and facilities which serve
15 the project.

16 (7) QUALIFIED HOMEBUYER.—The term
17 “qualified homebuyer” means a homebuyer—

18 (A) having an annual household income
19 that is less than or equal to—

20 (i) 120 percent of median income, as
21 determined by the Secretary, for—

22 (I) the area in which the home to
23 be acquired using such assistance is
24 located; or

1 (II) the area in which the place
2 of residence of the homebuyer is lo-
3 cated; or

4 (ii) 140 percent of the median income,
5 as determined by the Secretary, for the
6 area within which the eligible home to be
7 acquired using such assistance is located if
8 the homebuyer is acquiring an eligible
9 home located in a high-cost area;

10 (B) who is a first-time homebuyer, as such
11 term is defined in section 104 of the Cranston-
12 Gonzalez National Affordable Housing Act (42
13 U.S.C. 12704), except that for the purposes of
14 this section the reference in such section 104 to
15 title II shall be considered to refer to this sec-
16 tion, and except that ownership of heir property
17 shall not be treated as owning a home for pur-
18 poses of determining whether a borrower quali-
19 fies as a first-time homebuyer; and

20 (C) who is a first-generation homebuyer.

21 (8) SECRETARY.—The term “Secretary” means
22 the Secretary of Housing and Urban Development.

23 (9) SHARED EQUITY HOMEOWNERSHIP PRO-
24 GRAM.—

1 (A) IN GENERAL.—The term “shared equity
2 homeownership program” means affordable
3 homeownership preservation through a resale
4 restriction program administered by a commu-
5 nity land trust, other nonprofit organization, or
6 State or local government or instrumentalities.

7 (B) AFFORDABILITY REQUIREMENTS.—
8 Any such program under subparagraph (A)
9 shall—

10 (i) provide affordable homeownership
11 opportunities to households; and

12 (ii) utilize a ground lease, deed re-
13 striction, subordinate loan, or similar
14 mechanism that includes provisions ensur-
15 ing that the program shall—

16 (I) maintain the homeownership
17 unit as affordable for subsequent very
18 low-, low-, or moderate-income fami-
19 lies for an affordability term of at
20 least 30 years after recordation;

21 (II) apply a resale formula that
22 limits the homeowner’s proceeds upon
23 resale; and

24 (III) provide the program admin-
25 istrator or such administrator’s as-

1 signee a preemptive option to pur-
2 chase the homeownership unit from
3 the homeowner at resale.

4 (10) STATE.—The term “State” means any
5 State of the United States, the District of Columbia,
6 the Commonwealth of Puerto Rico, the United
7 States Virgin Islands, Guam, the Commonwealth of
8 the Northern Mariana Islands, and American
9 Samoa.

10 (f) IMPLEMENTATION.—The Secretary shall have au-
11 thority to issue such regulations, notices, or other guid-
12 ance, forms, instructions, and publications to carry out the
13 programs, projects, or activities authorized under this sec-
14 tion to ensure that such programs, projects, or activities
15 are completed in a timely and effective manner.

16 **SEC. 40202. HOME LOAN PROGRAM.**

17 (a) APPROPRIATION.—In addition to amounts other-
18 wise available, there is appropriated for fiscal year 2022,
19 out of any amounts in the Treasury not otherwise appro-
20 priated, to remain available until September 30, 2031—

21 (1) \$4,000,000,000 to the Secretary of Housing
22 and Urban Development for the cost of guaranteed
23 or insured loans and other obligations, including the
24 cost of modifying such loans, under subsection
25 (e)(1)(A);

1 (2) \$500,000,000 to the Secretary of Housing
2 and Urban Development for costs of carrying out
3 the program under paragraph (1) and programs of
4 the Federal Housing Administration and the Gov-
5 ernment National Mortgage Association generally,
6 including information technology, financial report-
7 ing, and other cross-program costs;

8 (3) \$150,000,000 to the Secretary of Agri-
9 culture for the cost of guaranteed and insured loans
10 and other obligations, including the cost of modi-
11 fying such loans, under subsection (e)(1)(B);

12 (4) \$50,000,000 to the Secretary of Agriculture
13 for the costs of carrying out the program under
14 paragraph (3) and programs of the Rural Housing
15 Service generally, including information technology
16 and financial reporting in support of the Program
17 administered by the Secretary of Agriculture in this
18 title; and

19 (5) \$300,000,000 to the Secretary of Treasury
20 for the costs of carrying out the program under this
21 section.

22 (b) USE OF FUNDS.—

23 (1) IN GENERAL.—

24 (A) The Secretary of Housing and Urban
25 Development and the Secretary of Agriculture

1 shall use the funds provided under subsections
2 (a)(1), (a)(2), (a)(3), and (a)(4) to carry out
3 the programs under subsections (a)(1) and
4 (a)(3) to make covered mortgage loans.

5 (B) The Secretary of the Treasury shall
6 use the funds provided under subsections (a)(5)
7 and (b)(2) to—

8 (i) purchase, on behalf of the Sec-
9 retary of Housing and Urban Develop-
10 ment, securities that are secured by cov-
11 ered mortgage loans, and sell, manage, and
12 exercise any rights received in connection
13 with, any financial instruments or assets
14 acquired pursuant to the authorities grant-
15 ed under this section, including, as appro-
16 priate, establishing and using vehicles to
17 purchase, hold, and sell such financial in-
18 struments or assets;

19 (ii) designate one or more banks, se-
20 curity brokers or dealers, asset managers,
21 or investment advisers, as a financial agent
22 of the Federal Government to perform du-
23 ties related to authorities granted under
24 this section; and

1 (iii) use the services of the Depart-
2 ment of Housing and Urban Development
3 on a reimbursable basis, and the Secretary
4 of Housing and Urban Development is au-
5 thorized to provide services as requested by
6 the Secretary of Treasury using all au-
7 thorities vested in or delegated to the De-
8 partment of Housing and Urban Develop-
9 ment.

10 (2) TRANSFER OF AMOUNTS TO TREASURY.—

11 Such portions of the appropriation to the Secretary
12 of Housing and Urban Development shall be trans-
13 ferred by the Secretary of Housing and Urban De-
14 velopment to the Department of the Treasury from
15 time-to-time in an amount equal to, as determined
16 by the Secretary of the Treasury in consultation
17 with the Secretary of Housing and Urban Develop-
18 ment, the amount necessary for the purchase of se-
19 curities under the Program during the period for
20 which the funds are intended to be available.

21 (3) USE OF PROCEEDS.—Revenues of and pro-
22 ceeds from the sale, exercise, or surrender of assets
23 purchased or acquired under the Program under this
24 section shall be available to the Secretary of the

1 Treasury through September 30, 2031, for purposes
2 of purchases under subsection (b)(1)(B)(i).

3 (c) LIMITATION ON AGGREGATE LOAN INSURANCE
4 OR GUARANTEE AUTHORITY.—The aggregate original
5 principal obligation of all covered mortgage loans insured
6 or guaranteed under subsection (e)(1)(A) of this section
7 may not exceed \$48,000,000,000, and under section
8 (e)(1)(B) may not exceed \$12,000,000,000.

9 (d) GNMA GUARANTEE AUTHORITY AND FEE.—To
10 carry out the purposes of this section, the Government Na-
11 tional Mortgage Association may enter into new commit-
12 ments to issue guarantees of securities based on or backed
13 by mortgages insured or guaranteed under this section,
14 not exceeding \$60,000,000,000, and shall collect guaranty
15 fees consistent with section 306(g)(1) of the National
16 Housing Act (12 U.S.C. 1721(g)(1)) that are paid at
17 securitization.

18 (e) DEFINITIONS.—In this section:

19 (1) COVERED MORTGAGE LOAN.—

20 (A) IN GENERAL.—The term “covered
21 mortgage loan” means, for purposes of the Pro-
22 gram established by the Secretary of Housing
23 and Urban Development, a mortgage loan
24 that—

1 (i) is insured by the Federal Housing
2 Administration pursuant to section 203(b)
3 of the National Housing Act, subject to the
4 eligibility criteria set forth in this sub-
5 section, and has a case number issued on
6 or before December 31, 2029;

7 (ii) is made for an original term of 20
8 years with a monthly mortgage payment of
9 principal and interest that is not more
10 than 110 percent and not less than 100
11 percent of the monthly payment of prin-
12 cipal, interest, and periodic mortgage in-
13 surance premium associated with a newly
14 originated 30-year mortgage loan with the
15 same loan balance insured by the agency
16 as determined by the Secretary;

17 (iii) subject to subparagraph (C) of
18 this paragraph and notwithstanding sec-
19 tion 203(c)(2) of the National Housing Act
20 (12 U.S.C. 1709(c)(2)), has a mortgage in-
21 surance premium of not more than 4 per-
22 cent of the loan balance that is paid at
23 closing, financed into the principal balance
24 of the loan, paid through an annual pre-
25 mium, or a combination thereof;

1 (iv) involves a rate of interest that is
2 fixed over the term of the mortgage loan;
3 and

4 (v) is secured by a single-family resi-
5 dence that is the principal residence of an
6 eligible homebuyer.

7 (B) The term “covered mortgage loan”
8 means, for purposes of the Program established
9 by the Secretary of Agriculture, a loan guaran-
10 teed under section 502(h) of the Housing Act
11 of 1949 (42 U.S.C. 1472(h)) that—

12 (i) notwithstanding section
13 502(h)(7)(A) of the Housing Act of 1949
14 (42 U.S.C. 1472(h)(7)(A)), is made for an
15 original term of 20 years with a monthly
16 mortgage payment of principal and interest
17 that is not more than 110 percent and not
18 less than 100 percent of the monthly pay-
19 ment of principal, interest, and loan guar-
20 antee fee associated with a newly origi-
21 nated 30-year mortgage loan with the
22 same loan balance guaranteed by the agen-
23 cy as determined by the Secretary; and

24 (ii) subject to subparagraph (C) of
25 this paragraph and notwithstanding sec-

1 tion 502(h)(8)(A) of the Housing Act of
2 1949 (42 U.S.C. 1472(h)(8)(A)), has a
3 loan guarantee fee of not more than 4 per-
4 cent of the principal obligation of the loan.

5 (C) WAIVER AND ALTERNATIVE REQUIRE-
6 MENTS.—The Secretary of Housing and Urban
7 Development and the Secretary of Agriculture,
8 in consultation with the Secretary of the Treas-
9 ury, and notwithstanding paragraph (8)(A) of
10 section 502(h) of the Housing Act of 1949 (42
11 U.S.C. 1472(h)(8)(A)) for purposes of the Pro-
12 gram established by the Secretary of Agri-
13 culture, may waive or specify alternative re-
14 quirements for subsection (e)(1)(A)(ii) for cov-
15 ered mortgage loans in connection with the use
16 of amounts made available under this section
17 upon a finding that the waiver or alternative re-
18 quirement is necessary to facilitate the use of
19 amounts made available under this section.

20 (2) ELIGIBLE HOMEBUYER.—The term “eligible
21 homebuyer” means an individual who—

22 (A) for purposes of the Program estab-
23 lished by the Secretary of Housing and Urban
24 Development—

1 (i) has an annual household income
2 that is less than or equal to—

3 (I) 120 percent of median income
4 for the area, as determined by the
5 Secretary of Housing and Urban De-
6 velopment for—

7 (aa) the area in which the
8 home to be acquired using such
9 assistance is located; or

10 (bb) the area in which the
11 place of residence of the home-
12 buyer is located; or

13 (II) if the homebuyer is acquiring
14 an eligible home that is located in a
15 high-cost area, 140 percent of the me-
16 dian income, as determined by the
17 Secretary, for the area within which
18 the eligible home to be acquired using
19 assistance provided under this section
20 is located;

21 (ii) is a first-time homebuyer, as de-
22 fined in paragraph (4) of this subsection;
23 and

24 (iii) is a first-generation homebuyer as
25 defined in paragraph (3) of this subsection;

1 (B) for purposes of the Program estab-
2 lished by the Secretary of Agriculture—

3 (i) meets the applicable requirements
4 in section 502(h) of the Housing Act of
5 1949 (42 U.S.C. 1472(h)); and

6 (ii) is a first-time homebuyer as de-
7 fined in paragraph (4) of this subsection
8 and a first-generation homebuyer as de-
9 fined in paragraph (3) of this subsection.

10 (3) FIRST-GENERATION HOMEBUYER.—The
11 term “first-generation homebuyer” means a home-
12 buyer that, as attested by the homebuyer, is—

13 (A) an individual—

14 (i) whose parents or legal guardians
15 do not, or did not at the time of their
16 death, to the best of the individual’s knowl-
17 edge, have any present ownership interest
18 in a principal residence in any State, ex-
19 cluding ownership of heir property; and

20 (ii) whose spouse, or domestic partner
21 has not, during the 3-year period ending
22 upon acquisition of the eligible home to be
23 acquired using such assistance, have any
24 present ownership interest in a principal
25 residence in any State, excluding owner-

1 ship of heir property, whether the indi-
2 vidual is a co-borrower on the loan or not;
3 or

4 (B) an individual who has at any time
5 been placed in foster care or institutional care
6 whose spouse or domestic partner has not, dur-
7 ing the 3-year period ending upon acquisition of
8 the eligible home to be acquired using such as-
9 sistance, had any ownership interest in a prin-
10 cipal residence in any State, excluding owner-
11 ship of heir property, whether such individuals
12 are co-borrowers on the loan or not.

13 (4) FIRST-TIME HOMEBUYER.—The term “first-
14 time homebuyer” means a homebuyer as defined in
15 section 104 of the Cranston-Gonzalez National Af-
16 fordable Housing Act (42 U.S.C. 12704), except
17 that for the purposes of this section the reference in
18 such section 12704(14) to title II shall be considered
19 to refer to this section, and except that ownership of
20 heir property shall not be treated as owning a home
21 for purposes of determining whether a borrower
22 qualifies as a first-time homebuyer.

23 (5) HEIR PROPERTY.—The term “heir prop-
24 erty” means residential property for which title

1 passed by operation of law through intestacy and is
2 held by two or more heirs as tenants in common.

3 (6) OWNERSHIP INTEREST.—The term “owner-
4 ship interest” means any ownership, excluding any
5 interest in heir property, in—

6 (A) real estate in fee simple;

7 (B) a leasehold on real estate under a lease
8 for not less than ninety-nine years which is re-
9 newable; or

10 (C) a fee interest in, or long-term leasehold
11 interest in, real estate consisting of a one-family
12 unit in a multifamily project, including a
13 project in which the dwelling units are attached,
14 or are manufactured housing units, semi-de-
15 tached, or detached, and an undivided interest
16 in the common areas and facilities which serve
17 the project.

18 (7) STATE.—The term “State” means the
19 States of the United States, the District of Colum-
20 bia, the Commonwealth of Puerto Rico, the Com-
21 monwealth of the Northern Mariana Islands, Guam,
22 the Virgin Islands, American Samoa, the Trust Ter-
23 ritory of the Pacific Islands, and any other territory
24 or possession of the United States.

1 (f) RELIANCE ON BORROWER ATTESTATIONS.—No
2 additional documentation beyond the borrower’s attesta-
3 tion shall be required to demonstrate eligibility under
4 clauses (ii) and (iii) of subsection (e)(2)(A) and clause (ii)
5 of subsection (e)(2)(B) and no State, eligible entity, or
6 creditor shall be subject to liability based on the accuracy
7 of such attestation.

8 (g) IMPLEMENTATION.—The Secretary of Housing
9 and Urban Development, the Secretary of Agriculture,
10 and the Secretary of Treasury shall have authority to issue
11 such regulations, notices, or other guidance, forms, in-
12 structions, and publications to carry out the programs,
13 projects, or activities authorized under this section to en-
14 sure that such programs, projects, or activities are com-
15 pleted in a timely and effective manner.

16 **SEC. 40203. INVESTMENTS IN RURAL HOMEOWNERSHIP.**

17 (a) APPROPRIATION.—In addition to amounts other-
18 wise available, there is appropriated to the Rural Housing
19 Service of the Department of Agriculture, out of any
20 money in the Treasury not otherwise appropriated, to re-
21 main available until expended—

22 (1) \$90,000,000 for providing single family
23 housing repair grants under section 504 of the
24 Housing Act of 1949 (42 U.S.C. 1474), subject to

1 the terms and conditions in subsection (b) of this
2 section;

3 (2) \$10,000,000 for administrative expenses of
4 the Rural Housing Service of the Department of Ag-
5 riculture that in whole or in part support activities
6 funded by this section and related activities.

7 (b) TERMS AND CONDITIONS.—

8 (1) ELIGIBILITY.—Eligibility for grants from
9 amounts made available by subsection (a)(1) shall
10 not be subject to the limitations in section
11 3550.103(b) of title 7, Code of Federal Regulations.

12 (2) USES.—Notwithstanding the limitations in
13 section 3550.102(a) of title 7, Code of Federal Reg-
14 ulations, grants from amounts made available by
15 subsection (a)(2) shall be available for the eligible
16 purposes in section 3550.102(b) of title 7, Code of
17 Federal Regulations.

18 (c) IMPLEMENTATION.—The Administrator of the
19 Rural Housing Service shall have authority to issue such
20 regulations, notices, or other guidance, forms, instruc-
21 tions, and publications to carry out the programs,
22 projects, or activities authorized under this section to en-
23 sure that such programs, projects, or activities are com-
24 pleted in a timely and effective manner.

1 **Subtitle D—HUD Administration,**
2 **Capacity Building, Technical**
3 **Assistance, and Agency Over-**
4 **sight**

5 **SEC. 40301. PROGRAM ADMINISTRATION, TRAINING, TECH-**
6 **NICAL ASSISTANCE, CAPACITY BUILDING,**
7 **AND OVERSIGHT.**

8 (a) APPROPRIATION.—In addition to amounts other-
9 wise available, there is appropriated for fiscal year 2022,
10 out of any money in the Treasury not otherwise appro-
11 priated,—

12 (1) \$949,250,000 to the Secretary of Housing
13 and Urban Development for—

14 (A) the costs to the Secretary of admin-
15 istering and overseeing the implementation of
16 this title and the Department’s programs gen-
17 erally, including information technology, inspec-
18 tions of housing units, research and evaluation,
19 financial reporting, and other costs; and

20 (B) new awards or increasing prior awards
21 to provide training, technical assistance, and ca-
22 pacity building related to the Department’s pro-
23 grams, including direct program support to pro-
24 gram recipients throughout the country, includ-

1 ing insular areas, that require such assistance
2 with daily operations;

3 (2) \$43,250,000 to the Office of Inspector Gen-
4 eral of the Department of Housing and Urban De-
5 velopment for necessary salaries and expenses for
6 conducting oversight of amounts provided by this
7 title;

8 (3) \$5,000,000 to the Office of Inspector Gen-
9 eral of the Department of the Treasury for nec-
10 essary salaries and expenses for conducting oversight
11 of amounts provided by this title; and

12 (4) \$2,500,000 to the Office of Inspector Gen-
13 eral of the Department of the Agriculture for nec-
14 essary salaries and expenses for conducting oversight
15 of amounts provided by this title.

16 Amounts appropriated by this section shall remain avail-
17 able until September 30, 2031.

18 (b) IMPLEMENTATION.—The Secretary of Housing
19 and Urban Development shall have authority to issue such
20 regulations, notices, or other guidance, forms, instruc-
21 tions, and publications to carry out the programs,
22 projects, or activities authorized under this section to en-
23 sure that such programs, projects, or activities are com-
24 pleted in a timely and effective manner.

1 **Subtitle E—Economic Development**

2 **SEC. 40401. MINORITY BUSINESS DEVELOPMENT AGENCY.**

3 In addition to amounts otherwise available, there is
4 appropriated to the Minority Business Development Agen-
5 cy of the Department of Commerce for fiscal year 2022,
6 out of any money in the Treasury not otherwise appro-
7 priated—

8 (1) \$200,000,000, to remain available until
9 September 30, 2026, for entering into agreements
10 with minority-serving institutions of higher edu-
11 cation or consortiums of institutions of higher edu-
12 cation that are led by minority-serving institutions
13 of higher education to operate a rural business cen-
14 ter to assist minority business enterprises located in
15 rural areas, priority for which shall be given to insti-
16 tutions that have financial need and are located in
17 areas that have a significant population of socially
18 or economically disadvantaged individuals; and

19 (2) \$1,000,000,000, to remain available until
20 September 30, 2026, for entering into grants and
21 agreements to—

22 (A) assist the formation and growth of mi-
23 nority business enterprises;

1 (B) establish and provide Federal assist-
2 ance to minority business centers, specialty cen-
3 ters, and minority business enterprises;

4 (C) make grants to private, nonprofit orga-
5 nizations that can demonstrate that a primary
6 activity of the organization is to provide serv-
7 ices to minority business enterprises, priority
8 for which shall be given to organizations located
9 in a Federally recognized area of economic dis-
10 tress; and

11 (D) provide grants and assistance to mi-
12 nority-serving institutions of higher education
13 to develop and implement entrepreneurship cur-
14 ricula and participate in the business center
15 program of the Minority Business Development
16 Agency; and

17 (3) \$400,000,000, to remain available until
18 September 30, 2029, to—

19 (A) establish not less than 5 regional of-
20 fices of the Minority Business Development
21 Agency, 1 of which shall be established in each
22 region of the United States, as determined by
23 the Secretary;

24 (B) assist the formation and growth of mi-
25 nority business enterprises;

1 (C) collect data relating to the needs and
2 development of minority business enterprises;
3 and

4 (D) annually review the status of problems
5 and programs relating to capital formation by
6 minority business enterprises.

7 **SEC. 40402. ENHANCED USE OF DEFENSE PRODUCTION ACT**
8 **OF 1950.**

9 (a) APPROPRIATION.—In addition to amounts other-
10 wise available, there is appropriated for fiscal year 2022,
11 out of any money at the Treasury not otherwise appro-
12 priated, \$500,000,000, to remain available until Sep-
13 tember 30, 2025, to carry out the Defense Production Act
14 of 1950 in accordance with subsection (b).

15 (b) USE.—Amounts appropriated by subsection (a)
16 shall be used to create, maintain, protect, expand, or re-
17 store the domestic industrial base capabilities essential for
18 the national defense.

19 **TITLE V—COMMITTEE ON**
20 **HOMELAND SECURITY**

21 **SEC. 50001. CYBERSECURITY AND INFRASTRUCTURE SECU-**
22 **RITY AGENCY.**

23 (a) IMPROVING FEDERAL SYSTEM CYBERSECU-
24 RITY.—In addition to amounts otherwise made available,
25 there is appropriated to the Cybersecurity and Infrastruc-

1 ture Security Agency for fiscal year 2022, out of any
2 money in the Treasury not otherwise appropriated,
3 \$100,000,000, to remain available until September 30,
4 2031, for improving the cybersecurity of Federal informa-
5 tion systems that are not national security systems (as de-
6 fined in paragraph (6) of section 3552 of title 44, United
7 States Code) and necessary mission support activities.

8 (b) CYBERSECURITY TRAINING.—In addition to
9 amounts otherwise made available, there is appropriated
10 to the Cybersecurity and Infrastructure Security Agency
11 for fiscal year 2022, out of any money in the Treasury
12 not otherwise appropriated, \$15,000,000, to remain avail-
13 able until September 30, 2031, for the Cybersecurity Edu-
14 cation and Training Assistance Program, Federal assist-
15 ance grants under the Cybersecurity Education and Train-
16 ing Assistance Program, and necessary mission support
17 activities.

18 (c) CYBERSECURITY AWARENESS, TRAINING, AND
19 WORKFORCE DEVELOPMENT.—In addition to amounts
20 otherwise made available, there is appropriated to the Cy-
21 bersecurity and Infrastructure Security Agency for fiscal
22 year 2022, out of any money in the Treasury not otherwise
23 appropriated, \$100,000,000, to remain available until
24 September 30, 2031, for improving cybersecurity aware-

1 ness, training, and workforce development, including nec-
2 essary mission support activities.

3 (d) MULTI-STATE INFORMATION SHARING AND
4 ANALYSIS CENTER.—In addition to amounts otherwise
5 made available, there is appropriated to the Cybersecurity
6 and Infrastructure Security Agency for fiscal year 2022,
7 out of any money in the Treasury not otherwise appro-
8 priated, \$35,000,000, to remain available until September
9 30, 2031, for Federal assistance through cooperative
10 agreements with the Multi-State Information Sharing and
11 Analysis Center.

12 (e) CYBERSENTRY.—In addition to amounts other-
13 wise made available, there is appropriated to the Cyberse-
14 curity and Infrastructure Security Agency for fiscal year
15 2022, out of any money in the Treasury not otherwise ap-
16 propriated, \$50,000,000, to remain available until Sep-
17 tember 30, 2031, for the purpose of protecting critical in-
18 frastructure industrial control systems and the
19 CyberSentry program.

20 (f) CLOUD SECURITY.—In addition to amounts other-
21 wise made available, there is appropriated to the Cyberse-
22 curity and Infrastructure Security Agency for fiscal year
23 2022, out of any money in the Treasury not otherwise ap-
24 propriated, \$50,000,000, to remain available until Sep-
25 tember 30, 2031, for the purpose of executing the secure

1 cloud architecture activities, migration advisory services,
2 and cloud threat hunting capabilities of the Cybersecurity
3 and Infrastructure Security Agency.

4 (g) INDUSTRIAL CONTROL SYSTEMS SECURITY.—In
5 addition to amounts otherwise made available, there is ap-
6 propriated to the Cybersecurity and Infrastructure Secu-
7 rity Agency for fiscal year 2022, out of any money in the
8 Treasury not otherwise appropriated, \$50,000,000, to re-
9 main available until September 30, 2031, for the purpose
10 of researching and developing the means by which to se-
11 cure operational technology and industrial control systems
12 against security vulnerabilities (as such term is defined
13 in section 102(17) of the Cybersecurity Information Shar-
14 ing Act of 2015 (6 U.S.C. 1501(17)).

15 **SEC. 50002. CYBERSECURITY ASSISTANCE.**

16 (a) STATE AND LOCAL CYBERSECURITY RECRUIT-
17 MENT AND TRAINING.—In addition to amounts otherwise
18 made available, there is appropriated for fiscal year 2022,
19 out of any money in the Treasury not otherwise appro-
20 priated, \$80,000,000, to remain available until September
21 30, 2031, to the Administrator of the Federal Emergency
22 Management Agency, in consultation with the Cybersecu-
23 rity and Infrastructure Security Agency, to award grants,
24 contracts, or cooperative agreements to State, local, Trib-
25 al, and territorial governments for cybersecurity recruit-

1 ment and training to enhance efforts to address cybersecu-
2 rity risks (as defined in paragraph (2) of section 2201 of
3 the Homeland Security Act) and cybersecurity threats (as
4 defined in paragraph (3) of section 2201 of the Homeland
5 Security Act).

6 (b) **MIGRATION TO .GOV DOMAIN.**—In addition to
7 amounts otherwise made available, there is appropriated
8 for fiscal year 2022, out of any money in the Treasury
9 not otherwise appropriated, \$20,000,000, to remain avail-
10 able until September 30, 2031, to the Administrator of
11 the Federal Emergency Management Agency, in consulta-
12 tion with the Cybersecurity and Infrastructure Security
13 Agency, to award grants, contracts, or cooperative agree-
14 ments to State, local, Tribal, and territorial governments
15 to carry out activities to migrating the online services of
16 such governments to the .gov internet domain.

17 (c) **LIMITATION.**—The Administrator of the Federal
18 Emergency Management Agency may not use amounts ap-
19 propriated under this section for activities under the Na-
20 tional Flood Insurance Act of 1968 or a function of the
21 Federal Emergency Management Agency relating to that
22 Act.

23 **SEC. 50003. NONPROFIT SECURITY GRANT PROGRAM.**

24 (a) **HIGH-RISK URBAN AREAS.**—In addition to
25 amounts otherwise available, there is appropriated, out of

1 any money in the Treasury not otherwise appropriated,
2 \$50,000,000, to remain available until expended, to the
3 Administrator of Federal Emergency Management Agency
4 for the Nonprofit Security Grant Program for grants to
5 nonprofits under the Urban Area Security Initiative.

6 (b) OTHER AREAS.—In addition to amounts other-
7 wise available, there is appropriated, out of any money in
8 the Treasury not otherwise appropriated, \$50,000,000, to
9 remain available until expended, to the Administrator of
10 the Federal Emergency Management Agency for the Non-
11 profit Security Grant Program for grants to nonprofits
12 under the State Homeland Security Grant Program.

13 (c) LIMITATION.—The Administrator of the Federal
14 Emergency Management Agency may not use amounts ap-
15 propriated under this section for activities under the Na-
16 tional Flood Insurance Act of 1968 or a function of the
17 Federal Emergency Management Agency relating to that
18 Act.

19 **SEC. 50004. OFFICE OF CHIEF READINESS SUPPORT OFFI-**
20 **CER.**

21 In addition to the amounts otherwise available, there
22 is appropriated to the Secretary of Homeland Security for
23 fiscal year 2022, out of any money in the Treasury not
24 otherwise appropriated, \$900,000,000, to remain available
25 until September 30, 2028, for the Office of the Chief

1 Readiness Support Officer to carry out sustainability and
2 environmental programs.

3 **TITLE VI—COMMITTEE ON THE**
4 **JUDICIARY**
5 **Subtitle A—Immigration**
6 **Provisions**

7 **SEC. 60001. REGISTRY.**

8 (a) IN GENERAL.—Section 249 of the Immigration
9 and Nationality Act (8 U.S.C. 1259) is amended—

10 (1) in the heading, by striking “1972”; and in-
11 sserting “2010”; and

12 (2) in paragraph (a), by striking “1972” and
13 inserting “2010”.

14 (b) FEES.—In addition to any administrative proc-
15 essing fee collected in connection with an application de-
16 scribed in section 249 of the Immigration and Nationality
17 Act (8 U.S.C. 1259), the Secretary of Homeland Security
18 shall collect, in the case of any alien who entered the
19 United States during the period beginning on January 1,
20 1972, and ending on December 31, 2009, a supplemental
21 fee of \$1,500 in connection with each such application.

22 (c) EFFECTIVE DATE.—This section and the amend-
23 ments made by this section shall take effect on the earlier
24 of the date that is—

1 (1) 180 days after the date of the enactment of
2 this Act; or

3 (2) May 1, 2022.

4 **SEC. 60002. RECAPTURE OF UNUSED IMMIGRANT VISA**
5 **NUMBERS.**

6 (a) **ENSURING FUTURE USE OF ALL IMMIGRANT**
7 **VISAS.**—Section 201(c)(1)(B)(ii) of the Immigration and
8 Nationality Act (8 U.S.C. 1151(c)(1)(B)(ii)) is amended
9 to read as follows:

10 “(ii) In no case shall the number com-
11 puted under subparagraph (A) be less than
12 the sum of—

13 “(I) 226,000; and

14 “(II) the number computed
15 under paragraph (3).”.

16 (b) **RECAPTURING UNUSED VISAS.**—Section 201 of
17 the Immigration and Nationality Act (8 U.S.C. 1151) is
18 amended by adding at the end the following:

19 “(g) **RECAPTURING UNUSED VISAS.**—

20 “(1) **FAMILY-SPONSORED VISAS.**—

21 “(A) **IN GENERAL.**—Notwithstanding the
22 numerical limitations set forth in this section or
23 in sections 202 or 203, beginning in fiscal year
24 2022, the number of family-sponsored immi-
25 grant visas that may be issued under section

1 203(a) shall be increased by the number com-
2 puted under subparagraph (B).

3 “(B) UNUSED VISAS.—The number com-
4 puted under this subparagraph is the dif-
5 ference, if any, between—

6 “(i) the difference, if any, between—

7 “(I) the number of visas that
8 were originally made available to fam-
9 ily-sponsored immigrants under sec-
10 tion 201(c)(1) for fiscal years 1992
11 through 2021, setting aside any un-
12 used visas made available to such im-
13 migrants in such fiscal years under
14 section 201(c)(3); and

15 “(II) the number of visas de-
16 scribed in subclause (I) that were
17 issued under section 203(a), or, in ac-
18 cordance with section 201(d)(2)(C),
19 under section 203(b); and

20 “(ii) the number of visas resulting
21 from the calculation under clause (i) issued
22 under section 203(a) after fiscal year
23 2021.

24 “(2) EMPLOYMENT-BASED VISAS.—

1 “(A) IN GENERAL.—Notwithstanding the
2 numerical limitations set forth in this section or
3 in sections 202 or 203, beginning in fiscal year
4 2022, the number of employment-based immi-
5 grant visas that may be issued under section
6 203(b) shall be increased by the number com-
7 puted under subparagraph (B).

8 “(B) UNUSED VISAS.—The number com-
9 puted under this paragraph is the difference, if
10 any, between—

11 “(i) the difference, if any, between—

12 “(I) the number of visas that
13 were originally made available to em-
14 ployment-based immigrants under sec-
15 tion 201(d)(1) for fiscal years 1992
16 through 2021, setting aside any un-
17 used visas made available to such im-
18 migrants in such fiscal years under
19 section 201(d)(2); and

20 “(II) the number of visas de-
21 scribed in subclause (I) that were
22 issued under section 203(b), or, in ac-
23 cordance with section 201(c)(3)(C),
24 under section 203(a); and

1 “(ii) the number of visas resulting
2 from the calculation under clause (i) issued
3 under section 203(b) after fiscal year
4 2021.

5 “(3) DIVERSITY VISAS.—Notwithstanding sec-
6 tion 204(a)(1)(I)(ii)(II), an immigrant visa for an
7 alien selected in accordance with section 203(e)(2) in
8 fiscal year 2017, 2018, 2019, 2020, or 2021 shall
9 remain available to such alien (and the spouse and
10 children of such alien) if—

11 “(A) the alien was refused a visa, pre-
12 vented from seeking admission, or denied ad-
13 mission to the United States solely because of
14 Executive Order 13769, Executive Order
15 13780, Presidential Proclamation 9645, or
16 Presidential Proclamation 9983; or

17 “(B) because of restrictions or limitations
18 on visa processing, visa issuance, travel, or
19 other effects associated with the COVID–19
20 public health emergency—

21 “(i) the alien was unable to receive a
22 visa interview despite submitting an Online
23 Immigrant Visa and Alien Registration
24 Application (Form DS–260) to the Sec-
25 retary of State; or

1 “(ii) the alien was unable to seek ad-
2 mission or was denied admission to the
3 United States despite being approved for a
4 visa under section 203(c).”.

5 **SEC. 60003. ADJUSTMENT OF STATUS.**

6 Section 245 of the Immigration and Nationality Act
7 (8 U.S.C. 1255) is amended by adding at the end the fol-
8 lowing:

9 “(n) VISA AVAILABILITY.—

10 “(1) IN GENERAL.—Notwithstanding subsection
11 (a)(3), the Secretary of Homeland Security may ac-
12 cept for filing an application for adjustment of sta-
13 tus from an alien (and the spouse and children of
14 such alien), if such alien—

15 “(A) is the beneficiary of an approved peti-
16 tion under section 204(a)(1);

17 “(B) pays a supplemental fee of \$1,500,
18 plus \$250 for each derivative beneficiary; and

19 “(C) is otherwise eligible for such adjust-
20 ment.

21 “(2) EXEMPTION.—The Secretary of State shall
22 exempt an alien (and the spouse and children of
23 such alien) from the numerical limitations described
24 in sections 201, 202, and 203, and the Secretary of
25 Homeland Security may adjust the status of such

1 alien (and the spouse and children of such alien) to
2 lawful permanent resident, if such alien submits or
3 has submitted an application for adjustment of sta-
4 tus and—

5 “(A) such alien—

6 “(i) is the beneficiary of an approved
7 petition under subparagraph (A)(i) or
8 (B)(i)(I) of section 204(a)(1) that bears a
9 priority date that is more than 2 years be-
10 fore the date the alien requests an exemp-
11 tion from the numerical limitations; and

12 “(ii) pays a supplemental fee of
13 \$2,500;

14 “(B) such alien—

15 “(i) is the beneficiary of an approved
16 petition under subparagraph (E) or (F) of
17 section 204(a)(1) that bears a priority date
18 that is more than 2 years before the date
19 the alien requests an exemption from the
20 numerical limitations; and

21 “(ii) pays a supplemental fee of
22 \$5,000; or

23 “(C) such alien—

24 “(i) is the beneficiary of an approved
25 petition under subparagraph (H) of section

1 204(a)(1) that bears a priority date that is
2 more than 2 years before the date the alien
3 requests an exemption from the numerical
4 limitations; and

5 “(ii) pays a supplemental fee of
6 \$50,000.

7 “(3) EFFECTIVE DATE.—

8 “(A) IN GENERAL.—The provisions of this
9 subsection—

10 “(i) shall take effect on the earlier of
11 the date that is—

12 “(I) 180 days after the date of
13 the enactment of this subsection; or

14 “(II) May 1, 2022; and

15 “(ii) except as provided in subpara-
16 graph (B), shall cease to have effect on
17 September 30, 2031.

18 “(B) CONTINUATION.—Paragraph (2)
19 shall continue in effect with respect to an alien
20 who requested an exemption of the numerical
21 limitations and paid the requisite fee prior to
22 the date described in subparagraph (A)(ii),
23 until the Secretary of Homeland Security ren-
24 ders a final administrative decision on such ap-
25 plication.”.

1 **SEC. 60004. ADDITIONAL SUPPLEMENTAL FEES.**

2 (a) TREASURY.—The fees described in this section,
3 section 60001, and section 245(n) of the Immigration and
4 Nationality Act, as added by this subtitle—

5 (1) shall be deposited in the general fund of the
6 Treasury; and

7 (2) may not be waived, in whole or in part, by
8 the Secretary of Homeland Security.

9 (b) IMMIGRANT VISA PETITIONS.—In addition to any
10 other fee collected in connection with a petition described
11 in this subsection, the Secretary of Homeland Security
12 shall collect a supplemental fee in the amount of—

13 (1) \$100 in connection with each petition filed
14 under—

15 (A) section 204(a)(1)(A)(i) of the Immi-
16 gration and Nationality Act (8 U.S.C.
17 1154(a)(1)(A)(i)) for classification by reason of
18 a relationship described under paragraph (1),
19 (3), or (4) of section 203(a) of such Act (8
20 U.S.C. 1153(a)); and

21 (B) section 204(a)(1)(B)(i)(I) of such Act
22 (8 U.S.C. 1154(a)(1)(B)(i)(I));

23 (2) \$800 in connection with each petition filed
24 under subparagraph (E) or (F) of section 204(a)(1)
25 of the Immigration and Nationality Act (8 U.S.C.
26 1154(a)(1)); and

1 (3) \$15,000 in connection with each petition
2 filed under subparagraph (H) of section 204(a)(1) of
3 the Immigration and Nationality Act (8 U.S.C.
4 1154(a)(1)).

5 (c) FORM I-94 OR FORM I-94W.—The Secretary of
6 Homeland Security shall collect from each individual who
7 is admitted to the United States as a nonimmigrant, and
8 is issued an electronic or paper arrival/departure record
9 (Form I-94 or Form I-94W, or any successor form), a
10 fee of \$19.

11 (d) STUDENT AND EXCHANGE VISITORS.—In addi-
12 tion to any other fee collected from an approved institution
13 of higher education, other approved educational institu-
14 tion, or designated exchange visitor program in the United
15 States, in connection with nonimmigrants described in
16 subparagraph (F), (J), or (M) of section 101(a)(15) of
17 the Immigration and Nationality Act (8 U.S.C.
18 1101(a)(15)) enrolled in such institution or program, the
19 Secretary of Homeland Security shall collect a supple-
20 mental fee of \$250 for each such nonimmigrant.

21 (e) PERMANENT RESIDENT CARD REPLACEMENT.—
22 In addition to any other fee collected in connection with
23 each Application to Replace Permanent Resident Card
24 (Form I-90, or any successor form), filed for purposes of
25 replacing an expired or expiring permanent resident card,

1 the Secretary of Homeland Security shall collect a supple-
2 mental fee of \$500.

3 (f) NONIMMIGRANT VISA PETITIONS.—In addition to
4 any other fee collected in connection with a petition filed
5 under section 214 of the Immigration and Nationality Act
6 (8 U.S.C. 1184), the Secretary of Homeland Security shall
7 collect a supplemental fee of \$500 in connection with each
8 such petition for classification as a nonimmigrant under
9 subparagraph (E), (H)(i)(b), (L), (O), or (P) of section
10 101(a)(15) of such Act (8 U.S.C. 1101(a)(15)).

11 (g) EXTEND/CHANGE STATUS.—In addition to any
12 other fee collected in connection with each Application to
13 Extend/Change Nonimmigrant Status (Form I-539, or
14 any successor form), the Secretary of Homeland Security
15 shall collect a supplemental fee of \$500.

16 (h) EMPLOYMENT AUTHORIZATION.—In addition to
17 any other fee collected in connection with an application
18 for employment authorization (Form I-765, or any suc-
19 cessor form), the Secretary of Homeland Security shall
20 collect a supplemental fee of \$500 for each such applica-
21 tion filed by an individual seeking such authorization as—

22 (1) the spouse of a nonimmigrant described in
23 subparagraph (E), (H), or (L) of section 101(a)(15)
24 of the Immigration and Nationality Act (8 U.S.C.
25 1101(a)(15));

1 (2) a nonimmigrant described in section
2 101(a)(15)(F) of such Act (8 U.S.C.
3 1101(a)(15)(F)) to engage in optional practical
4 training; or

5 (3) as an applicant for adjustment of status
6 under section 245(a) of such Act (8 U.S.C.
7 1255(a)).

8 (i) **NONIMMIGRANT VISAS.**—In addition to any other
9 fee collected in connection with the issuance of a non-
10 immigrant visa, the Secretary of State shall collect a sup-
11 plemental fee in the amount of \$75 in connection with
12 each such visa that is issued for a classification under sec-
13 tion 101(a)(15) of the Immigration and Nationality Act
14 (8 U.S.C. 1101(a)(15)).

15 (j) **EFFECTIVE DATE.**—The fees authorized by this
16 section shall take effect on the earlier of the date that
17 is—

18 (1) 180 days after the date of the enactment of
19 this Act; and

20 (2) May 1, 2022.

21 **SEC. 60005. U.S. CITIZENSHIP AND IMMIGRATION SERVICES.**

22 In addition to amounts otherwise available, there is
23 appropriated to U.S. Citizenship and Immigration Serv-
24 ices for fiscal year 2022, out of any money in the Treasury
25 not otherwise appropriated, \$2,800,000,000, to remain

1 available until expended, for the purpose of increasing the
2 capacity of U.S. Citizenship and Immigration Services to
3 adjudicate efficiently applications described in sections
4 249 of the Immigration and Nationality Act (8 U.S.C.
5 1259), as amended by section 60001 of this Act, and sec-
6 tion 245(n) of the Immigration and Nationality Act (8
7 U.S.C. 1255(n)), as added by 60003 of this Act, and to
8 reduce case processing backlogs.

9 **Subtitle B—Community Violence**
10 **Prevention**

11 **SEC. 61001. FUNDING FOR COMMUNITY-BASED VIOLENCE**
12 **INTERVENTION INITIATIVES.**

13 (a) **IN GENERAL.**—In addition to amounts otherwise
14 available, there is appropriated to the Attorney General
15 for fiscal year 2022, out of any money in the Treasury
16 not otherwise appropriated, \$2,500,000,000, to remain
17 available until September 30, 2031, for the purposes de-
18 scribed in subsection (b).

19 (b) **USE OF FUNDING.**—The Attorney General, act-
20 ing through the Assistant Attorney General of the Office
21 of Justice Programs, the Director of the Office of Commu-
22 nity Oriented Policing Services, and the Director of the
23 Office on Violence Against Women, shall use amounts ap-
24 propriated by subsection (a)—

1 (1) to award competitive grants or contracts to
2 units of local government, States, the District of Co-
3 lumbia, Indian Tribes, nonprofit community-based
4 organizations, victim services providers, or other en-
5 tities as determined by the Attorney General, to sup-
6 port evidence-informed intervention strategies to re-
7 duce community violence;

8 (2) to support training, technical assistance, re-
9 search, evaluation, and data collection on strategies
10 to effectively reduce community violence and ensure
11 public safety; and

12 (3) to support research, evaluation, and data
13 collection on the differing impact of community vio-
14 lence on demographic categories.

15 **Subtitle C—Antitrust**

16 **SEC. 62001. ANTITRUST DIVISION.**

17 In addition to amounts otherwise available, there is
18 appropriated to the Attorney General for fiscal year 2022,
19 out of any money in the Treasury not otherwise appro-
20 priated, \$900,000,000, to remain available until Sep-
21 tember 30, 2031, for necessary expenses for the Depart-
22 ment of Justice Antitrust Division for carrying out work
23 of the Division related to competition or enforcement of
24 the antitrust laws.

1 **SEC. 62002. FEDERAL TRADE COMMISSION FUNDING FOR**
2 **UNFAIR COMPETITION AND ANTITRUST EN-**
3 **FORCEMENT WORK.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Federal Trade Commission for fiscal
6 year 2022, out of any money in the Treasury not otherwise
7 appropriated, \$100,000,000 to remain available until Sep-
8 tember 30, 2031, for carrying out work of the Commission
9 related to unfair methods of competition or enforcement
10 of the antitrust laws.

11 **TITLE VII—COMMITTEE ON**
12 **NATURAL RESOURCES**
13 **Subtitle A—Native American and**
14 **Native Hawaiian Affairs**

15 **SEC. 70101. TRIBAL CLIMATE RESILIENCE.**

16 (a) **TRIBAL CLIMATE RESILIENCE AND ADAPTA-**
17 **TION.**—In addition to amounts otherwise available, there
18 is appropriated to the Director of the Bureau of Indian
19 Affairs for fiscal year 2022, out of any money in the
20 Treasury not otherwise appropriated, \$441,000,000, to re-
21 main available until September 30, 2031, for Tribal cli-
22 mate resilience and adaptation programs.

23 (b) **BUREAU OF INDIAN AFFAIRS FISH HATCH-**
24 **ERIES.**—In addition to amounts otherwise available, there
25 is appropriated to the Director of the Bureau of Indian
26 Affairs for fiscal year 2022, out of any money in the

1 Treasury not otherwise appropriated, \$19,600,000, to re-
2 main available until September 30, 2031, for fish hatchery
3 operations and maintenance programs of the Bureau of
4 Indian Affairs.

5 (c) ADMINISTRATION.—In addition to amounts other-
6 wise available, there is appropriated to the Director of the
7 Bureau of Indian Affairs for fiscal year 2022, out of any
8 money in the Treasury not otherwise appropriated,
9 \$9,400,000, to remain available until September 30, 2031,
10 for the administrative costs of carrying out this section.
11 None of the funds provided by this section shall be subject
12 to cost-sharing or matching requirements

13 (d) SMALL AND NEEDY PROGRAM.—Amounts made
14 available under this section shall be excluded from the cal-
15 culation of funds received by those Tribal governments
16 that participate in the “Small and Needy” program.

17 (e) DISTRIBUTION; USE OF FUNDS.—Amounts made
18 available under this section that are distributed to Indian
19 Tribes and Tribal organizations—

20 (1) shall be distributed on a 1-time basis; and

21 (2) shall only be used for the purposes identi-
22 fied under the applicable subsection.

23 **SEC. 70102. NATIVE HAWAIIAN CLIMATE RESILIENCE.**

24 (a) NATIVE HAWAIIAN CLIMATE RESILIENCE AND
25 ADAPTATION.—In addition to amounts otherwise avail-

1 able, there is appropriated to the Senior Program Director
2 of the Office of Native Hawaiian Relations for fiscal year
3 2022, out of any money in the Treasury not otherwise ap-
4 propriated, \$49,000,000, to remain available until Sep-
5 tember 30, 2031, to carry out, through financial assist-
6 ance, technical assistance, direct expenditure, grants, con-
7 tracts, or cooperative agreements, climate resilience and
8 adaptation activities that serve the Native Hawaiian Com-
9 munity.

10 (b) ADMINISTRATION.—In addition to amounts oth-
11 erwise available, there is appropriated to the Senior Pro-
12 gram Director of the Office of Native Hawaiian Relations
13 for fiscal year 2022, out of any money in the Treasury
14 not otherwise appropriated, \$1,000,000, to remain avail-
15 able until September 30, 2031, for the administrative
16 costs of carrying out this section. None of the funds pro-
17 vided by this section shall be subject to cost-sharing or
18 matching requirements.

19 **SEC. 70103. TRIBAL ELECTRIFICATION PROGRAM.**

20 (a) TRIBAL ELECTRIFICATION PROGRAM.—In addi-
21 tion to amounts otherwise available, there is appropriated
22 to the Director of the Bureau of Indian Affairs for fiscal
23 year 2022, out of any money in the Treasury not otherwise
24 appropriated, \$294,000,000, to remain available until
25 September 30, 2031, for—

1 (1) the provision of electricity to unelectrified
2 Tribal homes through renewable energy systems;

3 (2) transitioning electrified Tribal homes to re-
4 newable energy systems; and

5 (3) associated home repairs and retrofitting
6 necessary to install the renewable energy systems
7 authorized under paragraphs (1) and (2).

8 (b) ADMINISTRATION.—In addition to amounts oth-
9 erwise available, there is appropriated to the Director of
10 the Bureau of Indian Affairs for fiscal year 2022, out of
11 any money in the Treasury not otherwise appropriated,
12 \$6,000,000, to remain available until September 30, 2031,
13 for the administrative costs of carrying out this section.

14 (c) SMALL AND NEEDY PROGRAM.—Amounts made
15 available under this section shall be excluded from the cal-
16 culation of funds received by those Tribal governments
17 that participate in the “Small and Needy” program.

18 (d) DISTRIBUTION; USE OF FUNDS.—Amounts made
19 available under this section that are distributed to Indian
20 Tribes and Tribal organizations—

21 (1) shall be distributed on a 1-time basis; and

22 (2) shall only be used for the purposes identi-
23 fied under the applicable subsection.

1 **SEC. 70104. EMERGENCY DROUGHT RELIEF FOR TRIBES.**

2 In addition to amounts otherwise available, there is
3 appropriated to the Commissioner of the Bureau of Rec-
4 lamation for fiscal year 2022, out of any money in the
5 Treasury not otherwise appropriated, \$25,000,000, to re-
6 main available until September 30, 2026, for near-term
7 drought relief actions to mitigate drought impacts for In-
8 dian Tribes that are impacted by the operation of a Bu-
9 reau of Reclamation water project, including through di-
10 rect financial assistance to address drinking water short-
11 ages and to mitigate the loss of Tribal trust resources.

12 **SEC. 70105. NATIVE AMERICAN CONSULTATION RESOURCE**
13 **CENTER.**

14 (a) IN GENERAL.—In addition to amounts otherwise
15 available, there is appropriated to the Secretary of the In-
16 terior for fiscal year 2022, out of any money in the Treas-
17 ury not otherwise appropriated, \$33,000,000, to remain
18 available until September 30, 2031, to establish and ad-
19 minister a Native American Consultation Resource Center
20 (the authority for which shall expire on September 30,
21 2031) to provide training and technical assistance to sup-
22 port Federal consultation and coordination responsibilities
23 relating to—

24 (1) the protection of the natural and cultural
25 resources of Native Americans;

1 (2) land use planning and development that im-
2 pacts Indian Tribes and the Native Hawaiian Com-
3 munity; and

4 (3) infrastructure projects that impact Indian
5 Tribes and the Native Hawaiian Community.

6 (b) DEFINITION.—In this section, the term “Native
7 American” means—

8 (1) an Indian;

9 (2) a Native Hawaiian (as defined in paragraph
10 (10) of section 2 of the Native American Graves
11 Protection and Repatriation Act (25 U.S.C. 3001));
12 and

13 (3) a Native (as defined in subsection (b) of
14 section 3 of the Alaska Native Claims Settlement
15 Act (43 U.S.C. 1602)).

16 **SEC. 70106. INDIAN HEALTH SERVICE.**

17 (a) MAINTENANCE AND IMPROVEMENT.—In addition
18 to amounts otherwise available, there is appropriated to
19 the Director of the Indian Health Service for fiscal year
20 2022, out of any money in the Treasury not otherwise ap-
21 propriated, \$945,000,000, to remain available until Sep-
22 tember 30, 2031, for maintenance and improvement of fa-
23 cilities operated by the Indian Health Service or an Indian
24 Tribe or Tribal organization.

1 (b) MENTAL HEALTH AND SUBSTANCE USE DIS-
2 ORDERS.—In addition to amounts otherwise available,
3 there is appropriated to the Director of the Indian Health
4 Service for fiscal year 2022, out of any money in the
5 Treasury not otherwise appropriated, \$123,716,000, to re-
6 main available until September 30, 2031, for mental
7 health and substance use prevention and treatment serv-
8 ices, including facility renovation, construction, or expan-
9 sion relating to mental health and substance use preven-
10 tion and treatment services.

11 (c) PRIORITY HEALTH CARE FACILITIES.—In addi-
12 tion to amounts otherwise available, there is appropriated
13 to the Director of the Indian Health Service for fiscal year
14 2022, out of any money in the Treasury not otherwise ap-
15 propriated, \$1,000,000,000, to remain available until Sep-
16 tember 30, 2031, for projects identified through the health
17 care facility priority system.

18 (d) SMALL AMBULATORY.—In addition to amounts
19 otherwise available, there is appropriated to the Director
20 of the Indian Health Service for fiscal year 2022, out of
21 any money in the Treasury not otherwise appropriated,
22 \$40,000,000, to remain available until September 30,
23 2031, for small ambulatory construction.

24 (e) URBAN INDIAN ORGANIZATIONS.—In addition to
25 amounts otherwise available, there is appropriated to the

1 Director of the Indian Health Service for fiscal year 2022,
2 out of any money in the Treasury not otherwise appro-
3 priated, \$100,000,000, to remain available until Sep-
4 tember 30, 2031, for the renovation, construction, expan-
5 sion, equipping, and improvement of facilities owned or
6 leased by an Urban Indian organization.

7 (f) EPIDEMIOLOGY CENTERS.—In addition to
8 amounts otherwise available, there is appropriated to the
9 Director of the Indian Health Service for fiscal year 2022,
10 out of any money in the Treasury not otherwise appro-
11 priated, \$25,000,000, to remain available until September
12 30, 2031, for the epidemiology centers.

13 (g) ENVIRONMENTAL HEALTH AND FACILITIES SUP-
14 PORT ACTIVITIES.—In addition to amounts otherwise
15 available, there is appropriated to the Director of the In-
16 dian Health Service for fiscal year 2022, out of any money
17 in the Treasury not otherwise appropriated,
18 \$113,284,000, to remain available until September 30,
19 2031, for environmental health and facilities support ac-
20 tivities of the Indian Health Service.

21 (h) DISTRIBUTION; USE OF FUNDS.—Amounts ap-
22 propriated under this section that are distributed to In-
23 dian Tribes and Tribal organizations—

24 (1) shall be distributed on a 1-time basis; and

1 (2) shall only be used for the purposes identi-
2 fied under the applicable subsection.

3 **SEC. 70107. TRIBAL PUBLIC SAFETY.**

4 (a) PUBLIC SAFETY AND JUSTICE.—In addition to
5 amounts otherwise available, there is appropriated to the
6 Assistant Secretary for Indian Affairs for fiscal year 2022,
7 out of any money in the Treasury not otherwise appro-
8 priated, \$490,000,000, to remain available until Sep-
9 tember 30, 2031, for public safety and justice programs
10 and construction.

11 (b) ADMINISTRATION.—In addition to amounts oth-
12 erwise available, there is appropriated to the Assistant
13 Secretary for Indian Affairs for fiscal year 2022, out of
14 any money in the Treasury not otherwise appropriated,
15 \$10,000,000, to remain available until September 30,
16 2031, for the administrative costs of carrying out this sec-
17 tion.

18 (c) SMALL AND NEEDY PROGRAM.—Amounts made
19 available under this section shall be excluded from the cal-
20 culation of funds received by those Tribal governments
21 that participate in the “Small and Needy” program.

22 (d) DISTRIBUTION; USE OF FUNDS.—Amounts made
23 available under this section that are distributed to Indian
24 Tribes and Tribal organizations—

25 (1) shall be distributed on a 1-time basis; and

1 (2) shall only be used for the purposes identi-
2 fied under the applicable subsection.

3 **SEC. 70108. BUREAU OF INDIAN AFFAIRS AND TRIBAL**
4 **ROADS.**

5 (a) **ROADS.**—In addition to amounts otherwise avail-
6 able, there is appropriated to the Director of the Bureau
7 of Indian Affairs for fiscal year 2022, out of any money
8 in the Treasury not otherwise appropriated,
9 \$715,400,000, to remain available until September 30,
10 2026, for the Bureau of Indian Affairs Road System and
11 Tribal transportation facilities—

12 (1) for road maintenance;

13 (2) for planning, design, construction, and re-
14 construction activities; and

15 (3) to address the deferred road maintenance
16 backlog at the Bureau of Indian Affairs.

17 (b) **ADMINISTRATION.**—In addition to amounts oth-
18 erwise available, there is appropriated to the Director of
19 the Bureau of Indian Affairs for fiscal year 2022, out of
20 any money in the Treasury not otherwise appropriated,
21 \$14,600,000, to remain available until September 30,
22 2026, for the administrative costs of carrying out this sec-
23 tion.

1 **Subtitle B—National Oceanic and**
2 **Atmospheric Administration**

3 **SEC. 70201. INVESTING IN COASTAL COMMUNITIES AND**
4 **CLIMATE RESILIENCE.**

5 In addition to amounts otherwise available, there is
6 appropriated to the National Oceanic and Atmospheric
7 Administration for fiscal year 2022, out of any money in
8 the Treasury not otherwise appropriated, \$6,000,000,000,
9 to remain available until September 30, 2026, to provide
10 funding through direct expenditure, contracts, grants, co-
11 operative agreements, or technical assistance to coastal
12 states (as defined in paragraph (4) of section 304 of the
13 Coastal Zone Management Act of 1972 (16 U.S.C.
14 1453(4))), the District of Columbia, Indian Tribes, non-
15 profit organizations, local governments, and institutions of
16 higher education (as defined in subsection (a) of section
17 101 of the Higher Education Act of 1965 (20 U.S.C.
18 1001(a))), for the conservation, restoration, and protec-
19 tion of coastal and marine habitats and resources, includ-
20 ing fisheries, to enable coastal communities to prepare for
21 extreme storms and other changing climate conditions,
22 and for projects that support natural resources that sus-
23 tain coastal and marine resource dependent communities,
24 and for related administrative expenses. None of the funds

1 provided by this section shall be subject to cost-sharing
2 or matching requirements.

3 **SEC. 70202. PACIFIC SALMON RESTORATION AND CON-**
4 **SERVATION.**

5 In addition to amounts otherwise available, there is
6 appropriated to the National Oceanic and Atmospheric
7 Administration for fiscal year 2022, out of any money in
8 the Treasury not otherwise appropriated, \$1,000,000,000,
9 to remain available until September 30, 2026, for the pur-
10 poses of supporting the restoration and conservation of
11 Pacific salmon and steelhead populations and the habitat
12 of those populations, including by improving climate resil-
13 ience and climate adaptation, and for related administra-
14 tive expenses.

15 **SEC. 70203. MARINE FISHERIES INFRASTRUCTURE.**

16 In addition to amounts otherwise available, there is
17 appropriated to the National Oceanic and Atmospheric
18 Administration for fiscal year 2022, out of any money in
19 the Treasury not otherwise appropriated, \$400,000,000,
20 to remain available until September 30, 2026, for grants
21 to States and Indian Tribes, to repair, replace, and up-
22 grade hatchery infrastructure for the production of a fish-
23 ery (as defined in paragraph (13) of section 3 of the Mag-
24 nuson-Stevens Fishery Conservation and Management Act
25 (16 U.S.C. 1802(13))) that is included in a fishery man-

1 agement plan or plan amendment approved by the Sec-
2 retary of Commerce under subsection (a) of section 301
3 of the Magnuson-Stevens Fishery Conservation and Man-
4 agement Act (16 U.S.C. 1851(a)), and for related admin-
5 istrative expenses.

6 **SEC. 70204. MARINE FISHERIES AND MARINE MAMMAL**
7 **STOCK ASSESSMENTS, SURVEYS, AND RE-**
8 **SEARCH AND MANAGEMENT.**

9 In addition to amounts otherwise available, there is
10 appropriated to the National Oceanic and Atmospheric
11 Administration for fiscal year 2022, out of any money in
12 the Treasury not otherwise appropriated, \$500,000,000,
13 to remain available until September 30, 2026, for pur-
14 poses of Federal fisheries management, marine fisheries
15 conservation, and marine mammal research, including
16 fisheries and marine mammal stock assessments, marine
17 fisheries data collection, surveys, scientific research, and
18 management, acquisition of electronic monitoring equip-
19 ment for fishery participants, transitional gear research,
20 and ecosystem-based assessments in support of marine
21 fish species, including fisheries managed under section
22 303 of the Magnuson-Stevens Fishery Conservation and
23 Management Act (16 U.S.C. 1853) and subsection (a) of
24 section 117 of the Marine Mammal Protection Act of 1972
25 (16 U.S.C. 1386(a)).

1 **SEC. 70205. FACILITIES OF THE NATIONAL OCEANIC AND**
2 **ATMOSPHERIC ADMINISTRATION AND NA-**
3 **TIONAL MARINE SANCTUARIES.**

4 (a) NATIONAL OCEANIC AND ATMOSPHERIC ADMIN-
5 ISTRATION FACILITIES.—In addition to amounts other-
6 wise available, there is appropriated to the National Oce-
7 anic and Atmospheric Administration for fiscal year 2022,
8 out of any money in the Treasury not otherwise appro-
9 priated, \$300,000,000, to remain available until Sep-
10 tember 30, 2026, for the construction of new facilities (in-
11 cluding facilities in need of replacement) including piers,
12 marine operations facilities, fisheries laboratories, and
13 other laboratory facilities.

14 (b) NATIONAL MARINE SANCTUARIES FACILITIES.—
15 In addition to amounts otherwise available, there is appro-
16 priated to the National Oceanic and Atmospheric Adminis-
17 tration for fiscal year 2022, out of any money in the
18 Treasury not otherwise appropriated, \$100,000,000, to re-
19 main available until September 30, 2026, for the construc-
20 tion of facilities to support the National Marine Sanctuary
21 System established under subsection (c) of section 301 of
22 the National Marine Sanctuaries Act (16 U.S.C. 1431(c)).

23 **SEC. 70206. NOAA EFFICIENT AND EFFECTIVE REVIEWS.**

24 In addition to amounts otherwise available, there is
25 appropriated to the National Oceanic and Atmospheric
26 Administration for fiscal year 2022, out of any money in

1 the Treasury not otherwise appropriated, \$20,000,000, to
2 remain available until September 30, 2026, to provide for
3 the development of more efficient, accurate, and timely re-
4 views for planning, permitting and approval processes
5 through the hiring and training of personnel, the develop-
6 ment of programmatic documents, the procurement of
7 technical or scientific services for reviews, the development
8 of environmental data or information systems, stakeholder
9 and community engagement, the purchase of new equip-
10 ment for environmental analysis, and the development of
11 geographic information systems and other analysis tools,
12 techniques, and guidance to improve agency transparency,
13 accountability, and public engagement.

14 **SEC. 70207. SEAFOOD IMPORT MONITORING PROGRAM.**

15 In addition to amounts otherwise available, there is
16 appropriated to the National Oceanic and Atmospheric
17 Administration for fiscal year 2022, out of any money in
18 the Treasury not otherwise appropriated, \$2,000,000, to
19 remain available until September 30, 2026, to implement
20 the seafood import monitoring program of the National
21 Oceanic and Atmospheric Administration.

1 **Subtitle C—United States Fish and**
2 **Wildlife Service**

3 **SEC. 70301. ENDANGERED SPECIES ACT RECOVERY PLANS.**

4 In addition to amounts otherwise available, there is
5 appropriated to the United States Fish and Wildlife Serv-
6 ice for fiscal year 2022, out of any money in the Treasury
7 not otherwise appropriated, \$180,000,000, to remain
8 available until expended, for the purposes of developing
9 and implementing recovery plans under paragraphs (1),
10 (3), and (4) of subsection (f) of section 4 of the Endan-
11 gered Species Act of 1973 (16 U.S.C. 1533(f)).

12 **SEC. 70302. ISLAND PLANT CONSERVATION.**

13 (a) IN GENERAL.—In addition to amounts otherwise
14 available, there is appropriated to the United States Fish
15 and Wildlife Service for fiscal year 2022, out of any money
16 in the Treasury not otherwise appropriated, \$4,850,000,
17 to remain available until expended, to make direct expend-
18 itures, award grants, and enter into contracts and cooper-
19 ative agreements for the purposes of conserving endan-
20 gered species and threatened species of plants in the Ha-
21 waiian Islands and the Pacific Island Territories of the
22 United States under paragraphs (1), (3), and (4) of sub-
23 section (f) of section 4 of the Endangered Species Act of
24 1973 (16 U.S.C. 1533(f)).

1 (b) ADMINISTRATIVE EXPENSES.—In addition to
2 amounts otherwise available, there is appropriated to the
3 United States Fish and Wildlife Service for fiscal year
4 2022, out of any money in the Treasury not otherwise ap-
5 propriated, \$150,000, for necessary administrative ex-
6 penses associated with carrying out this section.

7 **SEC. 70303. POLLINATOR CONSERVATION.**

8 (a) IN GENERAL.—In addition to amounts otherwise
9 available, there is appropriated to the United States Fish
10 and Wildlife Service for fiscal year 2022, out of any money
11 in the Treasury not otherwise appropriated, \$4,850,000,
12 to remain available until expended, to make direct expend-
13 itures, award grants, and enter into contracts and cooper-
14 ative agreements for the purposes of conserving endan-
15 gered species and threatened species of pollinators in the
16 United States under paragraphs (1), (3), and (4) of sub-
17 section (f) of section 4 of the Endangered Species Act of
18 1973 (16 U.S.C. 1533(f)).

19 (b) ADMINISTRATIVE EXPENSES.—In addition to
20 amounts otherwise available, there is appropriated to the
21 United States Fish and Wildlife Service for fiscal year
22 2022, out of any money in the Treasury not otherwise ap-
23 propriated, \$150,000, for necessary administrative ex-
24 penses associated with carrying out this section.

1 **SEC. 70304. MUSSEL CONSERVATION.**

2 (a) IN GENERAL.—In addition to amounts otherwise
3 available, there is appropriated to the United States Fish
4 and Wildlife Service for fiscal year 2022, out of any money
5 in the Treasury not otherwise appropriated, \$4,850,000,
6 to remain available until expended, to make direct expend-
7 itures, award grants, and enter into contracts and cooper-
8 ative agreements for the purposes of conserving endan-
9 gered species and threatened species of freshwater mussels
10 in the United States under paragraphs (1), (3), and (4)
11 of subsection (f) of section 4 of the Endangered Species
12 Act of 1973 (16 U.S.C. 1533(f)).

13 (b) ADMINISTRATIVE EXPENSES.—In addition to
14 amounts otherwise available, there is appropriated to the
15 United States Fish and Wildlife Service for fiscal year
16 2022, out of any money in the Treasury not otherwise ap-
17 propriated, \$150,000, for necessary administrative ex-
18 penses associated with carrying out this section.

19 **SEC. 70305. DESERT FISH CONSERVATION.**

20 (a) IN GENERAL.—In addition to amounts otherwise
21 available, there is appropriated to the United States Fish
22 and Wildlife Service for fiscal year 2022, out of any money
23 in the Treasury not otherwise appropriated, \$4,850,000,
24 to remain available until expended, to make direct expend-
25 itures, award grants, and enter into contracts and cooper-
26 ative agreements for the purposes of conserving endan-

1 gered species and threatened species of desert fish in the
2 United States under paragraphs (1), (3), and (4) of sub-
3 section (f) of section 4 of the Endangered Species Act of
4 1973 (16 U.S.C. 1533(f)).

5 (b) ADMINISTRATIVE EXPENSES.—In addition to
6 amounts otherwise available, there is appropriated to the
7 United States Fish and Wildlife Service for fiscal year
8 2022, out of any money in the Treasury not otherwise ap-
9 propriated, \$150,000, for necessary administrative ex-
10 penses associated with carrying out this section.

11 **SEC. 70306. FUNDING FOR THE UNITED STATES FISH AND**
12 **WILDLIFE SERVICE TO ADDRESS CLIMATE-IN-**
13 **DUCTED WEATHER EVENTS.**

14 (a) IN GENERAL.—In addition to amounts otherwise
15 available, there is appropriated to the United States Fish
16 and Wildlife Service for fiscal year 2022, out of any money
17 in the Treasury not otherwise appropriated,
18 \$242,500,000, to remain available until September 30,
19 2026, to make direct expenditures, award grants, and
20 enter into contracts and cooperative agreements for the
21 purposes of rebuilding and restoring units of the National
22 Wildlife Refuge System and State wildlife management
23 areas, including by—

24 (1) addressing the threat of invasive species;

1 (2) increasing the resiliency and capacity of
2 habitats and infrastructure to withstand climate-in-
3 duced weather events; and

4 (3) reducing the amount of damage caused by
5 climate-induced weather events.

6 The United States Fish and Wildlife Service may provide
7 grants under this subsection with no cost-share require-
8 ment.

9 (b) ADMINISTRATIVE COSTS.—In addition to
10 amounts otherwise available, there is appropriated to the
11 United States Fish and Wildlife Service for fiscal year
12 2022, out of any money in the Treasury not otherwise ap-
13 propriated, \$7,500,000, to remain available until Sep-
14 tember 30, 2026, for necessary administrative expenses
15 associated with carrying out this section.

16 **SEC. 70307. WILDLIFE CORRIDOR CONSERVATION.**

17 (a) IN GENERAL.—In addition to amounts otherwise
18 available, there is appropriated to the United States Fish
19 and Wildlife Service for fiscal year 2022, out of any money
20 in the Treasury not otherwise appropriated, \$9,700,000,
21 to remain available until expended, to carry out, through
22 direct expenditures, contracts, grants, and cooperative
23 agreements, activities necessary for—

24 (1) mapping wildlife corridors;

1 (2) the conservation and restoration of wildlife
2 corridors; and

3 (3) addressing the conservation and restoration
4 of wildlife corridors—

5 (A) on land included in the National Wild-
6 life Refuge System; and

7 (B) on private land through—

8 (i) the Partners for Fish and Wildlife
9 Program of the United States Fish and
10 Wildlife Service;

11 (ii) the Coastal Program of the
12 United States Fish and Wildlife Service;
13 and

14 (iii) Migratory Bird Joint Ventures.

15 (b) ADMINISTRATIVE COSTS.—In addition to
16 amounts otherwise available, there is appropriated to the
17 United States Fish and Wildlife Service for fiscal year
18 2022, out of any money in the Treasury not otherwise ap-
19 propriated, \$300,000, for necessary administrative ex-
20 penses associated with carrying out this section.

21 **SEC. 70308. GRASSLAND RESTORATION.**

22 (a) IN GENERAL.—In addition to amounts otherwise
23 available, there is appropriated to the United States Fish
24 and Wildlife Service for fiscal year 2022, out of any money
25 in the Treasury not otherwise appropriated, \$38,800,000,

1 to remain available until expended to make direct expendi-
2 tures, award grants, and enter into contracts and coopera-
3 tive agreements for carrying out the protection and res-
4 toration of grassland habitats.

5 (b) ADMINISTRATIVE COSTS.—In addition to
6 amounts otherwise available, there is appropriated to the
7 United States Fish and Wildlife Service for fiscal year
8 2022, out of any money in the Treasury not otherwise ap-
9 propriated, \$1,200,000, for necessary administrative ex-
10 penses associated with carrying out this section.

11 **Subtitle D—Water Resources Re-**
12 **search and Technology Insti-**
13 **tutes**

14 **SEC. 70401. WATER RESOURCES RESEARCH AND TECH-**
15 **NOLOGY INSTITUTES.**

16 In addition to amounts otherwise available, there is
17 appropriated to the United States Geological Survey for
18 fiscal year 2022, out of any money in the Treasury not
19 otherwise appropriated, \$50,000,000, to remain available
20 until September 30, 2031, for grants and other financial
21 assistance to water resources research and technology in-
22 stitutes, centers, and equivalent agencies.

1 **Subtitle E—Council on**
2 **Environmental Quality**

3 **SEC. 70501. ENVIRONMENTAL AND CLIMATE DATA COLLEC-**
4 **TION.**

5 In addition to amounts otherwise available, there is
6 appropriated to the Chair of the Council on Environmental
7 Quality for fiscal year 2022, out of any money in the
8 Treasury not otherwise appropriated, \$65,000,000, to re-
9 main available until September 30, 2026—

10 (1) to support data collection efforts relating
11 to—

12 (A) disproportionate negative environ-
13 mental harms and climate impacts; and

14 (B) cumulative impacts of pollution and
15 temperature rise;

16 (2) to establish, expand, and maintain efforts to
17 track disproportionate burdens and cumulative im-
18 pacts, including academic and workforce support for
19 analytics and informatics infrastructure and data
20 collection systems; and

21 (3) to support efforts to ensure that any map-
22 ping or screening tool is accessible to community-
23 based organizations and community members.

1 **SEC. 70502. COUNCIL ON ENVIRONMENTAL QUALITY EFFI-**
2 **CIENT AND EFFECTIVE ENVIRONMENTAL RE-**
3 **VIEWS.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Chair of the Council on Environmental
6 Quality for fiscal year 2022, out of any money in the
7 Treasury not otherwise appropriated, \$15,000,000, to re-
8 main available until September 30, 2026, to carry out the
9 Council on Environmental Quality's functions and for the
10 purposes of training personnel, developing programmatic
11 environmental documents, and developing tools, guidance,
12 and techniques to improve stakeholder and community en-
13 gagement.

14 **Subtitle F—Department of the Inte-**
15 **rior Efficient and Effective Re-**
16 **views**

17 **SEC. 70601. DEPARTMENT OF THE INTERIOR EFFICIENT**
18 **AND EFFECTIVE REVIEWS.**

19 In addition to amounts otherwise available, there is
20 appropriated to the Department of the Interior for fiscal
21 year 2022, out of any money in the Treasury not otherwise
22 appropriated, \$100,000,000, to remain available until
23 September 30, 2026, to provide for the development of
24 more efficient, accurate, and timely reviews for planning,
25 permitting, and approval processes for the National Park
26 Service, the Bureau of Land Management, the Bureau of

1 Ocean Energy Management, the Bureau of Reclamation,
2 the Bureau of Safety and Environmental Enforcement,
3 and the Office of Surface Mining Reclamation and En-
4 forcement through the hiring and training of personnel,
5 the development of programmatic documents, the procure-
6 ment of technical or scientific services for reviews, the de-
7 velopment of environmental data or information systems,
8 stakeholder and community engagement, the purchase of
9 new equipment for environmental analysis, and the devel-
10 opment of geographic information systems and other anal-
11 ysis tools, techniques, and guidance to improve agency
12 transparency, accountability, and public engagement.

13 **Subtitle G—Public Lands**

14 **SEC. 70701. NATIONAL PARKS AND PUBLIC LANDS ECO- 15 **SYSTEM RESILIENCE.****

16 In addition to amounts otherwise available, there is
17 appropriated to the Secretary of the Interior for fiscal year
18 2022, out of any money in the Treasury not otherwise ap-
19 propriated, \$1,250,000,000, to remain available until Sep-
20 tember 30, 2031, to carry out projects for the protection
21 and resiliency of lands and resources on lands adminis-
22 tered by the National Park Service and Bureau of Land
23 Management. None of the funds provided under this sec-
24 tion shall be subject to cost-share or matching require-
25 ments.

1 **SEC. 70702. NATIONAL PARKS AND PUBLIC LANDS ECO-**
2 **SYSTEM RESTORATION.**

3 In addition to amounts otherwise available, there is
4 appropriated to the Secretary of the Interior for fiscal year
5 2022, out of any money in the Treasury not otherwise ap-
6 propriated, \$750,000,000, to remain available until Sep-
7 tember 30, 2031, to carry out ecosystem and habitat res-
8 toration projects on lands administered by the National
9 Park Service and Bureau of Land Management. None of
10 the funds provided under this section shall be subject to
11 cost-share or matching requirements.

12 **SEC. 70703. LANDS CORPS.**

13 (a) DEFINITIONS.—With regard to this section:

14 (1) APPROPRIATE CONSERVATION PROJECTS.—

15 The term “appropriate conservation projects” means
16 any project for the conservation, restoration, con-
17 struction, or rehabilitation of natural, cultural, his-
18 toric, archaeological, recreational, or scenic resources
19 on public lands administered by the National Park
20 Service or Bureau of Land Management.

21 (2) CORPS PROGRAMS.—The term “corps pro-
22 grams” means a program established by a Federal,
23 State, Tribal, Territorial, or local government, the
24 District of Columbia, or nonprofit organization that
25 performs appropriate conservation projects.

1 (3) RESILIENCY OR RESTORATION PROJECTS.—

2 The term “restoration or resiliency projects” means
3 any project funded under sections 70701 and 70702.

4 (b) IN GENERAL.—In addition to amounts otherwise
5 available, there is appropriated to the Secretary of the In-
6 terior for fiscal year 2022, out of any money in the Treas-
7 ury not otherwise appropriated, \$500,000,000, to remain
8 available until September 30, 2031, to provide funding,
9 including all expenses necessary to provide funding,
10 through direct expenditure, grants or contracts to, or co-
11 operative agreements with, corps programs to perform ap-
12 propriate conservation projects or resiliency or restoration
13 projects, including all expenses necessary to carry out such
14 projects, on public lands administered by the National
15 Park Service and Bureau of Land Management. None of
16 the funds provided under this section shall be subject to
17 cost-share or matching requirements.

18 **SEC. 70704. WILDFIRE MANAGEMENT.**

19 In addition to amounts otherwise available, there is
20 appropriated to the Secretary of the Interior for fiscal year
21 2022, out of any money in the Treasury not otherwise ap-
22 propriated, \$500,000,000, to remain available until Sep-
23 tember 30, 2031, for wildland fire management by the Bu-
24 reau of Land Management or National Park Service, in-
25 cluding improvement, relocation, renovation, or construc-

1 tion of firefighting facilities; reduction of wildfire hazards
2 to communities through fuels projects within the wildland-
3 urban interface; burned area rehabilitation; rural fire as-
4 sistance; wildfire-related information technology and
5 geospatial analysis; deployment of remote sensing tech-
6 nologies; wildfire science and research, including fireshed
7 mapping; purchase, lease or contract of fixed-wing air-
8 craft; assessment and deployment of technologies to limit
9 disruptions to firefighting operations at night, in a de-
10 graded visual environment, or by unauthorized unmanned
11 aircraft system, including the feasibility of optionally-pi-
12 loted rotor-wing aircraft and containerized retardant-de-
13 livery systems; and for salaries and expenses for wildland
14 firefighters.

15 **SEC. 70705. NATIONAL PARK SERVICE DEFERRED MAINTENANCE AND DEPARTMENT OF THE INTERIOR HOUSING.**

18 In addition to amounts otherwise available, there is
19 appropriated to the Secretary of the Interior for fiscal year
20 2022, out of any money in the Treasury not otherwise ap-
21 propriated, \$400,000,000, to remain available until Sep-
22 tember 30, 2026, for carrying out priority deferred main-
23 tenance projects, which may include resolving directly-re-
24 lated infrastructure deficiencies, including through direct
25 expenditures or transfer authority, within the boundaries

1 of the National Park System and to provide housing, in-
2 cluding expenses necessary to provide housing, for—

3 (1) field employees of the National Park Service
4 pursuant to subchapter III of chapter 1013 of title
5 54, United States Code;

6 (2) field employees of the Bureau of Land Man-
7 agement in a manner similar to the provision of
8 housing under paragraph (1); and

9 (3) participants in corps programs performing
10 appropriate conservation projects or resiliency and
11 restoration projects under grants, contracts, or coop-
12 erative agreements with the National Park Service
13 or the Bureau of Land Management in a manner
14 similar to the provision of housing under paragraph
15 (1).

16 **SEC. 70706. URBAN PARKS.**

17 (a) **IN GENERAL.**—In addition to amounts otherwise
18 available, there is appropriated to the Director of the Na-
19 tional Park Service for fiscal year 2022, out of any money
20 in the Treasury not otherwise appropriated,
21 \$100,000,000, to remain available until September 30,
22 2026, to carry out direct, competitive grants to localities
23 for acquisition of land or interests in land, or for develop-
24 ment of recreation facilities to create or significantly en-
25 hance access to parks or outdoor recreation in urban

1 areas, subject to the conditions that no property acquired
2 or developed with funding under this section shall be con-
3 verted to uses other than public outdoor recreation with-
4 out the approval of the Secretary. Such approval shall re-
5 quire assurances as the Secretary considers necessary to
6 ensure the substitution of other recreational properties of
7 equivalent or greater fair market value and of equivalent
8 usefulness and accessibility.

9 (b) **ADMINISTRATIVE EXPENSES.**—In addition to
10 amounts otherwise available, there is appropriated to the
11 Director of the National Park Service for fiscal year 2022,
12 out of any money in the Treasury not otherwise appro-
13 priated, \$10,000,000, to remain available until September
14 30, 2026, for necessary administrative expenses associated
15 with carrying out this section.

16 **SEC. 70707. HISTORIC PRESERVATION.**

17 In addition to amounts otherwise available, there is
18 appropriated to the Director of the National Park Service
19 for fiscal year 2022, out of any money in the Treasury
20 not otherwise appropriated, \$25,000,000, to remain avail-
21 able until September 30, 2026, to provide funding through
22 direct expenditure, contracts, grants, cooperative agree-
23 ments, or technical assistance to States, Indian Tribes, the
24 District of Columbia, and Territories to carry out preser-

1 vation or historic preservation as defined by section
2 300315 of title 54, United States Code.

3 **SEC. 70708. NATIONAL HERITAGE AREAS.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Director of the National Park Service
6 for fiscal year 2022, out of any money in the Treasury
7 not otherwise appropriated, \$50,000,000, to remain avail-
8 able until September 30, 2026, to carry out funding for
9 National Heritage Area Partnerships, including funding
10 in fiscal year 2022 for any national heritage area, national
11 heritage corridor, cultural heritage corridor, national her-
12 itage partnership, national heritage canalway, national
13 heritage route, and battlefields national historic district
14 authorized to receive Federal funds as of September 1,
15 2021.

16 **SEC. 70709. WITHDRAWALS.**

17 The Secretary of the Interior shall, on or before June
18 30, 2024, withdraw, permanently or for a set term and
19 subject to valid existing rights, lands or interest in lands
20 administered by the Bureau of Land Management from
21 entry, appropriation, disposal, location, and patent. With-
22 draws made under this section shall result in an aggre-
23 gate reduction of receipts payable to the Treasury between
24 the date of the enactment of this section and the end of
25 fiscal year 2031 of \$10,000,000.

1 **Subtitle H—Drought Response and**
2 **Preparedness**

3 **SEC. 70801. BUREAU OF RECLAMATION POTABLE WATER**
4 **SUPPLY PROJECTS.**

5 (a) FUNDING FOR POTABLE WATER SUPPLY
6 PROJECTS.—In addition to amounts otherwise available,
7 there is appropriated to the Commissioner of the Bureau
8 of Reclamation for fiscal year 2022, out of any money in
9 the Treasury not otherwise appropriated, \$550,000,000,
10 to remain available until expended, for grants, contracts,
11 or financial assistance agreements to disadvantaged com-
12 munities (identified according to criteria adopted by the
13 Commissioner) in a manner as determined by the Commis-
14 sioner for up to 100 percent of the cost of the planning,
15 design, or construction of water projects the primary pur-
16 pose of which is to provide potable water supplies to com-
17 munities or households that do not have reliable access
18 to potable water in a State or territory described in the
19 first section of the Act of June 17, 1902 (43 U.S.C. 391;
20 32 Stat. 388, chapter 1093).

21 (b) ADDITIONAL FUNDING.—In addition to amounts
22 otherwise available, there is appropriated to the Commis-
23 sioner of the Bureau of Reclamation for fiscal year 2032
24 and each fiscal year thereafter, out of any money in the
25 Treasury not otherwise appropriated, \$50,000,000, to re-

1 main available until expended, for grants, contracts, or fi-
2 nancial assistance agreements to disadvantaged commu-
3 nities (identified according to criteria adopted by the Com-
4 missioner) in a manner as determined by the Commis-
5 sioner for up to 100 percent of the cost of the planning,
6 design, or construction of water projects the primary pur-
7 pose of which is to provide potable water supplies to com-
8 munities or households that do not have reliable access
9 to potable water in a State or territory described in the
10 first section of the Act of June 17, 1902 (43 U.S.C. 391;
11 32 Stat. 388, chapter 1093).

12 **SEC. 70802. LARGE SCALE WATER REUSE.**

13 (a) DEFINITIONS.—In this section:

14 (1) ELIGIBLE ENTITY.—The term “eligible enti-
15 ty” means—

16 (A) a State, Indian Tribe, municipality, ir-
17 rigation district, water district, wastewater dis-
18 trict, or other organization with water or power
19 delivery authority;

20 (B) a State, regional, or local authority,
21 the members of which include 1 or more organi-
22 zations with water or power delivery authority;
23 or

24 (C) an agency established under State law
25 for the joint exercise of powers or a combina-

1 tion of entities described in subparagraphs (A)
2 and (B).

3 (2) RECLAMATION STATE.—The term “Rec-
4 lamation State” means a State or territory described
5 in the first section of the Act of June 17, 1902 (32
6 Stat. 388, chapter 1093; 43 U.S.C. 391).

7 (b) IN GENERAL.—In addition to amounts otherwise
8 available, there is appropriated to the Bureau of Reclama-
9 tion for fiscal year 2022, out of any money in the Treasury
10 not otherwise appropriated, \$100,000,000, to remain
11 available until September 30, 2031, to provide nonreim-
12 bursable grants on a competitive basis to eligible entities
13 that shall not exceed 25 percent of the total cost of an
14 eligible project unless the project advances at least a pro-
15 portionate share of authorized nonreimbursable benefits
16 (including benefits provided through measurable reduc-
17 tions in water diversions from a river basin that is associ-
18 ated with or affected by, or located within the same river
19 basin as a Federal reclamation project) up to a maximum
20 75 percent of the total costs of an eligible project, to carry
21 out the planning, design, and construction of projects to
22 reclaim and reuse municipal, industrial, domestic, or agri-
23 cultural wastewater or impaired ground or surface waters
24 that have a total estimated cost of more than
25 \$500,000,000 and that provide benefits to drought strick-

1 en regions within the Reclamation States for the purposes
2 of—

3 (1) helping to advance water management plans
4 across a multi-state area, such as drought contin-
5 gency plans in the Colorado River Basin; and

6 (2) providing multiple benefits, including water
7 supply reliability benefits for drought-stricken
8 States, Tribes, and communities, and benefits from
9 measurable reductions in water diversions.

10 (c) TOTAL DOLLAR CAP.—The Bureau of Reclama-
11 tion shall not impose a total dollar cap on Federal con-
12 tributions that applies to all individual projects funded
13 under this section.

14 (d) FUNDING ELIGIBILITY.—An eligible project shall
15 not be considered ineligible for assistance under this sec-
16 tion because the project has received assistance authorized
17 under title XVI of Public Law 102–575 or section 4009
18 of Public Law 114–322.

19 (e) TREATMENT OF CONVEYANCE.—The Bureau of
20 Reclamation shall consider the planning, design, and con-
21 struction of an eligible project’s conveyance system to be
22 eligible for grant funding under this section.

1 **SEC. 70803. ADDRESSING REDUCED WATER AVAILABILITY**
2 **FOR INLAND WATER BODIES.**

3 In addition to amounts otherwise available, there is
4 appropriated to the Bureau of Reclamation for fiscal year
5 2022, out of any money in the Treasury not otherwise ap-
6 propriated, \$100,000,000, to remain available until Sep-
7 tember 30, 2031, to provide grants and enter into con-
8 tracts and cooperative agreements to carry out projects
9 to mitigate the impact of reduced water inflows into inland
10 water bodies associated with, affected by, or located within
11 the same river basin as a Bureau of Reclamation water
12 project, up to 50 percent of the total cost of the project,
13 in partnership with a State, Indian Tribe, municipality,
14 irrigation district, water district, wastewater district, non-
15 profit organization, institution of higher learning, or an
16 agency established under State law for the joint exercise
17 of powers.

18 **SEC. 70804. CANAL REPAIR AND IMPROVEMENT PROJECTS.**

19 (a) CONVEYANCE REPAIRS.—In addition to amounts
20 otherwise available, there is appropriated to the Bureau
21 of Reclamation for fiscal year 2022, out of any money in
22 the Treasury not otherwise appropriated, \$25,000,000, to
23 remain available until September 30, 2031, to provide
24 nonreimbursable grants in a manner as determined by the
25 Secretary of the Interior (in this section referred to as
26 the “Secretary”) on a competitive basis to eligible entities

1 that in aggregate shall not exceed 33 percent of the total
2 cost of an eligible project to carry out the planning, de-
3 sign, and construction of projects to make major, non-re-
4 ccurring maintenance repairs to water conveyance facilities
5 that do not enlarge the carrying capacity of a conveyance
6 facility beyond the capacity as previously constructed for
7 conveyance facilities in need of emergency capacity res-
8 toration due to subsidence and experiencing exceptional
9 drought for the purposes of increasing drought resiliency,
10 primarily through groundwater recharge.

11 (b) SOLAR CANAL INTEGRATION.—In addition to
12 amounts otherwise available, there is appropriated to the
13 Bureau of Reclamation for fiscal year 2022, out of any
14 money in the Treasury not otherwise appropriated,
15 \$25,000,000, to remain available until September 30,
16 2031, for the design, study, and implementation of
17 projects (including pilot and demonstration projects) to
18 cover conveyance facilities receiving grants under sub-
19 section (a) with solar panels to generate renewable energy
20 in a manner as determined by the Secretary or for other
21 solar projects associated with Bureau of Reclamation
22 projects that increase water efficiency and assist in imple-
23 mentation of clean energy goals.

1 **Subtitle I—Insular Affairs**

2 **SEC. 70901. INSULAR AFFAIRS CRITICAL INFRASTRUCTURE**

3 **FUNDING.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Department of the Interior Office of
6 Insular Affairs for fiscal year 2022, out of any money in
7 the Treasury not otherwise appropriated, \$1,000,000,000,
8 to remain available until September 30, 2031, for critical
9 infrastructure in the territories. Amounts made available
10 under this section shall be distributed under paragraph
11 (3) of subsection (c) of section 4 of Public Law 94–241
12 (110 Stat. 1321–178) as amended by section 118 of Pub-
13 lic Law 104–134 (48 U.S.C. 1804(C)(3)).

14 **SEC. 70902. OFFICE OF INSULAR AFFAIRS CLIMATE**
15 **CHANGE TECHNICAL ASSISTANCE.**

16 (a) **IN GENERAL.**—In addition to amounts otherwise
17 available, there is appropriated to the Department of the
18 Interior Office of Insular Affairs for fiscal year 2022, out
19 of any money in the Treasury not otherwise appropriated,
20 \$29,100,000, to remain available until September 30,
21 2026, to provide technical assistance for climate change
22 planning, mitigation, adaptation, and resilience to United
23 States Insular Areas under the Office of Insular Affairs.

24 (b) **ADMINISTRATIVE EXPENSES.**—In addition to
25 amounts otherwise available, there is appropriated to the

1 Department of the Interior Office of Insular Affairs for
2 fiscal year 2022, out of any money in the Treasury not
3 otherwise appropriated, \$900,000, to remain available
4 until September 30, 2026, for necessary administrative ex-
5 penses associated with carrying out this section.

6 **SEC. 70903. DEFINITIONS.**

7 For the purposes of this subtitle:

8 (1) **TERRITORIES.**—The term “territories”
9 means American Samoa, the Commonwealth of the
10 Northern Mariana Islands, Guam, Puerto Rico, and
11 the Virgin Islands of the United States.

12 (2) **TERRITORY.**—The term “territory” means
13 American Samoa, the Commonwealth of the North-
14 ern Mariana Islands, Guam, Puerto Rico, or the Vir-
15 gin Islands of the United States.

16 **Subtitle J—Offshore Wind**

17 **SEC. 71001. RENEWABLE ENERGY LEASING ON THE OUTER**
18 **CONTINENTAL SHELF.**

19 The Secretary of the Interior shall grant leases, ease-
20 ments, and rights of way to produce or support produc-
21 tion, transportation, or transmission of electricity from re-
22 newable energy facilities on the Outer Continental Shelf
23 in the Mid Atlantic Planning Area, the South Atlantic
24 Planning Area, the Straits of Florida Planning Area, and
25 the Eastern Gulf of Mexico Planning Area identified on

1 the map entitled “Outer Continental Shelf Lower 48
2 States Planning Areas” and dated October 18, 2021.

3 **SEC. 71002. OFFSHORE WIND FOR THE TERRITORIES.**

4 The Secretary of the Interior shall grant leases, ease-
5 ments, and rights-of-way to produce or support produc-
6 tion, transportation, or transmission of electricity from re-
7 newable energy facilities in submerged lands seaward from
8 the coastline of Puerto Rico, Guam, American Samoa, the
9 Virgin Islands of the United States, and the Common-
10 wealth of the Northern Mariana Islands and of which the
11 subsoil and seabed appertain to the United States and are
12 subject to its jurisdiction and control. The Secretary of
13 the Interior shall conduct wind lease sales in said sub-
14 merged lands if the Secretary of the Interior has deter-
15 mined that a wind lease sale is feasible and issued a call
16 for information and nominations, determined there is suf-
17 ficient interest in leasing the area, and consulted with the
18 Governor of the territory regarding the suitability of the
19 area for wind energy development.

20 **Subtitle K—Hardrock Mining**
21 **Reclamation**

22 **SEC. 71101. HARDROCK MINING.**

23 (a) IN GENERAL.—Except as provided in subsection
24 (b) and subject to subsection (c), production of all
25 locatable minerals from any mining claim or mineral con-

1 concentrates or products derived from locatable minerals from
2 any such mining claim on Federal lands, as the case may
3 be, shall be subject to a royalty of 4 percent of the gross
4 income from mining. The claim holder or any operator to
5 whom the claim holder has assigned the obligation to make
6 royalty payments under the claim and any person who
7 controls such claim holder or operator shall be liable for
8 payment of such royalties.

9 (b) ROYALTY FOR FEDERAL LANDS SUBJECT TO AP-
10 PROVED PLAN OF OPERATIONS.—The royalty under sub-
11 section (a) shall be 2 percent in the case of any Federal
12 land that is subject to an approved plan of operations on
13 the date of enactment of this section.

14 (c) FEDERAL LAND ADDED TO EXISTING PLANS OF
15 OPERATIONS.—Any Federal land added through a plan
16 modification to a mining plan of operations that is sub-
17 mitted after the date of enactment of this section shall
18 be subject to the royalty that applies to Federal land
19 under subsection (a).

20 (d) LIMITATION ON APPLICATION.—

21 (1) IN GENERAL.—Any royalty under this sec-
22 tion shall not apply to small miners. In this para-
23 graph, the term “small miner” means a person (in-
24 cluding all related parties thereto) that certifies to
25 the Secretary of the Interior in writing that the per-

1 son had annual gross income in the preceding cal-
2 endar year from mineral production in an amount
3 less than \$100,000.

4 (2) RELATED PARTIES DEFINED.—For the pur-
5 poses of this paragraph, the term “related parties”
6 means, with respect to a person—

7 (A) the spouse and all dependents (as de-
8 fined in section 152 of the Internal Revenue
9 Code of 1986 (26 U.S.C. 152)) of the person;
10 or

11 (B) another person who is affiliated with
12 the person, including—

13 (i) another person who controls, is
14 controlled by, or is under common control
15 with the person; and

16 (ii) a subsidiary or parent company or
17 corporation of the person.

18 (3) CONTROL DEFINED.—For purposes of this
19 paragraph, the term “control” includes actual con-
20 trol, legal control, and the power to exercise control,
21 through or by common directors, officers, stock hold-
22 ers, a voting trust, or a holding company or invest-
23 ment company, or any other means.

1 (e) DUTIES OF CLAIM HOLDERS, OPERATORS, AND
2 TRANSPORTERS.—The Secretary of the Interior shall pre-
3 scribe by rule the time and manner in which—

4 (1) a person who is required to make a royalty
5 payment under this section shall make such pay-
6 ment; and

7 (2) a person is subject to fines or forfeiture of
8 mining claims for failure to comply with said rule.

9 (f) GROSS INCOME FROM MINING DEFINED.—For
10 the purposes of this section, the term “gross income from
11 mining” has the same meaning as the term “gross in-
12 come” in the Internal Revenue Code of 1986 (26 C.F.R.
13 61) for any hardrock mineral sources.

14 (g) EFFECTIVE DATE.—Royalties under this section
15 shall take effect with respect to the production of hardrock
16 minerals after the enactment of this section, but any roy-
17 alty payments attributable to production during the first
18 12 calendar months after the enactment of this section
19 shall be payable at the expiration of such 12-month period.

20 (h) USE OF FUNDS.—In addition to amounts other-
21 wise appropriated for fiscal year 2022, \$997,000,000 shall
22 remain available until September 30, 2031 to the Sec-
23 retary of the Interior from all amounts collected as roy-
24 alties in subsections (a), (b) and (c) for all activities nec-
25 essary to inventory, assess, decommission, reclaim, re-

1 spond to hazardous substance releases on, and remediate
2 abandoned locatable minerals mine land, including to re-
3 vise rules and regulations to prevent undue degradation
4 of public lands due to hardrock mining activities.

5 **Subtitle L—Arctic National Wildlife** 6 **Refuge**

7 **SEC. 71201. REPEAL OF THE ARCTIC NATIONAL WILDLIFE** 8 **REFUGE OIL AND GAS PROGRAM.**

9 Section 20001 of Public Law 115–97 is repealed and
10 any leases issued pursuant to section 20001 of Public Law
11 115–97 are hereby cancelled and all payments related to
12 the leases shall be returned to the lessee(s) within 30 days
13 of enactment of this section.

14 **Subtitle M—Outer Continental** 15 **Shelf Oil and Gas Leasing**

16 **SEC. 71301. PROTECTION OF THE EASTERN GULF, ATLANTIC,** 17 **AND PACIFIC COASTS.**

18 The Secretary of the Interior may not issue a lease
19 or any other authorization for the exploration, develop-
20 ment, or production of oil or natural gas in any of the
21 planning areas on the Outer Continental Shelf in the Pa-
22 cific Region Planning Areas, in the Atlantic Region Plan-
23 ning Areas, or in the Eastern Gulf of Mexico Planning
24 Area identified on the map entitled “Outer Continental

1 Shelf Lower 48 States Planning Areas” and dated October
2 18, 2021.

3 **Subtitle N—Fossil Fuel Resources**

4 **SEC. 71401. ONSHORE FOSSIL FUEL ROYALTY RATES.**

5 All new onshore oil, gas, and coal leases issued by
6 the Secretary of the Interior shall be conditioned upon the
7 payment of a royalty at a rate of 18.75 percent in amount
8 or value of the production from the lease. Before a termi-
9 nated or cancelled oil, gas, or coal lease may be reinstated
10 by the Secretary of the Interior, back royalties must be
11 paid, and future royalties shall be at a rate of 25 percent
12 in amount or value of the production from the lease.

13 **SEC. 71402. OFFSHORE OIL AND GAS ROYALTY RATE.**

14 All new offshore oil and gas leases on submerged
15 lands of the outer Continental Shelf granted by the Sec-
16 retary of the Interior shall be conditioned upon the pay-
17 ment of a royalty at a rate of not less than 14 percent
18 in amount or value of the production from the lease.

19 **SEC. 71403. OIL AND GAS MINIMUM BID.**

20 The onshore minimum acceptable bid charged by the
21 Secretary of the Interior shall be \$10 per acre on Federal
22 lands in the contiguous United States authorized to be
23 leased by the Secretary for production of oil and gas. The
24 Secretary of the Interior shall by regulation, at least once

1 every 4 years, adjust the dollar amount to reflect the
2 change in inflation.

3 **SEC. 71404. DEFERRED COAL BONUS PAYMENTS.**

4 The Secretary of the Interior may not offer Federal
5 coal leases under a system of deferred bonus payment.

6 **SEC. 71405. FOSSIL FUEL RENTAL RATES.**

7 The Secretary of the Interior shall require all onshore
8 oil and gas leases in the contiguous United States to be
9 conditioned upon payment by the lessee of a rental of \$3
10 per acre per year during the 2-year period beginning on
11 the date the lease begins for new leases, and after the end
12 of such two-year period \$5 per acre per year. The Sec-
13 retary of the Interior shall by regulation, at least once
14 every 4 years, adjust the dollar amounts to reflect the
15 change in inflation. A terminated onshore oil and gas lease
16 may not be reinstated without the payment of back rentals
17 and a requirement that future rentals be at a rate of \$20
18 per acre per year.

19 **SEC. 71406. FOSSIL FUEL LEASE TERM LENGTH.**

20 (a) A coal lease issued by the Secretary of the Inte-
21 rior shall be for a term of ten years. Any lease which is
22 not producing in commercial quantities at the end of 5
23 years shall be terminated. The aggregate number of years
24 during the period of any lease for which advance royalties

1 may be accepted in lieu of the condition of continued oper-
2 ation shall not exceed 10 years.

3 (b) Leases for exploration for and development of oil
4 or gas in the contiguous United States issued by the Sec-
5 retary of the Interior shall be for a primary term of 5
6 years.

7 **SEC. 71407. EXPRESSION OF INTEREST FEE.**

8 (a) IN GENERAL.—The Secretary of the Interior shall
9 charge any person who submits an expression of interest
10 in leasing land in the contiguous United States available
11 for disposition for exploration and development of oil or
12 gas a fee in an amount determined by the Secretary of
13 the Interior under subsection (b).

14 (b) AMOUNT.—The fee authorized under subsection
15 (a) shall be established by the Secretary of the Interior
16 in an amount that is determined by the Secretary of the
17 Interior to be appropriate to cover the aggregate cost of
18 processing an expression of interest under this section, but
19 not less than \$15 per acre and not more than \$50 per
20 acre of the area covered by the applicable expression of
21 interest.

22 (c) ADJUSTMENT OF FEE.—The Secretary of the In-
23 terior shall, by regulation at least every 4 years, establish
24 a higher expression of interest fee to reflect the change
25 in inflation.

1 **SEC. 71408. ELIMINATION OF NONCOMPETITIVE LEASING.**

2 The Secretary of the Interior may not issue an oil
3 or gas lease noncompetitively. Land made available by the
4 Secretary of the Interior for oil and gas leasing for which
5 no bid is accepted or received, or the land for which a
6 lease terminates, expires, is cancelled, or is relinquished,
7 may only be made available by the Secretary of the Inte-
8 rior for a new round of sealed, competitive bidding.

9 **SEC. 71409. OIL AND GAS BONDING REQUIREMENTS.**

10 Not later than 18 months after the date of enactment
11 of this subtitle, the Secretary of the Interior shall publish
12 a final rule in the Federal Register requiring that an ade-
13 quate bond, surety, or other financial arrangement be pro-
14 vided by an oil or gas lessee prior to the commencement
15 of surface-disturbing activities on an onshore oil and gas
16 lease issued by the Secretary to ensure the complete and
17 timely restoration and reclamation of any land, water, or
18 other resources (including resources with recreation,
19 range, mineral, watershed, fish or wildlife, natural, scenic,
20 scientific, or historical value) adversely affected by lease
21 activities or operations after the abandonment or cessation
22 of oil and gas operations on the lease. The Secretary of
23 the Interior shall find that a bond, surety or other finan-
24 cial arrangement required by rule or regulation is inad-
25 equate if it is for less than the complete and timely rec-
26 lamation of the least tract, the restoration of any lands

1 or surface waters adversely affected by lease operations,
2 and, in the case of an idled well, the total plugging and
3 reclamation costs for each idled well controlled by the
4 same operator.

5 **SEC. 71410. PER-ACRE LEASE FEES.**

6 (a) OIL AND GAS LEASE FEES.—The Secretary of
7 the Interior shall charge onshore and offshore oil and gas
8 leaseholders the following annual, non-refundable fees:

9 (1) CONSERVATION OF RESOURCES FEE.—

10 There is established a Conservation of Resources
11 Fee of \$4 per acre per year on new producing Fed-
12 eral onshore and offshore oil and gas leases.

13 (2) SPECULATIVE LEASING FEE.—There is es-
14 tablished a Speculative Leasing Fee of \$6 per acre
15 per year on new nonproducing Federal onshore and
16 offshore oil and gas leases.

17 (b) DEPOSIT.—All funds collected pursuant to sub-
18 section (a) shall be deposited into the United States
19 Treasury General Fund.

20 (c) ADJUSTMENT FOR INFLATION.—The Secretary of
21 the Interior shall, by regulation at least once every four
22 years, adjust each fee created by subsection (a) to reflect
23 any increase in inflation.

24 **SEC. 71411. OFFSHORE OIL AND GAS INSPECTION FEES.**

25 (a) IN GENERAL.—

1 (1) ESTABLISHMENT.—The Secretary of the In-
2 terior shall collect inspection fees from the operators
3 of oil and gas facilities on the outer continental shelf
4 subject to any environmental or safety regulation to
5 prevent or ameliorate blowouts, fires, spills,
6 spillages, or major accidents—

7 (A) at an aggregate level to offset the an-
8 nual expenses of such inspections; and

9 (B) using a schedule that reflect the dif-
10 ferences in complexity among the classes of fa-
11 cilities to be inspected.

12 (2) ADJUSTMENT FOR INFLATION.—For each
13 fiscal year beginning after fiscal year 2022, the Sec-
14 retary of the Interior shall adjust the amount of the
15 fees collected under this section for inflation.

16 (3) FEES FOR FISCAL YEAR 2022.—

17 (A) ANNUAL FEES.—For fiscal year 2022,
18 the Secretary of the Interior shall collect annual
19 fees from the operator of facilities that are
20 above the waterline, excluding drilling rigs, and
21 are in place at the start of the fiscal year in the
22 following amounts:

23 (i) \$11,725 for facilities with no wells,
24 but with processing equipment or gath-
25 ering lines.

1 (ii) \$18,984 for facilities with 1 to 10
2 wells, with any combination of active or in-
3 active wells.

4 (iii) \$35,176 for facilities with more
5 than 10 wells, with any combination of ac-
6 tive or inactive wells.

7 (B) FEES FOR DRILLING RIGS.—For fiscal
8 year 2022, the Secretary of the Interior shall
9 collect fees for each inspection from the opera-
10 tors of drilling rigs in the following amounts:

11 (i) \$34,059 per inspection for rigs op-
12 erating in water depths of 500 feet or
13 more.

14 (ii) \$18,649 per inspection for rigs
15 operating in water depths of less than 500
16 feet.

17 (C) FEES FOR NON-RIG UNITS.—For fiscal
18 year 2022, the Secretary of the Interior shall
19 collect fees for each inspection from the opera-
20 tors of well operations conducted via non-rig
21 units in the following amounts:

22 (i) \$13,260 per inspection for non-rig
23 units operating in water depths of 2,500
24 feet or more.

1 (ii) \$11,530 per inspection for non-rig
2 units operating in water depths between
3 500 and 2,499 feet.

4 (iii) \$4,470 per inspection for non-rig
5 units operating in water depths of less
6 than 500 feet.

7 (b) DISPOSITION.—Amounts collected as fees under
8 subsection (a) shall be deposited into the general fund of
9 the Treasury.

10 (c) BILLING.—

11 (1) ANNUAL FEES.—The Secretary of the Inte-
12 rior shall bill designated operators under subsection
13 (a)(3)(A) annually, with payment required not later
14 than 30 days after such billing.

15 (2) FEES FOR DRILLING RIGS.—The Secretary
16 of the Interior shall bill designated operators under
17 subsection (a)(3)(B) not later than 30 days after the
18 end of the month in which the inspection occurred,
19 with payment required not later than 30 days after
20 such billing.

21 **SEC. 71412. ONSHORE OIL AND GAS INSPECTION FEES.**

22 (a) IN GENERAL.—The designated operator under
23 each oil and gas lease on Federal land or each unit and
24 communitization agreement that includes one or more
25 such Federal leases that is subject to inspection and that

1 is in force at the start of the fiscal year 2021, shall pay
2 a nonrefundable annual inspection fee in an amount that,
3 except as provided in subsection (b), is established by the
4 Secretary of the Interior by regulation and is sufficient
5 to recover the full costs incurred by the United States for
6 inspection and enforcement with respect to such leases.

7 (b) AMOUNT.—Until the effective date of regulations
8 under subsection (a)—

9 (1) the amount of the fee for all States shall be
10 \$1,000 for each lease, unit, or communitization
11 agreement; and

12 (2) the Secretary of the Interior may increase
13 the fees based upon the actual costs incurred for in-
14 spections.

15 (c) ASSESSMENT FOR FISCAL YEAR 2022.—For fis-
16 cal year 2022, the Secretary of the Interior shall assess
17 the fee described under this section at \$1,000 for each
18 lease, unit, or communitization agreement, and shall pro-
19 vide notice of such assessment to each designated operator
20 who is liable for such fee, by not later than 60 days after
21 the date of enactment of this section.

22 **SEC. 71413. SEVERANCE FEES.**

23 The Secretary of the Interior shall collect annual,
24 non-refundable fees on fossil fuels produced from new
25 leases on Federal lands and the Outer Continental Shelf

1 and deposit the funds into the United States Treasury
2 General Fund. Such fees shall be—

3 (1) \$0.50 per barrel of oil equivalent on oil and
4 natural gas produced from Federal lands and the
5 Outer Continental Shelf; and

6 (2) \$2 per metric ton of coal produced from
7 Federal lands.

8 **SEC. 71414. IDLED WELL FEES.**

9 (a) IN GENERAL.—The Secretary of the Interior
10 shall, not later than 180 days after the date of enactment
11 of this section, issue regulations to require each operator
12 of an idled well on Federal land and the Outer Continental
13 Shelf to pay an annual, nonrefundable fee for each such
14 idled well in accordance with this subsection.

15 (b) AMOUNTS.—Except as provided in subsection (d),
16 the amount of the fee shall be as follows:

17 (1) \$500 for each well that has been considered
18 an idled well for at least 1 year, but not more than
19 5 years.

20 (2) \$1,500 for each well that has been consid-
21 ered an idled well for at least 5 years, but not more
22 than 10 years.

23 (3) \$3,500 for each well that has been consid-
24 ered an idled well for at least 10 years, but not more
25 than 15 years.

1 (4) \$7,500 for each well that has been consid-
2 ered an idled well for at least 15 years.

3 (c) DUE DATE.—An owner of an idled well that is
4 required to pay a fee under this section shall submit to
5 the Secretary of the Interior such fee by not later than
6 October 1 of each year.

7 (d) ADJUSTMENT FOR INFLATION.—The Secretary of
8 the Interior shall, by regulation not less than once every
9 4 years, adjust each fee under this section to account for
10 inflation.

11 (e) DEPOSIT.—All funds collected pursuant to sub-
12 section (a) shall be deposited into the United States
13 Treasury General Fund.

14 (f) IDLED WELL DEFINITION.—For the purposes of
15 this section, the term “idled well” means a well that has
16 been non-operational for at least two consecutive years
17 and for which there is no anticipated beneficial future use.

18 **SEC. 71415. ANNUAL PIPELINE OWNERS FEE.**

19 (a) IN GENERAL.—Not later than 180 days after the
20 date of enactment of this section, the Bureau of Safety
21 and Environmental Enforcement shall issue regulations to
22 assess an annual fee on owners of existing and new off-
23 shore oil and gas pipelines defined as “DOI pipelines”
24 under 30 C.F.R. 250.1001. No portion of such fee that
25 is passed on to a lessee may be deducted as part of a les-

1 see's transportation allowance when calculating royalties
2 due to the United States.

3 (b) AMOUNTS.—Fees established under this para-
4 graph shall be—

5 (1) \$10,000 per mile for pipelines in water with
6 a depth of 500 feet or greater; and

7 (2) \$1,000 per mile for pipelines in water depth
8 of under 500 feet.

9 **SEC. 71416. ROYALTIES ON ALL EXTRACTED METHANE.**

10 (a) IN GENERAL.—Except as provided in subsection
11 (b), royalties paid for gas produced from Federal lands
12 and on the Outer Continental Shelf shall be assessed on
13 all gas produced, including—

14 (1) gas used or consumed within the area of the
15 lease tract for the benefit of the lease; and

16 (2) all gas that is consumed or lost by venting,
17 flaring, or fugitive releases through any equipment
18 during upstream operations.

19 (b) EXCEPTION.—Subsection (a) shall not apply with
20 respect to gas vented or flared for not longer than 48
21 hours in an acute emergency situation that poses a danger
22 to human health.

23 **SEC. 71417. ELIMINATION OF ROYALTY RELIEF.**

24 (a) LIMITATION ON AUTHORITY.—The Secretary of
25 the Interior may not reduce, eliminate, or suspend royal-

1 ties or net profit share for any oil and gas leases on the
2 Outer Continental Shelf. Royalty relief may not be per-
3 mitted on any future oil and gas leases on the Outer Con-
4 tinental Shelf.

5 (b) REPEAL.—Section 39 of the Mineral Leasing Act
6 (30 U.S.C. 209) is repealed.

7 **Subtitle O—United States**
8 **Geological Survey**

9 **SEC. 71501. UNITED STATES GEOLOGICAL SURVEY 3D ELE-**
10 **VATION PROGRAM.**

11 In addition to amounts otherwise available, there is
12 appropriated to the Director of the United States Geologi-
13 cal Survey for fiscal year 2022, out of any money in the
14 Treasury not otherwise appropriated, \$50,000,000, to re-
15 main available until September 30, 2031, to carry out sub-
16 section 5(d) of the National Landslide Preparedness Act
17 (43 U.S.C. 3104(d)).

18 **SEC. 71502. CLIMATE ADAPTATION SCIENCE CENTERS.**

19 In addition to amounts otherwise available, there is
20 appropriated to the United States Geological Survey for
21 fiscal year 2022, out of any money in the Treasury not
22 otherwise appropriated, \$50,000,000, to remain available
23 until September 30, 2031, for the Regional and National
24 Climate Adaptation Science Centers to provide localized

1 information to help communities respond to climate
2 change.

3 **TITLE VIII—COMMITTEE ON**
4 **OVERSIGHT AND REFORM**

5 **SEC. 80001. GENERAL SERVICES ADMINISTRATION CLEAN**
6 **FLEETS.**

7 In addition to amounts otherwise available, there is
8 appropriated to the Administrator of General Services for
9 fiscal year 2022, out of any money in the Treasury not
10 otherwise appropriated, \$2,995,000,000, to remain avail-
11 able until September 30, 2026, for the procurement of
12 zero-emission and electric vehicles and related costs.

13 **SEC. 80002. FUNDING FOR GENERAL SERVICES ADMINIS-**
14 **TRATION OFFICE OF INSPECTOR GENERAL.**

15 In addition to amounts otherwise available, there is
16 appropriated to the Office of Inspector General of the
17 General Services Administration for fiscal year 2022, out
18 of any money in the Treasury not otherwise appropriated,
19 \$5,000,000, to remain available until September 30, 2031,
20 to support oversight of General Services Administration
21 activities implemented pursuant to this Act.

22 **SEC. 80003. UNITED STATES POSTAL SERVICE CLEAN**
23 **FLEETS.**

24 In addition to amounts otherwise available, there is
25 appropriated to the United States Postal Service for fiscal

1 year 2022, out of any money in the Treasury not otherwise
2 appropriated, the following amounts, to be deposited into
3 the Postal Service Fund established under section 2003
4 of title 39, United States Code:

5 (1) \$2,573,550,000, to remain available
6 through September 30, 2031, for the purchase of
7 electric delivery vehicles.

8 (2) \$3,411,450,000, to remain available
9 through September 30, 2031, for the purchase, de-
10 sign, and installation of the requisite infrastructure
11 to support electric delivery vehicles at facilities that
12 the United States Postal Service owns or leases from
13 non-Federal entities.

14 **SEC. 80004. UNITED STATES POSTAL SERVICE OFFICE OF**
15 **INSPECTOR GENERAL.**

16 In addition to amounts otherwise available, there is
17 appropriated to the Office of Inspector General of the
18 United States Postal Service for fiscal year 2022, out of
19 any money in the Treasury not otherwise appropriated,
20 \$15,000,000, to remain available through September 30,
21 2031, to support oversight of United States Postal Service
22 activities implemented pursuant to this Act.

1 **SEC. 80005. GOVERNMENT ACCOUNTABILITY OFFICE OVER-**
2 **SIGHT.**

3 In addition to amounts otherwise available, there is
4 appropriated to the Comptroller General of the United
5 States for fiscal year 2022, out of any money in the Treas-
6 ury not otherwise appropriated, \$25,000,000, to remain
7 available until September 30, 2031, for necessary expenses
8 of the Government Accountability Office to support the
9 oversight of—

10 (1) the distribution and use of funds appro-
11 priated under this Act; and

12 (2) whether the economic, social, and environ-
13 mental impacts of the funds described in paragraph

14 (1) are equitable.

15 **SEC. 80006. OFFICE OF MANAGEMENT AND BUDGET OVER-**
16 **SIGHT.**

17 In addition to amounts otherwise available, there are
18 appropriated to the Director of the Office of Management
19 and Budget for fiscal year 2022, out of any money in the
20 Treasury not otherwise appropriated, \$25,000,000, to re-
21 main available until September 30, 2026, for necessary ex-
22 penses to—

23 (1) support the implementation of this Act and
24 the Justice40 Initiative; and

25 (2) track labor, equity, and environmental
26 standards and performance.

1 **SEC. 80007. GENERAL SERVICES ADMINISTRATION EMERG-**
2 **ING TECHNOLOGIES.**

3 In addition to amounts otherwise available, there is
4 appropriated to the Administrator of General Services for
5 fiscal year 2022, out of any money in the Treasury not
6 otherwise appropriated, \$975,000,000, to remain available
7 until September 30, 2031, for emerging and sustainable
8 technologies, and related sustainability and environmental
9 programs.

10 **SEC. 80008. GENERAL SERVICES ADMINISTRATION PRO-**
11 **CUREMENT AND TECHNOLOGY.**

12 In addition to amounts otherwise available, there is
13 appropriated to the Administrator of General Services for
14 fiscal year 2022 out of any money in the Treasury not
15 otherwise appropriated, \$3,250,000,000, to remain avail-
16 able until September 30, 2031, for the purchase of goods,
17 services, and systems to improve energy efficiency, pro-
18 mote the purchase of lower-carbon materials, and reduce
19 the carbon footprint.

1 **TITLE IX—COMMITTEE ON**
2 **SCIENCE, SPACE, AND TECH-**
3 **NOLOGY**

4 **SECTION 90001. DEPARTMENT OF ENERGY RESEARCH, DE-**
5 **VELOPMENT, AND DEMONSTRATION ACTIVI-**
6 **TIES.**

7 (a) OFFICE OF ENERGY EFFICIENCY AND RENEW-
8 ABLE ENERGY.—In addition to amounts otherwise avail-
9 able, there is appropriated to the Department of Energy
10 Office of Energy Efficiency and Renewable Energy for fis-
11 cal year 2022, out of any money in the Treasury not other-
12 wise appropriated, \$1,000,000,000, to remain available
13 until September 30, 2026, to carry out demonstration
14 projects, including demonstration of advanced—

- 15 (1) building technologies;
16 (2) solar energy technologies;
17 (3) geothermal energy technologies;
18 (4) wind energy technologies;
19 (5) water power technologies;
20 (6) bioenergy technologies; and
21 (7) vehicle technologies.

22 (b) OFFICE OF SCIENCE.—In addition to amounts
23 otherwise available, there is appropriated to the Office of
24 Science of the Department of Energy for fiscal year 2022,

1 out of any money in the Treasury not otherwise appro-
2 priated, to remain available until September 30, 2026—

3 (1) \$100,000,000 to carry out the low-dose ra-
4 diation research program established under section
5 306(c) of the Department of Energy Research and
6 Innovation Act (42 U.S.C. 18644(c)(1));

7 (2) \$200,000,000 to carry out the fusion mate-
8 rials research and development program established
9 under section 307(b) of the Department of Energy
10 Research and Innovation Act (42 U.S.C. 18645(b));

11 (3) \$200,000,000 to carry out the alternative
12 and enabling fusion energy concepts program estab-
13 lished under section 307(e) of the Department of
14 Energy Research and Innovation Act (42 U.S.C.
15 18645(e));

16 (4) \$325,000,000 to carry out the milestone-
17 based fusion energy development program estab-
18 lished under section 307(i) of the Department of
19 Energy Research and Innovation Act (42 U.S.C.
20 18645(i));

21 (5) \$140,000,000 to carry out the program of
22 research and technology development in inertial fu-
23 sion for energy applications established under sec-
24 tion 307(d) of the Department of Energy Research
25 and Innovation Act (42 U.S.C. 18645(d)); and

1 (6) \$20,000,000 to carry out the fusion reactor
2 system design activities authorized in section 307(j)
3 of the Department of Energy Research and Innova-
4 tion Act (42 U.S.C. 18645(j)).

5 (c) OFFICE OF FOSSIL ENERGY AND CARBON MAN-
6 AGEMENT.—In addition to amounts otherwise available,
7 there is appropriated to the Department of Energy Office
8 of Fossil Energy and Carbon Management for fiscal year
9 2022, out of any money in the Treasury not otherwise ap-
10 propriated, \$10,000,000, to remain available until Sep-
11 tember 30, 2026, to carry out on-site demonstration
12 projects on the reduction of environmental impacts of pro-
13 duced water.

14 (d) DIVERSITY SUPPORT.—In addition to amounts
15 otherwise available, there is appropriated to the Depart-
16 ment of Energy Office of Economic Impact and Diversity
17 for fiscal year 2022, out of any money in the Treasury
18 not otherwise appropriated, \$5,000,000, to remain avail-
19 able until September 30, 2026, to support programs
20 across the Department’s civilian research, development,
21 demonstration, and commercial application activities.

22 **SEC. 90002. AIR QUALITY AND CLIMATE RESEARCH.**

23 In addition to amounts otherwise available, there is
24 appropriated to the Environmental Protection Agency for
25 fiscal year 2022, out of any money in the Treasury not

1 otherwise appropriated, \$100,000,000, to remain available
2 until September 30, 2026, for air quality and climate re-
3 search under section 103 of the Clean Air Act (42 U.S.C.
4 7403) in support of research related to climate change
5 mitigation, adaptation and resilience activities to help re-
6 duce the impacts of climate change on human health and
7 welfare; the issuance of award grants for the collection of
8 regional and local climate data to better estimate the eco-
9 nomic impacts of climate change and support community-
10 based responses to climate change to better anticipate,
11 prepare for, adapt to, and recover from climate-driven ex-
12 treme events; research on the impacts of climate change,
13 and the cumulative impacts of pollution exposure, in low-
14 income and disadvantaged communities.

15 **SEC. 90003. PFAS REPLACEMENT ASSISTANCE TO FIRE-**
16 **FIGHTERS GRANTS.**

17 (a) IN GENERAL.—In addition to amounts otherwise
18 available, there is appropriated for fiscal year 2022, out
19 of any money in the Treasury not otherwise appropriated,
20 \$95,000,000, to remain available until September 30,
21 2030, to the Federal Emergency Management Agency for
22 grants for personal protective firefighting equipment and
23 firefighting foam that does not contain perfluoroalkyl or
24 polyfluoroalkyl substances.

1 (b) PROGRAM ADMINISTRATION.—In addition to
2 amounts otherwise available, there is appropriated for fis-
3 cal year 2022, out of any money in the Treasury not other-
4 wise appropriated, \$5,000,000, to remain available until
5 September 30, 2030, to the Federal Emergency Manage-
6 ment Agency for the administration and management of
7 this section.

8 (c) APPLICATIONS.—With respect to the grant pro-
9 gram described in subsection (a), the Administrator of the
10 Federal Emergency Management Agency shall—

11 (1) require eligible applicants to submit an ap-
12 plication at such time, in such form, and containing
13 such information and assurances as the Adminis-
14 trator of the Federal Emergency Management Agen-
15 cy may require; and

16 (2) establish appropriate review and delivery
17 mechanisms for an application submitted under
18 paragraph (1).

19 **SEC. 90004. NATIONAL AERONAUTICS AND SPACE ADMINIS-**
20 **TRATION INFRASTRUCTURE.**

21 In addition to amounts otherwise available, there are
22 appropriated to the National Aeronautics and Space Ad-
23 ministration for fiscal year 2022, out of any money in the
24 Treasury not otherwise appropriated, \$750,000,000, to re-
25 main available until September 30, 2028, for repair, re-

1 capitalization, modification, modernization, and construc-
2 tion of physical infrastructure and facilities, including re-
3 lated administrative expenses, consistent with the respon-
4 sibilities under sections 31502 and 31503 of title 51,
5 United States Code.

6 **SEC. 90005. NATIONAL AERONAUTICS AND SPACE ADMINIS-**
7 **TRATION CLIMATE RESEARCH AND DEVEL-**
8 **OPMENT.**

9 In addition to amounts otherwise available, there are
10 appropriated to the National Aeronautics and Space Ad-
11 ministration for fiscal year 2022, out of any money in the
12 Treasury not otherwise appropriated, to remain available
13 until September 30, 2028—

14 (1) \$85,000,000 for research and development
15 on subseasonal to seasonal models and observations,
16 climate resilience and sustainability, and for air-
17 borne instruments, campaigns, and surface networks
18 to understand, observe, and mitigate climate change
19 and its impacts, consistent with NASA's mission to
20 expand human knowledge of the Earth, as carried
21 out through programs under the Earth Science Divi-
22 sion, and for research and development activities on
23 upper atmospheric research, and for related adminis-
24 trative expenses;

1 (2) \$30,000,000 for investments in data man-
2 agement and processing to support research, devel-
3 opment, and applications to understand, observe,
4 and mitigate climate change and its impacts, con-
5 sistent with NASA's mission to expand human
6 knowledge of the Earth, as carried out through pro-
7 grams under the Earth Science Division, and for re-
8 lated administrative expenses;

9 (3) \$25,000,000 for research and development
10 to support the wildfire fighting community and im-
11 prove wildfire fighting operations through new and
12 existing programs under the authority of the Admin-
13 istrator of the National Aeronautics and Space Ad-
14 ministration, and for related administrative ex-
15 penses; and

16 (4) \$225,000,000 for aeronautics research and
17 development on sustainable aviation, consistent with
18 sections 40701 and 40702 of title 51, United States
19 Code, and for related administrative expenses.

20 **SEC. 90006. NATIONAL INSTITUTE OF STANDARDS AND**
21 **TECHNOLOGY RESEARCH.**

22 In addition to amounts otherwise available, there is
23 appropriated to the National Institute of Standards and
24 Technology for fiscal year 2022, out of any money in the
25 Treasury not otherwise appropriated \$100,000,000, to re-

1 main available until September 30, 2028, for research on
2 the impact of fire on structures and communities located
3 at the Wildland Urban Interface under the direction of
4 the Institute, and for related administrative expenses.

5 **SEC. 90007. NATIONAL INSTITUTE OF STANDARDS AND**
6 **TECHNOLOGY HOLLINGS MANUFACTURING**
7 **EXTENSION PARTNERSHIP.**

8 In addition to amounts otherwise available, there is
9 appropriated to the National Institute of Standards and
10 Technology for fiscal year 2022, out of any money in the
11 Treasury not otherwise appropriated, \$260,000,000, to re-
12 main available until September 30, 2028, for the Hollings
13 Manufacturing Extension Partnership of the National In-
14 stitute of Standards and Technology and for related ad-
15 ministrative expenses.

16 **SEC. 90008. NATIONAL INSTITUTE OF STANDARDS AND**
17 **TECHNOLOGY MANUFACTURING.**

18 In addition to amounts otherwise available, there is
19 appropriated to the National Institute of Standards and
20 Technology for fiscal year 2022, out of any money in the
21 Treasury not otherwise appropriated—

22 (1) \$220,000,000, to remain available until
23 September 30, 2028, to provide funds for advanced
24 manufacturing research, development, and testbeds,
25 through new and existing programs and public pri-

1 vate partnerships, and for related administrative ex-
2 penses; and

3 (2) \$20,000,000, to remain available until Sep-
4 tember 30, 2028, for the development and execution
5 of a cybersecurity workforce training center, and for
6 related administrative expenses.

7 **SEC. 90009. NATIONAL INSTITUTE OF STANDARDS AND**
8 **TECHNOLOGY RESEARCH INFRASTRUCTURE.**

9 In addition to amounts otherwise available, there is
10 appropriated to the National Institute of Standards and
11 Technology for fiscal year 2022, out of any money in the
12 Treasury not otherwise appropriated, \$650,000,000, to re-
13 main available until September 30, 2028, for the upgrade,
14 replacement, maintenance, or renovation of facilities and
15 equipment as necessary to conduct laboratory activities,
16 and for related administrative expenses.

17 **SEC. 90010. OCEANIC AND ATMOSPHERIC RESEARCH AND**
18 **FORECASTING FOR WEATHER AND CLIMATE.**

19 (a) FORECASTING AND RESEARCH.—In addition to
20 amounts otherwise available, there is appropriated to the
21 National Oceanic and Atmospheric Administration for fis-
22 cal year 2022, out of any money in the Treasury not other-
23 wise appropriated, \$200,000,000, to remain available until
24 September 30, 2026, to accelerate advances and improve-
25 ments in research, observation systems, modeling, fore-

1 casting, assessments, and dissemination of information to
2 the public as it pertains to ocean and atmospheric proc-
3 esses related to weather, coasts, oceans, and climate, and
4 to carry out section 102(a) of the Weather Research and
5 Forecasting Innovation Act of 2017 (15 U.S.C. 8512(a)),
6 and for related administrative expenses.

7 (b) RESEARCH GRANTS AND SCIENCE INFORMATION,
8 PRODUCTS, AND SERVICES.—In addition to amounts oth-
9 erwise available, there are appropriated to the National
10 Oceanic and Atmospheric Administration for fiscal year
11 2022, out of any money in the Treasury not otherwise ap-
12 propriated, to remain available until September 30,
13 2026—

14 (1) \$100,000,000 for competitive grants to
15 fund climate research as it relates to weather, ocean,
16 coastal, and atmospheric processes and conditions,
17 and impacts to marine species and coastal habitat,
18 and for related administrative expenses; and

19 (2) \$100,000,000 for education and training
20 pursuant to section 4002(b)(2) of the America
21 COMPETES Act (33 U.S.C. 893a(b)(2)), and for
22 increased development and dissemination of climate
23 science information, products, and services, in sup-
24 port of climate adaptation preparedness as it relates
25 to weather, ocean, coastal, and atmospheric proc-

1 esses and conditions, impacts to marine species and
2 coastal habitat, and for related administrative ex-
3 penses.

4 **SEC. 90011. CLIMATE EDUCATION.**

5 In addition to amounts otherwise available, there is
6 appropriated to the National Oceanic and Atmospheric
7 Administration for fiscal year 2022, out of any money in
8 the Treasury not otherwise appropriated, \$20,000,000, to
9 remain available until September 30, 2026, for contracts,
10 grants, and technical assistance for education activities
11 and materials under section 4002(b)(2) of the America
12 COMPETES Act (33 U.S.C. 893a(b)(2)) related to im-
13 proving public understanding of climate change as it re-
14 lates to weather, ocean, coastal, and atmospheric processes
15 and conditions and marine fisheries and resources, and for
16 related administrative expenses. None of the funds pro-
17 vided by this subsection shall be subject to cost-sharing
18 or matching requirements.

19 **SEC. 90012. COMPUTING CAPACITY AND RESEARCH FOR**
20 **WEATHER, OCEANS, AND CLIMATE.**

21 In addition to amounts otherwise available, there is
22 appropriated to the National Oceanic and Atmospheric
23 Administration for fiscal year 2022, out of any money in
24 the Treasury not otherwise appropriated, \$200,000,000,
25 to remain available until September 30, 2026, for the pro-

1 curement of additional high-performance computing, data
2 processing capacity, data management, and storage assets,
3 to carry out section 204(a)(2) of the High-Performance
4 Computing Act of 1991 (15 U.S.C. 5524(a)(2)), and for
5 transaction agreements authorized under section
6 301(d)(1)(A) of the Weather Research and Forecasting
7 Innovation Act of 2017 (15 U.S.C. 8531(d)(1)(A)), and
8 for related administrative expenses.

9 **SEC. 90013. ACQUISITION OF HURRICANE FORECASTING**
10 **AIRCRAFT.**

11 In addition to amounts otherwise available, there is
12 appropriated to the National Oceanic and Atmospheric
13 Administration for fiscal year 2022, out of any money in
14 the Treasury not otherwise appropriated, \$139,000,000,
15 to remain available until September 30, 2026, for the ac-
16 quisition of hurricane hunter aircraft under section 413(a)
17 of the Weather Research and Forecasting Innovation Act
18 of 2017 (15 U.S.C. 8549(a)).

19 **SEC. 90014. NATIONAL SCIENCE FOUNDATION CORE RE-**
20 **SEARCH.**

21 In addition to amounts otherwise available, there is
22 appropriated to the National Science Foundation (referred
23 to in this section as “the Foundation”) for fiscal year
24 2022, out of any money in the Treasury not otherwise ap-
25 propriated—

1 (1) \$675,000,000, to remain available until
2 September 30, 2026, to fund or extend new and ex-
3 isting research awards, traineeships, scholarships,
4 and fellowships administered by the National
5 Science Foundation, across all science, technology,
6 engineering, and mathematics disciplines supported
7 by the National Science Foundation, and for related
8 administrative expenses;

9 (2) \$25,000,000, to remain available until Sep-
10 tember 30, 2028, for activities and research to en-
11 sure broad demographic participation in the activi-
12 ties of the Foundation, consistent with the goals
13 under section 526(a)(7) of the America COM-
14 PETES Reauthorization Act of 2010 (42 U.S.C.
15 1862p-14(a)(7)) and section 3(e) of the National
16 Science Foundation Act of 1950 (42 U.S.C.
17 1862(e)), and for related administrative expenses;
18 and

19 (3) \$500,000,000, to remain available until
20 September 30, 2028, for climate change research as
21 it relates to fundamental understanding of physical,
22 chemical, biological, and human systems and the
23 interactions among them, and for related adminis-
24 trative expenses.

1 **SEC. 90015. NATIONAL SCIENCE FOUNDATION TECH-**
2 **NOLOGY, INNOVATION, AND PARTNERSHIPS**
3 **DIRECTORATE.**

4 In addition to amounts otherwise available, there is
5 appropriated to the National Science Foundation for fiscal
6 year 2022, out of any money in the Treasury not otherwise
7 appropriated—

8 (1) \$1,520,000,000, to remain available until
9 September 30, 2026, to fund and administer the Di-
10 rectorate for Technology, Innovation, and Partner-
11 ships, which shall accelerate use-inspired and
12 translational research and the development, commer-
13 cialization, and use of technologies and innovations
14 of national importance, including technologies and
15 innovations relevant to natural disaster mitigation
16 and other societal challenges, through programs of
17 the National Science Foundation, and for related ad-
18 ministrative expenses;

19 (2) \$25,000,000, to remain available until Sep-
20 tember 30, 2028, for research security activities;

21 (3) \$200,000,000, to remain available until
22 September 30, 2028, for research capacity building
23 at historically Black colleges and universities, Tribal
24 Colleges and Universities, Hispanic-serving institu-
25 tions, and other minority-serving institutions, admin-
26 istered through the Directorate for Technology, In-

1 novation, and Partnerships, and for related adminis-
2 trative expenses; and

3 (4) \$55,000,000, to remain available until Sep-
4 tember 30, 2028, to fund cybersecurity education
5 and training, including scholarships, through pro-
6 grams of the National Science Foundation, and for
7 related administrative expenses.

8 **SEC. 90016. NATIONAL SCIENCE FOUNDATION RESEARCH**
9 **INFRASTRUCTURE.**

10 In addition to amounts otherwise available, there is
11 appropriated to the National Science Foundation for fiscal
12 year 2022, out of any money in the Treasury not otherwise
13 appropriated—

14 (1) \$200,000,000 to remain available until Sep-
15 tember 30, 2026, for the repair, renovation, or, in
16 exceptional cases, replacement of obsolete science
17 and engineering facilities primarily devoted to re-
18 search and research training, and for related admin-
19 istrative expenses;

20 (2) \$200,000,000, to remain available until
21 September 30, 2026, for additional mid-scale and
22 major research instrumentation, equipment, and in-
23 frastructure awards under the direction of the Na-
24 tional Science Foundation, and for related adminis-
25 trative expenses; and

1 (3) \$100,000,000, to remain available until
2 September 30, 2028, for academic research facilities
3 modernization and research instrumentation, includ-
4 ing construction, upgrade, renovation, or repair of
5 research infrastructure, at historically Black colleges
6 and universities, Tribal Colleges and Universities,
7 Hispanic-serving institutions, and other minority-
8 serving institutions, through programs of the Na-
9 tional Science Foundation, and for related adminis-
10 trative expenses.

11 **TITLE X—COMMITTEE ON SMALL**
12 **BUSINESS**

13 **Subtitle A—Increasing Federal**
14 **Contracting Opportunities for**
15 **Small Businesses**

16 **SEC. 100101. VETERAN FEDERAL PROCUREMENT ENTRE-**
17 **PRENEURSHIP TRAINING PROGRAM.**

18 (a) APPROPRIATIONS.—In addition to amounts other-
19 wise available, there is appropriated to the Small Business
20 Administration for fiscal year 2022, out of any money in
21 the Treasury not otherwise appropriated, \$35,000,000, to
22 remain available until September 30, 2030, for carrying
23 out subsection (h) of section 32 of the Small Business Act
24 (15 U.S.C. 657b), as added by this section.

1 (b) ESTABLISHMENT.—Section 32 of the Small Busi-
2 ness Act (15 U.S.C. 657b) is amended by adding at the
3 end the following:

4 “(h) VETERAN FEDERAL PROCUREMENT ENTREPRE-
5 NEURSHIP TRAINING PROGRAM.—The Administrator, act-
6 ing through the Associate Administrator, shall make
7 grants to, or enter into cooperative agreements with, non-
8 profit entities to operate a Federal procurement entrepre-
9 neurship training program to provide assistance to small
10 business concerns owned and controlled by veterans re-
11 garding how to increase the likelihood of being awarded
12 contracts with the Federal Government. A grant or coop-
13 erative agreement under this subsection—

14 “(1) shall be made to or entered into with non-
15 profit entities that have a track record of success-
16 fully providing educational and job training services
17 to veteran populations from diverse locations; and

18 “(2) shall include terms under which the non-
19 profit entities shall use a diverse group of profes-
20 sional service experts, such as Federal, State, and
21 local contracting experts and private sector industry
22 experts with first-hand experience in Federal Gov-
23 ernment contracting, to provide assistance to small
24 business concerns owned and controlled by veterans
25 through a program operated under this section.”.

1 **SEC. 100102. EXPANDING SURETY BOND PROGRAM.**

2 (a) APPROPRIATIONS.—In addition to amounts other-
3 wise available, there is appropriated to the Small Business
4 Administration for fiscal year 2022, out of any money in
5 the Treasury not otherwise appropriated, to remain avail-
6 able until September 30, 2031—

7 (1) \$85,000,000 for additional capital for the
8 fund established under section 412 of the Small
9 Business Investment Act of 1958 (15 U.S.C. 694c);
10 and

11 (2) \$15,000,000 for administrative expenses
12 and oversight costs related to carrying out this sec-
13 tion, and any amendments made by this section.

14 (b) EXPANDING SURETY BOND PROGRAM.—Part B
15 of title IV of the Small Business Investment Act of 1958
16 is amended—

17 (1) in section 411—

18 (A) in subsection (a)(1)—

19 (i) in subparagraph (A), by striking
20 “\$6,500,000” and inserting
21 “\$10,000,000”; and

22 (ii) by amending subparagraph (B) to
23 read as follows:

24 “(B) The Administrator may guarantee a
25 surety under subparagraph (A) for a total work

1 order or contract in an amount that does not
2 exceed \$20,000,000.”; and

3 (B) in subsection (e)(2), by striking
4 “\$6,500,000” and inserting “the amount de-
5 scribed in subparagraph (A) or (B) of sub-
6 section (a)(1), as applicable”; and

7 (2) in section 412(a) (15 U.S.C. 694c(a)), in
8 the third sentence, by striking “, excluding adminis-
9 trative expenses,”.

10 **Subtitle B—Empowering Small**
11 **Business Creation and Expans-**
12 **ion in Underrepresented Com-**
13 **munities**

14 **SEC. 100201. FUNDING FOR UPLIFT INCUBATORS.**

15 (a) APPROPRIATIONS.—In addition to amounts other-
16 wise available, there is appropriated to the Small Business
17 Administration for fiscal year 2022, out of any money in
18 the Treasury not otherwise appropriated, to remain avail-
19 able until September 30, 2031—

20 (1) \$850,000,000 for carrying out section 49 of
21 the Small Business Act, as added by subsection (b);
22 and

23 (2) \$150,000,000 for administrative expenses
24 and costs related to carrying out section 49 of the
25 Small Business Act, as added by subsection (b).

1 (b) ESTABLISHMENT.—The Small Business Act is
2 amended—

3 (1) by redesignating section 49 (15 U.S.C. 631
4 note) as section 54; and

5 (2) by inserting after section 48 the following:

6 **“SEC. 49. UPLIFT INCUBATORS.**

7 “(a) DEFINITIONS.—In this section:

8 “(1) ECONOMIC DEVELOPMENT ORGANIZA-
9 TION.—The term ‘economic development organiza-
10 tion’—

11 “(A) means a regional, State, tribal, or
12 local private nonprofit organization established
13 for purposes of promoting or otherwise facili-
14 tating economic development; and

15 “(B) includes community financial institu-
16 tions, as defined in section 7(a)(36)(A).

17 “(2) ELIGIBLE APPLICANT.—The term ‘eligible
18 applicant’ means—

19 “(A) an economic development organiza-
20 tion;

21 “(B) an SBA partner organization;

22 “(C) a historically Black college or univer-
23 sity;

24 “(D) an institution of higher education, as
25 defined in section 101 of the Higher Education

1 Act of 1965, which primarily educates students
2 who are Black or African American, Hispanic
3 or Latino, American Indian, Alaska Native,
4 Asian, Native Hawaiian, or other Pacific Is-
5 lander; or

6 “(E) a junior or community college, as de-
7 fined in section 312(f) of the Higher Education
8 Act of 1965.

9 “(3) ELIGIBLE SMALL BUSINESS CONCERN.—
10 The term ‘eligible small business concern’ means a
11 business concern that—

12 “(A) is organized or incorporated in the
13 United States;

14 “(B) is operating primarily in the United
15 States;

16 “(C) meets—

17 “(i) the applicable industry-based size
18 standard established under section 3; or

19 “(ii) the alternate size standard appli-
20 cable to the program under section 7(a) or
21 the loan programs under title V of the
22 Small Business Investment Act of 1958;

23 “(D) is—

24 “(i) in the planning stages or has
25 been in business for not more than 5 years

1 as of the date on which assistance under
2 this section commences; or

3 “(ii) a small government contractor;
4 and

5 “(E) is—

6 “(i) owned and controlled by 1 or
7 more members of an underrepresented
8 community; or

9 “(ii) a Native Entity.

10 “(4) HISTORICALLY BLACK COLLEGE OR UNI-
11 VERSITY.—The term ‘historically Black college or
12 university’ means a ‘part B institution’, as defined
13 in section 322 of the Higher Education Act of 1965.

14 “(5) MEMBER OF AN UNDERREPRESENTED
15 COMMUNITY.—The term ‘member of an underrep-
16 resented community’ means an individual—

17 “(A) who is a resident of—

18 “(i) a low-income community, as de-
19 fined in section 45D(e) of the Internal
20 Revenue Code of 1986;

21 “(ii) a low-income rural community;
22 or

23 “(iii) a HUBZone, as defined in sec-
24 tion 31(b);

1 “(B) who is a member of an Indian or
2 Alaska Native tribe, band, nation, pueblo, vil-
3 lage, community, component band, or compo-
4 nent reservation, individually identified (includ-
5 ing parenthetically) in the most recent list pub-
6 lished pursuant to section 104 of the Federally
7 Recognized Indian Tribe List Act of 1994;

8 “(C) with a disability, as defined in section
9 3 of the Americans with Disabilities Act of
10 1990;

11 “(D) who is a veteran;

12 “(E) who completed a term of imprison-
13 ment; or

14 “(F) who is otherwise identified by the Ad-
15 ministrators.

16 “(6) NATIVE ENTITY.—The term ‘Native Enti-
17 ty’ means—

18 “(A) an Indian tribe, as defined in section
19 4 of the Indian Self-Determination and Edu-
20 cation Assistance Act, including an Alaska Na-
21 tive village or Regional or Village Corporation;
22 and

23 “(B) a Native Hawaiian organization, as
24 defined in section 6207 of the Elementary and
25 Secondary Education Act of 1965.

1 “(7) SBA PARTNER ORGANIZATION.—The term
2 ‘SBA partner organization’ means any organization
3 awarded financial assistance in the form of a grant,
4 prize, cooperative agreement, or contract for the
5 purpose of conducting a public project funded, either
6 in whole or in part, under a program of the Admin-
7 istration.

8 “(8) SMALL GOVERNMENT CONTRACTOR.—The
9 term ‘small government contractor’ means a small
10 business concern that is performing a government
11 contract or subcontract.

12 “(9) UPLIFT INCUBATOR.—The term ‘uplift in-
13 cubator’ means an organization that is designed to
14 accelerate the growth and success of startups and
15 small business concerns through a variety of busi-
16 ness support resources and services, including—

17 “(A) access to physical workspace and fa-
18 cilities;

19 “(B) access to capital, business education,
20 and counseling;

21 “(C) networking opportunities;

22 “(D) mentorship opportunities;

23 “(E) assistance in becoming prime contrac-
24 tors and submitting bids for prime contracts;

1 “(F) conducting market research, drafting
2 statements, and identifying acquisition authori-
3 ties under which eligible small business con-
4 cerns assisted under this section may enter into
5 Federal contracts or agreements; and

6 “(G) other services intended to aid in de-
7 veloping a business.

8 “(b) AUTHORITY.—The Administrator may provide
9 financial assistance on a competitive basis in the form of
10 a grant, prize, cooperative agreement, or contract to an
11 eligible applicant for purposes of—

12 “(1) providing the services of a uplift incubator
13 to eligible small business concerns; or

14 “(2) expanding or establishing a network of the
15 eligible applicant to provide the services of a uplift
16 incubator to eligible small business concerns.

17 “(c) USE OF FUNDS.—An eligible applicant that re-
18 ceives assistance under this section—

19 “(1) shall support areas that serve members of
20 an underrepresented community by providing the
21 services of a uplift incubator; and

22 “(2) shall not impose or otherwise collect a fee
23 or other compensation from eligible small business
24 concerns in connection with the provision of such
25 services.

1 “(d) PENALTIES FOR FAILURE TO ABIDE BY TERMS
2 OR CONDITIONS OF AWARD.—At the discretion of the Ad-
3 ministrator and in addition to any other civil or criminal
4 consequences, the Administrator shall withhold payments
5 to an eligible applicant or order the eligible applicant to
6 return any assistance provided under this section for fail-
7 ure to abide by the terms and conditions of such assist-
8 ance.”.

9 **SEC. 100202. OFFICE OF NATIVE AMERICAN AFFAIRS.**

10 (a) APPROPRIATIONS.—In addition to amounts other-
11 wise available, there is appropriated to the Small Business
12 Administration, out of any money in the Treasury not oth-
13 erwise appropriated for fiscal year 2022, \$10,000,000, to
14 remain available until September 30, 2029, to carry out
15 section 50 of the Small Business Act, as added by sub-
16 section (b).

17 (b) ESTABLISHMENT.—The Small Business Act is
18 amended by inserting after section 49, as added by section
19 100201 of this title, the following:

20 **“SEC. 50. OFFICE OF NATIVE AMERICAN AFFAIRS.**

21 “(a) DEFINITIONS.—In this section:

22 “(1) INDIAN TRIBE.—The term ‘Indian Tribe’
23 has the meaning given in section 4 of the Indian
24 Self-Determination and Education Assistance Act.

1 “(2) NATIVE AMERICAN.—The term ‘Native
2 American’ means a member of an Indian Tribe.

3 “(3) NATIVE HAWAIIAN ORGANIZATION.—The
4 term ‘Native Hawaiian Organization’ has the mean-
5 ing given in section 6207 of the Elementary and
6 Secondary Education Act of 1965.

7 “(4) RESOURCE PARTNERS.—The term ‘re-
8 source partners’ means—

9 “(A) small business development centers;

10 “(B) women’s business centers described in
11 section 29;

12 “(C) chapters of the Service Corps of Re-
13 tired Executives established under section
14 8(b)(1)(B); and

15 “(D) Veteran Business Outreach Centers
16 described in section 32.

17 “(b) ESTABLISHMENT.—There is established in the
18 Administration an Office of Native American Affairs, in
19 this section referred to as the ‘Office’, which shall provide
20 entrepreneurship outreach and development assistance to
21 Native Americans, Native Hawaiian Organizations and
22 members thereof, and Indian Tribes, through the Native
23 American Outreach Program established under subsection
24 (c).

25 “(c) NATIVE AMERICAN OUTREACH PROGRAM.—

1 “(1) ESTABLISHMENT.—The Administrator
2 shall establish and administer a Native American
3 Outreach Program within the Office—

4 “(A) to ensure that small business con-
5 cerns owned and controlled by Native Ameri-
6 cans, Native Hawaiian Organizations, and In-
7 dian Tribes, and Native American entre-
8 preneurs have access to programs and services
9 of the Administration;

10 “(B) to provide information to State, local,
11 and tribal governments and other interested
12 persons about Federal assistance available to
13 small business concerns owned and controlled
14 by Native Americans, Native Hawaiian Organi-
15 zations, and Indian Tribes, and Native Amer-
16 ican entrepreneurs; and

17 “(C) to ensure access to in-person and vir-
18 tual counseling and training services to small
19 business concerns owned and controlled by Na-
20 tive Americans, Native Hawaiian Organizations,
21 and Indian Tribes, and Native American entre-
22 preneurs.

23 “(2) SERVICES.—The services described in
24 paragraph (1) shall include—

1 “(A) financial education on applying for
2 and securing credit, loan guarantees, surety
3 bonds, and investment capital, managing finan-
4 cial operations, and preparing and presenting
5 financial statements and business plans;

6 “(B) education on management of a small
7 business concern, including planning, orga-
8 nizing, staffing, and marketing;

9 “(C) identifying market opportunities; and

10 “(D) implementing economic and business
11 development strategies to improve long-term job
12 growth.”.

13 **SEC. 100203. OFFICE OF RURAL AFFAIRS.**

14 (a) **APPROPRIATIONS.**—In addition to amounts other-
15 wise available, there is appropriated to the Small Business
16 Administration, out of any money in the Treasury not oth-
17 erwise appropriated for fiscal year 2022, \$10,000,000, to
18 remain available until September 30, 2029, to carry out
19 subsection (d) of section 26 of the Small Business Act (15
20 U.S.C. 653), as added by subsection (b).

21 (b) **OFFICE OF RURAL AFFAIRS.**—Section 26 of the
22 Small Business Act (15 U.S.C. 653) is amended by adding
23 at the end the following:

24 “(d) **RURAL SMALL BUSINESS CONFERENCES.**—The
25 Office shall administer 1 or more annual Rural Small

1 Business Conferences, to be held in various regions of the
2 United States. The purpose of such Conferences shall be
3 to—

4 “(1) promote policies and programs of the Ad-
5 ministration specific to small business concerns lo-
6 cated in rural areas, and make publicly available in-
7 formation about such policies and programs;

8 “(2) coordinate with all offices of the Adminis-
9 tration, resource partners, lenders, and other inter-
10 ested persons to ensure that the needs of small busi-
11 ness concerns located in rural area are being met;
12 and

13 “(3) analyze data on the effectiveness of pro-
14 grams of the Administration that benefit small busi-
15 ness concerns located in rural areas.”.

16 **SEC. 100204. OFFICE OF EMERGING MARKETS.**

17 (a) APPROPRIATIONS.—In addition to amounts other-
18 wise available, there is appropriated to the Small Business
19 Administration, out of any money in the Treasury not oth-
20 erwise appropriated in fiscal year 2022, \$10,000,000, to
21 remain available until September 30, 2029, to carry out
22 subsection (o) of section 7 of the Small Business Act (15
23 U.S.C. 636), as added by subsection (b).

1 (b) ESTABLISHMENT.—Section 7 of the Small Busi-
2 ness Act (15 U.S.C. 636) is amended by adding at the
3 end the following:

4 “(o) OFFICE OF EMERGING MARKETS.—

5 “(1) DEFINITIONS.—In this subsection—

6 “(A) the term ‘Director’ means the Direc-
7 tor of the Office of Emerging Markets;

8 “(B) the term ‘microloan program’ means
9 the program described in subsection (m);

10 “(C) the term ‘small business concern in
11 an emerging market’ means a small business
12 concern—

13 “(i) that is located in—

14 “(I) a low-income or moderate-in-
15 come area for purposes of the Com-
16 munity Development Block Grant
17 Program under title I of the Housing
18 and Community Development Act of
19 1974; or

20 “(II) a HUBZone, as that term
21 is defined in section 31(b);

22 “(ii) that is growing, newly estab-
23 lished, or a startup;

24 “(iii) owned and controlled by vet-
25 erans;

1 “(iv) owned and controlled by individ-
2 uals with a disability, as defined in section
3 3 of the Americans with Disabilities Act of
4 1990; or

5 “(v) owned and controlled by other in-
6 dividuals or groups identified by the Ad-
7 ministrator.

8 “(2) ESTABLISHMENT.—There is established
9 within the Office of Capital Access of the Adminis-
10 tration an office to be known as the ‘Office of
11 Emerging Markets’. The Office of Emerging Mar-
12 kets shall be administered by a Director who shall
13 be responsible for the planning, coordination, imple-
14 mentation, evaluation, and improvement of the ef-
15 forts of the Administrator to enhance the economic
16 well-being of small business concerns in an emerging
17 market.”.

18 **SEC. 100205. STATE TRADE EXPANSION PROGRAM.**

19 In addition to amounts otherwise available, there is
20 appropriated to the Small Business Administration for fis-
21 cal year 2022, out of any money in the Treasury not other-
22 wise appropriated—

23 (1) \$31,710,000, to remain available until Sep-
24 tember 30, 2027, to carry out section 22(l) of the

1 Small Business Act (15 U.S.C. 649(l)) in fiscal year
2 2023, and

3 (2) \$31,710,000, to remain available until Sep-
4 tember 30, 2027, to carry out section 22(l) of the
5 Small Business Act (15 U.S.C. 649(l)) in fiscal year
6 2024.

7 **Subtitle C—Encouraging Small**
8 **Businesses to Fully Engage in**
9 **the Innovation Economy**

10 **SEC. 100301. GROWTH ACCELERATOR COMPETITION.**

11 (a) APPROPRIATIONS.—In addition to amounts other-
12 wise available, there is appropriated to the Small Business
13 Administration for fiscal year 2022, out of any money in
14 the Treasury not otherwise appropriated, to remain avail-
15 able until September 30, 2031—

16 (1) \$190,000,000 for carrying out section 51 of
17 the Small Business Act, as added by subsection (b);
18 and

19 (2) \$10,000,000 for administrative expenses
20 and oversight costs related to carrying out section
21 51 of the Small Business Act, as added by sub-
22 section (b).

23 (b) IN GENERAL.—The Small Business Act is
24 amended by inserting after section 50, as added by section
25 100202 of this title, the following:

1 **“SEC. 51. GROWTH ACCELERATOR COMPETITION.**

2 “(a) DEFINITIONS.—In this section:

3 “(1) AWARD.—The term ‘award’ means a
4 grant, prize, contract, cooperative agreement, or
5 other cash or cash equivalent.

6 “(2) DISABILITY.—The term ‘disability’ has the
7 meaning given the term in section 3 of the Ameri-
8 cans with Disabilities Act of 1990.

9 “(3) ELIGIBLE ENTITY.—The term ‘eligible en-
10 tity’ means—

11 “(A) an eligible applicant, as defined in
12 section 49; or

13 “(B) an organization that is a growth ac-
14 celerator located in the United States.

15 “(4) GROWTH ACCELERATOR.—The term
16 ‘growth accelerator’ means an organization that—

17 “(A) supports new small business concerns
18 that have a focus on technology, research, and
19 development;

20 “(B) works with a new small business con-
21 cern for a predetermined amount of time;

22 “(C) provides mentorship and instruction
23 to small business concerns to grow the business
24 concern; or

1 “(D) offers startup capital or the oppor-
2 tunity to raise capital from outside investors to
3 small business concerns.

4 “(5) NEW SMALL BUSINESS CONCERN.—The
5 term ‘new small business concern’ means a small
6 business concern that has been in operation for not
7 more than 5 years.

8 “(b) ESTABLISHMENT.—The Administrator shall
9 make competitive awards of not less than \$100,000 to eli-
10 gible entities to accelerate the growth of new small busi-
11 ness concerns by providing—

12 “(1) assistance to small business concerns to
13 access capital and find mentors and networking op-
14 portunities; and

15 “(2) advice to small business concerns, includ-
16 ing advising on market analysis, company strategy,
17 revenue growth, commercialization, and securing
18 funding.

19 “(c) USE OF FUNDS.—An award under this section—

20 “(1) may be used by an eligible entity recipient
21 for construction costs, acquisition of physical work-
22 space and facilities, and programmatic purposes to
23 benefit new small business concerns; and

1 “(2) may not be used by an eligible entity re-
2 cipient to provide capital to new small business con-
3 cerns directly or through the subaward of funds.

4 “(d) PENALTIES FOR FAILURE TO ABIDE BY TERMS
5 OR CONDITIONS OF AWARD.—At the discretion of the Ad-
6 ministrator and in addition to any other civil or criminal
7 consequences, the Administrator shall withhold payments
8 to an eligible entity or order the eligible entity to return
9 an award made under this section for failure to abide by
10 the terms and conditions of the award.”.

11 **Subtitle D—Increasing Equity**
12 **Opportunities**

13 **SEC. 100401. INCREASING EQUITY INVESTMENT IN THE**
14 **SBIC PROGRAM.**

15 (a) APPROPRIATIONS.—In addition to amounts other-
16 wise available, there is appropriated to the Small Business
17 Administration for fiscal year 2022, out of any money in
18 the Treasury not otherwise appropriated, \$20,000,000, to
19 remain available until September 30, 2031, for carrying
20 out this section.

21 (b) ESTABLISHMENT.—The Small Business Invest-
22 ment Act of 1958, is amended—

23 (1) in section 103 (15 U.S.C. 662)—

24 (A) in paragraph (9)(B)(iii)—

1 (i) in subclause (II), by striking
2 “and” at the end;

3 (ii) in subclause (III), by adding
4 “and” at the end; and

5 (iii) by adding at the end the fol-
6 lowing:

7 “(IV) funds obtained from any fi-
8 nancial institution identified under
9 section 302(b);” and

10 (B) in paragraph (13)(C), by striking “in
11 an aggregate amount that does not exceed 33
12 percent of the private capital of the applicant or
13 licensee”; and

14 (2) in section 304 (15 U.S.C. 684), by adding
15 at the end the following:

16 “(e) Notwithstanding section 310(c)(6), a licensee
17 under section 321 may, subject to rules to be issued by
18 the Administration, invest equity capital in investment
19 funds that—

20 “(1) are majority controlled by members of an
21 underrepresented community, as defined in section
22 49 of the Small Business Act;

23 “(2) receive annual assistance provided by such
24 licensee; or

1 “(3) meet additional criteria as determined by
2 the Administration.”; and

3 (3) by adding at the end of the following:

4 **“SEC. 321. EMERGING MANAGERS PROGRAM.**

5 “(a) DEFINITIONS.—In this section:

6 “(1) COVERED INVESTMENTS.—The term ‘cov-
7 ered investments’ means investments in—

8 “(A) infrastructure, including—

9 “(i) roads, bridges, and mass transit;

10 “(ii) water supply and sewer;

11 “(iii) the electrical grid;

12 “(iv) broadband and telecommuni-
13 cations;

14 “(v) clean energy; or

15 “(vi) child care and elder care;

16 “(B) manufacturing;

17 “(C) low-income communities, as that term
18 is defined in section 45D(e) of the Internal
19 Revenue Code of 1986;

20 “(D) HUBZones, as defined in section
21 31(b) of the Small Business Act;

22 “(E) small business concerns owned and
23 controlled by a member of an Indian tribe indi-
24 vidually identified (including parenthetically) in
25 the most recent list published pursuant to sec-

1 tion 104 of the Federally Recognized Indian
2 Tribe List Act of 1994;

3 “(F) small business concerns owned and
4 controlled by an individual with a disability, as
5 defined in section 3 of the Americans with Dis-
6 abilities Act of 1990;

7 “(G) small business concerns owned and
8 controlled by a veteran; or

9 “(H) industries identified by the Adminis-
10 trator.

11 “(2) EMERGING MANAGER COMPANY.—The
12 term ‘emerging manager company’ means an invest-
13 ment management firm that is focused on investing
14 private equity and that meets not less than 2 of the
15 following criteria:

16 “(A) The partners of the firm have—

17 “(i) an investment track record of less
18 than 10 years of combined investment ex-
19 perience; or

20 “(ii) a documented record of success-
21 ful business experience.

22 “(B) The firm has a focus on underserved
23 markets.

24 “(C) The firm is not less than 50 percent
25 owned, managed, or controlled by members of

1 an underrepresented community (as defined in
2 section 49 of the Small Business Act).

3 “(b) ESTABLISHMENT.—The Administrator shall es-
4 tablish an emerging managers program pursuant to which
5 managers with substantial experience in operating small
6 business investment companies—

7 “(1) may enter into a written agreement ap-
8 proved by the Administrator to provide guidance and
9 assistance to an applicant for a license for a small
10 business investment company that is to be managed
11 by an emerging manager company; and

12 “(2) may hold a minority financial interest in
13 the small business investment company described in
14 paragraph (1).

15 “(c) LICENSING.—An applicant described in sub-
16 section (b)(1) shall apply for a license under section
17 301(c) and shall—

18 “(1) have private capital not to exceed
19 \$100,000,000;

20 “(2) be managed by not less than two individ-
21 uals;

22 “(3) be a second generation fund or earlier; and

23 “(4) focus its investment strategy on covered
24 investments.

1 “(d) WAIVER OF MAXIMUM LEVERAGE.—The ap-
2 proval of a written agreement under subsection (b) by the
3 Administrator shall operate as a waiver of the require-
4 ments of section 303(b)(2)(B) to the extent that such sec-
5 tion would otherwise apply.

6 “(e) INCREASED LEVERAGE MAXIMUM.—An existing
7 small business investment company that enters into a
8 written agreement under subsection (b) may receive an in-
9 crease in the maximum leverage cap of the company under
10 section 303(b)(2)—

11 “(1) under subparagraph (A) of such section,
12 with respect to a single license, by not more than
13 \$17,500,000; and

14 “(2) under subparagraph (B) of such section,
15 with respect to multiple licenses under common con-
16 trol, by not more than \$35,000,000.”.

17 **SEC. 100402. MICROCAP SMALL BUSINESS INVESTMENT**
18 **COMPANY LICENSE.**

19 (a) APPROPRIATIONS.—In addition to amounts other-
20 wise available, there is appropriated to the Administration
21 for fiscal year 2022, out of amounts in the Treasury not
22 otherwise appropriated, \$40,000,000, to remain available
23 until September 30, 2031, to carry out paragraph (5) of
24 section 301(c) of the Small Business Investment Act of
25 1958 (15 U.S.C. 681(c)), as added by subsection (b).

1 (b) MICROCAP SMALL BUSINESS INVESTMENT COM-
2 PANY LICENSE.—Section 301(c) of the Small Business In-
3 vestment Act of 1958 (15 U.S.C. 681(c)) is amended by
4 adding at the end the following:

5 “(5) MICROCAP SMALL BUSINESS INVESTMENT
6 COMPANY LICENSE.—

7 “(A) IN GENERAL.—The Administrator
8 may issue licenses under this subsection to ap-
9 plicants—

10 “(i) that do not satisfy the qualifica-
11 tion requirements under paragraph
12 (3)(A)(ii) to the extent that such require-
13 ments relate to investment experience and
14 track record, including any such require-
15 ments further set forth in section 107.305
16 of title 13, Code of Federal Regulations, or
17 any successor regulation;

18 “(ii) that would otherwise be issued a
19 license under this subsection, except that
20 the management of the applicant does not
21 satisfy the requirements under paragraph
22 (3)(A)(ii) to the extent that such require-
23 ments relate to investment experience and
24 track record, including any such require-
25 ments further set forth in section 107.305

1 of title 13, Code of Federal Regulations, or
2 any successor regulation;

3 “(iii) for which the managers of such
4 applicant have—

5 “(I) a documented record of suc-
6 cessful business experience;

7 “(II) a record of business man-
8 agement success; or

9 “(III) knowledge in the par-
10 ticular industry or business for which
11 the applicant is pursuing an invest-
12 ment strategy; and

13 “(iv) that have demonstrated appro-
14 priate qualifications for the license, based
15 on factors determined by the Adminis-
16 trator.

17 “(B) REQUIRED INVESTMENTS.—A li-
18 censee under this paragraph shall invest not
19 less than 50 percent of the total financings of
20 the licensee in covered investments (as defined
21 in section 321), of which not more than 33 per-
22 cent of those investments are in small business
23 concerns in infrastructure or manufacturing.

24 “(C) LEVERAGE.—A company licensed
25 pursuant to this paragraph shall—

1 “(i) not be eligible to receive leverage
2 in an amount that is more than
3 \$50,000,000; and

4 “(ii) be able to access leverage in an
5 amount that is not more than 200 percent
6 of the private capital of the company.

7 “(D) INVESTMENT COMMITTEE.—If a com-
8 pany licensed pursuant to this paragraph has
9 investment committee members or control per-
10 sons who are principals approved by the Admin-
11 istrator or control persons of licensed small
12 business investment companies not licensed
13 under this paragraph, such licensee or licensees
14 shall not be deemed to be under common con-
15 trol with the company licensed pursuant to this
16 paragraph solely for the purpose of section
17 303(b)(2)(B).

18 “(E) FEES.—In addition to the fees au-
19 thorized under sections 301(e) and 310(b), the
20 Administration may prescribe fees to be paid by
21 each company designated to operate under this
22 paragraph.”.

1 **SEC. 100403. FUNDING FOR SBIC OUTREACH AND EDU-**
2 **CATION.**

3 (a) APPROPRIATIONS.—In addition to amounts other-
4 wise available, there is appropriated to the Small Business
5 Administration for fiscal year 2022, out of any money in
6 the Treasury not otherwise appropriated, \$2,500,000, to
7 remain available until September 30, 2031, for carrying
8 out this section.

9 (b) OUTREACH AND EDUCATION.—The Adminis-
10 trator shall develop and implement a program to promote
11 to, conduct outreach to, and educate prospective licensees
12 on the licensing procedures and other programs of small
13 business investment companies under title III of the Small
14 Business Investment Act of 1958.

15 **Subtitle E—Increasing Access to**
16 **Lending and Investment Capital**

17 **SEC. 100501. FUNDING FOR COMMUNITY ADVANTAGE LOAN**
18 **PROGRAM.**

19 (a) APPROPRIATIONS.—In addition to amounts other-
20 wise available, there is appropriated to the Small Business
21 Administration for fiscal year 2022, out of any money in
22 the Treasury not otherwise appropriated, to remain avail-
23 able until September 30, 2031—

24 (1) \$224,800,000 for carrying out paragraph
25 (38) of section 7(a) of the Small Business Act (15
26 U.S.C. 636(a)), as added by subsection (b);

1 (2) \$4,000,000 for the Administrator of the
2 Small Business Administration to develop a training
3 course and provide free or low-cost training to cov-
4 ered institutions making loans under the program
5 established under such paragraph (38); and

6 (3) \$47,100,000 for administrative expenses re-
7 lated to carrying out such paragraph (38), including
8 issuing interim final rules.

9 (b) ESTABLISHMENT.—Section 7(a) of the Small
10 Business Act (15 U.S.C. 636(a)) is amended by adding
11 at the end the following:

12 “(38) COMMUNITY ADVANTAGE LOAN PRO-
13 GRAM.—

14 “(A) DEFINITIONS.—In this paragraph—
15 “(i) the term ‘covered institution’
16 means—

17 “(I) a development company, as
18 defined in section 103 of the Small
19 Business Investment Act of 1958,
20 participating in the loan program es-
21 tablished under title V of such Act;

22 “(II) a non-Federally regulated
23 entity certified as a community devel-
24 opment financial institution under the
25 Community Development Banking

1 and Financial Institutions Act of
2 1994;

3 “(III) an intermediary, as de-
4 fined in subsection (m)(11), that is a
5 nonprofit organization and is partici-
6 pating in the microloan program
7 under subsection (m); and

8 “(IV) an eligible intermediary, as
9 defined in subsection (l)(1), partici-
10 pating in the small business inter-
11 mediary lending pilot program estab-
12 lished under subsection (l)(2);

13 “(ii) the term ‘new business’ means a
14 small business concern that has been in
15 business for not more than 2 years on the
16 date on which a loan is made to the small
17 business concern under the program;

18 “(iii) the term ‘program’ means the
19 Community Advantage Loan Program es-
20 tablished under subparagraph (B);

21 “(iv) the term ‘small business concern
22 in an underserved market’ means a small
23 business concern—

24 “(I) that is located in—

1 “(aa) a low- to moderate-in-
2 come community;
3 “(bb) a HUBZone, as that
4 term is defined in section 31(b);
5 “(cc) a rural area; or
6 “(dd) any area for which a
7 disaster declaration or determina-
8 tion described in subparagraph
9 (B), (C), or (E) of subsection
10 (b)(2) has been made that has
11 not terminated more than 2
12 years (or later, as determined by
13 the Administrator) before the
14 date on which a loan is made to
15 such concern under such sub-
16 section, or in any area for which
17 a major disaster described in
18 subsection (b)(2)(A) has been de-
19 clared, that period shall be 5
20 years; or
21 “(II) that is a new business;
22 “(III) owned and controlled by
23 veterans;

1 “(IV) owned and controlled by an
2 individual who has completed a term
3 of imprisonment;

4 “(V) owned and controlled by an
5 individual with a disability, as that
6 term is defined in section 3 of the
7 Americans with Disabilities Act of
8 1990;

9 “(VI) owned and controlled by a
10 member of an Indian tribe individ-
11 ually identified (including parentheti-
12 cally) in the most recent list published
13 pursuant to section 104 of the Feder-
14 ally Recognized Indian Tribe List Act
15 of 1994; or

16 “(VII) otherwise identified by the
17 Administrator.

18 “(B) ESTABLISHMENT.—There is estab-
19 lished a Community Advantage Loan Program
20 under which the Administration may guarantee
21 loans made by covered institutions under this
22 subsection, with an emphasis on loans made to
23 small business concerns in an underserved mar-
24 ket.

1 “(C) REQUIREMENT TO MAKE LOANS TO
2 UNDERSERVED MARKETS.—Not less than 60
3 percent of loans made by a covered institution
4 under the program shall consist of loans made
5 to small business concerns in an underserved
6 market.

7 “(D) MAXIMUM LOAN AMOUNT.—

8 “(i) IN GENERAL.—Except as pro-
9 vided in clause (ii), the maximum loan
10 amount for a loan guaranteed under the
11 program is \$250,000.

12 “(ii) EXCEPTIONS.—

13 “(I) REQUESTED EXCEPTION.—

14 “(aa) IN GENERAL.—Upon
15 request by a covered institution,
16 the Administrator may guarantee
17 a loan under the program that is
18 more than \$250,000 and not
19 more than \$350,000.

20 “(bb) NOTIFICATION.—As
21 soon as practicable and not later
22 than 14 business days after re-
23 ceiving a request under item
24 (aa), the Administration shall—

1 “(AA) review the re-
2 quest; and

3 “(BB) provide a deci-
4 sion regarding the request to
5 the covered institution mak-
6 ing the loan.

7 “(II) MAJOR DISASTERS.—The
8 maximum loan amount for a loan
9 guaranteed under the program that is
10 made to a small business concern lo-
11 cated in an area affected by a major
12 disaster described in subsection
13 (b)(2)(A) is \$350,000.

14 “(E) INTEREST RATES.—The maximum
15 interest rate for a loan guaranteed under the
16 program shall not exceed the maximum interest
17 rate, as determined by the Administration, ap-
18 plicable to other loans guaranteed under this
19 subsection.”.

20 **SEC. 100502. FUNDING FOR CREDIT ENHANCEMENT AND**
21 **SMALL DOLLAR LOAN FUNDING.**

22 (a) APPROPRIATIONS.—In addition to amounts other-
23 wise available, there is appropriated to the Small Business
24 Administration for fiscal year 2022, out of any money in

1 the Treasury not otherwise appropriated, to remain avail-
2 able until September 30, 2031—

3 (1) \$1,480,600,000 to carry out paragraph (39)
4 of section 7(a) of the Small Business Act (15 U.S.C.
5 636(a)), as added by subsection (b); and

6 (2) \$484,000,000 for administrative expenses
7 related to carrying out such paragraph (39), includ-
8 ing issuing interim final rules within 90 days after
9 the date of the enactment of this title, of which
10 \$25,000,000 is reserved for grants to conduct out-
11 reach to entities eligible to receive a loan under such
12 paragraph (39).

13 (b) SMALL DOLLAR LOAN FUNDING.—Section 7(a)
14 of the Small Business Act (15 U.S.C. 636(a)), as amended
15 by section 100501, is further amended—

16 (1) in paragraph (1)(A)(i), in the third sen-
17 tence, by striking “; and” and all that follows
18 through the period at the end and inserting a period;

19 (2) in paragraph (4)(A), by striking the comma
20 after “prescribed by the Administration” and all
21 that follows through the period at the end and in-
22 serting a period;

23 (3) in paragraph (26), by inserting “(except for
24 those collected under paragraph (39))” after “prof-
25 its”; and

1 (4) by adding at the end the following:

2 “(39) SMALL DOLLAR LOAN FUNDING.—

3 “(A) DEFINITIONS.—In this paragraph:

4 “(i) SMALL GOVERNMENT CON-
5 TRACTOR.—The term ‘small government
6 contractor’ means a small business concern
7 that is performing a government contract.

8 “(ii) SMALL MANUFACTURER.—The
9 term ‘small manufacturer’ means a small
10 business concern that is assigned a North
11 American Industry Classification System
12 code beginning with 31, 32, or 33 at the
13 time at which the small business concern
14 receives loan under this subsection.

15 “(B) DIRECT LOANS.—The Administrator
16 is authorized to originate and disburse direct
17 loans, including through partnerships with third
18 parties, to small business concerns.

19 “(C) MAXIMUM LOAN SIZE.—Notwith-
20 standing paragraph (3)(C) of this subsection, a
21 loan made in accordance with this paragraph
22 shall be—

23 “(i) except as provided in clause (ii),
24 not more than \$150,000; or

1 “(ii) not more than \$1,000,000, if the
2 borrower is a small manufacturer or a
3 small government contractor.

4 “(D) FEES.—With respect to each loan
5 made in accordance with this paragraph, the
6 Administrator, an authorized third party, or an
7 agent may—

8 “(i) impose, collect, retain, and utilize
9 fees, which may be charged to the bor-
10 rower, to cover any costs associated with
11 referring applications or originating, mak-
12 ing, underwriting, disbursing, closing, serv-
13 icing, or liquidating the loan, including any
14 direct lending agent costs, other program
15 or contract costs, or other agent adminis-
16 trative expenses;

17 “(ii) impose, collect, retain, and use
18 fees (including unused fees and draw fees),
19 which may be charged to the borrower on
20 loans for revolving lines of credit; and

21 “(iii) pay third parties, including di-
22 rect lending agents and financial institu-
23 tions, with which the Administration part-
24 ners for assistance in referring applicants
25 or promoting, originating, making, under-

1 writing, disbursing, closing, servicing, or
2 liquidating loans in accordance with this
3 paragraph on behalf of the Administration.

4 “(E) TERMS.—Not later than 90 days
5 after the date of the enactment of this para-
6 graph, the Administrator shall issue interim
7 final rules and revise any relevant rules to es-
8 tablish the terms and conditions for a direct
9 loan, including repayment, underwriting cri-
10 teria, interest rate, maturity, and other terms
11 of a loan made in accordance with this para-
12 graph.”.

13 **SEC. 100503. EXTENSION OF TEMPORARY FEE REDUCTIONS.**

14 (a) APPROPRIATIONS.—In addition to amounts other-
15 wise available, there is appropriated to the Small Business
16 Administration for fiscal year 2022, out of any money in
17 the Treasury not otherwise appropriated, \$950,000,000,
18 to remain available until September 30, 2026, for carrying
19 out this section and any amendments made by this section.

20 (b) 7(A) LOAN PROGRAM.—Section 326 of the Eco-
21 nomic Aid to Hard-Hit Small Businesses, Nonprofits, and
22 Venues Act (title III of division N of Public Law 116–
23 260; 134 Stat. 2036; 15 U.S.C. 636 note) is amended—

24 (1) in subsection (a)(2), by striking “October 1,
25 2021” and inserting “October 1, 2026”; and

1 (2) in subsection (b)(2), by striking “October 1,
2 2021” and inserting “October 1, 2026”.

3 (c) OTHER FEES.—Section 327 of the Economic Aid
4 to Hard-Hit Small Businesses, Nonprofits, and Venues
5 Act (title III of division N of Public Law 116–260; 134
6 Stat. 2037; 15 U.S.C. 636 note) is amended—

7 (1) in subsection (a)(1), by striking “September
8 30, 2021” and inserting “September 30, 2026”; and

9 (2) in subsection (b)(1), by striking “September
10 30, 2021” and inserting “September 30, 2026”.

11 **SEC. 100504. FUNDING FOR COOPERATIVES.**

12 (a) APPROPRIATIONS.—In addition to amounts other-
13 wise available, there is appropriated to the Small Business
14 Administration for fiscal year 2022, out of any money in
15 the Treasury not otherwise appropriated, \$100,000,000,
16 to remain available until September 30, 2031, for carrying
17 out paragraph (40) of section 7(a) of the Small Business
18 Act (15 U.S.C. 636(a)), as added by subsection (b).

19 (b) COOPERATIVE LENDING PILOT.—Section 7(a) of
20 the Small Business Act (15 U.S.C. 636(a)), as amended
21 by section 100502, is further amended by adding at the
22 end the following:

23 “(40) COOPERATIVE LENDING PILOT.—

24 “(A) DEFINITIONS.—In this paragraph:

1 “(i) COMMUNITY FINANCIAL INSTITU-
2 TION.—The term ‘community financial in-
3 stitution’ has the meaning given in para-
4 graph (36)(A).

5 “(ii) COOPERATIVE.—The term ‘coop-
6 erative’—

7 “(I) means an entity determined
8 by the Administrator to be a coopera-
9 tive; and

10 “(II) includes an entity owned by
11 employees or consumers of the entity.

12 “(iii) ELIGIBLE EMPLOYEE-OWNED
13 BUSINESS CONCERN.—The term ‘eligible
14 employee-owned business concern’ means—

15 “(I) a cooperative in which the
16 employees of the cooperative are eligi-
17 ble for membership;

18 “(II) a qualified employee trust;
19 or

20 “(III) other employee-owned enti-
21 ties as determined by the Adminis-
22 trator.

23 “(iv) PILOT PROGRAM.—The term
24 ‘pilot program’ means the pilot program
25 established under subparagraph (B).

1 “(B) ESTABLISHMENT.—There is estab-
2 lished a pilot program under which the Admin-
3 istrator shall guarantee loans (including loans
4 made by community financial institutions),
5 without the requirement of a personal or entity
6 guarantee, where such loans shall be made to
7 cooperatives or eligible employee-owned business
8 concerns.

9 “(C) TERMINATION.—The pilot program
10 shall terminate on the date that is 5 years after
11 the date of enactment of this paragraph.”.

12 (c) DELEGATED LENDING AUTHORITY FOR PRE-
13 FERRED LENDERS.—Section 5(b)(7) of the Small Busi-
14 ness Act (15 U.S.C. 634(b)(7)) is amended by striking
15 “paragraph (15) or (35)” and inserting “paragraph (15),
16 (35), or (40)”.

17 **Subtitle F—Supporting**
18 **Entrepreneurial Second Chances**

19 **SEC. 100601. REENTRY ENTREPRENEURSHIP COUNSELING**
20 **AND TRAINING FOR INCARCERATED AND**
21 **FORMERLY INCARCERATED INDIVIDUALS.**

22 (a) REENTRY ENTREPRENEURSHIP COUNSELING
23 AND TRAINING FOR INCARCERATED INDIVIDUALS.—

24 (1) APPROPRIATIONS.—In addition to amounts
25 otherwise available, there is appropriated to the

1 Small Business Administration, out of money in the
2 Treasury not otherwise appropriated for fiscal year
3 2022, 35,000,000, to remain available until Sep-
4 tember 30, 2029, to carry out section 52 of the
5 Small Business Act, as added by paragraph (2).

6 (2) IN GENERAL.—The Small Business Act is
7 amended by inserting after section 51, as added by
8 section 100301 of this title, the following:

9 **“SEC. 52. REENTRY ENTREPRENEURSHIP COUNSELING**
10 **AND TRAINING FOR INCARCERATED INDIVID-**
11 **UALS.**

12 “(a) DEFINITIONS.—In this section:

13 “(1) COVERED INDIVIDUAL.—The term ‘cov-
14 ered individual’ means an individual who is com-
15 pleting a term of imprisonment in a facility des-
16 igned as a minimum, low, or medium security.

17 “(2) RESOURCE PARTNERS.—The term ‘re-
18 source partners’ means a small business development
19 center (defined in section 3) or a women’s business
20 center (described under section 29).

21 “(b) ESTABLISHMENT.—The Administrator shall co-
22 ordinate with resource partners and associations formed
23 to pursue matters of common concern to resource partners
24 to provide entrepreneurship counseling and training serv-
25 ices to covered individuals pursuant to subsection (c).

1 “(c) USE OF FUNDS.—Amounts made available
2 under this section shall be used to—

3 “(1) develop and deliver a curriculum, including
4 classroom instruction and in-depth training to de-
5 velop skills related to business planning and finan-
6 cial literacy;

7 “(2) train mentors and instructors;

8 “(3) establish public-private partnerships to
9 support covered individuals; and

10 “(4) identify opportunities to access capital.”.

11 (b) REENTRY ENTREPRENEURSHIP COUNSELING
12 AND TRAINING FOR FORMERLY INCARCERATED INDIVID-
13 UALS.—

14 (1) APPROPRIATIONS.—In addition to amounts
15 otherwise available, there is appropriated to the
16 Small Business Administration, out of any money in
17 the Treasury not otherwise appropriated for fiscal
18 year 2022, \$35,000,000, to remain available until
19 September 30, 2029, to carry out section 53 of the
20 Small Business Act, as added by paragraph (2).

21 (2) IN GENERAL.—The Small Business Act is
22 amended by inserting after section 52, as added by
23 subsection (a), the following:

1 **“SEC. 53. REENTRY ENTREPRENEURSHIP COUNSELING**
2 **AND TRAINING FOR FORMERLY INCARCER-**
3 **ATED INDIVIDUALS.**

4 “(a) COVERED INDIVIDUAL DEFINED.—In this sec-
5 tion, the term ‘covered individual’ means an individual
6 who completed a term of imprisonment.

7 “(b) ESTABLISHMENT.—The Administrator shall es-
8 tablish a program under which the Service Corps of Re-
9 tired Executives authorized by section 8(b)(1)(B) shall
10 provide entrepreneurship counseling and training services
11 to covered individuals on a nationwide basis.

12 “(c) USE OF FUNDS.—Amounts made available
13 under this section shall be used by the Service Corps of
14 Retired Executives for providing to covered individuals the
15 following services:

16 “(1) Regular individualized mentoring sessions
17 to identify and support development of the business
18 plans of covered individuals.

19 “(2) Workshops on topics specifically tailored to
20 meet the needs of covered individuals.

21 “(3) Instructional videos designed specifically
22 for covered individuals on how to start or expand a
23 small business concern.”.

1 **SEC. 100602. NEW START ENTREPRENEURIAL DEVELOP-**
2 **MENT PROGRAM FOR FORMERLY INCARCER-**
3 **ATED INDIVIDUALS.**

4 (a) APPROPRIATIONS.—In addition to amounts other-
5 wise available, there is appropriated to the Small Business
6 Administration, out of any money in the Treasury not oth-
7 erwise appropriated for fiscal year 2022, \$35,000,000, to
8 remain available until September 30, 2029, for carrying
9 out this section.

10 (b) DEFINITIONS.—In this section—

11 (1) COVERED INDIVIDUAL.—The term “covered
12 individual” means an individual who—

13 (A) completed a term of imprisonment;

14 and

15 (B) meets the offense eligibility require-
16 ments set forth in any applicable policy notice
17 or other guidance issued by the Small Business
18 Administration for the program established
19 under section 7(m) of the Small Business Act
20 (15 U.S.C. 636(m)).

21 (2) INTERMEDIARY; MICROLOAN.—The terms
22 “intermediary” and “microloan” have the meanings
23 given those terms, respectively, in section 7(m)(11)
24 of the Small Business Act (15 U.S.C. 636(m)(11)).

25 (3) PARTICIPATING LENDER.—The term “par-
26 ticipating lender” means a participating lender de-

1 scribed under section 7(a) of the Small Business Act
2 (15 U.S.C. 636(a)).

3 (4) PILOT PROGRAM.—The term “pilot pro-
4 gram” means the pilot program established under
5 subsection (b).

6 (5) RESOURCE PARTNER.—The term “resource
7 partner” means—

8 (A) a small business development center
9 (defined in section 3 of the Small Business Act
10 (15 U.S.C. 632));

11 (B) a women’s business center (described
12 under section 29 of such Act (15 U.S.C. 656));

13 (C) a chapter of the Service Corps of Re-
14 tired Executives (established under section
15 8(b)(1)(B) of such Act ((15 U.S.C.
16 637(b)(1)(B))); and

17 (D) a Veteran Business Outreach Center
18 (described under section 32 of such Act (15
19 U.S.C. 657b)).

20 (c) ESTABLISHMENT.—The Administrator shall es-
21 tablish a pilot program to award grants to organizations,
22 or partnerships of organizations, to provide assistance to
23 covered individuals throughout the United States.

24 (d) APPLICATION.—

1 (1) IN GENERAL.—An organization or partner-
2 ship of organizations desiring a grant under the
3 pilot program shall submit an application to the Ad-
4 ministrator in such form, in such manner, and con-
5 taining such information as the Administrator may
6 reasonably require.

7 (2) CONTENTS.—An application submitted
8 under paragraph (1) shall—

9 (A) demonstrate that the applicant has a
10 partnership with, or is, an intermediary that
11 shall make microloans to covered individuals;

12 (B) demonstrate an ability to provide a full
13 range of entrepreneurial development program-
14 ming on an ongoing basis;

15 (C) include a plan for reaching covered in-
16 dividuals, including by identifying particular
17 target populations within the community in
18 which a covered individual lives;

19 (D) include a plan to refer covered individ-
20 uals who have completed participation in the
21 pilot program to existing resource partners and
22 participating lenders;

23 (E) include a comprehensive plan for the
24 use of grant funds, including estimates for ad-
25 ministrative expenses and outreach costs; and

1 (F) any other requirements, as determined
2 by the Administrator.

3 (e) MATCHING REQUIREMENT.—

4 (1) IN GENERAL.—As a condition of a grant
5 provided under the pilot program, the Administrator
6 shall require the recipient of the grant to contribute
7 an amount equal to 25 percent of the amount of the
8 grant, obtained solely from non-Federal sources.

9 (2) FORM.—In addition to cash or other direct
10 funding, the contribution required under paragraph
11 (1) may include indirect costs or in-kind contribu-
12 tions paid for under non-Federal programs.

13 **Subtitle G—Other Matters**

14 **SEC. 100701. ADMINISTRATIVE EXPENSES.**

15 (a) IN GENERAL.—In addition to amounts otherwise
16 available, there is appropriated to the Administration for
17 fiscal year 2022, out of any money in the Treasury not
18 otherwise appropriated, \$125,000,000, to remain available
19 until September 30, 2030, for administrative expenses re-
20 lated to carrying out this title (or any amendments made
21 by this title), except as otherwise provided in this title.

22 (b) RULEMAKING.—Using amounts made available
23 under subsection (a), not later than 30 days after the date
24 of the enactment of this Act, the Administrator may issue

1 rules, including interim final rules, as necessary to carry
2 out this title and the amendments made by this title.

3 **SEC. 100702. OFFICE OF INSPECTOR GENERAL OF THE**
4 **SMALL BUSINESS ADMINISTRATION.**

5 In addition to amounts otherwise available, there is
6 appropriated to the Office of Inspector General of the
7 Small Business Administration for fiscal year 2022, out
8 of any money in the Treasury not otherwise appropriated,
9 \$12,500,000, to remain available until September 30,
10 2030, for audits, investigations, and other oversight of
11 projects and activities carried out with funds made avail-
12 able by this title to the Small Business Administration.

13 **TITLE XI—COMMITTEE ON**
14 **TRANSPORTATION AND IN-**
15 **FRASTRUCTURE**

16 **SEC. 110001. AFFORDABLE HOUSING ACCESS PROGRAM.**

17 (a) IN GENERAL.—In addition to amounts otherwise
18 available, there is appropriated for fiscal year 2022, out
19 of any money in the Treasury not otherwise appropriated,
20 \$9,750,000,000, to remain available until September 30,
21 2026, to the Secretary of Housing and Urban Develop-
22 ment and the Administrator of the Federal Transit Ad-
23 ministration to make competitive grants under sections
24 5307, 5311, and 5339(c) of title 49, United States Code,
25 to support—

1 (1) access to affordable housing;

2 (2) enhanced mobility for residents and riders,
3 including those in disadvantaged communities and
4 neighborhoods, persistent poverty communities, or
5 for low-income riders generally; and

6 (3) other community benefits for residents of
7 disadvantaged communities or neighborhoods, per-
8 sistent poverty communities, or for low-income riders
9 generally identified by the Secretary and the Admin-
10 istrator related to enhanced transit service, includ-
11 ing—

12 (A) access to job and educational opportu-
13 nities;

14 (B) better connections to medical care; and

15 (C) enhanced access to grocery stores with
16 fresh foods to help eliminate food deserts.

17 (b) ADMINISTRATION OF FUNDS.—Funds made
18 available under this section—

19 (1) shall not be subject to any prior restriction
20 on the total amount of funds available for implemen-
21 tation or execution of programs authorized under
22 sections 5307, 5311, 5312, 5314, or 5339(c) of title
23 49, United States Code;

24 (2) notwithstanding requirements related to
25 Government share under such sections, shall be

1 available for up to 100 percent of the net cost of a
2 project;

3 (3) notwithstanding section 5307(a)(1) of such
4 title, may be used for operating costs of equipment
5 and facilities in an urbanized area with a population
6 equal to or greater than 200,000 individuals; and

7 (4) shall be expended in compliance with the re-
8 quirements of part 26 of title 49, Code of Federal
9 Regulations.

10 (c) ELIGIBLE ACTIVITIES.—Eligible activities for
11 funds made available under subsection (a) shall be—

12 (1) construction of a new fixed guideway capital
13 project;

14 (2) construction of a bus rapid transit project
15 or a corridor-based bus rapid transit project that
16 utilizes zero-emission vehicles, or a collection of such
17 projects;

18 (3) the establishment or expansion of high-fre-
19 quency bus service that utilizes zero-emission buses;

20 (4) the acquisition of zero-emission vehicles or
21 related infrastructure under section 5339(c) of title
22 49, United States Code, to expand service in urban
23 areas and the acquisition of vehicles under section
24 5311 of such title to expand service in non-urban
25 areas;

1 (5) an expansion of the service area or the fre-
2 quency of service of recipients or subrecipients under
3 sections 5307 or 5311 of such title, including the
4 provision of fare-free or reduced-fare service;

5 (6) renovation or construction of facilities and
6 incidental expenses related to transit service in dis-
7 advantaged communities or neighborhoods or service
8 that benefits low-income riders generally;

9 (7) additional assistance to project sponsors of
10 new fixed guideway capital projects, core capacity
11 improvement projects, or corridor-based bus rapid
12 transit projects not yet open to revenue service, not-
13 withstanding applicable requirements regarding Gov-
14 ernment share of contributions toward net project
15 cost of the project or the share of contributions pro-
16 vided by the Administrator of the Federal Transit
17 Administration, if—

18 (A) the applicant demonstrates that the
19 availability of funding under this section pro-
20 vides additional support for transit services con-
21 sistent with the requirements in subsection (a);
22 and

23 (B) assistance under this paragraph does
24 not increase by more than 10 percentage
25 points—

1 (i) the Government share of contribu-
2 tions toward net project cost; or

3 (ii) the Government share of assist-
4 ance from a program carried out by the
5 Administrator of the Federal Transit Ad-
6 ministration;

7 (8) fleet transition, route, or other public trans-
8 portation planning, including planning related to
9 economic development; and

10 (9) projects to upgrade the accessibility of bus
11 or rail public transportation services for persons
12 with disabilities, including individuals who use
13 wheelchairs.

14 (d) RESEARCH, TECHNICAL ASSISTANCE, AND
15 TRAINING.—In addition to amounts otherwise available,
16 there is appropriated for fiscal year 2022, out of any
17 money in the Treasury not otherwise appropriated,
18 \$150,000,000, to remain available until September 30,
19 2026, for grants under sections 5312 or 5314 of title 49,
20 United States Code, (excluding grants related to any ac-
21 tivities or agreements with international entities or foreign
22 nationals) for—

23 (1) activities under section 5312 of such title
24 that support efforts to reduce barriers to the deploy-
25 ment of zero-emission transit vehicles in disadvan-

1 taged communities or neighborhoods and rural
2 areas, including barriers related to the cost of such
3 vehicles; and

4 (2) activities under section 5314 of such title
5 for training and development activities to support
6 the provision of service to disadvantaged commu-
7 nities or neighborhoods and rural areas.

8 (e) ADMINISTRATIVE EXPENSES.—In addition to
9 amounts otherwise available, there is appropriated for fis-
10 cal year 2022, out of any money in the Treasury not other-
11 wise appropriated, \$100,000,000, to remain available until
12 September 30, 2026, for administrative expenses and
13 oversight costs of carrying out this section and to make
14 new awards or to increase prior awards to provide tech-
15 nical assistance and capacity building for eligible recipi-
16 ents or subrecipients under this section.

17 (f) PERIOD OF AVAILABILITY.—Any funds provided
18 from the general fund of the Treasury to carry out grants
19 under section 5339(e) of title 49, United States Code, for
20 fiscal years 2025 and 2026 shall remain available until
21 September 30, 2028.

1 **SEC. 110002. COMMUNITY CLIMATE INCENTIVE GRANT PRO-**
2 **GRAM.**

3 (a) IN GENERAL.—Chapter 1 of title 23, United
4 States Code, is amended by adding at the end the fol-
5 lowing:

6 **“§ 177. Community climate incentive grant program**

7 “(a) ESTABLISHMENT.—In addition to amounts oth-
8 erwise available, there is appropriated for fiscal year 2022,
9 out of any money in the Treasury not otherwise appro-
10 priated, \$50,000,000, to remain available until September
11 30, 2026, to the Administrator of the Federal Highway
12 Administration—

13 “(1) to establish a greenhouse gas performance
14 measure that requires States to set performance tar-
15 gets to reduce greenhouse gas emissions;

16 “(2) to establish an incentive structure to re-
17 ward States that demonstrate the most significant
18 progress toward achieving reductions in greenhouse
19 gas emissions;

20 “(3) to establish consequences for States that
21 do not achieve reductions in greenhouse gas emis-
22 sions;

23 “(4) to issue guidance and regulations and pro-
24 vide technical assistance as necessary to implement
25 this section; and

1 “(5) for operations and administration of the
2 Federal Highway Administration in carrying out this
3 section.

4 “(b) INCENTIVE GRANTS TO STATES.—In addition to
5 amounts otherwise available, there is appropriated for fis-
6 cal year 2022, out of any money in the Treasury not other-
7 wise appropriated, \$950,000,000, to remain available until
8 September 30, 2026, to the Administrator of the Federal
9 Highway Administration for incentive grants for carbon
10 reduction projects, to be awarded to States that—

11 “(1) qualify for a reward under the incentive
12 structure established by the Administrator of the
13 Federal Highway Administration under subsection
14 (a)(2); or

15 “(2) have incorporated carbon reduction strate-
16 gies that contribute to achieving net zero greenhouse
17 gas emissions by 2050 into the transportation plans
18 required under section 135.

19 “(c) COMMUNITY CLIMATE GRANTS TO OTHER ELI-
20 GIBLE ENTITIES.—

21 “(1) IN GENERAL.—In addition to amounts
22 otherwise available, there is appropriated for fiscal
23 year 2022, out of any money in the Treasury not
24 otherwise appropriated, \$3,000,000,000, to remain
25 available until September 30, 2026, to the Adminis-

1 trator of the Federal Highway Administration to
2 award grants, on a competitive basis, for carbon re-
3 duction projects to eligible entities that are not
4 States.

5 “(2) FEDERAL SHARE.—The Federal share of
6 the cost of a project carried out with a grant under
7 this subsection may be up to 100 percent.

8 “(d) USE OF FUNDS.—

9 “(1) IN GENERAL.—A project carried out under
10 subsection (b) or (c) shall be treated as a project on
11 a Federal-aid highway.

12 “(2) COMPLIANCE WITH EXISTING REQUIRE-
13 MENTS.—Funds made available for a grant under
14 subsection (b), and funds made available for a grant
15 under subsection (c) that are administered by or
16 through a State department of transportation, shall
17 be expended in compliance with the requirements of
18 part 26 of title 49, Code of Federal Regulations.

19 “(e) LIMITATION.—Funds made available under this
20 section shall not—

21 “(1) be subject to any restriction or limitation
22 on the total amount of funds available for implemen-
23 tation or execution of programs authorized for Fed-
24 eral-aid highways; or

1 “(2) be used for projects that result in addi-
2 tional through travel lanes for single occupant pas-
3 senger vehicles.

4 “(f) DEFINITIONS.—In this section:

5 “(1) CARBON REDUCTION PROJECT.—The term
6 ‘carbon reduction project’ means a project—

7 “(A) that is eligible under this title; and

8 “(B) that—

9 “(i) will result in significant reduc-
10 tions in greenhouse gas emissions related
11 to a surface transportation facility or
12 project;

13 “(ii) provides zero-emission transpor-
14 tation options;

15 “(iii) reduces dependence on single-oc-
16 cupant vehicle trips; or

17 “(iv) advances carbon reduction strat-
18 egies adopted by an eligible entity that
19 contribute to achieving net-zero greenhouse
20 gas emissions by 2050.

21 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
22 tity’ means—

23 “(A) a unit of local government;

24 “(B) a political subdivision of a State;

25 “(C) a territory;

1 “(D) a metropolitan planning organization
2 (as defined in section 134(b));

3 “(E) a special purpose district or public
4 authority with a transportation function;

5 “(F) an entity described in section
6 207(m)(1)(E); or

7 “(G) a State.”.

8 (b) CLERICAL AMENDMENT.—The analysis for chap-
9 ter 1 of title 23, United States Code, is amended by add-
10 ing at the end the following:

 “177. Community climate incentive grant program.”.

11 **SEC. 110003. NEIGHBORHOOD ACCESS AND EQUITY GRANT**
12 **PROGRAM.**

13 (a) IN GENERAL.—Chapter 1 of title 23, United
14 States Code, is further amended by adding at the end the
15 following:

16 **“§ 178. Neighborhood access and equity grant pro-**
17 **gram**

18 “(a) IN GENERAL.—In addition to amounts other-
19 wise available, there is appropriated for fiscal year 2022,
20 out of any money in the Treasury not otherwise appro-
21 priated, \$2,370,000,000, to remain available until Sep-
22 tember 30, 2026, to the Administrator of the Federal
23 Highway Administration for competitive grants to eligible
24 entities described in subsection (b)—

1 “(1) to improve walkability, safety, and afford-
2 able transportation access through construction of
3 projects that are context-sensitive—

4 “(A) to remove, remediate, or reuse a facil-
5 ity described in subsection (c)(1);

6 “(B) to replace a facility described in sub-
7 section (c)(1) with a facility that is at-grade or
8 lower speed;

9 “(C) to retrofit or cap a facility described
10 in subsection (c)(1);

11 “(D) to build or improve complete streets,
12 multiuse trails, regional greenways, or active
13 transportation networks and spines; or

14 “(E) to provide affordable access to essen-
15 tial destinations, public spaces, or transpor-
16 tation links and hubs;

17 “(2) to mitigate or remediate negative impacts
18 on the human or natural environment resulting from
19 a facility described in subsection (c)(2) in a dis-
20 advantaged or underserved community, including
21 construction of—

22 “(A) noise barriers to reduce impacts re-
23 sulting from a facility described in subsection
24 (c)(2);

1 “(B) technologies, infrastructure, and ac-
2 tivities to reduce surface transportation-related
3 air pollution, including greenhouse gas emis-
4 sions;

5 “(C) infrastructure or protective features
6 to reduce or manage stormwater run-off result-
7 ing from a facility described in subsection
8 (c)(2), including through natural infrastructure
9 and pervious, permeable, or porous pavement;

10 “(D) infrastructure and natural features to
11 reduce or mitigate urban heat island hot spots
12 in the transportation right-of-way or on surface
13 transportation facilities; or

14 “(E) safety improvements for vulnerable
15 road users; and

16 “(3) for planning and capacity building activi-
17 ties in disadvantaged or underserved communities
18 to—

19 “(A) identify, monitor, or assess local and
20 ambient air quality, emissions of transportation
21 greenhouse gases, hot spot areas of extreme
22 heat or elevated air pollution, gaps in tree can-
23 opy coverage, or flood prone transportation in-
24 frastructure;

1 “(B) assess transportation equity or pollu-
2 tion impacts and develop local anti-displacement
3 policies and community benefit agreements;

4 “(C) conduct predevelopment activities for
5 projects eligible under this subsection;

6 “(D) expand public participation in trans-
7 portation planning by individuals and organiza-
8 tions in disadvantaged or underserved commu-
9 nities; or

10 “(E) administer or obtain technical assist-
11 ance related to activities described in this sub-
12 section.

13 “(b) ELIGIBLE ENTITIES DESCRIBED.—An eligible
14 entity referred to in subsection (a) is—

15 “(1) a State;

16 “(2) a unit of local government;

17 “(3) a political subdivision of a State;

18 “(4) an entity described in section
19 207(m)(1)(E);

20 “(5) a territory of the United States;

21 “(6) a special purpose district or public author-
22 ity with a transportation function;

23 “(7) a metropolitan planning organization (as
24 defined in section 134(b)); or

1 “(8) with respect to a grant described in sub-
2 section (a)(3), in addition to an eligible entity de-
3 scribed in paragraphs (1) through (7), a nonprofit
4 organization or institution of higher education that
5 has entered into a partnership with an eligible entity
6 described in paragraphs (1) through (7).

7 “(c) FACILITY DESCRIBED.—A facility referred to in
8 subsection (a) is—

9 “(1) a surface transportation facility for which
10 high speeds, grade separation, or other design fac-
11 tors create an obstacle to connectivity within a com-
12 munity; or

13 “(2) a surface transportation facility which is a
14 source of air pollution, noise, stormwater, or other
15 burden to a disadvantaged or underserved commu-
16 nity.

17 “(d) INVESTMENT IN ECONOMICALLY DISADVAN-
18 TAGED COMMUNITIES.—

19 “(1) IN GENERAL.—In addition to amounts
20 otherwise available, there is appropriated for fiscal
21 year 2022, out of any money in the Treasury not
22 otherwise appropriated, \$1,580,000,000, to remain
23 available until September 30, 2026, to the Adminis-
24 trator of the Federal Highway Administration to
25 provide grants for projects in communities described

1 in paragraph (2) for the same purposes and admin-
2 istered in the same manner as described in sub-
3 section (a).

4 “(2) COMMUNITIES DESCRIBED.—A community
5 referred to in paragraph (1) is a community that—

6 “(A) is economically disadvantaged, includ-
7 ing an underserved community or a community
8 located in an area of persistent poverty;

9 “(B) has entered or will enter into a com-
10 munity benefits agreement with representatives
11 of the community;

12 “(C) has an anti-displacement policy, a
13 community land trust, or a community advisory
14 board in effect; or

15 “(D) has demonstrated a plan for employ-
16 ing local residents in the area impacted by the
17 activity or project proposed under this section.

18 “(e) ADMINISTRATION.—

19 “(1) IN GENERAL.—A project carried out under
20 subsection (a) or (d) shall be treated as a project on
21 a Federal-aid highway.

22 “(2) COMPLIANCE WITH EXISTING REQUIRE-
23 MENTS.—Funds made available for a grant under
24 this section and administered by or through a State
25 department of transportation shall be expended in

1 compliance with the requirements of part 26 of title
2 49, Code of Federal Regulations.

3 “(f) COST SHARE.—The Federal share of the cost of
4 an activity carried out using a grant awarded under this
5 section shall be not more than 80 percent, except that the
6 Federal share of the cost of a project in a disadvantaged
7 or underserved community may be up to 100 percent.

8 “(g) TECHNICAL ASSISTANCE.—In addition to
9 amounts otherwise available, there is appropriated for fis-
10 cal year 2022, out of any money in the Treasury not other-
11 wise appropriated, \$50,000,000, to remain available until
12 September 30, 2026, to the Administrator of the Federal
13 Highway Administration for—

14 “(1) guidance, technical assistance, templates,
15 training, or tools to facilitate efficient and effective
16 contracting, design, and project delivery by units of
17 local government;

18 “(2) subgrants to units of local government to
19 build capacity of such units of local government to
20 assume responsibilities to deliver surface transpor-
21 tation projects; and

22 “(3) operations and administration of the Fed-
23 eral Highway Administration.

24 “(h) LIMITATIONS.—Amounts made available under
25 this section shall not—

1 “(1) be subject to any restriction or limitation
2 on the total amount of funds available for implemen-
3 tation or execution of programs authorized for Fed-
4 eral-aid highways; and

5 “(2) be used for a project for additional
6 through travel lanes for single-occupant passenger
7 vehicles.”.

8 (b) CLERICAL AMENDMENT.—The analysis for chap-
9 ter 1 of title 23, United States Code, is further amended
10 by adding at the end the following:

 “178. Neighborhood access and equity grant program.”.

11 **SEC. 110004. TERRITORIAL HIGHWAY PROGRAM FUNDING.**

12 (a) IN GENERAL.—In addition to amounts otherwise
13 made available, there is appropriated for fiscal year 2022,
14 out of any money in the Treasury not otherwise appro-
15 priated, \$320,000,000, to remain available until Sep-
16 tember 30, 2026, to the Administrator of the Federal
17 Highway Administration for distribution under section
18 165(c) of title 23, United States Code.

19 (b) LIMITATION.—Funds made available under this
20 section shall not be subject to any restriction or limitation
21 on the total amount of funds available for implementation
22 or execution of programs authorized for Federal-aid high-
23 ways.

1 **SEC. 110005. TRAFFIC SAFETY CLEARINGHOUSE.**

2 (a) IN GENERAL.—In addition to amounts otherwise
3 made available, there is appropriated for fiscal year 2022,
4 out of any money in the Treasury not otherwise appro-
5 priated, \$47,500,000 to remain available until September
6 30, 2026, for the Administrator of the National Highway
7 Traffic Safety Administration to make 1 or more grants,
8 cooperative agreements, or contracts with 1 or more quali-
9 fied institutions to—

10 (1) operate a national clearinghouse for fair
11 and equitable traffic safety enforcement programs;

12 (2) conduct research relating to, and develop,
13 systems for States to collect traffic safety enforce-
14 ment data, and provide technical assistance to
15 States collecting such data, including the sharing of
16 data to a national database;

17 (3) develop recommendations and best practices
18 to help States collect and use traffic safety enforce-
19 ment data to promote equity and reduce traffic-re-
20 lated fatalities and injuries; and

21 (4) develop information and educational pro-
22 grams relating to implementing equitable traffic
23 safety enforcement best practices to assist States
24 and local communities.

25 (b) ADMINISTRATION.—In addition to amounts oth-
26 erwise made available, there is appropriated for fiscal year

1 2022, out of any money in the Treasury not otherwise ap-
2 propriated, \$2,500,000 to remain available until Sep-
3 tember 30, 2026, for the Administrator of the National
4 Highway Traffic Safety Administration for the salaries,
5 expenses, and costs of administering this section.

6 (c) DEFINITION OF STATE.—In this section the term
7 “State” has the meaning given the term in section 401
8 of title 23, United States Code.

9 **SEC. 110006. PASSENGER RAIL IMPROVEMENT, MOD-**
10 **ERNIZATION, AND EMISSIONS REDUCTION**
11 **GRANTS.**

12 (a) APPROPRIATION.—In addition to amounts other-
13 wise available, there is appropriated to the Secretary of
14 Transportation for fiscal year 2022, out of any money in
15 the Treasury not otherwise appropriated,
16 \$10,000,000,000, to remain available until September 30,
17 2026, for financial assistance under chapter 261 of title
18 49, United States Code, to eligible entities for eligible
19 projects.

20 (b) DEFINITIONS.—In this section:

21 (1) CORRIDOR.—The term “corridor” means an
22 existing, modified, or proposed intercity passenger
23 rail service (as defined in section 26106(b)(5) of
24 title 49, United States Code).

1 (2) ELIGIBLE ENTITY.—The term “eligible enti-
2 ty” means—

3 (A) an entity that is eligible to receive fi-
4 nancial assistance under section 26101 of title
5 49, United States Code; and

6 (B) an applicant that is eligible to receive
7 a grant under section 26106 of title 49, United
8 States Code.

9 (3) ELIGIBLE PROJECT.—The term “eligible
10 project” means—

11 (A) a planning project for high-speed rail
12 corridor development that consists of planning
13 activities eligible to receive financial assistance
14 under section 26101(b)(1) of title 49, United
15 States Code; and

16 (B) a capital project for high-speed rail
17 corridor development that—

18 (i) is eligible to receive a grant for a
19 capital project (as defined in section
20 26106(b)(3) of title 49, United States
21 Code); and

22 (ii) directly serves rail stations within
23 urban areas (as published by the Bureau
24 of the Census) that are located in close
25 proximity to a census tract (as published

1 by the Bureau of the Census) within the
2 urban area that has a greater density pop-
3 ulation than the urban area as a whole.

4 (4) HIGH-SPEED RAIL.—The term “high-speed
5 rail” means non-highway ground transportation that
6 is owned or operated by an eligible entity and rea-
7 sonably expected to reach speeds of—

8 (A) 160 miles per hour or faster on a
9 shared use right-of-way; or

10 (B) 186 miles per hour or faster on a dedi-
11 cated right-of-way.

12 (c) ALLOCATION.—Not less than \$1,000,000,000 of
13 the amounts appropriated by subsection (a) shall be used
14 for eligible projects described in subsection (b)(3)(A).

15 (d) FEDERAL SHARE.—For any financial assistance
16 and grants provided pursuant to this section, the Federal
17 share may not exceed 90 percent of the total cost of the
18 eligible project.

19 (e) OVERSIGHT.—Not more than \$100,000,000 of
20 the amounts appropriated by subsection (a) may be used
21 by the Secretary of Transportation for the costs of award
22 and project management of financial assistance provided
23 under this section.

1 **SEC. 110007. ALTERNATIVE FUEL AND LOW-EMISSION AVIA-**
2 **TION TECHNOLOGY PROGRAM.**

3 (a) APPROPRIATION AND ESTABLISHMENT.—For
4 purposes of establishing a competitive grant program to
5 provide grants to eligible entities to carry out projects lo-
6 cated in the United States that produce, transport, blend,
7 or store sustainable aviation fuel, or develop, demonstrate,
8 or apply low-emission aviation technologies, in addition to
9 amounts otherwise available, there are appropriated to the
10 Secretary for fiscal year 2022, out of any money in the
11 Treasury not otherwise appropriated, to remain available
12 until September 30, 2026—

13 (1) \$247,000,000 for projects relating to the
14 production, transportation, blending, or storage of
15 sustainable aviation fuel;

16 (2) \$47,000,000 for projects relating to low-
17 emission aviation technologies; and

18 (3) \$6,000,000 to fund the award of grants
19 under this section, and oversight of the program, by
20 the Secretary.

21 (b) CONSIDERATIONS.—In carrying out subsection
22 (a), the Secretary shall consider, with respect to a pro-
23 posed project—

24 (1) the capacity for the eligible entity to in-
25 crease the domestic production and deployment of
26 sustainable aviation fuel or the use of low-emission

1 aviation technologies among the United States com-
2 mercial aviation and aerospace industry;

3 (2) the projected greenhouse gas emissions
4 from such project, including emissions resulting
5 from the development of the project, and the poten-
6 tial the project has to reduce or displace, on a
7 lifecycle basis, United States greenhouse gas emis-
8 sions associated with air travel;

9 (3) the capacity to create new jobs and develop
10 supply chain partnerships in the United States;

11 (4) for projects related to the production of sus-
12 tainable aviation fuel, the projected lifecycle green-
13 house gas emissions benefits from the proposed
14 project, which shall include feedstock and fuel pro-
15 duction and potential direct and indirect greenhouse
16 gas emissions (including resulting from changes in
17 land use); and

18 (5) the benefits of ensuring a diversity of feed-
19 stocks for sustainable aviation fuel, including the use
20 of waste carbon oxides and direct air capture.

21 (c) COST SHARE.—The Federal share of the cost of
22 a project carried out using grant funds under subsection
23 (a) shall be a maximum of 90 percent of the proposed total
24 cost of the project, and the Secretary shall consider the
25 extent to which a proposed project meets the consider-

1 ations described in subsection (b) in determining the Fed-
2 eral share under this subsection.

3 (d) FUEL EMISSIONS REDUCTION TEST.—For pur-
4 poses of clause (ii) of subsection (e)(7)(E), the Secretary
5 shall, not later than 2 years after the date of enactment
6 of this section, adopt at least 1 methodology for testing
7 lifecycle greenhouse gas emissions that meets the require-
8 ments of such clause.

9 (e) DEFINITIONS.—In this section:

10 (1) ELIGIBLE ENTITY.—The term “eligible enti-
11 ty” means—

12 (A) a State or local government, including
13 the District of Columbia, other than an airport
14 sponsor;

15 (B) an air carrier;

16 (C) an airport sponsor;

17 (D) an accredited institution of higher edu-
18 cation;

19 (E) a research institution;

20 (F) a person or entity engaged in the pro-
21 duction, transportation, blending, or storage of
22 sustainable aviation fuel in the United States or
23 feedstocks in the United States that could be
24 used to produce sustainable aviation fuel;

1 (G) a person or entity engaged in the de-
2 velopment, demonstration, or application of low-
3 emission aviation technologies; or

4 (H) nonprofit entities or nonprofit con-
5 sortia with experience in sustainable aviation
6 fuels, low-emission aviation technologies, or
7 other clean transportation research programs.

8 (2) FEEDSTOCK.—The term “feedstock” means
9 sources of hydrogen and carbon not originating from
10 unrefined or refined petrochemicals.

11 (3) INDUCED LAND-USE CHANGE VALUES.—
12 The term “induced land-use change values” means
13 the greenhouse gas emissions resulting from the con-
14 version of land to the production of feedstocks and
15 from the conversion of other land due to the dis-
16 placement of crops or animals for which the original
17 land was previously used.

18 (4) LIFECYCLE GREENHOUSE GAS EMIS-
19 SIONS.—The term “lifecycle greenhouse gas emis-
20 sions” means the combined greenhouse gas emis-
21 sions from feedstock production, collection of feed-
22 stock, transportation of feedstock to fuel production
23 facilities, conversion of feedstock to fuel, transpor-
24 tation and distribution of fuel, and fuel combustion

1 in an aircraft engine, as well as from induced land-
2 use change values.

3 (5) LOW-EMISSION AVIATION TECHNOLOGIES.—

4 The term “low-emission aviation technologies”
5 means technologies, produced in the United States,
6 that significantly—

7 (A) improve aircraft fuel efficiency;

8 (B) increase utilization of sustainable avia-
9 tion fuel; or

10 (C) reduce greenhouse gas emissions pro-
11 duced during operation of civil aircraft.

12 (6) SECRETARY.—The term “Secretary” means
13 the Secretary of Transportation.

14 (7) SUSTAINABLE AVIATION FUEL.—The term
15 “sustainable aviation fuel” means liquid fuel, pro-
16 duced in the United States, that—

17 (A) consists of synthesized hydrocarbons;

18 (B) meets the requirements of—

19 (i) ASTM International Standard
20 D7566; or

21 (ii) the co-processing provisions of
22 ASTM International Standard D1655,
23 Annex A1 (or such successor standard);

24 (C) is derived from biomass (in a similar
25 manner as such term is defined in section

1 45K(c)(3) of the Internal Revenue Code of
2 1986), waste streams, renewable energy
3 sources, or gaseous carbon oxides;

4 (D) is not derived from palm fatty acid
5 distillates; and

6 (E) achieves at least a 50 percent lifecycle
7 greenhouse gas emissions reduction in compari-
8 son with petroleum-based jet fuel, as deter-
9 mined by a test that shows—

10 (i) the fuel production pathway
11 achieves at least a 50 percent reduction of
12 the aggregate attributional core lifecycle
13 emissions and the induced land use change
14 values under a lifecycle methodology for
15 sustainable aviation fuels similar to that
16 adopted by the International Civil Aviation
17 Organization with the agreement of the
18 United States; or

19 (ii) the fuel production pathway
20 achieves at least a 50 percent reduction of
21 the aggregate attributional core lifecycle
22 greenhouse gas emissions values and the
23 induced land-use change values under an-
24 other methodology that the Secretary de-
25 termines is—

1 (I) reflective of the latest sci-
2 entific understanding of lifecycle
3 greenhouse gas emissions; and

4 (II) as stringent as the require-
5 ment under clause (i).

6 **SEC. 110008. ASSISTANCE TO UPDATE AND ENFORCE HAZ-**
7 **ARD RESISTANT CODES AND STANDARDS.**

8 (a) IN GENERAL.—In addition to amounts otherwise
9 available, there is appropriated for fiscal year 2022, out
10 of any money in the Treasury not otherwise appropriated,
11 \$145,500,000, to remain available until expended, to the
12 Administrator of the Federal Emergency Management
13 Agency for the Building Resilient Infrastructure and Com-
14 munities Program for activities and grants that provide
15 technical assistance and capacity building, for which the
16 Federal cost share shall be 100 percent, to State, local,
17 Indian Tribal, or territorial governments for establishing,
18 implementing, and carrying out enforcement activities of
19 the latest published editions of relevant performance-based
20 and consensus-based codes, specifications, and standards,
21 including amendments made by State, local, Indian Tribal,
22 or territorial governments during the adoption process,
23 that incorporate—

24 (1) the latest hazard-resistant designs; and

1 (2) the latest requirements for the maintenance
2 and inspection of existing buildings to address haz-
3 ard risk.

4 (b) ADMINISTRATION.—In addition to amounts oth-
5 erwise available, there is appropriated for fiscal year 2022,
6 out of any money in the Treasury not otherwise available,
7 \$4,500,000 to the Administrator of the Federal Emer-
8 gency Management Agency, to remain available until ex-
9 pended, for administrative expenses of carrying out this
10 section.

11 **SEC. 110009. ECONOMIC DEVELOPMENT ADMINISTRATION.**

12 (a) ECONOMIC DEVELOPMENT ASSISTANCE FOR RE-
13 GIONAL ECONOMIC GROWTH CLUSTERS.—In addition to
14 amounts otherwise available, there is appropriated for fis-
15 cal year 2022, out of any money in the Treasury not other-
16 wise appropriated, \$3,360,000,000, to remain available
17 until September 30, 2031, to the Secretary of Commerce
18 (referred to in this section as the “Secretary”) for grants
19 under section 209 of the Public Works and Economic De-
20 velopment Act of 1965 (42 U.S.C. 3149) to develop re-
21 gional economic growth clusters, including grants for tech-
22 nical assistance, planning, and predevelopment activities,
23 subject to the condition that sections 204 and 301 of such
24 Act (42 U.S.C. 3144 and 3161) shall not apply to grants
25 made with amounts made available under this subsection.

1 (b) RECOMPETE GRANTS FOR PERSISTENTLY DIS-
2 TRESSED COMMUNITIES.—

3 (1) IN GENERAL.—In addition to amounts oth-
4 erwise available, there is appropriated for fiscal year
5 2022, out of any money in the Treasury not other-
6 wise appropriated, \$1,200,000,000, to remain avail-
7 able until September 30, 2031, to the Secretary of
8 Commerce for economic adjustment assistance as
9 authorized by section 209 of the Public Works and
10 Economic Development Act of 1965 (42 U.S.C.
11 3149) to provide grants to eligible recipients (as de-
12 fined in section 3 of such Act) to alleviate economic
13 distress and support long-term comprehensive eco-
14 nomic development and job creation in persistently
15 distressed local labor markets and local commu-
16 nities, except that sections 204 and 301 of such Act
17 (42 U.S.C. 3144 and 3161) shall be inapplicable to
18 such grants.

19 (2) RECOMPETE PLAN.—As a condition of re-
20 ceipt of a grant described under paragraph (1), an
21 eligible recipient shall submit a comprehensive 10-
22 year economic development plan for approval by the
23 Secretary that includes—

24 (A) proposed programs and activities to be
25 carried out with a grant awarded under this

1 subsection to address the economic challenges
2 of the local labor market or local community in
3 a manner that promotes long-term, sustained
4 economic growth, quality job creation, and local
5 prime-age employment growth;

6 (B) projected costs, annual expenditures,
7 and a proposed grant disbursement schedule;
8 and

9 (C) other local economic information and
10 periodic benchmarking criteria as the Secretary
11 determines appropriate.

12 (3) MAXIMUM AWARD AMOUNT.—In deter-
13 mining the maximum amount of a grant that may
14 be awarded under paragraph (1) for the purposes of
15 implementing and carrying out the programs and ac-
16 tivities identified in an approved recompetite plan de-
17 scribed in paragraph (2), the Secretary shall use the
18 product obtained by multiplying—

19 (A) the difference in the prime-age employ-
20 ment rate between the United States and the
21 local labor market or local community;

22 (B) the prime-age population of the local
23 labor market or local community; and

24 (C) either—

- 1 (i) \$70,585 for local labor markets
2 with a prime-age employment rate not less
3 than 2.5 percent below the United States;
4 or
5 (ii) \$53,600 for local communities
6 with a prime-age employment rate not less
7 than 5 percent below the United States.

8 (4) DEFINITIONS.—In this subsection:

9 (A) LOCAL LABOR MARKET.—The term
10 “local labor market” means any of the following
11 areas that contains 1 or more recipients eligible
12 under paragraph (1):

13 (i) A metropolitan statistical area or
14 micropolitan statistical area, excluding any
15 area described in clause (iii).

16 (ii) A commuting zone, excluding any
17 areas described in clauses (i) and (iii).

18 (iii) Tribal land subject to the juris-
19 diction of an Indian Tribe.

20 (B) LOCAL COMMUNITY.—The term “local
21 community” means the area served by a unit of
22 general local government that is located within,
23 but does not cover the entire area of, a local
24 labor market that does not meet the criteria de-
25 scribed in paragraph (3)(C)(i).

1 (c) ECONOMIC ADJUSTMENT ASSISTANCE FOR EN-
2 ERGY AND INDUSTRIAL TRANSITION COMMUNITIES.—In
3 addition to amounts otherwise available, there is appro-
4 priated for fiscal year 2022, out of any money in the
5 Treasury not otherwise appropriated, \$240,000,000, to re-
6 main available until September 30, 2027, to the Secretary
7 of Commerce for economic adjustment assistance as au-
8 thorized by section 209 of the Public Works and Economic
9 Development Act of 1965 (42 U.S.C. 3149) to provide as-
10 sistance, including grants for technical assistance, plan-
11 ning, and predevelopment activities, to energy and indus-
12 trial transition communities, including oil, gas, coal, nu-
13 clear, and biomass transition communities, and manufac-
14 turing transition communities.

15 (d) ECONOMIC ADJUSTMENT ASSISTANCE FOR
16 TECHNICAL ASSISTANCE, PROJECT PREDEVELOPMENT,
17 AND CAPACITY BUILDING.—In addition to amounts other-
18 wise available, there is appropriated for fiscal year 2022,
19 out of any money in the Treasury not otherwise appro-
20 priated, \$240,000,000, to remain available until Sep-
21 tember 30, 2027, to the Secretary of Commerce for eco-
22 nomic adjustment assistance as authorized by section 209
23 of the Public Works and Economic Development Act of
24 1965 (42 U.S.C. 3149) to provide grants for technical as-
25 sistance, project predevelopment, and capacity building ac-

1 tivities, including activities relating to the writing of grant
2 applications (consistent with section 213 of the Public
3 Works and Economic Development Act of 1965 (42
4 U.S.C. 3153)) and stipends to local community organiza-
5 tions for planning participation, community outreach and
6 engagement activities, subject to the conditions that—

7 (1) sections 204 and 301 of such Act shall not
8 apply to grants made with amounts made available
9 under this subsection; and

10 (2) not less than 50 percent of the amounts
11 made available under this subsection shall be for ac-
12 tivities that are carried out in underserved commu-
13 nities.

14 (e) ADMINISTRATION.—In addition to amounts other-
15 wise available, there is appropriated for fiscal year 2022,
16 out of any money in the Treasury not otherwise appro-
17 priated, \$210,000,000, to remain available until Sep-
18 tember 30, 2031, for the administrative expenses of car-
19 rying out this section.

20 **SEC. 110010. ASSISTANCE FOR FEDERAL BUILDINGS.**

21 In addition to amounts otherwise available, there is
22 appropriated for fiscal year 2022, out of any money in
23 the Treasury not otherwise appropriated, \$500,000,000,
24 to remain available until September 30, 2031, to be depos-
25 ited in the Federal Buildings Fund established under sec-

1 tion 592 of title 40, United States Code, for measures nec-
2 essary to convert facilities of the Administrator of General
3 Services to high-performance green buildings (as defined
4 in section 401 of the Energy Independence and Security
5 Act of 2007 (42 U.S.C. 17061)).

6 **SEC. 110011. CLIMATE RESILIENT COAST GUARD INFRA-**
7 **STRUCTURE.**

8 In addition to amounts otherwise available, there is
9 appropriated to the Coast Guard for fiscal year 2022, out
10 of any money in the Treasury not otherwise appropriated,
11 \$650,000,000, to remain available until September 30,
12 2031, for the acquisition, design, and construction of new,
13 or replacement of existing, climate resilient facilities, in-
14 cluding personnel readiness facilities such as family sup-
15 port services facilities, that are threatened by or have been
16 impacted by climate change, as authorized under sections
17 504(e) and 1101(b)(1) of title 14, United States Code.

18 **SEC. 110012. GREAT LAKES ICEBREAKER ACQUISITION.**

19 (a) IN GENERAL.—In addition to amounts otherwise
20 available, there is appropriated to the Coast Guard for fis-
21 cal year 2022, out of any money in the Treasury not other-
22 wise appropriated, \$350,000,000, to remain available until
23 September 30, 2031, for acquisition, design, and construc-
24 tion of a Great Lakes heavy icebreaker, as authorized
25 under section 8107 of the William M. (Mac) Thornberry

1 National Defense Authorization Act for Fiscal Year 2021
2 (Public Law 116–283).

3 (b) LIMITATION.—The funds made available under
4 this section are subject to the condition that the Coast
5 Guard shall not—

6 (1) enter into an agreement involving funds
7 made available under subsection (a) if such agree-
8 ment—

9 (A) is for a term extending beyond Sep-
10 tember 30, 2031; or

11 (B) involves any payment that could be
12 made or funds disbursed using amounts made
13 available under subsection (a) after September
14 30, 2031; or

15 (2) use any other funds available to the Coast
16 Guard to satisfy obligations initially made under
17 subsection (a).

18 **SEC. 110013. PORT INFRASTRUCTURE AND SUPPLY CHAIN**
19 **RESILIENCE.**

20 (a) IN GENERAL.—In addition to amounts otherwise
21 available, there is appropriated for fiscal year 2022, out
22 of any money in the Treasury not otherwise appropriated,
23 \$600,000,000, to remain available until September 30,
24 2026, to the Maritime Administration for the purposes of
25 making grants for projects to support supply chain resil-

1 ience, reduction in port congestion, and the development
2 of offshore wind through the program under section
3 50302(c) of title 46, United States Code.

4 (b) LIMITATIONS.—The funds made available under
5 this section are subject to the condition that the Secretary
6 of Transportation shall not—

7 (1) enter into an agreement involving funds
8 made available under subsection (a) if such agree-
9 ment—

10 (A) is for a term extending beyond Sep-
11 tember 30, 2031; or

12 (B) involves any payment that could be
13 made or funds disbursed using amounts made
14 available under subsection (a) after September
15 30, 2031; or

16 (2) use any other funds available to the Sec-
17 retary to satisfy obligations initially made under
18 subsection (a).

19 **SEC. 110014. ALTERNATIVE WATER SOURCE PROJECT**
20 **GRANTS.**

21 (a) APPROPRIATION.—In addition to amounts other-
22 wise available, there is appropriated to the Environmental
23 Protection Agency for fiscal year 2022, out of any money
24 in the Treasury not otherwise appropriated,
25 \$125,000,000, to remain available until expended, for car-

1 rying out section 220 of the Federal Water Pollution Con-
2 trol Act (33 U.S.C. 1300), in accordance with subsection
3 (b), which funds may be used to make grants under such
4 section on the condition that—

5 (1) a project carried out using such funds shall,
6 to the maximum extent practicable, maximize the
7 avoidance, minimization, or mitigation of climate
8 change impacts on, and of, any constructed part of
9 the project (including through the implementation of
10 technologies to recover and reuse energy produced in
11 the treatment of wastewater); and

12 (2) all of the iron and steel used in the project
13 are produced in the United States in accordance
14 with section 608 of such Act (33 U.S.C. 1388).

15 (b) LIMITATIONS.—For purposes of subsection (a)—

16 (1) the limitation in section 220(d)(1) of the
17 Federal Water Pollution Control Act (as in effect on
18 September 1, 2021), as it applies to the receipt of
19 planning or design funds, shall not apply with re-
20 spect to eligibility for a grant under this section; and

21 (2) the requirements of sections 220(d)(2) and
22 (e) of such Act (as in effect on September 1, 2021)
23 shall not apply to the making of a grant under this
24 section.

1 (c) ADMINISTRATIVE COSTS.—Of the amounts made
2 available under subsection (a), the Administrator of the
3 Environmental Protection Agency shall reserve 4 percent
4 for the administrative costs of carrying out this section.

5 **SEC. 110015. SEWER OVERFLOW AND STORMWATER REUSE**
6 **MUNICIPAL GRANTS.**

7 (a) GENERAL ASSISTANCE.—In addition to amounts
8 otherwise available, there is appropriated to the Environ-
9 mental Protection Agency for fiscal year 2022, out of any
10 money in the Treasury not otherwise appropriated,
11 \$500,000,000, to remain available until expended, for car-
12 rying out section 221 of the Federal Water Pollution Con-
13 trol Act (33 U.S.C. 1301), which funds may be used to
14 make grants under such section on the condition that any
15 activity carried out using such funds shall, to the max-
16 imum extent practicable, maximize the avoidance, mini-
17 mization, or mitigation of climate change impacts on, and
18 of, any constructed part of the activity (including through
19 the implementation of technologies to recover and reuse
20 energy produced in the treatment of wastewater).

21 (b) FINANCIALLY DISTRESSED COMMUNITIES.—

22 (1) APPROPRIATION.—In addition to amounts
23 otherwise available, there is appropriated to the En-
24 vironmental Protection Agency for fiscal year 2022,
25 out of any money in the Treasury not otherwise ap-

1 appropriated, \$1,350,000,000, to remain available
2 until expended, for carrying out section 221 of the
3 Federal Water Pollution Control Act (33 U.S.C.
4 1301), which funds may be used to make grants
5 under such section to a financially distressed com-
6 munity (as defined in such section), or an Indian
7 tribe or other entity described in section 518(e)(3)
8 of such Act, on the condition that any activity car-
9 ried out using such funds shall, to the maximum ex-
10 tent practicable, maximize the avoidance, minimiza-
11 tion, or mitigation of climate change impacts on,
12 and of, any constructed part of the activity (includ-
13 ing through the implementation of technologies to
14 recover and reuse energy produced in the treatment
15 of wastewater).

16 (2) LIMITATION.—In carrying out paragraph
17 (1), the Administrator of the Environmental Protec-
18 tion Agency may not require a financially distressed
19 community, Indian tribe, or entity receiving a grant
20 pursuant to this subsection to provide, as a condi-
21 tion of eligibility to receive such grant, a share of
22 the cost of the activity for which the grant was
23 made.

24 (c) ADMINISTRATIVE COSTS.—Of the amounts made
25 available under each of subsections (a) and (b), the Ad-

1 administrator of the Environmental Protection Agency shall
2 reserve 4 percent for the administrative costs of carrying
3 out this section.

4 **SEC. 110016. INDIVIDUAL HOUSEHOLD DECENTRALIZED**
5 **WASTEWATER TREATMENT SYSTEM GRANTS.**

6 (a) APPROPRIATION.—In addition to amounts other-
7 wise available, there is appropriated to the Environmental
8 Protection Agency for fiscal year 2022, out of any money
9 in the Treasury not otherwise appropriated, to remain
10 available until expended—

11 (1) \$75,000,000 to make grants to States, mu-
12 nicipalities, and nonprofit entities under the Federal
13 Water Pollution Control Act for the construction, re-
14 pair, or replacement of individual household decen-
15 tralized wastewater treatment systems of eligible in-
16 dividuals (as such term is defined in section 603(j)
17 of the Federal Water Pollution Control Act (33
18 U.S.C. 1383(j))); and

19 (2) \$75,000,000 to make grants to States, mu-
20 nicipalities, and nonprofit entities under such Act
21 for the construction, repair, or replacement of indi-
22 vidual household decentralized wastewater treatment
23 systems of eligible individuals (as so defined) resid-
24 ing in households that are not connected to a system
25 or technology designed to treat domestic sewage, in-

1 including eligible individuals using household cess-
2 pools.

3 (b) ADMINISTRATIVE COSTS.—Of the amounts made
4 available under subsection (a), the Administrator of the
5 Environmental Protection Agency shall reserve 7 percent
6 for the administrative costs of carrying out this section.

7 **SEC. 110017. DISASTER RELIEF.**

8 The Administrator of the Federal Emergency Man-
9 agement Agency may provide financial assistance through
10 September 30, 2026, pursuant to section 203(h), 404(a),
11 and 406(b) of the Robert T. Stafford Disaster Relief and
12 Emergency Assistance Act (42 U.S.C. 5133(h); 42 U.S.C.
13 5170c(a); 42 U.S.C. 5172(b)) for—

14 (1) costs associated with low-carbon materials;
15 and

16 (2) incentives that encourage low-carbon and
17 net-zero energy projects, which may include an in-
18 crease in the Federal cost share.

19 **SEC. 110018. ENVIRONMENTAL REVIEW IMPLEMENTATION**
20 **FUNDS.**

21 (a) IN GENERAL.—Chapter 1 of title 23, United
22 States Code, is further amended by adding at the end the
23 following:

1 **“§ 179. Environmental review implementation funds**

2 “(a) ESTABLISHMENT.—In addition to amounts oth-
3 erwise available, for fiscal year 2022, there is appropriated
4 to the Administrator, out of any money in the Treasury
5 not otherwise appropriated, \$50,000,000, to remain avail-
6 able until September 30, 2026, for the purpose of facili-
7 tating the development and review of documents for the
8 environmental review process for proposed projects, in-
9 cluding through—

10 “(1) the provision of guidance, technical assist-
11 ance, templates, training, or tools to facilitate an ef-
12 ficient and effective environmental review process for
13 surface transportation projects, including any ad-
14 ministrative expenses of the Federal Highway Ad-
15 ministration to conduct such activities; and

16 “(2) providing funds made available under this
17 subsection to eligible entities—

18 “(A) to build capacity of such eligible enti-
19 ties and facilitate the environmental review
20 process for proposed projects, including—

21 “(i) defining the scope or study areas;

22 “(ii) identifying impacts, mitigation
23 measures, and reasonable alternatives;

24 “(iii) preparing planning and environ-
25 mental studies and other documents prior
26 to and during the environmental review

1 process, for potential use in the environ-
2 mental review process in accordance with
3 applicable statutes and regulations;

4 “(iv) conducting public engagement
5 activities; and

6 “(v) carrying out other activities, in-
7 cluding permitting activities, as the Admin-
8 istrator determines to be appropriate, to
9 support the timely completion of an envi-
10 ronmental review process required for a
11 proposed project; and

12 “(B) for administrative expenses of the eli-
13 gible entity to conduct any of the activities de-
14 scribed in subparagraph (A).

15 “(b) COST SHARE.—

16 “(1) IN GENERAL.—The Federal share of the
17 cost of an activity carried out under this section by
18 an eligible entity shall be not more than 80 percent.

19 “(2) SOURCE OF FUNDS.—The non-Federal
20 share of the cost of an activity carried out under
21 this section by an eligible entity may be satisfied
22 using funds made available to the eligible entity
23 under any other Federal, State, or local grant pro-
24 gram, including funds made available to the eligible
25 entity under this section or title 49.

1 “(c) DEFINITIONS.—In this section:

2 “(1) ADMINISTRATOR.—The term ‘Adminis-
3 trator’ means the Administrator of the Federal
4 Highway Administration.

5 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
6 tity’ means—

7 “(A) a State;

8 “(B) a unit of local government;

9 “(C) a political subdivision of a State;

10 “(D) a territory of the United States;

11 “(E) an entity described in section
12 207(m)(1)(E);

13 “(F) a recipient of funds under section
14 203; or

15 “(G) a metropolitan planning organization
16 (as defined in section 134(b)).

17 “(3) ENVIRONMENTAL REVIEW PROCESS.—The
18 term ‘environmental review process’ has the meaning
19 given the term in section 139.

20 “(4) PROPOSED PROJECT.—The term ‘proposed
21 project’ means a surface transportation project for
22 which an environmental review process is required.”.

23 (b) CLERICAL AMENDMENT.—The analysis for chap-
24 ter 1 of title 23, United States Code, is further amended
25 by adding at the end the following:

“179. Environmental review implementation funds.”.

1 **SEC. 110019. LOW-CARBON TRANSPORTATION MATERIALS**
2 **GRANTS.**

3 (a) IN GENERAL.—Chapter 1 of title 23, United
4 States Code, is further amended by adding at the end the
5 following:

6 **“§ 180. Low-carbon transportation materials grants**

7 “(a) FEDERAL HIGHWAY ADMINISTRATION APPRO-
8 PRIATION.—In addition to amounts otherwise available,
9 there is appropriated for fiscal year 2022, out of any
10 money in the Treasury not otherwise appropriated,
11 \$900,000,000, to remain available until September 30,
12 2026, to the Administrator to reimburse eligible recipients
13 for the incremental costs of using low-embodied carbon
14 construction materials and products in projects and for
15 the administrative costs of carrying out this section.

16 “(b) REIMBURSEMENT OF INCREMENTAL COSTS; IN-
17 CENTIVES.—

18 “(1) REIMBURSEMENT OF INCREMENTAL
19 COSTS.—

20 “(A) IN GENERAL.—The Administrator
21 shall, subject to the availability of funds, reim-
22 burse eligible recipients that use low-embodied
23 carbon construction materials and products on
24 a project funded under this title.

25 “(B) AMOUNT.—The amount of reimburse-
26 ment under subparagraph (A) shall be the in-

1 crementally higher cost of using such materials
2 relative to the cost of using traditional mate-
3 rials, as determined by the eligible recipient and
4 verified by the Administrator.

5 “(2) INCENTIVE.—If a reimbursement is pro-
6 vided under paragraph (1), the total Federal share
7 payable for the project for which the reimbursement
8 is provided shall be up to 100 percent.

9 “(3) LIMITATIONS.—

10 “(A) IN GENERAL.—The Administrator
11 shall only provide a reimbursement under para-
12 graph (1) for a project on a—

13 “(i) Federal-aid highway;

14 “(ii) tribal transportation facility;

15 “(iii) Federal lands transportation fa-
16 cility; or

17 “(iv) Federal lands access transpor-
18 tation facility.

19 “(B) OTHER RESTRICTIONS.—Amounts
20 made available under this section shall not be
21 subject to any restriction or limitation on the
22 total amount of funds available for implementa-
23 tion or execution of programs authorized for
24 Federal-aid highways.

1 “(C) SINGLE OCCUPANT PASSENGER VEHI-
2 CLES.—Funds made available under this sec-
3 tion shall not be used for projects that result in
4 additional through travel lanes for single occu-
5 pant passenger vehicles.

6 “(4) MATERIALS IDENTIFICATION.—The Ad-
7 ministrator shall review the low-embodied carbon
8 construction materials and products identified by the
9 Administrator of the Environmental Protection
10 Agency and shall identify low-embodied carbon con-
11 struction materials and products—

12 “(A) appropriate for use in projects eligible
13 under this title; and

14 “(B) eligible for reimbursement under this
15 section.

16 “(c) DEFINITIONS.—In this section:

17 “(1) ADMINISTRATOR.—The term ‘Adminis-
18 trator’ means the Administrator of the Federal
19 Highway Administration.

20 “(2) ELIGIBLE RECIPIENT.—The term ‘eligible
21 recipient’ means—

22 “(A) a State;

23 “(B) a unit of local government;

24 “(C) a political subdivision of a State;

25 “(D) a territory of the United States;

1 “(E) an entity described in section
2 207(m)(1);

3 “(F) a recipient of funds under section
4 203; or

5 “(G) a special purpose district or public
6 authority with a transportation function.

7 “(3) EMBODIED CARBON.—The term ‘embodied
8 carbon’ means the quantity of greenhouse gas emis-
9 sions associated with all relevant stages of produc-
10 tion of a material or product, measured in kilograms
11 of carbon dioxide-equivalent per unit of such mate-
12 rial or product.

13 “(4) LOW-EMBODIED CARBON CONSTRUCTION
14 MATERIALS AND PRODUCTS.—The term ‘low-em-
15 bodied carbon construction materials and products’
16 means materials and products identified by the Ad-
17 ministrator of the Environmental Protection Agency
18 as having substantially lower levels of embodied car-
19 bon compared to estimated industry averages of
20 similar products or materials.”.

21 (b) CLERICAL AMENDMENT.—The analysis for chap-
22 ter 1 of title 23, United States Code, is further amended
23 by adding at the end the following:

“180. Low-carbon transportation materials grants.”.

1 **TITLE XII—COMMITTEE ON**
2 **VETERANS AFFAIRS**

3 **SEC. 120001. DEPARTMENT OF VETERANS AFFAIRS INFRA-**
4 **STRUCTURE IMPROVEMENTS.**

5 In addition to amounts otherwise available, there is
6 appropriated for fiscal year 2022, out of any money in
7 the Treasury not otherwise appropriated, \$2,417,000,000,
8 to remain available until September 30, 2031, for facilities
9 under the jurisdiction of, or for the use of, the Department
10 of Veterans Affairs to carry out sections 2400, 2403,
11 2404, 2406, 2407, 2412, 8101, 8102 (except for section
12 8102(d)), 8103 (except for super construction projects as
13 defined in section 8103(e)(3)), 8104 through 8110, 8122,
14 and 8161 through 8169 of title 38, United States Code,
15 taking into consideration the integration of climate resil-
16 iency into infrastructure as well as the needs of under-
17 served areas and underserved veteran populations.

18 **SEC. 120002. MODIFICATIONS TO ENHANCED-USE LEASE**
19 **AUTHORITY OF DEPARTMENT OF VETERANS**
20 **AFFAIRS.**

21 (a) MODIFICATIONS TO AUTHORITY.—Paragraph (2)
22 of section 8162(a) of title 38, United States Code, is
23 amended to read as follows:

1 “(2)(A) The Secretary may enter into an enhanced-
2 use lease on or after the date of the enactment of this
3 paragraph only if the Secretary determines—

4 “(i) that the lease will not be inconsistent with,
5 and will not adversely affect—

6 “(I) the mission of the Department; or

7 “(II) the operation of facilities, programs,
8 and services of the Department in the local
9 area; and

10 “(ii) that—

11 “(I) the lease will enhance the use of the
12 leased property by directly or indirectly benefit-
13 ting veterans; or

14 “(II) the leased property will provide sup-
15 portive housing.

16 “(B) The Secretary shall give priority to enhanced-
17 use leases that, on the leased property—

18 “(i) provide supportive housing for veterans;

19 “(ii) provide direct services or benefits targeted
20 to veterans; or

21 “(iii) provide services or benefits that indirectly
22 support veterans.”.

23 (b) APPROPRIATION.—In addition to amounts other-
24 wise available, there is appropriated for fiscal year 2022,
25 out of any money in the Treasury not otherwise appro-

1 priated, \$455,000,000 for the Department of Veterans Af-
2 fairs, to remain available until expended, to enter into en-
3 hanced-use leases pursuant to section 8162 of title 38,
4 United States Code, as amended by this section.

5 (c) MODIFICATION OF SUNSET.—Section 8169 of
6 such title is amended by striking “December 31, 2023”
7 and inserting “September 30, 2026”.

8 **SEC. 120003. MAJOR MEDICAL FACILITY LEASES OF THE**
9 **DEPARTMENT OF VETERANS AFFAIRS.**

10 (a) AUTHORITY TO ENTER INTO MAJOR MEDICAL
11 FACILITY LEASES.—Paragraph (2) of subsection (a) of
12 section 8104 of title 38, United States Code, is amended—

13 (1) by striking “No funds” and inserting “(A)
14 No funds”;

15 (2) by striking “or any major medical facility
16 lease”;

17 (3) by striking “or lease”; and

18 (4) by adding at the end the following new sub-
19 paragraph:

20 “(B) Funds may be appropriated for a fiscal year,
21 and the Secretary may obligate and expend funds, includ-
22 ing for advance planning and design, for any major med-
23 ical facility lease.”.

1 (b) MODIFICATION OF DEFINITION OF MAJOR MED-
2 ICAL FACILITY LEASE.—Subparagraph (B) of paragraph
3 (3) of such subsection is amended to read as follows:

4 “(B) The term ‘major medical facility lease’—

5 “(i) means a lease for space for use as a
6 new medical facility approved through the Gen-
7 eral Services Administration under section
8 3307(a)(2) of title 40 at an average annual rent
9 equal to or greater than the dollar threshold de-
10 scribed in such section, which shall be subject
11 to annual adjustment in accordance with sec-
12 tion 3307(h) of such title; and

13 “(ii) does not include a lease for space for
14 use as a shared Federal medical facility for
15 which the Department’s estimated share of the
16 lease costs does not exceed such dollar thresh-
17 old.”.

18 (c) INTERIM LEASING ACTIONS.—Such section is fur-
19 ther amended by adding at the end the following new sub-
20 section:

21 “(i)(1) The Secretary may carry out interim leasing
22 actions for major medical facility leases (as defined in sub-
23 section (a)(3)(B)).

1 “(2) In this subsection, the term ‘interim leasing ac-
2 tions’ has the meaning given that term by the Adminis-
3 trator of the General Services Administration.”.

4 (d) **APPLICABILITY.**—The amendments made by this
5 section shall apply with respect to a major medical facility
6 lease of the Department of Veterans Affairs that has not
7 been specifically authorized by law on or before the date
8 of the enactment of this Act and is included as part of
9 the annual budget submission of the Department of Vet-
10 erans Affairs for fiscal year 2022, 2023, or 2024.

11 (e) **PURCHASE OPTIONS.**—The Secretary of Veterans
12 Affairs may obligate and expend funds to exercise a pur-
13 chase option included in any major medical facility lease
14 described in subsection (d).

15 (f) **APPROPRIATION.**—In addition to amounts other-
16 wise available, there is appropriated for fiscal year 2022,
17 out of any money in the Treasury not otherwise appro-
18 priated, \$1,805,000,000, to remain available until ex-
19 pended, for major medical facility leases pursuant to sub-
20 chapter I of chapter 81 of title 38, United States Code,
21 as amended by this section, as requested in the annual
22 budget submission of the Department of Veterans Affairs
23 for fiscal year 2022, 2023, or 2024.

24 (g) **TERMINATION AND RESTORATION.**—

1 (1) IN GENERAL.—Effective upon the date of
2 execution of the final lease award for leases de-
3 scribed in subsection (d), subsections (a) through (e)
4 of this section and the amendments made by those
5 subsections are repealed and any provision of law
6 amended by those subsections is restored as if those
7 subsections had not been enacted into law.

8 (2) NOTIFICATION.—The Secretary of Veterans
9 Affairs shall submit to Congress and the Law Revi-
10 sion Counsel of the House of Representatives written
11 notification of the date specified in paragraph (1)
12 not later than 30 days before such date.

13 **SEC. 120004. INCREASE IN NUMBER OF HEALTH PROFES-**
14 **SIONS RESIDENCY POSITIONS AT DEPART-**
15 **MENT OF VETERANS AFFAIRS MEDICAL FA-**
16 **CILITIES.**

17 (a) INCREASE.—In carrying out section 7302(a)(1)
18 of title 38, United States Code, during the seven-year pe-
19 riod beginning on the day that is one year after the date
20 of the enactment of this Act, the Secretary of Veterans
21 Affairs shall increase the number of health professions
22 residency positions at medical facilities of the Department
23 of Veterans Affairs by not more than 500 positions (which
24 shall be allocated among occupations included in the most
25 current determination published in the Federal Register

1 pursuant to section 7412(a) of such title, or allocated pur-
2 suant to a prioritization by the Secretary of occupations
3 in primary care, mental health care, and any other health
4 professions occupation the Secretary determines appro-
5 priate) through the establishment of such new positions
6 at—

7 (1) medical facilities where the Secretary estab-
8 lished such positions pursuant to section 301(b)(2)
9 of the Veterans Access, Choice, and Accountability
10 Act of 2014 (Public Law 113–146; 38 U.S.C. 7302
11 note); or

12 (2) any medical facility—

13 (A) the director of which expresses an in-
14 terest in establishing or expanding a health pro-
15 fessions residency program at the medical facil-
16 ity; or

17 (B) that is located in a community that
18 has a high concentration of veterans or is expe-
19 riencing a shortage of health care professionals.

20 (b) APPROPRIATIONS.—In addition to amounts other-
21 wise available, there is appropriated to the Department
22 of Veterans Affairs for fiscal year 2022, out of any money
23 in the Treasury not otherwise appropriated,
24 \$268,000,000, to remain available until September 30,
25 2029, for the purpose of carrying out this section.

1 **SEC. 120005. VETERAN RECORDS SCANNING.**

2 In addition to amounts otherwise available, there is
3 appropriated to the Veterans Benefits Administration for
4 fiscal year 2022, out of any money in the Treasury not
5 otherwise appropriated, \$50,000,000, to remain available
6 until September 30, 2023, for costs of record scanning
7 and claims processing, to carry out sections 7701 and
8 7703 of title 38, United States Code.

9 **SEC. 120006. FUNDING FOR DEPARTMENT OF VETERANS AF-**
10 **FAIRS OFFICE OF INSPECTOR GENERAL.**

11 In addition to amounts otherwise available, there is
12 appropriated to the Office of Inspector General of the De-
13 partment of Veterans Affairs for fiscal year 2022, out of
14 any money in the Treasury not otherwise appropriated,
15 \$5,000,000, to remain available until September 30, 2031,
16 for audits, investigations, and other oversight of projects
17 and activities carried out with funds made available to the
18 Department of Veterans Affairs.

1 **TITLE XIII—COMMITTEE ON**
2 **WAYS AND MEANS**
3 **Subtitle A**

4 **PART 1—PROVISIONS RELATING TO PATHWAYS**
5 **TO HEALTH CAREERS**

6 **SEC. 134101. PATHWAYS TO HEALTH CAREERS.**

7 Effective October 1, 2021, title XX of the Social Se-
8 curity Act (42 U.S.C. 1397-1397n-13) is amended by
9 adding at the end the following:

10 **“Subtitle D—Career Pathways**
11 **Through Health Profession Op-**
12 **portunity Grants**

13 **“SEC. 2071. CAREER PATHWAYS THROUGH HEALTH PRO-**
14 **FESSION OPPORTUNITY GRANTS.**

15 “(a) APPLICATION REQUIREMENTS.—An eligible en-
16 tity desiring a grant under this section for a project shall
17 submit to the Secretary an application for the grant, that
18 includes the following:

19 “(1) A description of how the applicant will use
20 a career pathways approach to train eligible individ-
21 uals for health professions that will put eligible indi-
22 viduals on a career path to an occupation that pays
23 well, under the project.

24 “(2) A description of the adult basic education
25 and literacy activities, work readiness activities,

1 training activities, and case management and career
2 coaching services that the applicant will use to assist
3 eligible individuals to gain work experience, connec-
4 tion to employers, and job placement, and a descrip-
5 tion of the plan for recruiting, hiring, and training
6 staff to provide the case management, mentoring,
7 and career coaching services, under the project di-
8 rectly or through local governmental, apprenticeship,
9 educational, or charitable institutions.

10 “(3) A demonstration that the applicant has ex-
11 perience working with low-income populations, or a
12 description of the plan of the applicant to work with
13 a partner organization that has the experience.

14 “(4) A plan for providing post-employment sup-
15 port and ongoing training as part of a career path-
16 way under the project.

17 “(5) A description of the support services that
18 the applicant will provide under the project, includ-
19 ing a plan for how child care and transportation
20 support services will be guaranteed and, if the appli-
21 cant will provide a cash stipend or wage supplement,
22 how the stipend or supplement would be calculated
23 and distributed.

24 “(6) A certification by the applicant that the
25 project development included—

1 “(A) consultation or commitment to con-
2 sult with a local workforce development board;

3 “(B) consideration of registered appren-
4 ticeship and pre-apprenticeship models;

5 “(C) consideration of career pathway pro-
6 grams in the State in which the project is to be
7 conducted; and

8 “(D) a review of the State plan under sec-
9 tion 102 or 103 of the Workforce Innovation
10 and Opportunity Act.

11 “(7) A description of the availability and rel-
12 evance of recent labor market information and other
13 pertinent evidence of in-demand jobs or worker
14 shortages.

15 “(8) A certification that the applicant will di-
16 rectly provide or contract for the training services
17 described in the application.

18 “(9) A commitment by the applicant that, if the
19 grant is made to the applicant, the applicant will—

20 “(A) during the planning period for the
21 project, provide the Secretary with any informa-
22 tion needed by the Secretary to establish ade-
23 quate data reporting and administrative struc-
24 ture for the project;

1 “(B) hire a person to direct the project not
2 later than the end of the planning period appli-
3 cable to the project;

4 “(C) accept all technical assistance offered
5 by the Secretary with respect to the grant;

6 “(D) participate in peer technical assist-
7 ance conferences as are regularly scheduled by
8 the Secretary; and

9 “(E) provide all data required by the Sec-
10 retary under subsection (g).

11 “(b) ADDITIONAL APPLICATION ELEMENT.—In con-
12 sidering applications for a grant under this section, the
13 Secretary shall require qualified applicants to have at least
14 1 of the following application elements—

15 “(1) applications submitted by applicants to
16 whom a grant was made under this section or any
17 predecessor to this section;

18 “(2) applications submitted by applicants who
19 have business and community partners in each of
20 the following categories:

21 “(A) State and local government agencies
22 and social service providers, including a State
23 or local entity that administers a State program
24 funded under part A of this title;

1 “(B) institutions of higher education, ap-
2 prenticeship programs, and local workforce de-
3 velopment boards; and

4 “(C) health care employers, health care in-
5 dustry or sector partnerships, labor unions, and
6 labor-management partnerships;

7 “(3) applications that include opportunities for
8 mentoring or peer support, and make career coach-
9 ing available, as part of the case management plan;

10 “(4) applications which describe a project that
11 will serve a rural area in which—

12 “(A) the community in which the individ-
13 uals to be enrolled in the project reside is lo-
14 cated;

15 “(B) the project will be conducted; or

16 “(C) an employer partnership that has
17 committed to hiring individuals who successfully
18 complete all activities under the project is lo-
19 cated;

20 “(5) applications that include a commitment to
21 providing project participants with a cash stipend or
22 wage supplement; and

23 “(6) applications which have an emergency cash
24 fund to assist project participants financially in
25 emergency situations.

1 “(c) GRANTS.—

2 “(1) COMPETITIVE GRANTS.—

3 “(A) GRANT AUTHORITY.—

4 “(i) IN GENERAL.—The Secretary
5 shall make a grant in accordance with this
6 paragraph to an eligible entity whose appli-
7 cation for the grant is approved by the
8 Secretary, to conduct a project designed to
9 train low-income individuals for allied
10 health professions, health information tech-
11 nology, physician assistants, nursing as-
12 sistants, registered nurse, advanced prac-
13 tice nurse, and other professions consid-
14 ered part of a health care career pathway
15 model.

16 “(ii) GUARANTEE OF GRANTEES IN
17 EACH STATE AND THE DISTRICT OF CO-
18 LUMBIA.—For each grant cycle, the Sec-
19 retary shall award a grant under this para-
20 graph to at least 2 eligible entities in each
21 State that is not a territory, to the extent
22 there are a sufficient number of applica-
23 tions that have a high likelihood of success
24 and that are submitted by the entities that
25 meet the requirements applicable with re-

1 spect to such a grant. If, for a grant cycle,
2 there are fewer than 2 such eligible entities
3 in a State that have submitted applications
4 with a high likelihood of success, the Sec-
5 retary shall identify qualified eligible appli-
6 cants located elsewhere, that are otherwise
7 approved but un-funded, and issue a Sub-
8 stitution of Grant and tailored technical
9 assistance. In the preceding sentence, the
10 term ‘issue a Substitution of Grant’
11 means, in a case in which an approved
12 grantee does not complete its full project
13 period, or in which there are fewer than 2
14 qualified grantees per State with a high
15 likelihood of success, substitute an appli-
16 cant located in another State that was ap-
17 proved but un-funded during the competi-
18 tion for the award for the award recipient.

19 “(B) GUARANTEE OF GRANTS FOR INDIAN
20 POPULATIONS.—The Secretary shall award a
21 grant under this paragraph to at least 10 eligi-
22 ble entities that are an Indian tribe, a tribal or-
23 ganization, or a tribal college or university, to
24 the extent there are a sufficient number of ap-
25 plications submitted by the entities that meet

1 the requirements applicable with respect to such
2 a grant.

3 “(C) GUARANTEE OF GRANTEES IN THE
4 TERRITORIES.—The Secretary shall award a
5 grant under this paragraph to at least 2 eligible
6 entities that are located in a territory, to the
7 extent there are a sufficient number of applica-
8 tions submitted by the entities that meet the re-
9 quirements applicable with respect to such a
10 grant.

11 “(2) GRANT CYCLE.—The grant cycle under
12 this section shall be not less than 5 years, with a
13 planning period of not more than the first 12
14 months of the grant cycle. During the planning pe-
15 riod, the amount of the grant shall be in such lesser
16 amount as the Secretary determines appropriate.

17 “(d) USE OF GRANT.—

18 “(1) IN GENERAL.—An entity to which a grant
19 is made under this section shall use the grant in ac-
20 cordance with the approved application for the
21 grant.

22 “(2) SUPPORT TO BE PROVIDED.—

23 “(A) REQUIRED SUPPORT.—A project for
24 which a grant is made under this section shall
25 include the following:

1 “(i) An assessment for adult basic
2 skill competency, and provision of adult
3 basic skills education if necessary for
4 lower-skilled eligible individuals to enroll in
5 the project and go on to enter and com-
6 plete post-secondary training, through
7 means including the following:

8 “(I) Establishing a network of
9 partners that offer pre-training activi-
10 ties for project participants who need
11 to improve basic academic skills or
12 English language proficiency before
13 entering a health occupational train-
14 ing career pathway program.

15 “(II) Offering resources to enable
16 project participants to continue ad-
17 vancing adult basic skill proficiency
18 while enrolled in a career pathway
19 program.

20 “(III) Embedding adult basic
21 skill maintenance as part of ongoing
22 post-graduation career coaching and
23 mentoring.

24 “(ii) A guarantee that child care is an
25 available and affordable support service for

1 project participants through means such as
2 the following:

3 “(I) Referral to, and assistance
4 with, enrollment in a subsidized child
5 care program.

6 “(II) Direct payment to a child
7 care provider if a slot in a subsidized
8 child care program is not available or
9 reasonably accessible.

10 “(III) Payment of co-payments
11 or associated fees for child care.

12 “(iii) Case management plans that in-
13 clude career coaching (with the option to
14 offer appropriate peer support and men-
15 toring opportunities to help develop soft
16 skills and social capital), which may be of-
17 fered on an ongoing basis before, during,
18 and after initial training as part of a ca-
19 reer pathway model.

20 “(iv) A plan to provide project partici-
21 pants with transportation through means
22 such as the following:

23 “(I) Referral to, and assistance
24 with enrollment in, a subsidized trans-
25 portation program.

1 “(II) If a subsidized transpor-
2 tation program is not reasonably
3 available, direct payments to subsidize
4 transportation costs.

5 For purposes of this clause, the term
6 ‘transportation’ includes public transit, or
7 gasoline for a personal vehicle if public
8 transit is not reasonably accessible or
9 available.

10 “(B) ALLOWED SUPPORT.—The goods and
11 services provided under a project for which a
12 grant is made under this section may include
13 the following:

14 “(i) A cash stipend.

15 “(ii) A reserve fund for financial as-
16 sistance to project participants in emer-
17 gency situations.

18 “(iii) Tuition, certification exam fees,
19 and training materials such as books, soft-
20 ware, uniforms, shoes, connection to the
21 internet, hair nets, and personal protective
22 equipment.

23 “(iv) In-kind resource donations such
24 as interview clothing and conference at-
25 tendance fees.

1 “(v) Assistance with accessing and
2 completing high school equivalency or adult
3 basic education courses as necessary to
4 achieve success in the project and make
5 progress toward career goals.

6 “(vi) Assistance with programs and
7 activities, including legal assistance,
8 deemed necessary to address arrest or con-
9 viction records as an employment barrier.

10 “(vii) Other support services as
11 deemed necessary for family well-being,
12 success in the project, and progress toward
13 career goals.

14 “(3) TRAINING.—The number of hours of train-
15 ing provided to an eligible individual under a project
16 for which a grant is made under this section, for a
17 recognized postsecondary credential (including an in-
18 dustry-recognized credential, and a certificate
19 awarded by a local workforce development board),
20 which is awarded in recognition of attainment of
21 measurable technical or occupational skills necessary
22 to gain employment or advance within an occupa-
23 tion, shall be—

24 “(A) not less than the number of hours of
25 training required for certification in that level

1 of skill by the State in which the project is con-
2 ducted; or

3 “(B) if there is no such requirement, such
4 number of hours of training as the Secretary
5 finds is necessary to achieve that skill level.

6 “(4) INCLUSION OF TANF RECIPIENTS.—In the
7 case of a project for which a grant is made under
8 this section that is conducted in a State that has a
9 program funded under part A of title IV, at least 10
10 percent of the eligible individuals to whom support
11 is provided under the project shall meet the income
12 eligibility requirements under that State program,
13 without regard to whether the individuals receive
14 benefits or services directly under that State pro-
15 gram.

16 “(5) INCOME LIMITATION.—An entity to which
17 a grant is made under this section shall not use the
18 grant to provide support to a person who is not an
19 eligible individual.

20 “(6) PROHIBITION.—An entity to which a grant
21 is made under this section shall not use the grant
22 for purposes of entertainment, except that case man-
23 agement and career coaching services may include
24 celebrations of specific career-based milestones such

1 as completing a semester, graduation, or job place-
2 ment.

3 “(e) TECHNICAL ASSISTANCE.—

4 “(1) IN GENERAL.—The Secretary shall provide
5 technical assistance—

6 “(A) to assist eligible entities in applying
7 for grants under this section;

8 “(B) that is tailored to meet the needs of
9 grantees at each stage of the administration of
10 projects for which grants are made under this
11 section;

12 “(C) that is tailored to meet the specific
13 needs of Indian tribes, tribal organizations, and
14 tribal colleges and universities;

15 “(D) that is tailored to meet the specific
16 needs of the territories;

17 “(E) that is tailored to meet the specific
18 needs of applicants, eligible entities, and grant-
19 ees, in carrying out dedicated career pathway
20 projects pursuant to subsections (h) and (i);
21 and

22 “(F) to facilitate the exchange of informa-
23 tion among eligible entities regarding best prac-
24 tices and promising practices used in the
25 projects.

1 “(2) CONTINUATION OF PEER TECHNICAL AS-
2 SISTANCE CONFERENCES.—The Secretary shall con-
3 tinue to hold peer technical assistance conferences
4 for entities to which a grant is made under this sec-
5 tion or was made under the immediate predecessor
6 of this section. The preceding sentence shall not be
7 interpreted to require any such conference to be held
8 in person.

9 “(f) EVALUATION OF DEDICATED CAREER PATH-
10 WAYS.—

11 “(1) IN GENERAL.—The Secretary shall, by
12 grant, contract, or interagency agreement, conduct
13 rigorous and well-designed evaluations of the dedi-
14 cated career pathway projects carried out pursuant
15 to subsections (h) and (i).

16 “(2) REQUIREMENT APPLICABLE TO SECOND
17 CHANCE CAREER PATHWAY.—In the case of a
18 project of the type described in subsection (i), the
19 evaluation shall include identification of successful
20 activities for creating opportunities for developing
21 and sustaining, particularly with respect to low-in-
22 come individuals with arrest or conviction records, a
23 health professions workforce that has accessible
24 entry points, that meets high standards for edu-
25 cation, training, certification, and professional devel-

1 opment, and that provides increased wages and af-
2 fordable benefits, including health care coverage,
3 that are responsive to the needs of the workforce.

4 “(3) REQUIREMENT APPLICABLE TO MATERNAL
5 MORTALITY CAREER PATHWAY.—In the case of a
6 project of the type described in subsection (h), the
7 evaluation shall include identification of successful
8 activities for creating opportunities for developing
9 and sustaining, particularly with respect to low-in-
10 come individuals and other entry-level workers, a ca-
11 reer pathway that has accessible entry points, that
12 meets high standards for education, training, certifi-
13 cation, and professional development, and that pro-
14 vides increased wages and affordable benefits, in-
15 cluding health care coverage, that are responsive to
16 the needs of the birth, pregnancy, and post-partum
17 workforce.

18 “(g) REPORTS.—As a condition of funding, an eligi-
19 ble entity awarded a grant to conduct a project under this
20 section shall submit interim reports to the Secretary on
21 the activities carried out under the project, and, on the
22 conclusion of the project, a final report on the activities.

23 “(h) MATERNAL MORTALITY CAREER PATHWAY.—

24 “(1) GRANT AUTHORITY.—The Secretary shall
25 award grants in accordance with this subsection to

1 eligible entities to conduct career pathway projects
2 for the purpose of providing education for profes-
3 sions such as doulas, lactation consultants, child-
4 birth educators, infant massage therapists, newborn
5 care specialists, midwives, and other community
6 health worker professions, for individuals to enter
7 and follow a dedicated career pathway in the field of
8 pregnancy, childbirth, or post-partum services in a
9 State that recognizes doulas or midwives as health
10 care providers and that provides payment for serv-
11 ices provided by doulas or midwives, as the case may
12 be, under the State plan approved under title XIX.

13 “(2) DURATION.—A grant awarded under this
14 subsection shall have the same grant cycle as is pro-
15 vided in subsection (c)(2), and as a condition of
16 funding the grantee shall comply with all data re-
17 porting requirements associated with the grant cycle.

18 “(3) APPLICATION REQUIREMENTS.—An entity
19 seeking a grant under this subsection for a project
20 shall submit to the Secretary an application for the
21 grant, that includes the following:

22 “(A) A description of the partnerships,
23 strategic staff hiring decisions, tailored program
24 activities, or other programmatic elements of
25 the project that are designed to support a

1 strong career pathway in pregnancy, birth, or
2 post-partum services.

3 “(B) A demonstration that the State in
4 which the project is to be conducted recognizes
5 and permits doulas and midwives to practice in
6 the State.

7 “(C) A demonstration that the applicant
8 has experience working with low-income popu-
9 lations, or a description of the plan of the appli-
10 cant to work with a partner that has the experi-
11 ence.

12 “(4) SUPPORT TO BE PROVIDED.—The recipi-
13 ent of a grant under this subsection for a project
14 shall provide required supportive services described
15 in subsection (d)(2)(A) to project participants who
16 need the services, and may expend the funding on el-
17 igible supportive services described in subsection
18 (d)(2)(B).

19 “(i) SECOND CHANCE CAREER PATHWAY.—

20 “(1) GRANT AUTHORITY.—The Secretary shall
21 award grants in accordance with this subsection to
22 eligible entities to conduct career pathway projects
23 for the purpose of providing education and training
24 for eligible individuals with arrest or conviction
25 records to enter and follow a career pathway in the

1 health professions through occupations that are ex-
2 pected to experience a labor shortage or be in high
3 demand.

4 “(2) DURATION.—A grant awarded under this
5 subsection shall have the same grant cycle as is pro-
6 vided in subsection (c)(2), and as a condition of
7 funding the grantee shall comply with all data re-
8 porting requirements associated with the grant cycle.

9 “(3) APPLICATION REQUIREMENTS.—An entity
10 seeking a grant under this subsection for a project
11 shall submit to the Secretary an application for the
12 grant, that includes the following:

13 “(A) A demonstration that the State in
14 which the project is to be conducted has in ef-
15 fect policies or laws that permit certain allied
16 health and behavioral health care credentials to
17 be awarded to people with certain arrest or con-
18 viction records (which policies or laws shall in-
19 clude appeals processes and other opportunities
20 to demonstrate rehabilitation to obtain licensure
21 and approval to work in the proposed health ca-
22 reers), and a plan described in the application
23 which will use a legally permitted career path-
24 way to train people with such a record to be
25 trained and employed in such a career.

1 “(B) A discussion of how the project or fu-
2 ture strategic hiring decisions will demonstrate
3 the experience and expertise of the project in
4 working with job seekers who have arrest or
5 conviction records or employers with experience
6 working with people with arrest or conviction
7 records.

8 “(C) A demonstration that the applicant
9 has experience working with low-income popu-
10 lations, or a description of the plan of the appli-
11 cant to work with a partner that has the experi-
12 ence.

13 “(D) An identification of promising inno-
14 vations or best practices that can be used to
15 provide the training.

16 “(E) A proof of concept or demonstration
17 that the applicant has done sufficient research
18 on workforce shortage or in-demand jobs for
19 which people with certain types of criminal
20 records can be hired.

21 “(F) A plan for recruiting students who
22 are eligible individuals into the project.

23 “(G) A plan for providing post-employment
24 support and ongoing training as part of a ca-
25 reer pathway under the project.

1 “(4) SUPPORT TO BE PROVIDED.—

2 “(A) REQUIRED SUPPORT.—A recipient of
3 a grant under this subsection for a project shall
4 provide—

5 “(i) access to legal assistance for
6 project participants for the purpose of ad-
7 dressing arrest or conviction records and
8 associated workforce barriers;

9 “(ii) assistance with programs and ac-
10 tivities deemed necessary to address arrest
11 or conviction records as an employment
12 barrier;

13 “(iii) required supportive services de-
14 scribed in subsection (d)(2)(A) to partici-
15 pants who need the services, and may ex-
16 pend funds on eligible supportive services
17 described in subsection (d)(2)(B).

18 “(j) DEFINITIONS.—In this section:

19 “(1) ALLIED HEALTH PROFESSION.—The term
20 ‘allied health profession’ has the meaning given in
21 section 799B(5) of the Public Health Service Act.

22 “(2) CAREER PATHWAY.—The term ‘career
23 pathway’ has the meaning given that term in section
24 3(7) of the Workforce Innovation and Opportunity
25 Act.

1 “(3) DOULA.—The term ‘doula’ means an indi-
2 vidual who—

3 “(A) is certified by an organization that
4 has been established for not less than 5 years
5 and that requires the completion of continuing
6 education to maintain the certification, to pro-
7 vide non-medical advice, information, emotional
8 support, and physical comfort to an individual
9 during the individual’s pregnancy, childbirth,
10 and post-partum period; and

11 “(B) maintains the certification by com-
12 pleting the required continuing education.

13 “(4) ELIGIBLE ENTITY.—The term ‘eligible en-
14 tity’ means any of the following entities that dem-
15 onstrates in an application submitted under this sec-
16 tion that the entity has the capacity to fully develop
17 and administer the project described in the applica-
18 tion:

19 “(A) A local workforce development board
20 established under section 107 of the Workforce
21 Innovation and Opportunity Act.

22 “(B) A State or territory, a political sub-
23 division of a State or territory, or an agency of
24 a State, territory, or such a political subdivi-
25 sion, including a State or local entity that ad-

1 ministers a State program funded under part A
2 of this title.

3 “(C) An Indian tribe, a tribal organization,
4 or a tribal college or university.

5 “(D) An institution of higher education (as
6 defined in the Higher Education Act of 1965).

7 “(E) A hospital (as defined in section
8 1861(e)).

9 “(F) A high-quality skilled nursing facility.

10 “(G) A Federally qualified health center
11 (as defined in section 1861(aa)(4)).

12 “(H) A nonprofit organization described in
13 section 501(c)(3) of the Internal Revenue Code
14 of 1986, a labor organization, or an entity with
15 shared labor-management oversight, that has a
16 demonstrated history of providing health profes-
17 sion training to eligible individuals.

18 “(I) In the case of a project of the type
19 provided for in subsection (h) of this section, an
20 entity recognized by a State, Indian tribe, or
21 tribal organization as qualified to train doulas
22 or midwives, if midwives or doulas, as the case
23 may be, are permitted to practice in the State
24 involved.

1 “(J) An opioid treatment program (as de-
2 fined in section 1861(jjj)(2)), and other high
3 quality comprehensive addiction care providers.

4 “(5) ELIGIBLE INDIVIDUAL.—The term ‘eligible
5 individual’ means an individual whose family income
6 does not exceed 200 percent of the Federal poverty
7 level.

8 “(6) FEDERAL POVERTY LEVEL.—The term
9 ‘Federal poverty level’ means the poverty line (as de-
10 fined in section 673(2) of the Omnibus Budget Rec-
11 onciliation Act of 1981, including any revision re-
12 quired by such section applicable to a family of the
13 size involved).

14 “(7) INDIAN TRIBE; TRIBAL ORGANIZATION.—
15 The terms ‘Indian tribe’ and ‘tribal organization’
16 have the meaning given the terms in section 4 of the
17 Indian Self-Determination and Education Assistance
18 Act (25 U.S.C. 450b).

19 “(8) INSTITUTION OF HIGHER EDUCATION.—
20 The term ‘institution of higher education’ has the
21 meaning given the term in section 101 or
22 102(a)(1)(B) of the Higher Education Act of 1965.

23 “(9) TERRITORY.—The term ‘territory’ means
24 the Commonwealth of Puerto Rico, the United

1 States Virgin Islands, Guam, the Northern Mariana
2 Islands, and American Samoa.

3 “(10) TRIBAL COLLEGE OR UNIVERSITY.—The
4 term ‘tribal college or university’ has the meaning
5 given the term in section 316(b) of the Higher Edu-
6 cation Act of 1965.

7 “(k) FUNDING.—In addition to amounts otherwise
8 available, there is appropriated to the Secretary—

9 “(1) \$318,750,000 for grants under subsection
10 (c)(1)(A) for each of fiscal years 2022 through
11 2026;

12 “(2) \$17,000,000 for grants under subsection
13 (c)(1)(B) for each of fiscal years 2022 through
14 2026;

15 “(3) \$21,250,000 for grants under subsection
16 (c)(1)(C) for each of fiscal years 2022 through
17 2026;

18 “(4) \$25,500,000 for projects conducted under
19 subsections (h) and (i) for each of fiscal years 2023
20 through 2026;

21 “(5) \$25,500,000, plus all amounts referred to
22 in paragraphs (1) through (4) of this subsection that
23 remain unused after all grant awards are made for
24 the fiscal year, for each of fiscal years 2022 through

1 2026, for the provision of technical assistance and
2 administration; and

3 “(6) \$17,000,000 for each of fiscal years 2022
4 through 2026 for studying the effects of the projects
5 for which a grant is made under this section, and for
6 administration, for the purpose of supporting the
7 rigorous evaluation of the projects, and supporting
8 the continued study of the short-, medium-, and
9 long-term effects of all such projects, including the
10 effectiveness of new or added elements of the
11 projects.”.

12 **PART 2—PROVISIONS RELATING TO ELDER**

13 **JUSTICE**

14 **SEC. 134201. REAUTHORIZATION OF FUNDING FOR PRO-**
15 **GRAMS TO PREVENT AND INVESTIGATE**
16 **ELDER ABUSE, NEGLECT, AND EXPLOI-**
17 **TATION.**

18 (a) LONG-TERM CARE STAFF TRAINING GRANTS.—
19 Section 2041 of the Social Security Act (42 U.S.C.
20 1397m) is amended to read as follows:

21 **“SEC. 2041. NURSING HOME WORKER TRAINING GRANTS.**

22 “(a) APPROPRIATION.—Out of any funds in the
23 Treasury not otherwise appropriated, in addition to
24 amounts otherwise available, there is appropriated to the
25 Secretary for each of fiscal years 2023 through 2026—

1 “(1) \$392,000,000 for grants under subsection
2 (b)(1); and

3 “(2) \$8,000,000 for grants under subsection
4 (b)(2).

5 “(b) GRANTS.—

6 “(1) STATE ENTITLEMENT.—

7 “(A) IN GENERAL.—Each State shall be
8 entitled to receive from the Secretary for each
9 fiscal year specified in subsection (a) a grant in
10 an amount equal to the amount allotted to the
11 State under subparagraph (B) of this para-
12 graph.

13 “(B) STATE ALLOTMENTS.—The amount
14 allotted to a State under this subparagraph for
15 a fiscal year shall be—

16 “(i) the amount made available by
17 subsection (a) for the fiscal year that is
18 not required to be reserved by subsection
19 (a); multiplied by

20 “(ii)(I) the number of State residents
21 who have attained 65 years of age or are
22 individuals with a disability, as determined
23 by the Secretary using the most recent
24 version of the American Community Sur-

1 vey published by the Bureau of the Census
2 or a successor data set; divided by

3 “(II) the total number of such resi-
4 dents of all States.

5 “(2) GRANTS TO INDIAN TRIBES AND TRIBAL
6 ORGANIZATIONS.—

7 “(A) IN GENERAL.—The Secretary, in con-
8 sultation with the Indian tribes and tribal orga-
9 nizations, shall make grants in accordance with
10 this section to Indian tribes and tribal organiza-
11 tions who operate at least 1 eligible setting.

12 “(B) GRANT FORMULA.—The Secretary, in
13 consultation with the Indian tribes and tribal
14 organizations, shall devise a formula for distrib-
15 uting among Indian tribes and tribal organiza-
16 tions the amount required to be reserved by
17 subsection (a) for each fiscal year.

18 “(3) SUB-GRANTS.—A State, Indian tribe, or
19 tribal organization to which an amount is paid under
20 this paragraph may use the amount to make sub-
21 grants to local organizations, including community
22 organizations, local non-profits, elder rights and jus-
23 tice groups, and workforce development boards for
24 any purpose described in paragraph (1) or (2) of
25 subsection (c).

1 “(c) USE OF FUNDS.—

2 “(1) REQUIRED USES.—A State to which an
3 amount is paid under subsection (b) shall use the
4 amount to—

5 “(A) provide wage subsidies to eligible in-
6 dividuals;

7 “(B) provide student loan repayment or
8 tuition assistance to eligible individuals for a
9 degree or certification in a field relevant to
10 their position referred to in subsection
11 (f)(1)(A);

12 “(C) guarantee affordable and accessible
13 child care for eligible individuals, including help
14 with referrals, co-pays, or other direct assist-
15 ance; and

16 “(D) provide assistance where necessary
17 with obtaining appropriate transportation, in-
18 cluding public transportation if available, or gas
19 money or transit vouchers for ride share, taxis,
20 and similar types of transportation if public
21 transportation is unavailable or impractical
22 based on work hours or location.

23 “(2) AUTHORIZED USES.—A State to which an
24 amount is paid under subsection (b) may use the
25 amount to—

1 “(A) establish a reserve fund for financial
2 assistance to eligible individuals in emergency
3 situations;

4 “(B) provide in-kind resource donations,
5 such as interview clothing and conference at-
6 tendance fees;

7 “(C) provide assistance with programs and
8 activities, including legal assistance, deemed
9 necessary to address arrest or conviction
10 records that are an employment barrier;

11 “(D) support employers operating an eligi-
12 ble setting in the State in providing employees
13 with not less than 2 weeks of paid leave per
14 year; or

15 “(E) provide other support services the
16 Secretary deems necessary to allow for success-
17 ful recruitment and retention of workers.

18 “(3) PROVISION OF FUNDS ONLY FOR THE
19 BENEFIT OF ELIGIBLE INDIVIDUALS IN ELIGIBLE
20 SETTINGS.—A State to which an amount is paid
21 under subsection (b) may provide the amount to only
22 an eligible individual or a partner organization serv-
23 ing an eligible individual.

24 “(4) NONSUPPLANTATION.—A State to which
25 an amount is paid under subsection (b) shall not use

1 the amount to supplant the expenditure of any State
2 funds for recruiting or retaining employees in an eli-
3 gible setting.

4 “(d) ADMINISTRATION.—A State to which a grant is
5 made under subsection (b) shall reserve not more than 10
6 percent of the grant to—

7 “(1) administer subgrants in accordance with
8 this section;

9 “(2) provide technical assistance and support
10 for applying for and accessing such a subgrant op-
11 portunity;

12 “(3) publicize the availability of the subgrants;

13 “(4) carry out activities to increase the supply
14 of eligible individuals; and

15 “(5) provide technical assistance to help sub-
16 grantees find and train individuals to provide the
17 services for which they are contracted.

18 “(e) DEFINITIONS.—In this section:

19 “(1) ELIGIBLE INDIVIDUAL.—The term ‘eligible
20 individual’ means an individual who—

21 “(A)(i) is a qualified home health aide, as
22 defined in section 484.80(a) of title 42, Code of
23 Federal Regulations;

24 “(ii) is a nurse aide approved by the State
25 as meeting the requirements of sections

1 483.150 through 483.154 of such title, and is
2 listed in good standing on the State nurse aide
3 registry;

4 “(iii) is a personal care aide approved by
5 the State, and furnishes personal care services,
6 as defined in section 440.167 of such title;

7 “(iv) is a qualified hospice aide, as defined
8 in section 418.76 of such title; or

9 “(v) is a licensed practical nurse or a li-
10 censed or certified social worker; or

11 “(vi) is receiving training to be certified or
12 licensed as such an aide, nurse, or social work-
13 er; and

14 “(B) provides (or, in the case of a trainee,
15 intends to provide) services as such an aide,
16 nurse, or social worker in an eligible setting.

17 “(2) ELIGIBLE SETTING.—The term ‘eligible
18 setting’ means—

19 “(A) a skilled nursing facility, as defined
20 in section 1819;

21 “(B) a nursing facility, as defined in sec-
22 tion 1919;

23 “(C) a home health agency, as defined in
24 section 1891;

1 “(D) a facility provider approved to deliver
2 home or community-based services authorized
3 under State options described in subsection (c)
4 or (i) of section 1915 or, as relevant, dem-
5 onstration projects authorized under section
6 1115;

7 “(E) a hospice, as defined in section 1814;
8 or

9 “(F) a tribal assisted living facility.

10 “(3) TRIBAL ORGANIZATION.—The term ‘tribal
11 organization’ has the meaning given the term in sec-
12 tion 4 of the Indian Self-Determination and Edu-
13 cation Assistance Act.”.

14 (b) ADULT PROTECTIVE SERVICES FUNCTIONS AND
15 GRANT PROGRAMS.—

16 (1) DIRECT FUNDING; STATE ENTITLEMENT.—
17 Section 2042 of the Social Security Act (42 U.S.C.
18 1397m-1) is amended—

19 (A) in subsection (a)—

20 (i) in paragraph (1)(A)—

21 (I) by striking “offices” and in-
22 serting “programs”; and

23 (II) by inserting “and adults who
24 are under a disability (as defined in

1 section 216(i)(1))” before the semi-
2 colon; and

3 (ii) by striking paragraph (2) and in-
4 serting the following:

5 “(2) APPROPRIATION.—Out of any money in
6 the Treasury not otherwise appropriated, in addition
7 to amounts otherwise available, there are appro-
8 priated to the Secretary \$8,000,000 for each of fis-
9 cal years 2023 through 2025 to carry out this sub-
10 section.”;

11 (B) in subsection (b)—

12 (i) in paragraph (2)—

13 (I) in subparagraph (A), by strik-
14 ing “the availability of appropriations
15 and”; and

16 (II) in subparagraph (B)—

17 (aa) in the heading for
18 clause (i), by inserting “AND THE
19 DISTRICT OF COLUMBIA” after
20 “STATES”; and

21 (bb) in clause (ii), by insert-
22 ing “or the District of Columbia”
23 after “States”; and

24 (ii) by striking paragraph (5) and in-
25 serting the following:

1 “(5) APPROPRIATION.—Out of any money in
2 the Treasury not otherwise appropriated, in addition
3 to amounts otherwise available, there are appro-
4 priated to the Secretary for each of fiscal years 2023
5 through 2025—

6 “(A) \$392,000,000 for grants to States
7 under this subsection; and

8 “(B) \$8,000,000 for grants to Indian
9 tribes and tribal organizations under this sub-
10 section.”; and

11 (C) in subsection (e), by striking para-
12 graph (6) and inserting the following:

13 “(6) APPROPRIATION.—Out of any money in
14 the Treasury not otherwise appropriated, in addition
15 to amounts otherwise available, there are appro-
16 priated to the Secretary \$75,000,000 for each of fis-
17 cal years 2023 through 2025 to carry out this sub-
18 section.”.

19 (2) STATE ENTITLEMENT; GRANTS TO INDIAN
20 TRIBES AND TRIBAL ORGANIZATIONS.—Section 2042
21 of such Act (42 U.S.C. 1397m–1) is amended—

22 (A) in subsection (a)(1)(A), by striking
23 “State and local” and inserting “State, local,
24 and tribal”;

1 (B) in subsection (b)(1), by striking “the
2 Secretary shall annually award grants to States
3 in the amounts calculated under paragraph (2)”
4 and inserting “each State shall be entitled to
5 annually receive from the Secretary in the
6 amounts calculated under paragraph (2), and
7 the Secretary may annually award to each In-
8 dian tribe and tribal organization in accordance
9 with paragraph (3), grants”;

10 (C) in subsection (b)(2)—

11 (i) in the paragraph heading, by in-
12 serting “FOR A STATE” after “PAYMENT”;

13 (ii) in subparagraph (A), by striking
14 “to carry out” and inserting “for grants to
15 States under”; and

16 (iii) in subparagraph (B)(i), by strik-
17 ing “such year” and inserting “for grants
18 to States under this subsection for the fis-
19 cal year”; and

20 (D) in subsection (b), by redesignating
21 paragraphs (3) through (5) as paragraphs (4)
22 through (6), respectively, and inserting after
23 paragraph (2) the following:

24 “(3) AMOUNT OF PAYMENT TO INDIAN TRIBE
25 OR TRIBAL ORGANIZATION.—The Secretary, in con-

1 sultation with Indian tribes and tribal organizations,
2 shall determine the amount of any grant to be made
3 to each Indian tribe and tribal organization under
4 this subsection. Paragraphs (4) and (5) shall apply
5 to grantees under this paragraph in the same man-
6 ner in which the paragraphs apply to States.”;

7 (E) in subsection (c)—

8 (i) in paragraph (1), by striking “to
9 States” and inserting “to States, Indian
10 tribes, and tribal organizations”;

11 (ii) in paragraph (2)—

12 (I) in the matter preceding sub-
13 paragraph (A), by inserting “and In-
14 dian tribes and tribal organizations”
15 after “government”; and

16 (II) in subparagraph (D), by in-
17 serting “or Indian tribe or tribal orga-
18 nization, as the case may be” after
19 “government”;

20 (iii) in paragraph (4), by inserting “or
21 Indian tribe or tribal organization” after
22 “a State” the 1st place it appears; and

23 (iv) in paragraph (5)—

1 (I) by inserting “or Indian tribe
2 or tribal organization” after “Each
3 State”; and

4 (II) by inserting “or Indian tribe
5 or tribal organization, as the case may
6 be” after “the State”; and

7 (F) by adding at the end the following:

8 “(d) DEFINITIONS OF INDIAN TRIBE AND TRIBAL
9 ORGANIZATION.—In this section, the terms ‘Indian tribe’
10 and ‘tribal organization’ have the meanings given the
11 terms in section 419.”.

12 (3) CONFORMING AMENDMENT.—Section
13 2011(2) of such Act (42 U.S.C. 1397j(2)) is amend-
14 ed by striking “such services provided to adults as
15 the Secretary may specify” and inserting “services
16 provided by an entity authorized by or under State
17 law address neglect, abuse, and exploitation of older
18 adults and people with disabilities”.

19 (c) LONG-TERM CARE OMBUDSMAN PROGRAM
20 GRANTS AND TRAINING.—Section 2043 of the Social Se-
21 curity Act (42 U.S.C. 1397m–2) is amended—

22 (1) in subsection (a), by striking paragraph (2)
23 and inserting the following:

24 “(2) APPROPRIATION.—Out of any money in
25 the Treasury not otherwise appropriated, in addition

1 to amounts otherwise available, there are appro-
2 priated to the Secretary to carry out this sub-
3 section—

4 “(A) \$22,500,000 for fiscal year 2023; and

5 “(B) \$30,000,000 for each of fiscal years
6 2024 and 2025.”; and

7 (2) in subsection (b), by striking paragraph (2)
8 and inserting the following:

9 “(2) APPROPRIATION.—Out of any money in
10 the Treasury not otherwise appropriated, in addition
11 to amounts otherwise available, there are appro-
12 priated to the Secretary \$30,000,000 for each of fis-
13 cal years 2023 through 2025 to carry out this sub-
14 section.”.

15 (d) INCENTIVES FOR DEVELOPING AND SUSTAINING
16 STRUCTURAL COMPETENCY IN PROVIDING HEALTH AND
17 HUMAN SERVICES.—Part II of subtitle B of title XX of
18 the Social Security Act (42 U.S.C. 1397m-1397m-5) is
19 amended by adding at the end the following:

20 **“SEC. 2047. INCENTIVES FOR DEVELOPING AND SUS-**
21 **TAINING STRUCTURAL COMPETENCY IN PRO-**
22 **VIDING HEALTH AND HUMAN SERVICES.**

23 “(a) GRANTS TO STATES TO SUPPORT LINKAGES TO
24 LEGAL SERVICES AND MEDICAL LEGAL PARTNER-
25 SHIPS.—

1 “(1) APPROPRIATION.—Out of any money in
2 the Treasury not otherwise appropriated, in addition
3 to amounts otherwise available, there are appro-
4 priated to the Secretary \$500,000,000 for fiscal year
5 2023, to remain available for the purposes of this
6 subsection through fiscal year 2028.

7 “(2) GRANTS.—Within 2 years after the date of
8 the enactment of this section, the Secretary shall es-
9 tablish and administer a program of grants to States
10 to support the adoption of evidence-based ap-
11 proaches to establishing or improving and maintain-
12 ing real-time linkages between health and social
13 services and supports for vulnerable elders or in con-
14 junction with authorized representatives of vulner-
15 able elders, including through the following:

16 “(A) MEDICAL-LEGAL PARTNERSHIPS.—
17 The establishment and support of medical-legal
18 partnerships, the incorporation of the partner-
19 ships in the elder justice framework and health
20 and human services safety net, and the imple-
21 mentation and operation of such a partnership
22 by an eligible grantee—

23 “(i) at the option of a State, in con-
24 junction with an area agency on aging;

1 “(ii) in a solo provider practice in a
2 health professional shortage area (as de-
3 fined in section 332(a) of the Public
4 Health Service Act), a medically under-
5 served community (as defined in section
6 399V of such Act), or a rural area (as de-
7 fined in section 330J of such Act);

8 “(iii) in a minority-serving institution
9 of higher learning with health, law, and so-
10 cial services professional programs;

11 “(iv) in a federally qualified health
12 center, as described in section 330 of the
13 Public Health Service Act, or look-alike, as
14 described in section 1905(l)(2)(B) of this
15 Act; or

16 “(v) in certain hospitals that are crit-
17 ical access hospitals, Medicare-dependent
18 hospitals, sole community hospitals, rural
19 emergency hospitals, or that serve a high
20 proportion of Medicare or Medicaid pa-
21 tients.

22 “(B) LEGAL HOTLINES DEVELOPMENT OR
23 EXPANSION.—The provision of incentives to de-
24 velop, enhance, and integrate platforms, such as
25 legal assistance hotlines, that help to facilitate

1 the identification of older adults who could ben-
2 efit from linkages to available legal services
3 such as those described in subparagraph (A).

4 “(3) STATE REPORTS.—Each State to which a
5 grant is made under this subsection shall submit to
6 the Secretary biannual reports on the activities car-
7 ried out by the State pursuant to this subsection,
8 which shall include assessments of the effectiveness
9 of the activities with respect to—

10 “(A) the number of unique individuals
11 identified through the mechanism outlined in
12 paragraph (2)(B) who are referred to services
13 described in paragraph (2)(A), and the average
14 time period associated with resolving issues;

15 “(B) the success rate for referrals to com-
16 munity-based resources; and

17 “(C) other factors determined relevant by
18 the Secretary.

19 “(4) EVALUATION.—The Secretary shall, by
20 grant, contract, or interagency agreement, evaluate
21 the activities conducted pursuant to this subsection,
22 which shall include a comparison among the States.

23 “(5) SUPPLEMENT NOT SUPPLANT.—Support
24 provided to area agencies on aging, State units on
25 aging, eligible entities, or other community-based or-

1 organizations pursuant to this subsection shall be used
2 to supplement and not supplant any other Federal,
3 State, or local funds expended to provide the same
4 or comparable services described in this subsection.

5 “(b) GRANTS AND TRAINING TO SUPPORT AREA
6 AGENCIES ON AGING OR OTHER COMMUNITY-BASED OR-
7 GANIZATIONS TO ADDRESS SOCIAL ISOLATION AMONG
8 VULNERABLE OLDER ADULTS AND PEOPLE WITH DIS-
9 ABILITIES.—

10 “(1) APPROPRIATION.—Out of any money in
11 the Treasury not otherwise appropriated, in addition
12 to amounts otherwise available, there are appro-
13 priated to the Secretary \$250,000,000 for fiscal year
14 2023, to remain available for the purposes of this
15 subsection through fiscal year 2028.

16 “(2) GRANTS.—The Secretary shall make
17 grants to eligible area agencies on aging or other
18 community-based organizations for the purpose of—

19 “(A) conducting outreach to individuals at
20 risk for, or already experiencing, social isolation
21 or loneliness, through established screening
22 tools or other methods identified by the Sec-
23 retary;

24 “(B) developing community-based interven-
25 tions for the purposes of mitigating loneliness

1 or social isolation (including evidence-based pro-
2 grams, as defined by the Secretary, developed
3 with multi-stakeholder input for the purposes of
4 promoting social connection, mitigating social
5 isolation or loneliness, or preventing social iso-
6 lation or loneliness) among at-risk individuals;

7 “(C) connecting at-risk individuals with
8 community social and clinical supports; and

9 “(D) evaluating the effect of programs de-
10 veloped and implemented under subparagraphs
11 (B) and (C).

12 “(3) TRAINING.—The Secretary shall establish
13 programs to provide and improve training for area
14 agencies on aging or community-based organizations
15 with respect to addressing and preventing social iso-
16 lation and loneliness among older adults and people
17 with disabilities.

18 “(4) EVALUATION.—Not later than 3 years
19 after the date of the enactment of this section and
20 at least once after fiscal year 2025, the Secretary
21 shall submit to the Congress a written report which
22 assesses the extent to which the programs estab-
23 lished under this subsection address social isolation
24 and loneliness among older adults and people with
25 disabilities.

1 “(5) COORDINATION.—The Secretary shall co-
2 ordinate with resource centers, grant programs, or
3 other funding mechanisms established under section
4 411(a)(18) of the Older Americans Act (42 U.S.C.
5 3032(a)(18)), section 417(a)(1) of such Act (42
6 U.S.C. 3032F(a)(1)), or other programs as deter-
7 mined by the Secretary.

8 “(c) DEFINITIONS.—In this section:

9 “(1) AREA AGENCY ON AGING.—The term ‘area
10 agency on aging’ means an area agency on aging
11 designated under section 305 of the Older Ameri-
12 cans Act of 1965.

13 “(2) SOCIAL ISOLATION.—The term ‘social iso-
14 lation’ means objectively being alone, or having few
15 relationships or infrequent social contact.

16 “(3) LONELINESS.—The term ‘loneliness’
17 means subjectively feeling alone, or the discrepancy
18 between one’s desired level of social connection and
19 one’s actual level of social connection.

20 “(4) SOCIAL CONNECTION.—The term ‘social
21 connection’ means the variety of ways one can con-
22 nect to others socially, through physical, behavioral,
23 social–cognitive, and emotional channels.

24 “(5) COMMUNITY-BASED ORGANIZATION.—The
25 term ‘community-based organization’ includes, ex-

1 cept as otherwise provided by the Secretary, a non-
2 profit community-based organization, a consortium
3 of nonprofit community-based organizations, a na-
4 tional nonprofit organization acting as an inter-
5 mediary for a community-based organization, or a
6 community-based organization that has a fiscal
7 sponsor that allows the organization to function as
8 an organization described in section 501(c)(3) of the
9 Internal Revenue Code of 1986 and exempt from
10 taxation under section 501(a) of such Code.”.

11 (e) TECHNICAL AMENDMENT.—Section 2011(12)(A)
12 of the Social Security Act (42 U.S.C. 1397j(12)(A)) is
13 amended by striking “450b” and inserting “5304”.

14 **SEC. 134202. APPROPRIATION FOR ASSESSMENTS.**

15 Out of any money in the Treasury not otherwise ap-
16 propriated, in addition to amounts otherwise available,
17 there are appropriated to the Secretary of Health and
18 Human Services \$5,000,000 for each of fiscal years 2023
19 through 2026 to prepare and submit to the Committee on
20 Ways and Means of the House of Representatives and the
21 Committee on Finance of the Senate, not later than 3
22 years after the date of enactment of this Act, and at least
23 once after fiscal year 2025, reports on the programs, co-
24 ordinating bodies, registries, and activities established or
25 authorized under subtitle B of title XX of the Social Secu-

1 rity Act or section 6703(b) of the Patient Protection and
2 Affordable Care Act (42 U.S.C. 1395i–3a), which shall as-
3 sess the extent to which such programs, coordinating bod-
4 ies, registries, and activities have improved access to, and
5 the quality of, resources available to aging Americans and
6 their caregivers to ultimately prevent, detect, and treat
7 abuse, neglect, and exploitation, and shall include, as ap-
8 propriate, recommendations to Congress on funding levels
9 and policy changes to help these programs, coordinating
10 bodies, registries, and activities better prevent, detect, and
11 treat abuse, neglect, and exploitation of aging Americans.

12 **PART 3—SKILLED NURSING FACILITIES**

13 **SEC. 134301. FUNDING TO IMPROVE THE ACCURACY AND**
14 **RELIABILITY OF CERTAIN SKILLED NURSING**
15 **FACILITY DATA.**

16 Section 1888 of the Social Security Act (42 U.S.C.
17 1395yy) is amended—

18 (1) in subsection (h)(12)—

19 (A) in subparagraph (A), by striking “and
20 the data submitted under subsection (e)(6) a
21 process to validate such measures and data”
22 and inserting “, the data submitted under sub-
23 section (e)(6), and, during the period beginning
24 with fiscal year 2024 and ending with fiscal
25 year 2031, the resident assessment data de-

1 scribed in section 1819(b)(3) and the direct
2 care staffing information described in section
3 1128I(g) a process to validate such measures,
4 data, and information”; and

5 (B) in subparagraph (B)—

6 (i) by striking “FUNDING.—For pur-
7 poses” and inserting “FUNDING.—

8 “(i) FISCAL YEARS 2023 THROUGH
9 2025.—For purposes”; and

10 (ii) by adding at the end the following
11 new clause:

12 “(ii) FISCAL YEARS 2026 THROUGH
13 2031.—There is appropriated to the Sec-
14 retary, out of any monies in the Treasury
15 not otherwise appropriated, \$50,000,000
16 for the period of fiscal years 2026 through
17 2031 for purposes of carrying out this
18 paragraph.”; and

19 (2) in subsection (e)(6)(A)—

20 (A) in the header, by striking “FOR FAIL-
21 URE TO REPORT”; and

22 (B) in clause (i)—

23 (i) by striking “For fiscal years begin-
24 ning with fiscal year 2018, in the case of

1 a skilled nursing facility that does not sub-
2 mit” and inserting the following:

3 “(I) FAILURE TO REPORT.—For
4 fiscal years beginning with fiscal year
5 2018, in the case of a skilled nursing
6 facility that does not submit quality
7 measure data specified by the Sec-
8 retary and”; and

9 (ii) by adding at the end the following
10 new subclause:

11 “(II) REPORTING OF INAC-
12 CURATE INFORMATION.—For fiscal
13 years during the period beginning
14 with fiscal year 2026 and ending with
15 fiscal year 2031, in the case of a
16 skilled nursing facility that submits
17 data under this paragraph, measures
18 under subsection (h), resident assess-
19 ment data described in section
20 1819(b)(3), or direct care staffing in-
21 formation described in section
22 1128I(g) with respect to such fiscal
23 year that is inaccurate (as determined
24 by the Secretary through the valida-
25 tion process described in section

1 1888(h)(12) or otherwise), after de-
2 termining the percentage described in
3 paragraph (5)(B)(i), and after appli-
4 cation of clauses (ii) and (iii) of para-
5 graph (5)(B) and of subclause (I) of
6 this clause (if applicable), the Sec-
7 retary shall reduce such percentage
8 for payment rates during such fiscal
9 year by 2 percentage points.”.

10 **SEC. 134302. ENSURING ACCURATE INFORMATION ON COST**
11 **REPORTS.**

12 Section 1888(f) of the Social Security Act (42 U.S.C.
13 1395yy(f)) is amended by adding at the end the following
14 new paragraph:

15 “(5) AUDIT OF COST REPORTS.—There is ap-
16 propriated to the Secretary, out of any monies in the
17 Treasury not otherwise appropriated, \$250,000,000
18 for fiscal year 2023 to remain available until ex-
19 pended, for purposes of conducting an annual audit
20 (beginning with 2023 and ending with 2031) of cost
21 reports submitted under this title for a representa-
22 tive sample of skilled nursing facilities.”.

1 **SEC. 134303. SURVEY IMPROVEMENTS.**

2 Section 1819 of the Social Security Act (42 U.S.C.
3 1395i-3) is amended by adding at the end the following
4 new subsection:

5 “(1) SURVEY IMPROVEMENTS.—

6 “(1) IN GENERAL.—There is appropriated to
7 the Secretary, out of any monies in the Treasury not
8 otherwise appropriated, \$325,000,000, for the period
9 of fiscal years 2023 through 2031, for purposes of—

10 “(A) conducting reviews and identifying
11 plans under paragraph (2); and

12 “(B) providing training, tools, technical as-
13 sistance, and financial support in accordance
14 with paragraph (3).

15 “(2) REVIEW.—The Secretary shall conduct re-
16 views, during the period specified in paragraph (1),
17 of (and, as appropriate, identify plans to improve)
18 the following:

19 “(A) The extent to which surveys con-
20 ducted under subsection (g) and the enforce-
21 ment process under subsection (h) result in in-
22 creased compliance with requirements under
23 this section and subpart B of part 483 of title
24 42, Code of Federal Regulations, with respect
25 to skilled nursing facilities (in this subsection
26 referred to as ‘facilities’).

1 “(B) The timeliness and thoroughness of
2 State agency verification of deficiency correc-
3 tions at facilities.

4 “(C) The accuracy of the identification and
5 appropriateness of the scope and severity of de-
6 ficiencies cited at facilities.

7 “(D) The accuracy of the identification
8 and appropriateness of the scoping and severity
9 of life safety, infection control, and emergency
10 preparedness deficiencies cited at facilities.

11 “(E) The timeliness of State agency inves-
12 tigations of—

13 “(i) complaints at facilities;

14 “(ii) facility-reported incidents at fa-
15 cilities; and

16 “(iii) reported allegations of abuse,
17 neglect, and exploitation at facilities.

18 “(F) The consistency of facility reporting
19 of substantiated complaints to law enforcement.

20 “(G) The ability of the State agency to
21 sufficiently hire, train, and retain individuals
22 who conduct surveys.

23 “(H) Any other area related to surveys of
24 facilities, or the individuals conducting such

1 surveys, determined appropriate by the Sec-
2 retary.

3 “(3) SUPPORT.—Based on the review under
4 paragraph (2), the Secretary shall, during the period
5 specified in paragraph (1), provide training, tools,
6 technical assistance, and financial support to State
7 and Federal agencies that perform surveys of facili-
8 ties for the purpose of improving the surveys con-
9 ducted under subsection (g) and the enforcement
10 process under subsection (h) with respect to the
11 areas reviewed under paragraph (2).”.

12 **SEC. 134304. NURSE STAFFING REQUIREMENTS.**

13 Section 1819(d) of the Social Security Act (42 U.S.C.
14 1395i–3(d)) is amended—

15 (1) in paragraph (4)(A), by inserting “and any
16 regulations promulgated under paragraph (5)(C)”
17 after “section 1124”; and

18 (2) by adding at the end the following new
19 paragraph:

20 “(5) NURSE STAFFING REQUIREMENTS.—

21 “(A) FUNDING.—There is appropriated to
22 the Secretary, out of any monies in the Treas-
23 ury not otherwise appropriated, \$50,000,000
24 for the period of fiscal years 2023 through

1 2031 for purposes of carrying out this para-
2 graph.

3 “(B) STUDY.—Not later than 3 years after
4 the date of the enactment of this paragraph,
5 and not less frequently than once every 5 years
6 thereafter, the Secretary shall, out of funds ap-
7 propriated under subparagraph (A), conduct a
8 study and submit to Congress a report on the
9 appropriateness of establishing minimum staff
10 to resident ratios for nursing staff for skilled
11 nursing facilities. Each such report shall in-
12 clude—

13 “(i) with respect to the first such re-
14 port, recommendations regarding appro-
15 priate minimum ratios of registered nurses
16 (and, if practicable, licensed practical
17 nurses (or licensed vocational nurses) and
18 certified nursing assistants) to residents at
19 such skilled nursing facilities; and

20 “(ii) with respect to each subsequent
21 such report, recommendations regarding
22 appropriate minimum ratios of registered
23 nurses, licensed practical nurses (or li-
24 censed vocational nurses), and certified

1 nursing assistants to residents at such
2 skilled nursing facilities.

3 “(C) PROMULGATION OF REGULATIONS.—

4 “(i) IN GENERAL.—Not later than 1
5 year after the Secretary first submits a re-
6 port under subparagraph (B), the Sec-
7 retary shall, out of funds appropriated
8 under subparagraph (A)—

9 “(I) specify through regulations,
10 consistent with such report, appro-
11 priate minimum ratios (if any) of reg-
12 istered nurses (and, if practicable, li-
13 censed practical nurses (or licensed
14 vocational nurses) and certified nurs-
15 ing assistants) to residents at skilled
16 nursing facilities; and

17 “(II) except as provided in clause
18 (ii), require such skilled nursing facili-
19 ties to comply with such ratios.

20 “(ii) EXCEPTION.—

21 “(I) IN GENERAL.—In addition
22 to the authority to waive the applica-
23 tion of clause (i)(II) under section
24 1135, the Secretary may waive the
25 application of such clause with respect

1 to a skilled nursing facility if the Sec-
2 retary finds that—

3 “(aa) the facility is located
4 in a rural area and the supply of
5 skilled nursing facility services in
6 such area is not sufficient to
7 meet the needs of individuals re-
8 siding therein;

9 “(bb) the Secretary provides
10 notice of the waiver to the State
11 long-term care ombudsman (es-
12 tablished under section
13 307(a)(12) of the Older Ameri-
14 cans Act of 1965) and the pro-
15 tection and advocacy system in
16 the State for the mentally ill; and

17 “(cc) the facility that is
18 granted such a waiver notifies
19 residents of the facility (or,
20 where appropriate, the guardians
21 or legal representatives of such
22 residents) and members of their
23 immediate families of the waiver.

1 “(II) RENEWAL.—Any waiver in
2 effect under this clause shall be sub-
3 ject to annual renewal.

4 “(iii) UPDATE.—Not later than 1 year
5 after the submission of each subsequent re-
6 port under subparagraph (B), the Sec-
7 retary shall, out of funds appropriated
8 under subparagraph (A) and consistent
9 with such report, update the regulations
10 described in clause (i)(I) to reflect appro-
11 priate minimum ratios (if any) of reg-
12 istered nurses, licensed practical nurses (or
13 licensed vocational nurses), and certified
14 nursing assistants to residents at skilled
15 nursing facilities.”.

16 **Subtitle B—Infrastructure Financ-**
17 **ing and Community Develop-**
18 **ment**

19 **SEC. 135001. AMENDMENT OF 1986 CODE.**

20 Except as otherwise expressly provided, whenever in
21 this subtitle an amendment or repeal is expressed in terms
22 of an amendment to, or repeal of, a section or other provi-
23 sion, the reference shall be considered to be made to a
24 section or other provision of the Internal Revenue Code
25 of 1986.

1 **SEC. 135002. POSSESSIONS ECONOMIC ACTIVITY CREDIT.**

2 (a) IN GENERAL.—Subpart D of part IV of sub-
3 chapter A of chapter 1, as amended by the preceding pro-
4 visions of this Act, is amended by adding at the end the
5 following new section:

6 **“SEC. 45V. POSSESSIONS ECONOMIC ACTIVITY CREDIT.**

7 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-
8 tion 38, in the case of a qualified domestic corporation
9 the possessions economic activity credit determined under
10 this section for a taxable year is an amount equal to 20
11 percent of the sum of the qualified possession wages and
12 allocable employee fringe benefit expenses paid or incurred
13 by the taxpayer for the taxable year.

14 “(b) QUALIFIED DOMESTIC CORPORATION; QUALI-
15 FIED CORPORATION.—For purposes of this section—

16 “(1) IN GENERAL.—The term ‘qualified domes-
17 tic corporation’ means any domestic corporation
18 which is—

19 “(A) a qualified corporation, or

20 “(B) a United States shareholder of a for-
21 eign corporation which—

22 “(i) is a qualified corporation, and

23 “(ii) is wholly owned by the United
24 States shareholder together with any cor-
25 porations which are members of the same
26 affiliated group (within the meaning of sec-

1 tion 1504(a)) as such United States share-
2 holder.

3 “(2) QUALIFIED CORPORATION.—The term
4 ‘qualified corporation’ means any corporation if such
5 corporation meets the following requirements:

6 “(A) SOURCE QUALIFICATION.—80 percent
7 or more of the gross income of the corporation
8 for the 3-year period immediately preceding the
9 close of the taxable year (or for such part of
10 such period immediately preceding the close of
11 such taxable year as may be applicable) was de-
12 rived from sources within a possession of the
13 United States (determined without regard to
14 section 904(f)).

15 “(B) TRADE OR BUSINESS QUALIFICA-
16 TION.—75 percent or more of the gross income
17 of the corporation for such period or such part
18 thereof was derived from the active conduct of
19 a trade or business within a possession of the
20 United States.

21 “(3) SPECIAL RULE FOR SEPARATE AND
22 CLEARLY IDENTIFIED UNITS OF FOREIGN CORPORA-
23 TIONS.—

1 “(A) IN GENERAL.—In the case of a
2 United States shareholder of a foreign corpora-
3 tion which—

4 “(i) is not a qualified corporation but
5 with respect to which the ownership re-
6 quirements of paragraph (1)(B)(ii) are
7 met, and

8 “(ii) has an eligible foreign business
9 unit which, if such unit were a corporation,
10 would be a qualified corporation with re-
11 spect to which such ownership require-
12 ments would be met,

13 then, for purposes of this section, the United
14 States shareholder may elect to treat such unit
15 as a separate foreign corporation which meets
16 the requirements of paragraph (1)(B) and with
17 respect to which such shareholder is a United
18 States shareholder.

19 “(B) ELIGIBLE FOREIGN BUSINESS
20 UNIT.—For purposes of this paragraph, the
21 term ‘eligible foreign business unit’ means a
22 separate and clearly identified foreign unit of a
23 trade or business, including a partnership or an
24 entity treated as disregarded as a separate enti-
25 ty from its owner (under section 7701 or other

1 provision under this title), which maintains sep-
2 arate books and records.

3 “(C) SPECIAL ELECTION FOR AFFILIATED
4 GROUPS.—In the case of an affiliated group de-
5 scribed in paragraph (1)(B)(ii), the election
6 under subparagraph (A) with respect to any eli-
7 gible foreign business unit shall be made by the
8 common parent of such group and shall apply
9 uniformly to all members of such group which
10 are United States shareholders with respect to
11 the foreign corporation which has such unit.

12 “(c) QUALIFIED POSSESSION WAGES.—For purposes
13 of this section—

14 “(1) IN GENERAL.—The term ‘qualified posses-
15 sion wages’ means wages paid or incurred by the
16 qualified corporation during the taxable year in con-
17 nection with the active conduct of a trade or busi-
18 ness within a possession of the United States to any
19 employee for services performed in such possession,
20 but only if such services are performed while the
21 principal place of employment of such employee is
22 within such possession.

23 “(2) LIMITATION ON AMOUNT OF WAGES
24 TAKEN INTO ACCOUNT.—

1 “(A) IN GENERAL.—The amount of wages
2 which may be taken into account under para-
3 graph (1) with respect to any employee for any
4 taxable year shall not exceed \$50,000.

5 “(B) TREATMENT OF PART-TIME EMPLOY-
6 EES, ETC.—If—

7 “(i) any employee is not employed by
8 the qualified corporation on a substantially
9 full-time basis at all times during the tax-
10 able year, or

11 “(ii) the principal place of employ-
12 ment of any employee with the qualified
13 corporation is not within a possession at
14 all times during the taxable year,

15 the limitation applicable under paragraph (1)
16 with respect to such employee shall be the ap-
17 propriate portion (as determined by the Sec-
18 retary) of the limitation which would otherwise
19 be in effect under paragraph (1).

20 “(C) WAGES.—

21 “(i) IN GENERAL.—Except as pro-
22 vided in clause (ii), the term ‘wages’ has
23 the meaning given to such term by sub-
24 section (b) of section 3306 (determined
25 without regard to any dollar limitation

1 contained in such section). For purposes of
2 the preceding sentence, such subsection (b)
3 shall be applied as if the term ‘United
4 States’ included all possessions of the
5 United States.

6 “(ii) SPECIAL RULE FOR AGRICUL-
7 TURAL LABOR AND RAILWAY LABOR.—In
8 any case to which subparagraph (A) or (B)
9 of paragraph (1) of section 51(h) applies,
10 the term ‘wages’ has the meaning given to
11 such term by section 51(h)(2).

12 “(3) ALLOCABLE EMPLOYEE FRINGE BENEFIT
13 EXPENSES.—

14 “(A) IN GENERAL.—The allocable em-
15 ployee fringe benefit expenses of any qualified
16 corporation for any taxable year is an amount
17 which bears the same ratio to the amount de-
18 termined under subparagraph (B) for such tax-
19 able year as—

20 “(i) the aggregate amount of the
21 qualified corporation’s qualified possession
22 wages for such taxable year, bears to

23 “(ii) the aggregate amount of the
24 wages paid or incurred by such qualified
25 corporation during such taxable year.

1 In no event shall the amount determined under
2 the preceding sentence exceed 15 percent of the
3 amount referred to in clause (i).

4 “(B) EXPENSES TAKEN INTO ACCOUNT.—
5 For purposes of subparagraph (A), the amount
6 determined under this subparagraph for any
7 taxable year is the aggregate amount allowable
8 (or, in the case of a foreign corporation, which
9 would be allowable if such foreign corporation
10 were a domestic corporation) as a deduction
11 under this chapter to the qualified corporation
12 for such taxable year with respect to—

13 “(i) employer contributions under a
14 stock bonus, pension, profit-sharing, or an-
15 nuity plan,

16 “(ii) employer-provided coverage
17 under any accident or health plan for em-
18 ployees, and

19 “(iii) the cost of life or disability in-
20 surance provided to employees.

21 Any amount treated as wages under paragraph
22 (2)(C) shall not be taken into account under
23 this subparagraph.

24 “(d) SPECIAL RULE FOR QUALIFIED SMALL DOMES-
25 TIC CORPORATION.—For purposes of this section—

1 “(1) INCREASED CREDIT PERCENTAGE.—In the
2 case of a qualified small domestic corporation, sub-
3 section (a) shall be applied by substituting ‘50 per-
4 cent’ for ‘20 percent’.

5 “(2) QUALIFIED SMALL DOMESTIC CORPORA-
6 TION.—

7 “(A) IN GENERAL.—The term ‘qualified
8 small domestic corporation’ means a qualified
9 domestic corporation that meets the require-
10 ments of subparagraphs (B) and (C).

11 “(B) FULL-TIME EMPLOYMENT.—A quali-
12 fied domestic corporation meets the require-
13 ments of this subparagraph if the qualified cor-
14 poration which is the qualified domestic cor-
15 poration under subsection (b)(1)(A) or the for-
16 eign corporation under subsection
17 (b)(1)(B)(i)—

18 “(i) has at least 5 full-time employees
19 in a possession of the United States for
20 each year in the 3-year period immediately
21 preceding the close of the taxable year (or
22 for such part of such period immediately
23 preceding the close of such taxable year as
24 may be applicable), and

1 “(ii) has not more than a total of 30
2 full-time employees for each year in such
3 3-year period.

4 “(C) GROSS RECEIPTS.—A qualified do-
5 mestic corporation meets the requirements of
6 this subparagraph if the annual gross receipts
7 of the qualified domestic corporation (and all
8 persons related thereto) for each year in such
9 3-year period is not more than \$50,000,000.

10 “(3) RELATED PERSONS.—In determining
11 whether the limitations under subparagraphs (B)(ii)
12 and (C) of paragraph (2) are met, all persons who
13 are treated as a single employer for purposes of sub-
14 section (a) or (b) of section 52 shall be taken into
15 account.

16 “(4) AMOUNT OF WAGES TAKEN INTO AC-
17 COUNT.—Subsection (c)(2)(A) shall be applied by
18 substituting ‘\$142,800’ for ‘\$50,000’.

19 “(e) POSSESSION OF THE UNITED STATES.—

20 “(1) IN GENERAL.—The term ‘possession of the
21 United States’ means American Samoa, the Com-
22 monwealth of the Northern Mariana Islands, the
23 Commonwealth of Puerto Rico, Guam, and the Vir-
24 gin Islands.

1 “(2) MIRROR CODE POSSESSIONS.—In the case
2 of any possession of the United States with a mirror
3 code tax system (as defined in section 24(k)), this
4 section shall not be treated as part of the income tax
5 laws of the United States for purposes of deter-
6 mining the income tax law of such possession unless
7 such possession elects to have this section be so
8 treated.

9 “(f) SEPARATE APPLICATION TO EACH POSSES-
10 SION.—For purposes of determining the amount of the
11 credit allowed under this section, this section shall be ap-
12 plied separately with respect to each possession of the
13 United States.

14 “(g) TERMINATION.—No credit shall be allowed
15 under this section for any taxable year beginning after De-
16 cember 31, 2031.”.

17 (b) CREDIT MADE PART OF GENERAL BUSINESS
18 CREDIT.—Subsection (b) of section 38, as amended by the
19 preceding provisions of this Act, is amended by striking
20 “plus” at the end of paragraph (34), by striking the period
21 at the end of paragraph (35) and inserting “, plus”, and
22 by adding at the end the following new paragraph:

23 “(36) the possessions economic activity credit
24 determined under section 45V.”.

1 (c) CLERICAL AMENDMENT.—The table of sections
2 for subpart B of part IV of subchapter A of chapter 1
3 is amended by adding at the end the following:

“Sec. 45V. Possessions Economic Activity Credit.”.

4 (d) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years beginning after
6 the date of the enactment of this Act, and in the case
7 of a qualified corporation that is a foreign corporation,
8 to taxable years beginning after the date of enactment and
9 to taxable years of United States shareholders in which
10 or with which such taxable years of foreign corporations
11 end.

12 **SEC. 135003. TAX TREATMENT OF ASSISTANCE TO CERTAIN**
13 **FARM LOAN BORROWERS.**

14 (a) IN GENERAL.—For purposes of the Internal Rev-
15 enue Code of 1986, in the case of any payment described
16 in section 1005(b) of the American Rescue Plan Act of
17 2021 (as amended by this Act)—

18 (1) such payment shall not be included in the
19 gross income of the person on whose behalf, or to
20 whom, such payment is made,

21 (2) no deduction shall be denied, no tax at-
22 tribute shall be reduced, and no basis increase shall
23 be denied, by reason of the exclusion from gross in-
24 come provided by paragraph (1), and

1 (3) in the case of a partnership or S corpora-
2 tion on whose behalf, or to whom, such a payment
3 is made—

4 (A) any amount excluded from income by
5 reason of paragraph (1) shall be treated as tax
6 exempt income for purposes of sections 705 and
7 1366 of such Code, and

8 (B) except as provided by the Secretary of
9 the Treasury (or the Secretary's delegate), any
10 increase in the adjusted basis of a partner's in-
11 terest in a partnership under section 705 of
12 such Code with respect to any amount described
13 in subparagraph (A) shall equal the partner's
14 distributive share of deductions resulting from
15 interest that is part of such payment and the
16 partner's share, as determined under section
17 752 of such Code, of principal that is part of
18 such payment.

19 (b) **AUTHORITY TO WAIVE CERTAIN INFORMATION**
20 **REPORTING REQUIREMENTS.**—The Secretary of the
21 Treasury (or the Secretary's delegate) may provide an ex-
22 ception from any requirement to file an information return
23 otherwise required by chapter 61 of the Internal Revenue
24 Code of 1986 with respect to any amount excluded from
25 gross income by reason of subsection (a).

1 **Subtitle C—Affordable Health Care**
2 **Coverage**

3 **SEC. 30601. ENSURING AFFORDABILITY OF COVERAGE FOR**
4 **CERTAIN LOW-INCOME POPULATIONS.**

5 (a) REDUCING COST SHARING UNDER QUALIFIED
6 HEALTH PLANS.—Section 1402 of the Patient Protection
7 and Affordable Care Act (42 U.S.C. 18071) is amended—

8 (1) in subsection (b)—

9 (A) in paragraph (2), by inserting “(or,
10 with respect to plan years 2023, 2024, and
11 2025, whose household income does not exceed
12 400 percent of the poverty line for a family of
13 the size involved)” before the period; and

14 (B) in the matter following paragraph (2),
15 by adding at the end the following new sen-
16 tence: “In the case of an individual with a
17 household income that does not exceed 138 per-
18 cent of the poverty line for a family of the size
19 involved for any month occurring during 2022,
20 such individual shall, for each month during
21 2022, be treated as having household income
22 equal to 100 percent for purposes of applying
23 this section.”; and

24 (2) in subsection (c)—

1 (A) in paragraph (1)(A), in the matter
2 preceding clause (i), by inserting “, with respect
3 to eligible insureds (other than, with respect to
4 plan years 2023, 2024, and 2025, specified en-
5 rollees (as defined in paragraph (6)(C))),” after
6 “first be achieved”;

7 (B) in paragraph (2), in the matter pre-
8 ceeding subparagraph (A), by inserting “with re-
9 spect to eligible insureds (other than, with re-
10 spect to plan years 2023, 2024, and 2025, spec-
11 ified enrollees)” after “under the plan”;

12 (C) in paragraph (3)—

13 (i) in subparagraph (A), by striking
14 “this subsection” and inserting “paragraph
15 (1) or (2)”; and

16 (ii) in subparagraph (B), by striking
17 “this section” and inserting “paragraphs
18 (1) and (2)”; and

19 (D) by adding at the end the following new
20 paragraph:

21 “(6) SPECIAL RULE FOR SPECIFIED ENROLL-
22 EES.—

23 “(A) IN GENERAL.—The Secretary shall
24 establish procedures under which the issuer of
25 a qualified health plan to which this section ap-

1 plies shall reduce cost-sharing under the plan
2 with respect to months occurring during plan
3 years 2023, 2024, and 2025 for enrollees who
4 are specified enrollees (as defined in subpara-
5 graph (C)) in a manner sufficient to increase
6 the plan’s share of the total allowed costs of
7 benefits provided under the plan to 99 percent
8 of such costs.

9 “(B) METHODS FOR REDUCING COST
10 SHARING.—

11 “(i) IN GENERAL.—An issuer of a
12 qualified health plan making reductions
13 under this paragraph shall notify the Sec-
14 retary of such reductions and the Sec-
15 retary shall, out of funds made available
16 under clause (ii), make periodic and timely
17 payments to the issuer equal to 12 percent
18 of the total allowed costs of benefits pro-
19 vided under each such plan to specified en-
20 rollees during plan years 2023, 2024, and
21 2025.

22 “(ii) APPROPRIATION.—In addition to
23 amounts otherwise available, there are ap-
24 propriated, out of any money in the Treas-
25 ury not otherwise appropriated, such sums

1 as may be necessary to the Secretary to
2 make payments under clause (i).

3 “(C) SPECIFIED ENROLLEE DEFINED.—
4 For purposes of this section, the term ‘specified
5 enrollee’ means, with respect to month occur-
6 ring during a plan year, an eligible insured with
7 a household income that does not exceed 138
8 percent of the poverty line for a family of the
9 size involved during such month. Such insured
10 shall be deemed to be a specified enrollee for
11 each month in such plan year.”.

12 (b) OPEN ENROLLMENTS APPLICABLE TO CERTAIN
13 LOWER-INCOME POPULATIONS.—Section 1311(c) of the
14 Patient Protection and Affordable Care Act (42 U.S.C.
15 18031(c)) is amended—

16 (1) in paragraph (6)—

17 (A) in subparagraph (C), by striking at the
18 end “and”;

19 (B) in subparagraph (D), by striking the
20 period at the end and inserting “; and”; and

21 (C) by adding at the end the following new
22 subparagraph:

23 “(E) with respect to a qualified health plan
24 with respect to which section 1402 applies, for
25 months occurring during the period beginning

1 on January 1, 2022, and ending on December
2 31, 2025, enrollment periods described in sub-
3 paragraph (A) of paragraph (8) for individuals
4 described in subparagraph (B) of such para-
5 graph.”; and

6 (2) by adding at the end the following new
7 paragraph:

8 “(8) SPECIAL ENROLLMENT PERIOD FOR CER-
9 TAIN LOW-INCOME POPULATIONS.—

10 “(A) IN GENERAL.—The enrollment period
11 described in this paragraph is, in the case of an
12 individual described in subparagraph (B), the
13 continuous period beginning on the first day
14 that such individual is so described.

15 “(B) INDIVIDUAL DESCRIBED.—For pur-
16 poses of subparagraph (A), an individual de-
17 scribed in this subparagraph is an individual—

18 “(i) with a household income that
19 does not exceed 138 percent of the poverty
20 line for a family of the size involved; and

21 “(ii) who is not eligible for minimum
22 essential coverage (as defined in section
23 5000A(f) of the Internal Revenue Code of
24 1986), other than for coverage described in

1 any of subparagraphs (B) through (E) of
2 paragraph (1) of such section.”.

3 (c) ADDITIONAL BENEFITS FOR CERTAIN LOW-IN-
4 COME INDIVIDUALS FOR PLAN YEARS 2024 AND 2025.—
5 Section 1301(a) of the Patient Protection and Affordable
6 Care Act (42 U.S.C. 18021(a)) is amended—

7 (1) in paragraph (1)—

8 (A) in subparagraph (B), by striking
9 “and” at the end;

10 (B) in subparagraph (C)(iv), by striking
11 the period and inserting “; and”; and

12 (C) by adding at the end the following new
13 subparagraph:

14 “(D) provides, with respect to a plan of-
15 fered in the silver level of coverage to which sec-
16 tion 1402 applies during plan year 2024 and
17 2025, for benefits described in paragraph (5) in
18 the case of an individual who has a household
19 income that does not exceed 138 percent of the
20 poverty line for a family of the size involved,
21 and who is eligible to receive cost-sharing re-
22 ductions under section 1402.”; and

23 (2) by adding at the end the following new
24 paragraph:

1 “(5) ADDITIONAL BENEFITS FOR CERTAIN
2 LOW-INCOME INDIVIDUALS FOR PLAN YEAR 2024 AND
3 2025.—

4 “(A) IN GENERAL.—

5 “(i) BENEFITS.—For purposes of
6 paragraph (1)(D), the benefits described in
7 this paragraph to be provided by a quali-
8 fied health plan are benefits consisting
9 of—

10 “(I) non-emergency medical
11 transportation services (as described
12 in section 1902(a)(4) of the Social Se-
13 curity Act); and

14 “(II) services described in sub-
15 section (a)(4)(C) of section 1905 of
16 such Act for which Federal payments
17 would have been available under title
18 XIX of the Social Security Act had
19 such services been furnished to an in-
20 dividual enrolled under a State plan
21 (or wavier of such plan) under such
22 title;

23 which are not otherwise provided under
24 such plan as part of the essential health

1 benefits package described in section
2 1302(a).

3 “(ii) CONDITION ON PROVISION OF
4 BENEFITS.—Benefits described in this
5 paragraph shall be provided—

6 “(I) without any restriction on
7 the choice of a qualified provider from
8 whom an individual may receive such
9 benefits; and

10 “(II) without any imposition of
11 cost sharing.

12 “(B) PAYMENTS FOR ADDITIONAL BENE-
13 FITS.—

14 “(i) IN GENERAL.—An issuer of a
15 qualified health plan making payments for
16 services described in subparagraph (A) fur-
17 nished to individuals described in para-
18 graph (1)(D) during plan year 2024 or
19 2025 shall notify the Secretary of such
20 payments and the Secretary shall, out of
21 funds made available under clause (ii),
22 make periodic and timely payments to the
23 issuer equal to payments for such services
24 so furnished.

1 “(ii) APPROPRIATION.—In addition to
2 amounts otherwise available, there is ap-
3 propriated, out of any money in the Treas-
4 ury not otherwise appropriated, such sums
5 as may be necessary to the Secretary to
6 make payments under clause (i).”.

7 (d) EDUCATION AND OUTREACH ACTIVITIES.—

8 (1) IN GENERAL.—Section 1321(c) of the Pa-
9 tient Protection and Affordable Care Act (42 U.S.C.
10 18041(c)) is amended by adding at the end the fol-
11 lowing new paragraph:

12 “(3) OUTREACH AND EDUCATIONAL ACTIVI-
13 TIES.—

14 “(A) IN GENERAL.—In the case of an Ex-
15 change established or operated by the Secretary
16 within a State pursuant to this subsection, the
17 Secretary shall carry out outreach and edu-
18 cational activities for purposes of informing in-
19 dividuals described in section
20 1902(a)(10)(A)(i)(VIII) of the Social Security
21 Act who reside in States that have not ex-
22 pended amounts under a State plan (or waiver
23 of such plan) under title XIX of such Act for
24 all such individuals about qualified health plans
25 offered through the Exchange, including by in-

1 forming such individuals of the availability of
2 coverage under such plans and financial assist-
3 ance for coverage under such plans. Such out-
4 reach and educational activities shall be pro-
5 vided in a manner that is culturally and linguis-
6 tically appropriate to the needs of the popu-
7 lations being served by the Exchange (including
8 hard-to-reach populations, such as racial and
9 sexual minorities, limited English proficient
10 populations, individuals residing in areas where
11 the unemployment rates exceeds the national
12 average unemployment rate, individuals in rural
13 areas, veterans, and young adults).

14 “(B) LIMITATION ON USE OF FUNDS.—No
15 funds appropriated under this paragraph shall
16 be used for expenditures for promoting non-
17 ACA compliant health insurance coverage.

18 “(C) NON-ACA COMPLIANT HEALTH INSUR-
19 ANCE COVERAGE.—For purposes of subpara-
20 graph (B):

21 “(i) The term ‘non-ACA compliant
22 health insurance coverage’ means health
23 insurance coverage, or a group health plan,
24 that is not a qualified health plan.

25 “(ii) Such term includes the following:

1 “(I) An association health plan.

2 “(II) Short-term limited duration
3 insurance.

4 “(D) FUNDING.—In addition to amounts
5 otherwise available, there is appropriated, out of
6 any money in the Treasury not otherwise ap-
7 propriated, to remain available until expended,
8 \$105,000,000 for fiscal year 2022 to carry out
9 this paragraph, of which—

10 “(i) \$15,000,000 shall be used to
11 carry out this paragraph in fiscal year
12 2022; and

13 “(ii) \$30,000,000 shall be used to
14 carry out this paragraph for each of fiscal
15 years 2023 through 2025.”.

16 (2) NAVIGATOR PROGRAM.—Section 1311(i)(6)
17 of the Patient Protection and Affordable Care Act
18 (42 U.S.C. 18031(i)(6)) is amended—

19 (A) by striking “FUNDING.—Grants
20 under” and inserting “FUNDING.—

21 “(A) STATE EXCHANGES.—Grants under”;
22 and

23 (B) by adding at the end the following new
24 subparagraph:

1 “(B) FEDERAL EXCHANGES.—For pur-
2 poses of carrying out this subsection, with re-
3 spect to an Exchange established and operated
4 by the Secretary within a State pursuant to sec-
5 tion 1321(c), the Secretary shall obligate
6 \$10,000,000 out of amounts collected through
7 the user fees on participating health insurance
8 issuers pursuant to section 156.50 of title 45,
9 Code of Federal Regulations (or any successor
10 regulations) for fiscal year 2022, and
11 \$20,000,000 for each of fiscal years 2023,
12 2024, and 2025. Such amount so obligated for
13 a fiscal year shall remain available until ex-
14 pended.”.

15 (e) FUNDING.—In addition to amounts otherwise
16 available, there is appropriated to the Secretary of Health
17 and Human Services for fiscal year 2022, out of any
18 money in the Treasury not otherwise appropriated,
19 \$65,000,000, to remain available until expended, for pur-
20 poses of carrying out the provisions of, and the amend-
21 ments made by, this section, section 30602, and section
22 30603.

1 **SEC. 30602. ESTABLISHING A HEALTH INSURANCE AFFORD-**
2 **ABILITY FUND.**

3 (a) IN GENERAL.—Subtitle D of title I of the Patient
4 Protection and Affordable Care Act is amended by insert-
5 ing after section 1343 (42 U.S.C. 18063) the following
6 new part:

7 **“PART 6—IMPROVE HEALTH INSURANCE**
8 **AFFORDABILITY FUND**

9 **“SEC. 1351. ESTABLISHMENT OF PROGRAM.**

10 “There is hereby established the ‘Improve Health In-
11 surance Affordability Fund’ to be administered by the Sec-
12 retary of Health and Human Services, acting through the
13 Administrator of the Centers for Medicare & Medicaid
14 Services (in this section referred to as the ‘Adminis-
15 trator’), to provide funding, in accordance with this part,
16 to the 50 States and the District of Columbia (each re-
17 ferred to in this section as a ‘State’) beginning on January
18 1, 2023, for the purposes described in section 1352.

19 **“SEC. 1352. USE OF FUNDS.**

20 “(a) IN GENERAL.—A State shall use the funds allo-
21 cated to the State under this part for one of the following
22 purposes:

23 “(1) To provide reinsurance payments to health
24 insurance issuers with respect to individuals enrolled
25 under individual health insurance coverage (other

1 than through a plan described in subsection (b)) of-
2 fered by such issuers.

3 “(2) To provide assistance (other than through
4 payments described in paragraph (1)) to reduce out-
5 of-pocket costs, such as copayments, coinsurance,
6 premiums, and deductibles, of individuals enrolled
7 under qualified health plans offered on the indi-
8 vidual market through an Exchange and of individ-
9 uals enrolled under standard health plans offered
10 through a basic health program established under
11 section 1331.

12 “(b) EXCLUSION OF CERTAIN GRANDFATHERED
13 PLANS, TRANSITIONAL PLANS, STUDENT HEALTH
14 PLANS, AND EXCEPTED BENEFITS.—For purposes of
15 subsection (a), a plan described in this subsection is the
16 following:

17 “(1) A grandfathered health plan (as defined in
18 section 1251).

19 “(2) A plan (commonly referred to as a ‘transi-
20 tional plan’) continued under the letter issued by the
21 Centers for Medicare & Medicaid Services on No-
22 vember 14, 2013, to the State Insurance Commis-
23 sioners outlining a transitional policy for coverage in
24 the individual and small group markets to which sec-
25 tion 1251 does not apply, and under the extension

1 of the transitional policy for such coverage set forth
2 in the Insurance Standards Bulletin Series guidance
3 issued by the Centers for Medicare & Medicaid Serv-
4 ices on March 5, 2014, February 29, 2016, Feb-
5 ruary 13, 2017, April 9, 2018, March 25, 2019,
6 January 31, 2020, and January 19, 2021, or under
7 any subsequent extensions thereof.

8 “(3) Student health insurance coverage (as de-
9 fined in section 147.145 of title 45, Code of Federal
10 Regulations, or any successor regulation).

11 “(4) Excepted benefits (as defined in section
12 2791(c) of the Public Health Service Act).

13 **“SEC. 1353. STATE ELIGIBILITY AND APPROVAL; DEFAULT**
14 **SAFEGUARD.**

15 “(a) ENCOURAGING STATE OPTIONS FOR ALLOCA-
16 TIONS.—

17 “(1) IN GENERAL.—Subject to subsection (b),
18 to be eligible for an allocation of funds under this
19 part for a year (beginning with 2023), a State shall
20 submit to the Administrator an application at such
21 time (but, in the case of allocations for 2023, not
22 later than 120 days after the date of the enactment
23 of this part and, in the case of allocations for a sub-
24 sequent year, not later than January 1 of the pre-

1 vious year) and in such form and manner as speci-
2 fied by the Administrator containing—

3 “(A) a description of how the funds will be
4 used; and

5 “(B) such other information as the Admin-
6 istrator may require.

7 “(2) AUTOMATIC APPROVAL.—An application so
8 submitted is approved (as outlined in the terms of
9 the plan) unless the Administrator notifies the State
10 submitting the application, not later than 90 days
11 after the date of the submission of such application,
12 that the application has been denied for not being in
13 compliance with any requirement of this part and of
14 the reason for such denial.

15 “(3) SUBSEQUENT YEAR APPLICATION AP-
16 PROVAL.—If an application of a State is approved
17 for a purpose described in section 1352 for a year,
18 such application shall be treated as approved for
19 such purpose for each of subsequent year through
20 2025.

21 “(4) OVERSIGHT AUTHORITY AND AUTHORITY
22 TO REVOKE APPROVAL.—

23 “(A) OVERSIGHT.—The Secretary may
24 conduct periodic reviews of the use of funds
25 provided to a State under this section, with re-

1 spect to a purpose described in section 1352, to
2 ensure the State uses such funds for such pur-
3 pose and otherwise complies with the require-
4 ments of this section.

5 “(B) REVOCATION OF APPROVAL.—The
6 approval of an application of a State, with re-
7 spect to a purpose described in section 1352,
8 may be revoked if the State fails to use funds
9 provided to the State under this section for
10 such purpose or otherwise fails to comply with
11 the requirements of this section.

12 “(b) DEFAULT FEDERAL SAFEGUARD FOR 2023,
13 2024, AND 2025 FOR CERTAIN STATES.—

14 “(1) IN GENERAL.—For 2023, 2024, and 2025,
15 in the case of a State described in paragraph (5),
16 with respect to such year, the State shall not be eli-
17 gible to submit an application under subsection (a),
18 and the Administrator, in consultation with the ap-
19 plicable State authority, shall from the amount cal-
20 culated under paragraph (3) for such year, carry out
21 the purpose described in paragraph (2) in such State
22 for such year.

23 “(2) SPECIFIED USE.—The amount described
24 in paragraph (3), with respect to a State described
25 in paragraph (5) for 2023, 2024, or 2025, shall be

1 used to carry out the purpose described in section
2 1352(a)(1) in such State for such year, as applica-
3 ble, by providing reinsurance payments to health in-
4 surance issuers with respect to attachment range
5 claims (as defined in section 1354(b)(2), using the
6 dollar amounts specified in subparagraph (B) of
7 such section for such year) in an amount equal to,
8 subject to paragraph (4), the percentage (specified
9 for such year by the Secretary under such subpara-
10 graph) of the amount of such claims.

11 “(3) AMOUNT DESCRIBED.—The amount de-
12 scribed in this paragraph, with respect to 2023,
13 2024, or 2025, is the amount equal to the total sum
14 of amounts that the Secretary would otherwise esti-
15 mate under section 1354(b)(2)(A)(i) for such year
16 for each State described in paragraph (5) for such
17 year, as applicable, if each such State were not so
18 described for such year.

19 “(4) ADJUSTMENT.—For purposes of this sub-
20 section, the Secretary may apply a percentage under
21 paragraph (3) with respect to a year that is less
22 than the percentage otherwise specified in section
23 1354(b)(2)(B) for such year, if the cost of paying
24 the total eligible attachment range claims for States
25 described in paragraph (5) for such year at such

1 percentage otherwise specified would exceed the
2 amount calculated under paragraph (3) for such
3 year.

4 “(5) STATE DESCRIBED.—A State described in
5 this paragraph, with respect to years 2023, 2024,
6 and 2025, is a State that, as of January 1 of 2022,
7 2023, or 2024, respectively, was not expending
8 amounts under the State plan (or waiver of such
9 plan) for all individuals described in section
10 1902(a)(10)(A)(i)(VIII) during such year.

11 **“SEC. 1354. ALLOCATIONS.**

12 “(a) APPROPRIATION.—In addition to amounts oth-
13 erwise available, there is appropriated, out of any money
14 in the Treasury not otherwise appropriated,
15 \$10,000,000,000 for 2023 and each subsequent year
16 through 2025 to provide allocations for States under sub-
17 section (b) and payments under section 1353(b).

18 “(b) ALLOCATIONS.—

19 “(1) PAYMENT.—

20 “(A) IN GENERAL.—From amounts appro-
21 priated under subsection (a) for a year, the
22 Secretary shall, with respect to a State not de-
23 scribed in section 1353(b) for such year and
24 not later than the date specified under subpara-
25 graph (B) for such year, allocate for such State

1 the amount determined for such State and year
2 under paragraph (2).

3 “(B) SPECIFIED DATE.—For purposes of
4 subparagraph (A), the date specified in this
5 subparagraph is—

6 “(i) for 2023, the date that is 90 days
7 after the date of the enactment of this
8 part; and

9 “(ii) for 2024 or 2025, January 1 of
10 the previous year.

11 “(C) NOTIFICATIONS OF ALLOCATION
12 AMOUNTS.—For 2024 and 2025, the Secretary
13 shall notify each State of the amount deter-
14 mined for such State under paragraph (2) for
15 such year by not later than January 1 of the
16 previous year.

17 “(2) ALLOCATION AMOUNT DETERMINA-
18 TIONS.—

19 “(A) IN GENERAL.—For purposes of para-
20 graph (1), the amount determined under this
21 paragraph for a year for a State described in
22 paragraph (1)(A) for such year is the amount
23 equal to—

24 “(i) the amount that the Secretary es-
25 timates would be expended under this part

1 for such year on attachment range claims
2 of individuals residing in such State if such
3 State used such funds only for the purpose
4 described in paragraph (1) of section
5 1352(a) at the dollar amounts and per-
6 centage specified under subparagraph (B)
7 for such year; minus
8 “(ii) the amount, if any, by which the
9 Secretary determines—
10 “(I) the estimated amount of
11 premium tax credits under section
12 36B of the Internal Revenue Code of
13 1986 that would be attributable to in-
14 dividuals residing in such State for
15 such year without application of this
16 part; exceeds
17 “(II) the estimated amount of
18 premium tax credits under section
19 36B of the Internal Revenue Code of
20 1986 that would be attributable to in-
21 dividuals residing in such State for
22 such year if section 1353(b) applied
23 for such year and applied with respect
24 to such State for such year.

1 For purposes of the previous sentence and sec-
2 tion 1353(b)(3), the term ‘attachment range
3 claims’ means, with respect to an individual, the
4 claims for such individual that exceed a dollar
5 amount specified by the Secretary for a year,
6 but do not exceed a ceiling dollar amount speci-
7 fied by the Secretary for such year, under sub-
8 paragraph (B).

9 “(B) SPECIFICATIONS.—For purposes of
10 subparagraph (A) and section 1353(b)(3), the
11 Secretary shall determine the dollar amounts
12 and the percentage to be specified under this
13 subparagraph for a year in a manner to ensure
14 that the total amount of expenditures under
15 this part for such year is estimated to equal the
16 total amount appropriated for such year under
17 subsection (a) if such expenditures were used
18 solely for the purpose described in paragraph
19 (1) of section 1352(a) for attachment range
20 claims at the dollar amounts and percentage so
21 specified for such year.

22 “(3) AVAILABILITY.—Funds allocated to a
23 State under this subsection for a year shall remain
24 available through the end of the subsequent year.”.

1 (b) BASIC HEALTH PROGRAM FUNDING ADJUST-
2 MENTS.—Section 1331 of the Patient Protection and Af-
3 fordable Care Act (42 U.S.C. 18051) is amended—

4 (1) in subsection (a), by adding at the end the
5 following new paragraph:

6 “(3) PROVISION OF INFORMATION ON QUALI-
7 FIED HEALTH PLAN PREMIUMS.—

8 “(A) IN GENERAL.—For plan years begin-
9 ning on or after January 1, 2023, the program
10 described in paragraph (1) shall provide that a
11 State may not establish a basic health program
12 unless such State furnishes to the Secretary,
13 with respect to each qualified health plan of-
14 fered in such State during a year that receives
15 any reinsurance payment from funds made
16 available under part 6 for such year, the ad-
17 justed premium amount (as defined in subpara-
18 graph (B)) for each such plan and year.

19 “(B) ADJUSTED PREMIUM AMOUNT DE-
20 FINED.—For purposes of subparagraph (A), the
21 term ‘adjusted premium amount’ means, with
22 respect to a qualified health plan and a year,
23 the monthly premium for such plan and year
24 that would have applied had such plan not re-

1 \$15,000,000 for each of fiscal years 2022 through
2 **[2026]** to carry out this section.”.

3 **Subtitle D—Green Energy**

4 **SEC. 136001. AMENDMENT OF 1986 CODE.**

5 Except as otherwise expressly provided, whenever in
6 this subtitle an amendment or repeal is expressed in terms
7 of an amendment to, or repeal of, a section or other provi-
8 sion, the reference shall be considered to be made to a
9 section or other provision of the Internal Revenue Code
10 of 1986.

11 **PART 1—RENEWABLE ELECTRICITY AND**

12 **REDUCING CARBON EMISSIONS**

13 **SEC. 136101. EXTENSION AND MODIFICATION OF CREDIT**

14 **FOR ELECTRICITY PRODUCED FROM CER-**

15 **TAIN RENEWABLE RESOURCES.**

16 (a) **IN GENERAL.**—The following provisions of sec-
17 tion 45(d) are each amended by striking “January 1,
18 2022” each place it appears and inserting “January 1,
19 2027”:

20 (1) Paragraph (2)(A).

21 (2) Paragraph (3)(A).

22 (3) Paragraph (4)(B).

23 (4) Paragraph (6).

24 (5) Paragraph (7).

25 (6) Paragraph (9).

1 (7) Paragraph (11)(B).

2 (b) BASE CREDIT AMOUNT.—Section 45 is amended
3 by striking “1.5 cents” each place it appears and inserting
4 “0.3 cents”.

5 (c) APPLICATION OF EXTENSION TO SOLAR.—Sec-
6 tion 45(d)(4)(A) is amended by striking “is placed in serv-
7 ice before January 1, 2006” and inserting “the construc-
8 tion of which begins before January 1, 2027.”.

9 (d) EXTENSION OF ELECTION TO TREAT QUALIFIED
10 FACILITIES AS ENERGY PROPERTY.—Section
11 48(a)(5)(C)(ii) is amended by striking “January 1, 2022”
12 and inserting “January 1, 2027”.

13 (e) APPLICATION OF EXTENSION TO WIND FACILI-
14 TIES.—

15 (1) IN GENERAL.—Section 45(d)(1) is amended
16 by striking “January 1, 2022” and inserting “Janu-
17 ary 1, 2027”.

18 (2) APPLICATION OF PHASEOUT PERCENT-
19 AGE.—

20 (A) RENEWABLE ELECTRICITY PRODUC-
21 TION CREDIT.—Section 45(b)(5) is amended by
22 inserting “placed in service before January 1,
23 2022” after “In the case of any facility”.

24 (B) ENERGY CREDIT.—Section
25 48(a)(5)(E) is amended by inserting “placed in

1 service before January 1, 2022” after “In the
2 case of any facility”.

3 (3) QUALIFIED OFFSHORE WIND FACILITIES
4 UNDER ENERGY CREDIT.—Section 48(a)(5)(F)(i) is
5 amended by striking “offshore wind facility—” and
6 all that follows and inserting the following: “offshore
7 wind facility, subparagraph (E) shall not apply.”.

8 (f) WAGE AND APPRENTICESHIP REQUIREMENTS.—
9 Section 45(b) is amended by adding at the end the fol-
10 lowing new paragraphs:

11 “(7) INCREASED CREDIT AMOUNT FOR QUALI-
12 FIED FACILITIES.—

13 “(A) IN GENERAL.—In the case of any
14 qualified facility which satisfies the require-
15 ments of subparagraph (B), the amount of the
16 credit determined under subsection (a) (deter-
17 mined after the application of paragraphs (1)
18 through (6)) shall be equal to such amount
19 multiplied by 5 (determined without regard to
20 this sentence).

21 “(B) QUALIFIED FACILITY REQUIRE-
22 MENTS.—A qualified facility meets the require-
23 ments of this subparagraph if it is one of the
24 following:

1 “(i) A facility with a maximum net
2 output of less than 1 megawatt.

3 “(ii) A facility the construction of
4 which begins prior to the date that is 60
5 days after the Secretary publishes guid-
6 ance with respect to the requirements of
7 paragraphs (8) and (9).

8 “(iii) A facility which satisfies the re-
9 quirements of paragraphs (8) and (9).

10 “(8) PREVAILING WAGE REQUIREMENTS.—

11 “(A) IN GENERAL.—The requirements de-
12 scribed in this subparagraph with respect to
13 any qualified facility are that the taxpayer shall
14 ensure that any laborers and mechanics em-
15 ployed by contractors and subcontractors in—

16 “(i) the construction of such facility,
17 and

18 “(ii) for the period of the taxable year
19 which is within the 10-year period begin-
20 ning on the date the facility was originally
21 placed in service, the alteration or repair of
22 such facility,

23 shall be paid wages at rates not less than the
24 prevailing rates for construction, alteration, or
25 repair of a similar character in the locality as

1 most recently determined by the Secretary of
2 Labor, in accordance with subchapter IV of
3 chapter 31 of title 40, United States Code. For
4 purposes of determining an increased credit
5 amount under paragraph (7)(A) for a taxable
6 year, the requirement under clause (ii) is ap-
7 plied to such taxable year in which the alter-
8 ation or repair of the qualified facility occurs.”

9 “(B) CORRECTION AND PENALTY RELATED
10 TO FAILURE TO SATISFY WAGE REQUIRE-
11 MENTS.—

12 “(i) IN GENERAL.—In the case of any
13 taxpayer which fails to satisfy the require-
14 ment under subparagraph (A) with respect
15 to the construction of any qualified facility
16 or with respect to the alteration or repair
17 of a facility in any year during the period
18 described in subparagraph (A)(ii), such
19 taxpayer shall be deemed to have satisfied
20 such requirement under such subparagraph
21 with respect to such facility for any year if,
22 with respect to any laborer or mechanic
23 who was paid wages at a rate below the
24 rate described in such subparagraph for

1 any period during such year, such tax-
2 payer—

3 “(I) makes payment to such la-
4 borer or mechanic in an amount equal
5 to the sum of—

6 “(aa) an amount equal to
7 the difference between—

8 “(AA) the amount of
9 wages paid to such laborer
10 or mechanic during such pe-
11 riod, and

12 “(BB) the amount of
13 wages required to be paid to
14 such laborer or mechanic
15 pursuant to such subpara-
16 graph during such period,
17 plus

18 “(bb) interest on the
19 amount determined under item
20 (aa) at the underpayment rate
21 established under section 6621
22 (determined by substituting ‘6
23 percentage points’ for ‘3 percent-
24 age points’ in subsection (a)(2)

1 of such section) for the period
2 described in such item, and

3 “(II) makes payment to the Sec-
4 retary of a penalty in an amount
5 equal to the product of—

6 “(aa) \$5,000, multiplied by

7 “(bb) the total number of la-
8 borers and mechanics who were
9 paid wages at a rate below the
10 rate described in subparagraph
11 (A) for any period during such
12 year.

13 “(ii) DEFICIENCY PROCEDURES NOT
14 TO APPLY.—Subchapter B of chapter 63
15 (relating to deficiency procedures for in-
16 come, estate, gift, and certain excise taxes)
17 shall not apply with respect to the assess-
18 ment or collection of any penalty imposed
19 by this section.

20 “(iii) INTENTIONAL DISREGARD.—If
21 the Secretary determines that any failure
22 described in subclause (i) is due to inten-
23 tional disregard of the requirements under
24 subparagraph (A), subclause (I) shall be
25 applied by substituting ‘three times the

1 sum' for 'the sum' in item (aa) thereof and
2 subclause (II) shall be applied by sub-
3 stituting '\$10,000' for '5,000' in item (aa)
4 thereof.

5 “(iv) LIMITATION ON PERIOD FOR
6 PAYMENT.—Pursuant to rules issued by
7 the Secretary which are similar to the
8 rules under chapter 63, in the case of a
9 final determination by the Secretary with
10 respect to any failure by the taxpayer to
11 satisfy the requirement under subpara-
12 graph (A), subparagraph (B)(i) shall not
13 apply unless the payments described in
14 subclauses (I) and (II) of such clause are
15 made by the taxpayer on or before the date
16 which is 180 days after the date of such
17 determination.

18 “(9) APPRENTICESHIP REQUIREMENTS.—The
19 requirements described in this subparagraph with re-
20 spect to the construction of any qualified facility are
21 as follows:

22 “(A) LABOR HOURS.—

23 “(i) PERCENTAGE OF TOTAL LABOR
24 HOURS.—Taxpayers shall ensure that not
25 less than the applicable percentage of the

1 total labor hours of the construction, alter-
2 ation, or repair work (including such work
3 performed by any contractor or subcon-
4 tractor) on any qualified facility shall, sub-
5 ject to subparagraph (B), be performed by
6 qualified apprentices.

7 “(ii) APPLICABLE PERCENTAGE.—For
8 purposes of clause (i), the applicable per-
9 centage shall be—

10 “(I) in the case of a qualified fa-
11 cility the construction of which begins
12 before January 1, 2023, 10 percent,

13 “(II) in the case of a qualified fa-
14 cility the construction of which begins
15 after December 31, 2022, and before
16 January 1, 2024, 12.5 percent, and

17 “(III) in the case of a qualified
18 facility the construction of which be-
19 gins after December 31, 2023, 15 per-
20 cent.

21 “(B) APPRENTICE TO JOURNEYWORKER
22 RATIO.—The requirement under subparagraph
23 (A)(i) shall be subject to any applicable require-
24 ments for apprentice-to-journeyworker ratios of

1 the Department of Labor or the applicable
2 State apprenticeship agency.

3 “(C) PARTICIPATION.—Each contractor
4 and subcontractor who employs 4 or more indi-
5 viduals to perform construction, alteration, or
6 repair work on a qualified facility shall employ
7 1 or more qualified apprentices to perform such
8 work.

9 “(D) EXCEPTION.—

10 “(i) IN GENERAL.—A taxpayer shall
11 not be treated as failing to satisfy the re-
12 quirements of this paragraph if such tax-
13 payer—

14 “(I) makes a good faith effort to
15 comply with the requirements of this
16 paragraph, or

17 “(II) subject to clause (iii), in the
18 case of any failure by the taxpayer to
19 satisfy the requirement under sub-
20 paragraphs (A) and (C) with respect
21 to the construction, alteration, or re-
22 pair work on any qualified facility to
23 which subclause (I) does not apply,
24 makes payment to the Secretary of a

1 penalty in an amount equal to the
2 product of—

3 “(aa) \$50, multiplied by

4 “(bb) the total labor hours
5 for which the requirement de-
6 scribed in such subparagraph was
7 not satisfied with respect to the
8 construction, alteration, or repair
9 work on such qualified facility.

10 “(ii) GOOD FAITH EFFORT.—For pur-
11 poses of clause (i), a taxpayer shall be
12 deemed to have satisfied the requirements
13 under such paragraph with respect to a
14 qualified facility if such taxpayer has re-
15 quested qualified apprentices from a reg-
16 istered apprenticeship program, as defined
17 in section 3131(e)(3)(B), and—

18 “(I) such request has been de-
19 nied, provided that such denial is not
20 the result of a refusal by the contrac-
21 tors or subcontractors engaged in the
22 performance of construction, alter-
23 ation, or repair work on such qualified
24 facility to comply with the established

1 standards and requirements of the
2 registered apprenticeship program, or

3 “(II) the registered apprentice-
4 ship program fails to respond to such
5 request within 5 business days after
6 the date on which such registered ap-
7 prenticeship program received such
8 request.

9 “(iii) INTENTIONAL DISREGARD.—If
10 the Secretary determines that any failure
11 described in subclause (i)(II) is due to in-
12 tentional disregard of the requirements
13 under subparagraphs (A) and (C), sub-
14 clause (i)(II) shall be applied by sub-
15 stituting ‘\$500’ for ‘\$50’ in item (aa)
16 thereof.

17 “(E) DEFINITIONS.—For purposes of this
18 paragraph—

19 “(i) LABOR HOURS.—The term ‘labor
20 hours’—

21 “(I) means the total number of
22 hours devoted to the performance of
23 construction, alteration, or repair
24 work by employees of the taxpayer
25 (including construction, alteration, or

1 repair work by any contractor or sub-
2 contractor), and

3 “(II) excludes any hours worked
4 by—

5 “(aa) foremen,

6 “(bb) superintendents,

7 “(cc) owners, or

8 “(dd) persons employed in a
9 bona fide executive, administra-
10 tive, or professional capacity
11 (within the meaning of those
12 terms in part 541 of title 29,
13 Code of Federal Regulations).

14 “(ii) QUALIFIED APPRENTICE.—The
15 term ‘qualified apprentice’ means an indi-
16 vidual who is an employee of the con-
17 tractor or subcontractor and who is par-
18 ticipating in a registered apprenticeship
19 program, as defined in section
20 3131(e)(3)(B).

21 “(10) DOMESTIC CONTENT BONUS CREDIT
22 AMOUNT.—

23 “(A) IN GENERAL.—In the case of any
24 qualified facility which satisfies the requirement
25 under subparagraph (B), the amount of the

1 credit determined under subsection (a) (deter-
2 mined after the application of paragraphs (1)
3 through (9)) shall be increased by an amount
4 equal to 10 percent of the amount otherwise in
5 effect under such subsection.

6 “(B) REQUIREMENT.—

7 “(i) IN GENERAL.—The requirement
8 described in this subclause with respect to
9 any qualified facility is satisfied if the tax-
10 payer certifies to the Secretary (at such
11 time, and in such form and manner, as the
12 Secretary may prescribe) that any steel,
13 iron, or manufactured product which is
14 part of such facility (upon completion of
15 construction) was produced in the United
16 States.

17 “(ii) STEEL AND IRON.—

18 “(I) IN GENERAL.—In the case
19 of steel or iron, clause (i) shall be ap-
20 plied in a manner consistent with sec-
21 tion 661.5(b) of title 49, Code of Fed-
22 eral Regulations.

23 “(II) EXCEPTION.—Subclause (I)
24 shall not apply with respect to any
25 steel or iron which is used as a com-

1 ponent or subcomponent of a manu-
2 factured product which is not pri-
3 marily made of steel or iron.

4 “(iii) MANUFACTURED PRODUCT.—

5 For purposes of clause (i), the manufac-
6 tured products which are part of a quali-
7 fied facility upon completion of construc-
8 tion shall be deemed to have been produced
9 in the United States if not less than the
10 adjusted percentage of the total cost of the
11 constituent components across all such
12 manufactured products of such facility are
13 attributable to manufactured products (in-
14 cluding components) which are mined, pro-
15 duced, or manufactured in the United
16 States.

17 “(C) ADJUSTED PERCENTAGE.—

18 “(i) IN GENERAL.—Subject to sub-
19 clause (ii), for purposes of subparagraph
20 (B)(iii), the adjusted percentage shall be—

21 “(I) in the case of a facility the
22 construction of which begins before
23 January 1, 2025, 40 percent,

24 “(II) in the case of a facility the
25 construction of which begins after De-

1 cember 31, 2024, and before January
2 1, 2026, 45 percent,

3 “(III) in the case of a facility the
4 construction of which begins after De-
5 cember 31, 2025, and before January
6 1, 2027, 50 percent, and

7 “(IV) in the case of a facility the
8 construction of which begins after De-
9 cember 31, 2026, 55 percent.

10 “(ii) OFFSHORE WIND FACILITY.—
11 For purposes of subparagraph (B)(iii), in
12 the case of a qualified facility which is an
13 offshore wind facility, the adjusted per-
14 centage shall be—

15 “(I) in the case of a facility the
16 construction of which begins before
17 January 1, 2025, 20 percent,

18 “(II) in the case of a facility the
19 construction of which begins after De-
20 cember 31, 2024, and before January
21 1, 2026, 27.5 percent,

22 “(III) in the case of a facility the
23 construction of which begins after De-
24 cember 31, 2025, and before January
25 1, 2027, 35 percent,

1 “(IV) in the case of a facility the
2 construction of which begins after De-
3 cember 31, 2026, and before January
4 1, 2028, 45 percent, and

5 “(V) in the case of a facility the
6 construction of which begins after De-
7 cember 31, 2027, 55 percent.

8 “(11) PHASEOUT FOR ELECTIVE PAYMENT.—

9 “(A) IN GENERAL.—In the case of a tax-
10 payer making an election under section 6417
11 with respect to a credit under this section, the
12 amount of such credit shall be replaced with—

13 “(i) the value of such credit (deter-
14 mined without regard to this paragraph),
15 multiplied by

16 “(ii) the applicable percentage.

17 “(B) 100 PERCENT APPLICABLE PERCENT-
18 AGE FOR CERTAIN QUALIFIED FACILITIES.—In
19 the case of any qualified facility—

20 “(i) which satisfies the requirements
21 under paragraph (10) with respect to the
22 construction of such facility, or

23 “(ii) with a maximum net output of
24 less than 1 megawatt,

25 the applicable percentage shall be 100 percent.

1 “(C) PHASED DOMESTIC CONTENT RE-
2 QUIREMENT.—Subject to subparagraph (D), in
3 the case of any qualified facility which is not
4 described in subparagraph (B), the applicable
5 percentage shall be—

6 “(i) if construction of such facility
7 began before January 1, 2024, 100 per-
8 cent,

9 “(ii) if construction of such facility
10 began in calendar year 2024, 90 percent,

11 “(iii) if construction of such facility
12 began in calendar year 2025, 85 percent,
13 and

14 “(iv) if construction of such facility
15 began after December 31, 2025, 0 percent.

16 “(D) EXCEPTION.—

17 “(i) IN GENERAL.—For purposes of
18 this paragraph, the Secretary shall provide
19 appropriate exceptions to the requirements
20 under subparagraph (B) for the construc-
21 tion of qualified facilities if—

22 “(I) the inclusion of domestic
23 products increases the overall costs of
24 construction of qualified facilities by
25 more than 25 percent, or

1 “(II) relevant domestic products
2 are not produced in the United States
3 in sufficient and reasonably available
4 quantities or of a satisfactory quality.

5 “(ii) APPLICABLE PERCENTAGE.—In
6 any case in which the Secretary provides
7 an exception pursuant to clause (i), the ap-
8 plicable percentage shall be 100 percent.

9 “(12) REGULATIONS AND GUIDANCE.—The
10 Secretary shall issue such regulations or other guid-
11 ance as the Secretary determines necessary or ap-
12 propriate to carry out the purposes of this sub-
13 section, including regulations or other guidance
14 which provides for requirements for recordkeeping or
15 information reporting for purposes of establishing
16 the requirements of this subsection.”.

17 (g) CREDIT REDUCED FOR TAX-EXEMPT BONDS.—
18 Section 45(b)(3) is amended to read as follows:

19 “(3) CREDIT REDUCED FOR TAX-EXEMPT
20 BONDS.—The amount of the credit determined
21 under subsection (a) with respect to any facility for
22 any taxable year (determined after the application of
23 paragraphs (1) and (2)) shall be reduced by the
24 amount which is the product of the amount so deter-

1 mined for such year and the lesser of 15 percent or
2 a fraction—

3 “(A) the numerator of which is the sum,
4 for the taxable year and all prior taxable years,
5 of proceeds of an issue of any obligations used
6 to provide financing for the qualified facility the
7 interest on which is exempt from tax under sec-
8 tion 103, and

9 “(B) the denominator of which is the ag-
10 gregate amount of additions to the capital ac-
11 count for the qualified facility for the taxable
12 year and all prior taxable years.

13 The amounts under the preceding sentence for any
14 taxable year shall be determined as of the close of
15 the taxable year.”.

16 (h) EFFECTIVE DATES.—

17 (1) The amendments made by subsections (a),
18 (b), (c), (d), (e), and (f) of this section shall apply
19 to facilities placed in service after December 31,
20 2021.

21 (2) The amendment made by subsection (g)
22 shall apply to facilities the construction of which be-
23 gins after December 31, 2021.

1 **SEC. 136102. EXTENSION AND MODIFICATION OF ENERGY**
2 **CREDIT.**

3 (a) **EXTENSION OF CREDIT.**—The following provi-
4 sions of section 48 are each amended by striking “January
5 1, 2024” each place it appears and inserting “January
6 1, 2027”:

7 (1) Subsection (a)(2)(A)(i)(II).

8 (2) Subsection (a)(3)(A)(ii).

9 (3) Subsection (a)(3)(A)(vii).

10 (4) Subsection (c)(1)(D).

11 (5) Subsection (c)(2)(D).

12 (6) Subsection (c)(3)(A)(iv).

13 (7) Subsection (c)(4)(C).

14 (b) **PHASEOUT OF CREDIT.**—Section 48(a) is amend-
15 ed by striking paragraphs (6) and (7) and inserting the
16 following new paragraph:

17 “(6) **PHASEOUT FOR CERTAIN ENERGY PROP-**
18 **ERTY.**—

19 “(A) **IN GENERAL.**—Subject to subpara-
20 graph (B), in the case of any qualified fuel cell
21 property, qualified small wind property, waste
22 energy recovery property, or energy property
23 described in clause (i) or clause (ii) of para-
24 graph (3)(A) the construction of which begins
25 after December 31, 2019, and which is placed
26 in service before January 1, 2022, the energy

1 percentage determined under paragraph (2)
2 shall be equal to 26 percent.

3 “(B) PLACED IN SERVICE DEADLINE.—In
4 the case of any qualified fuel cell property,
5 qualified small wind property, waste energy re-
6 covery property, or energy property described in
7 clause (i) or (ii) of paragraph (3)(A) the con-
8 struction of which begins before January 1,
9 2027, and which is not placed in service before
10 January 1, 2029, the energy percentage deter-
11 mined under paragraph (2) shall be equal to 0
12 percent.”.

13 (c) BASE ENERGY PERCENTAGE AMOUNT.—Section
14 48(a) is amended—

15 (1) in paragraph (2)(A)—

16 (A) in clause (i), by striking “30 percent”
17 and inserting “6 percent”, and

18 (B) in clause (ii), by striking “10 percent”
19 and inserting “2 percent”, and

20 (2) in paragraph (5)(A)(ii), by striking “30 per-
21 cent” and inserting “6 percent”.

22 (d) 6 PERCENT CREDIT FOR GEOTHERMAL.—Section
23 48(a)(2)(A)(i)(II) is amended by striking “paragraph
24 (3)(A)(i)” and inserting “clause (i), (iii), or (vii) of para-
25 graph (3)(A)”.

1 (e) ENERGY STORAGE TECHNOLOGIES; QUALIFIED
2 BIOGAS PROPERTY; MICROGRID CONTROLLERS; EXTEN-
3 SION OF WASTE ENERGY RECOVERY PROPERTY.—

4 (1) IN GENERAL.—Section 48(a)(3)(A) is
5 amended by striking “or” at the end of clause (viii),
6 and by adding at the end the following new clauses:

7 “(ix) energy storage technology,

8 “(x) qualified biogas property, or

9 “(xi) microgrid controllers,”.

10 (2) APPLICATION OF 6 PERCENT CREDIT.—Sec-
11 tion 48(a)(2)(A)(i) is amended by striking “and” at
12 the end of subclauses (IV) and (V) and adding at
13 the end the following new subclauses:

14 “(VI) energy storage technology,

15 “(VII) qualified biogas property,

16 and

17 “(VIII) microgrid controllers,

18 and”.

19 (3) DEFINITIONS.—Section 48(c) is amended
20 by adding at the end the following new paragraphs:

21 “(6) ENERGY STORAGE TECHNOLOGY.—

22 “(A) IN GENERAL.—The term ‘energy
23 storage technology’ means property (other than
24 property primarily used in the transportation of
25 goods or individuals and not for the production

1 of electricity) which receives, stores, and deliv-
2 ers energy for conversion to electricity (or, in
3 the case of hydrogen, which stores energy), and
4 has a nameplate capacity of not less than 5 kil-
5 owatt hours.

6 “(B) MODIFICATIONS OF CERTAIN PROP-
7 ERTY.—In the case of any equipment which ei-
8 ther—

9 “(i) would be described in subpara-
10 graph (A) except that such equipment has
11 a capacity of less than 5 kilowatt hours
12 and is modified such that such equipment
13 (after such modification) has a nameplate
14 capacity of not less than 5 kilowatt hours,
15 or

16 “(ii) is described in subparagraph (A)
17 and which has a capacity of not less than
18 5 kilowatt hours and is modified such that
19 such equipment (after such modification)
20 has an increased nameplate capacity,
21 such equipment shall be treated as described in
22 subparagraph (A) except that the basis of any
23 property which was part of such equipment be-
24 fore such modification shall not be taken into
25 account for purposes of this section. In the case

1 of any property to which this subparagraph ap-
2 plies, subparagraph (C) shall be applied by sub-
3 stituting ‘modification’ for ‘construction’.

4 “(C) TERMINATION.—The term ‘energy
5 storage technology’ shall not include any prop-
6 erty the construction of which does not begin
7 before January 1, 2027.

8 “(7) QUALIFIED BIOGAS PROPERTY.—

9 “(A) IN GENERAL.—The term ‘qualified
10 biogas property’ means property comprising a
11 system which—

12 “(i) converts biomass (as defined in
13 section 45K(c)(3), as in effect on the date
14 of enactment of this paragraph) into a gas
15 which—

16 “(I) consists of not less than 52
17 percent methane by volume, or

18 “(II) is concentrated by such sys-
19 tem into a gas which consists of not
20 less than 52 percent methane, and

21 “(ii) captures such gas for sale or pro-
22 ductive use, and not for disposal via com-
23 bustion.

24 “(B) INCLUSION OF CLEANING AND CON-
25 DITIONING PROPERTY.—The term ‘qualified

1 biogas property’ includes any property which is
2 part of such system which cleans or conditions
3 such gas.

4 “(C) TERMINATION.—The term ‘qualified
5 biogas property’ shall not include any property
6 the construction of which does not begin before
7 January 1, 2027.

8 “(8) MICROGRID CONTROLLER.—

9 “(A) IN GENERAL.—The term ‘microgrid
10 controller’ means equipment which is—

11 “(i) part of a qualified microgrid, and

12 “(ii) designed and used to monitor
13 and control the energy resources and loads
14 on such microgrid.

15 “(B) QUALIFIED MICROGRID.—The term
16 ‘qualified microgrid’ means an electrical system
17 which—

18 “(i) includes equipment which is capa-
19 ble of generating not less than 4 kilowatts
20 and not greater than 20 megawatts of elec-
21 tricity,

22 “(ii) is capable of operating—

23 “(I) in connection with the elec-
24 trical grid and as a single controllable
25 entity with respect to such grid, and

1 “(II) independently (and discon-
2 nected) from such grid, and

3 “(iii) is not part of a bulk-power sys-
4 tem (as defined in section 215 of the Fed-
5 eral Power Act (16 U.S.C. 24o)).

6 “(C) TERMINATION.—The term ‘microgrid
7 controller’ shall not include any property the
8 construction of which does not begin before
9 January 1, 2027.”.

10 (4) DENIAL OF DOUBLE BENEFIT FOR QUALI-
11 FIED BIOGAS PROPERTY.—Section 45(e) is amended
12 by adding at the end the following new paragraph:

13 “(12) COORDINATION WITH ENERGY CREDIT
14 FOR QUALIFIED BIOGAS PROPERTY.—The term
15 ‘qualified facility’ shall not include any facility which
16 produces electricity from gas produced by qualified
17 biogas property (as defined in section 48(c)(7)) if a
18 credit is determined under section 48 with respect to
19 such property for the taxable year or any prior tax-
20 able year.”.

21 (5) EXTENSION OF WASTE ENERGY RECOVERY
22 PROPERTY.—Section 48(c)(5)(D) is amended by
23 striking “January 1, 2024” and inserting “January
24 1, 2027”.

1 (f) FUEL CELLS USING ELECTROMECHANICAL
2 PROCESSES.—

3 (1) IN GENERAL.—Section 48(c)(1) is amend-
4 ed—

5 (A) in subparagraph (A)(i)—

6 (i) by inserting “or electromechanical”
7 after “electrochemical”, and

8 (ii) by inserting “(1 kilowatt in the
9 case of a fuel cell power plant with a linear
10 generator assembly)” after “0.5 kilowatt”,
11 and

12 (B) in subparagraph (C)—

13 (i) by inserting “, or linear generator
14 assembly,” after “a fuel cell stack assem-
15 bly”, and

16 (ii) by inserting “or
17 electromechanical” after “electrochemical”.

18 (2) LINEAR GENERATOR ASSEMBLY LIMITA-
19 TION.—Section 48(c)(1) is amended by redesign-
20 ating subparagraph (D) as subparagraph (E) and
21 by inserting after subparagraph (C) the following
22 new subparagraph:

23 “(D) LINEAR GENERATOR ASSEMBLY.—
24 The term ‘linear generator assembly’ does not

1 include any assembly which contains rotating
2 parts.”.

3 (g) DYNAMIC GLASS.—Section 48(a)(3)(A)(ii) is
4 amended by inserting “, or electrochromic glass which
5 uses electricity to change its light transmittance properties
6 in order to heat or cool a structure,” after “sunlight”.

7 (h) COORDINATION WITH LOW INCOME HOUSING
8 TAX CREDIT.—Paragraph (3) of section 50(c) of the In-
9 ternal Revenue Code of 1986 is amended—

10 (1) by striking “and” at the end of subpara-
11 graph (A),

12 (2) by striking the period at the end of sub-
13 paragraph (B) and inserting “, and”, and

14 (3) by adding at the end the following new sub-
15 paragraph:

16 “(C) paragraph (1) shall not apply for pur-
17 poses of determining eligible basis under section
18 42.”.

19 (i) INTERCONNECTION PROPERTY.—Section 48(a) is
20 amended by adding at the end the following new para-
21 graph:

22 “(7) INTERCONNECTION PROPERTY.—

23 “(A) IN GENERAL.—For purposes of deter-
24 mining the credit under subsection (a), energy
25 property shall include amounts paid or incurred

1 by the taxpayer for qualified interconnection
2 property in connection with the installation of
3 energy property (described in paragraph (3)(A))
4 which has a maximum net output of not greater
5 than 5 megawatts, to provide for the trans-
6 mission or distribution of the electricity pro-
7 duced or stored by such property, and which
8 are properly chargeable to the capital account
9 of the taxpayer.

10 “(B) QUALIFIED INTERCONNECTION PROP-
11 ERTY.—The term ‘qualified interconnection
12 property’ means, with respect to an energy
13 project which is not a microgrid controller, any
14 tangible property—

15 “(i) which is part of an addition,
16 modification, or upgrade to a transmission
17 or distribution system which is required at
18 or beyond the point at which the energy
19 project interconnects to such transmission
20 or distribution system in order to accom-
21 modate such interconnection,

22 “(ii) either—

23 “(I) which is constructed, recon-
24 structed, or erected by the taxpayer,
25 or

1 “(II) for which the cost with re-
2 spect to the construction, reconstruc-
3 tion, or erection of such property is
4 paid or incurred by such taxpayer,
5 and

6 “(iii) the original use of which, pursu-
7 ant to an interconnection agreement, com-
8 mences with a utility.

9 “(C) INTERCONNECTION AGREEMENT.—
10 The term ‘interconnection agreement’ means an
11 agreement with a utility for the purposes of
12 interconnecting the energy property owned by
13 such taxpayer to the transmission or distribu-
14 tion system of such utility.

15 “(D) UTILITY.—The term ‘utility’ means
16 the owner or operator of an electrical trans-
17 mission or distribution system which is subject
18 to the regulatory authority of a State or polit-
19 ical subdivision thereof, any agency or instru-
20 mentality of the United States, a public service
21 or public utility commission or other similar
22 body of any State or political subdivision there-
23 of, or the governing or ratemaking body of an
24 electric cooperative.

1 “(E) SPECIAL RULE FOR INTERCONNEC-
2 TION PROPERTY.—In the case of expenses paid
3 or incurred for interconnection property,
4 amounts otherwise chargeable to capital ac-
5 count with respect to such expenses shall be re-
6 duced under rules similar to the rules of section
7 50(c).”.

8 (j) WAGE AND APPRENTICESHIP REQUIREMENTS.—
9 Section 48(a) is amended by adding at the end the fol-
10 lowing new paragraphs:

11 “(8) INCREASED CREDIT AMOUNT FOR ENERGY
12 PROJECTS.—

13 “(A) IN GENERAL.—

14 “(i) RULE.—In the case of any energy
15 project which satisfies the requirements of
16 subparagraph (B), the amount of the cred-
17 it determined under this subsection (deter-
18 mined after the application of paragraphs
19 (1) through (7)) shall be equal to such
20 amount multiplied by 5 (determined with-
21 out regard to this sentence).

22 “(ii) ENERGY PROJECT DEFINED.—
23 For purposes of this subsection the term
24 ‘energy project’ means a project consisting
25 of multiple energy properties that are part

1 of a single project. The requirements of
2 this paragraph shall be applied to such
3 project.

4 “(B) PROJECT REQUIREMENTS.—A project
5 meets the requirements of this subparagraph if
6 it is one of the following:

7 “(i) A project with a maximum net
8 output of less than 1 megawatt of elec-
9 trical or thermal energy.

10 “(ii) A project the construction of
11 which begins before the date that is 60
12 days after the Secretary publishes guid-
13 ance with respect to the requirements of
14 paragraphs (9) and (10).

15 “(iii) A project which satisfies the re-
16 quirements of paragraphs (9) and (10).

17 “(9) PREVAILING WAGE REQUIREMENTS.—

18 “(A) IN GENERAL.—The requirements de-
19 scribed in this subparagraph with respect to
20 any energy project are that the taxpayer shall
21 ensure that any laborers and mechanics em-
22 ployed by contractors and subcontractors in—

23 “(i) the construction of such energy
24 project, and

1 “(ii) for the five-year period beginning
2 on the date such project is originally
3 placed in service, the alteration or repair of
4 such project,
5 shall be paid wages at rates not less than the
6 prevailing rates for construction, alteration, or
7 repair of a similar character in the locality as
8 most recently determined by the Secretary of
9 Labor, in accordance with subchapter IV of
10 chapter 31 of title 40, United States Code.

11 “(B) CORRECTION AND PENALTY RELATED
12 TO FAILURE TO SATISFY WAGE REQUIRE-
13 MENTS.—Rules similar to the rules of section
14 45(b)(8)(B) shall apply.

15 “(C) RECAPTURE.—The Secretary shall,
16 by regulations or other guidance, provide for re-
17 capturing the benefit of any increase in the
18 credit allowed under subsection (a) by reason of
19 paragraph (9), with respect to any project
20 which does not satisfy the requirements under
21 subparagraph (A) (after application of subpara-
22 graph (B)) for the period described in clause
23 (ii) of subparagraph (A) (but which does not
24 cease to be investment credit property within
25 the meaning of section 50(a)). The period and

1 percentage of such recapture shall be deter-
2 mined under rules similar to the rules of section
3 50(a).

4 “(10) APPRENTICESHIP REQUIREMENTS.—
5 Rules similar to the rules of section 45(b)(9) shall
6 apply.

7 “(11) DOMESTIC CONTENT BONUS CREDIT
8 AMOUNT.—

9 “(A) IN GENERAL.—In the case of any en-
10 ergy project which satisfies the requirement
11 under subparagraph (B), for purposes of apply-
12 ing paragraph (2) with respect to such prop-
13 erty, the energy percentage shall be increased
14 by the applicable credit rate increase.

15 “(B) REQUIREMENT.—Rules similar to the
16 rules of section 45(b)(10)(B) shall apply.

17 “(C) APPLICABLE CREDIT RATE IN-
18 CREASE.—For purposes of subparagraph (A),
19 the applicable credit rate increase shall be—

20 “(i) in the case of an energy project
21 that does not satisfy the requirements of
22 paragraph (8)(B), 2 percentage points, and

23 “(ii) in the case of an energy project
24 that satisfies the requirements of para-
25 graph (8)(B), 10 percentage points.

1 “(12) PHASEOUT FOR ELECTIVE PAYMENT.—
2 Rules similar to the rules of section 45(b)(11) shall
3 apply.

4 “(13) REGULATIONS AND GUIDANCE.—The
5 Secretary shall issue such regulations or other guid-
6 ance as the Secretary determines necessary or ap-
7 propriate to carry out the purposes of this sub-
8 section, including regulations or other guidance
9 which provides for requirements for recordkeeping or
10 information reporting for purposes of establishing
11 the requirements of this subsection.”.

12 (k) SPECIAL RULE FOR PROPERTY FINANCED BY
13 TAX-EXEMPT BONDS.—Section 48(a)(4) is amended to
14 read as follows:

15 “(4) SPECIAL RULE FOR PROPERTY FINANCED
16 BY TAX-EXEMPT BONDS.—Rules similar to the rule
17 under section 45(b)(3) shall apply for purposes of
18 this section.”.

19 (l) TREATMENT OF CERTAIN CONTRACTS INVOLVING
20 ENERGY STORAGE.—Section 7701(e)(3) is amended—

21 (1) in subparagraph (A)(i), by striking “or” at
22 the end of subclause (II), by striking “and” at the
23 end of subclause (III) and inserting “or”, and by
24 adding at the end the following new subclause:

1 “(IV) the operation of a storage
2 facility, or”, and

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

5 “(F) STORAGE FACILITY.—For purposes
6 of subparagraph (A), the term ‘storage facility’
7 means a facility which uses energy storage tech-
8 nology within the meaning of section 48(c)(6).”.

9 (m) INCREASE IN CREDIT RATE FOR ENERGY COM-
10 MUNITIES.—Section 48(a) is amended by adding at the
11 end the following new paragraph:

12 “(14) INCREASE IN CREDIT RATE FOR ENERGY
13 COMMUNITITES.—

14 “(A) IN GENERAL.—In the case of any en-
15 ergy project that is placed in service within an
16 energy community, for purposes of applying
17 paragraph (2) with respect to such property,
18 the energy percentage shall be increased by the
19 applicable credit rate increase.

20 “(B) APPLICABLE CREDIT RATE IN-
21 CREASE.—For purposes of subparagraph (A),
22 the applicable credit rate increase shall be equal
23 to—

1 “(i) in the case of any energy project
2 that does not satisfy the requirements of
3 paragraph (8)(B), 2 percentage points, and

4 “(ii) in the case of any energy project
5 that satisfies the requirements of para-
6 graph (8)(B), 10 percentage points.

7 “(C) ENERGY COMMUNITY.—For purposes
8 of this paragraph, the term ‘energy community’
9 means a census tract—

10 “(i) in which—

11 “(I) for the calendar year in
12 which construction of the energy prop-
13 erty begins, not less than 5 percent of
14 the employment in such tract is within
15 the oil and gas sector,

16 “(II) after December 31, 1999, a
17 coal mine has closed, or

18 “(III) after December 31, 2009,
19 a coal-fired electric generating unit
20 has been retired, or

21 “(ii) which is immediately adjacent to
22 any census tract described in clause (i).”.

23 (n) CONFORMING AMENDMENT.—Section
24 48(a)(2)(A) is amended by striking “paragraphs (6) and
25 (7)” and inserting “paragraph (6)”.

1 (o) EFFECTIVE DATES.—

2 (1) The amendments made by subsections (a),
3 (b), (c), (d), (h), (i), (j), (l), (m), and (n) of this sec-
4 tion shall apply to property placed in service after
5 December 31, 2021.

6 (2) The amendments made by subsections (e),
7 (f), and (g) shall apply to property placed in service
8 after December 31, 2021, and, for any property the
9 construction of which begins prior to January 1,
10 2022, only to the extent of the basis thereof attrib-
11 utable to the construction, reconstruction, or erec-
12 tion after December 31, 2021.

13 (3) The amendments made by subsection (k)
14 shall apply to property the construction of which be-
15 gins after December 31, 2021.

16 **SEC. 136103. INCREASE IN ENERGY CREDIT FOR SOLAR FA-**
17 **CILITIES PLACED IN SERVICE IN CONNec-**
18 **tion WITH LOW-INCOME COMMUNITIES.**

19 (a) IN GENERAL.—Section 48 is amended by adding
20 at the end the following new subsection:

21 “(e) SPECIAL RULES FOR CERTAIN SOLAR AND
22 WIND FACILITIES PLACED IN SERVICE IN CONNECTION
23 WITH LOW-INCOME COMMUNITIES.—

24 “(1) IN GENERAL.—In the case of any qualified
25 solar and wind facility with respect to which the Sec-

1 retary makes an allocation of environmental justice
2 solar and wind capacity limitation under paragraph
3 (4)—

4 “(A) the energy percentage otherwise de-
5 termined under subsection (a)(2) with respect
6 to any eligible property which is part of such
7 facility shall be increased by—

8 “(i) in the case of a facility described
9 in subclause (I) of paragraph (2)(A)(iii)
10 and not described in subclause (II) of such
11 paragraph, 10 percentage points, and

12 “(ii) in the case of a facility described
13 in subclause (II) of paragraph (2)(A)(iii),
14 20 percentage points, and

15 “(B) the increase in the credit determined
16 under subsection (a) by reason of this sub-
17 section for any taxable year with respect to all
18 property which is part of such facility shall not
19 exceed the amount which bears the same ratio
20 to the amount of such increase (determined
21 without regard to this subparagraph) as—

22 “(i) the environmental justice solar
23 and wind capacity limitation allocated to
24 such facility, bears to

1 “(ii) the total megawatt nameplate ca-
2 pacity of such facility, as measured in di-
3 rect current.

4 “(2) QUALIFIED SOLAR AND WIND FACILITY.—
5 For purposes of this subsection—

6 “(A) IN GENERAL.—The term ‘qualified
7 solar and wind facility’ means any facility—

8 “(i) which generates electricity solely
9 from property described in section 45(d)(1)
10 or in clause (i) or (vi) of subsection
11 (a)(3)(A),

12 “(ii) which has a maximum net output
13 of less than 5 megawatts, and

14 “(iii) which—

15 “(I) is located in a low-income
16 community (as defined in section
17 45D(e)) or on Indian land (as defined
18 in section 2601(2) of the Energy Pol-
19 icy Act of 1992 (25 U.S.C. 3501(2))),
20 or

21 “(II) is part of a qualified low-in-
22 come residential building project or a
23 qualified low-income economic benefit
24 project.

1 “(B) QUALIFIED LOW-INCOME RESIDEN-
2 TIAL BUILDING PROJECT.—A facility shall be
3 treated as part of a qualified low-income resi-
4 dential building project if—

5 “(i) such facility is installed on a resi-
6 dential rental building which participates
7 in a covered housing program (as defined
8 in section 41411(a) of the Violence Against
9 Women Act of 1994 (34 U.S.C.
10 12491(a)(3)), a Housing Development
11 Fund Corporation cooperative under Arti-
12 cle XI of the New York State Private
13 Housing Finance Law, a housing assist-
14 ance program administered by the Depart-
15 ment of Agriculture under title V of the
16 Housing Act of 1949, a housing program
17 administered by a tribally designated hous-
18 ing entity (as defined in section 4(22) of
19 the Native American Housing Assistance
20 and Self-Determination Act of 1996 (25
21 U.S.C. 4103(22))) or such other affordable
22 housing programs as the Secretary may
23 provide, and

24 “(ii) the financial benefits of the elec-
25 tricity produced by such facility are allo-

1 cated equitably among the occupants of the
2 dwelling units of such building.

3 “(C) QUALIFIED LOW-INCOME ECONOMIC
4 BENEFIT PROJECT.—A facility shall be treated
5 as part of a qualified low-income economic ben-
6 efit project if at least 50 percent of the finan-
7 cial benefits of the electricity produced by such
8 facility are provided to households with income
9 of—

10 “(i) less than 200 percent of the pov-
11 erty line applicable to a family of the size
12 involved, or

13 “(ii) less than 80 percent of area me-
14 dian gross income (as determined under
15 section 142(d)(2)(B)).

16 “(D) FINANCIAL BENEFIT.—For purposes
17 of subparagraphs (B) and (C), electricity ac-
18 quired at a below-market rate shall not fail to
19 be taken into account as a financial benefit.

20 “(3) ELIGIBLE PROPERTY.—For purposes of
21 this section, the term ‘eligible property’ means en-
22 ergy property which is part of a facility described in
23 section 45(d)(1) or in clause (i) or (vi) of subsection
24 (a)(3)(A), including energy storage property (de-

1 scribed in subsection (a)(3)(A)(viii)) installed in con-
2 nection with such energy property.

3 “(4) ALLOCATIONS.—

4 “(A) IN GENERAL.—Not later than 270
5 days after the date of enactment of this sub-
6 section, the Secretary shall establish a program
7 to allocate amounts of environmental justice
8 solar and wind capacity limitation to qualified
9 solar and wind facilities.

10 “(B) LIMITATION.—The amount of envi-
11 ronmental justice solar and wind capacity limi-
12 tation allocated by the Secretary under sub-
13 paragraph (A) during any calendar year shall
14 not exceed the annual capacity limitation with
15 respect to such year.

16 “(C) ANNUAL CAPACITY LIMITATION.—For
17 purposes of this paragraph, the term ‘annual
18 capacity limitation’ means 1.8 gigawatts of di-
19 rect current capacity for each of calendar years
20 2022 through 2026, and zero thereafter.

21 “(D) CARRYOVER OF UNUSED LIMITA-
22 TION.—If the annual capacity limitation for any
23 calendar year exceeds the aggregate amount al-
24 located for such year under this paragraph,
25 such limitation for the succeeding calendar year

1 shall be increased by the amount of such excess.
2 No amount may be carried under the preceding
3 sentence to any calendar year after 2026 except
4 as provided in section 48F(i)(4)(D)(ii).

5 “(E) PLACED IN SERVICE DEADLINE.—

6 “(i) IN GENERAL.—Paragraph (1)
7 shall not apply with respect to any prop-
8 erty which is placed in service after the
9 date that is 4 years after the date of the
10 allocation with respect to the facility of
11 which such property is a part.

12 “(ii) APPLICATION OF CARRYOVER.—
13 Any amount of environmental justice solar
14 and wind capacity limitation which expires
15 under clause (i) during any calendar year
16 shall be taken into account as an excess
17 described in subparagraph (D) (or as an
18 increase in such excess) for such calendar
19 year, subject to the limitation imposed by
20 the last sentence of such subparagraph.

21 “(F) SELECTION CRITERIA.—In deter-
22 mining to which qualified solar and wind facili-
23 ties to allocate environmental justice solar and
24 wind capacity limitation under this paragraph,

1 the Secretary shall take into consideration
2 which facilities will result in—

3 “(i) the greatest health and economic
4 benefits, including the ability to withstand
5 extreme weather events, for individuals de-
6 scribed in section 45D(e)(2),

7 “(ii) the greatest employment and
8 wages for such individuals, and

9 “(iii) the greatest engagement with,
10 outreach to, or ownership by, such individ-
11 uals, including through partnerships with
12 local governments, Indian tribal govern-
13 ments (as defined in section 139E), and
14 community-based organizations.

15 “(G) DISCLOSURE OF ALLOCATIONS.—The
16 Secretary shall, upon making an allocation of
17 environmental justice solar and wind capacity
18 limitation under this paragraph, publicly dis-
19 close the identity of the applicant, the amount
20 of the environmental justice solar and wind ca-
21 pacity limitation allocated to such applicant,
22 and the location of the facility for which such
23 allocation is made.

24 “(5) RECAPTURE.—The Secretary shall, by reg-
25 ulations or other guidance, provide for recapturing

1 the benefit of any increase in the credit allowed
2 under subsection (a) by reason of this subsection
3 with respect to any property which ceases to be
4 property eligible for such increase (but which does
5 not cease to be investment credit property within the
6 meaning of section 50(a)). The period and percent-
7 age of such recapture shall be determined under
8 rules similar to the rules of section 50(a). To the ex-
9 tent provided by the Secretary, such recapture may
10 not apply with respect to any property if, within 12
11 months after the date the taxpayer becomes aware
12 (or reasonably should have become aware) of such
13 property ceasing to be property eligible for such in-
14 crease, the eligibility of such property for such in-
15 crease is restored. The preceding sentence shall not
16 apply more than once with respect to any facility.”.

17 (b) **EFFECTIVE DATE.**—The amendments made by
18 this section shall take effect on January 1, 2022.

19 **SEC. 136104. ELECTIVE PAYMENT FOR ENERGY PROPERTY**
20 **AND ELECTRICITY PRODUCED FROM CER-**
21 **TAIN RENEWABLE RESOURCES, ETC.**

22 (a) **IN GENERAL.**—Subchapter B of chapter 65 is
23 amended by inserting after section 6416 the following new
24 section:

1 **“SEC. 6417. ELECTIVE PAYMENT OF APPLICABLE CREDITS.**

2 “(a) IN GENERAL.—In the case of a taxpayer making
3 an election (at such time and in such manner as the Sec-
4 retary may provide) under this section with respect to any
5 applicable credit determined with respect to such taxpayer,
6 such taxpayer shall be treated as making a payment
7 against the tax imposed by subtitle A (for the taxable year
8 with respect to which such credit was determined) equal
9 to the amount of such credit.

10 “(b) APPLICABLE CREDIT.—The term ‘applicable
11 credit’ means each of the following:

12 “(1) So much of the renewable electricity pro-
13 duction credit determined under section 45 as is at-
14 tributable to qualified facilities which are originally
15 placed in service after December 31, 2021, and with
16 respect to which an election is made under sub-
17 section (c)(3).

18 “(2) The energy credit determined under sec-
19 tion 48.

20 “(3) So much of the credit for carbon oxide se-
21 questration determined under section 45Q as is at-
22 tributable to carbon capture equipment which is
23 originally placed in service after December 31, 2021,
24 and with respect to which an election is made under
25 subsection (c)(3).

1 “(4) The credit for alternative fuel vehicle re-
2 fueling property allowed under section 30C.

3 “(5) The qualifying advanced energy project
4 credit determined under section 48C.

5 “(c) SPECIAL RULES.—For purposes of this sec-
6 tion—

7 “(1) APPLICATION TO TAX-EXEMPT AND GOV-
8 ERNMENTAL ENTITIES.—In the case of any organi-
9 zation exempt from the tax imposed by subtitle A,
10 any State or local government (or political subdivi-
11 sion thereof), the Tennessee Valley Authority, or any
12 Indian tribal government (within the meaning of sec-
13 tion 139E), which makes the election described in
14 subsection (a), any applicable credit shall be deter-
15 mined—

16 “(A) without regard to paragraphs (3) and
17 (4)(A)(i) of section 50(b), and

18 “(B) by treating any property with respect
19 to which such credit is determined as used in
20 a trade or business of the taxpayer.

21 “(2) APPLICATION TO PARTNERSHIPS AND S
22 CORPORATIONS.—

23 “(A) IN GENERAL.—In the case of any ap-
24 plicable credit determined with respect to any
25 facility or property held directly by a partner-

1 ship or S corporation, if such partnership or S
2 corporation makes an election under this sub-
3 section (in such manner as the Secretary may
4 provide) with respect to such credit—

5 “(i) the Secretary shall make a pay-
6 ment to such partnership or S corporation
7 equal to the amount of such credit,

8 “(ii) subsection (d) shall be applied
9 with respect to such credit before deter-
10 mining any partner’s distributive share, or
11 shareholder’s pro rata share, of such cred-
12 it,

13 “(iii) any amount with respect to
14 which the election in subsection (a) is
15 made shall be treated as tax exempt in-
16 come for purposes of sections 705 and
17 1366, and

18 “(iv) a partner’s distributive share of
19 such tax exempt income shall be based on
20 such partner’s distributive share of the
21 otherwise applicable credit for each taxable
22 year.

23 “(B) COORDINATION WITH APPLICATION
24 AT PARTNER OR SHAREHOLDER LEVEL.—In the
25 case of any partnership or S corporation, sub-

1 section (a) shall be applied at the partner or
2 shareholder level after application of subpara-
3 graph (A)(ii).

4 “(3) ELECTIONS.—

5 “(A) IN GENERAL.—Any election under
6 this subsection shall be made not later than the
7 due date (including extensions of time) for the
8 return of tax for the taxable year for which the
9 election is made, but in no event earlier than
10 270 days after the date of the enactment of this
11 section. Any such election, once made, shall be
12 irrevocable. Except as otherwise provided in this
13 paragraph, any election under this subsection
14 shall apply with respect to any credit for the
15 taxable year for which the election is made.

16 “(B) RENEWABLE ELECTRICITY PRODUC-
17 TION CREDIT.—In the case of the credit de-
18 scribed in subsection (b)(1), any election under
19 this subsection shall—

20 “(i) apply separately with respect to
21 each qualified facility,

22 “(ii) be made for the taxable year in
23 which such qualified facility is originally
24 placed in service, and

1 “(iii) shall apply to such taxable year
2 and all subsequent taxable years with re-
3 spect to such qualified facility.

4 “(C) CREDIT FOR CARBON OXIDE SEQUES-
5 TRATION.—In the case of the credit described
6 in subsection (b)(3), any election under this
7 subsection shall—

8 “(i) apply separately with respect to
9 the carbon capture equipment originally
10 placed in service by the taxpayer during a
11 taxable year, and

12 “(ii) shall apply to such taxable year
13 and all subsequent taxable years with re-
14 spect to such equipment.

15 “(4) TIMING.—The payment described in sub-
16 section (a) shall be treated as made on—

17 “(A) in the case of any government, or po-
18 litical subdivision, described in paragraph (1)
19 and for which no return is required under sec-
20 tion 6011 or 6033(a), the later of the date that
21 a return would be due under section 6033(a) if
22 such government or subdivision were described
23 in that section or the date on which such gov-
24 ernment or subdivision submits a claim for

1 credit or refund (at such time and in such man-
2 ner as the Secretary shall provide), and

3 “(B) in any other case, the later of the due
4 date (determined without regard to extensions)
5 of the return of tax for the taxable year or the
6 date on which such return is filed.

7 “(5) TREATMENT OF PAYMENTS TO PARTNER-
8 SHIPS AND S CORPORATIONS.—For purposes of sec-
9 tion 1324 of title 31, United States Code, the pay-
10 ments under paragraph (2)(A)(ii) shall be treated in
11 the same manner as a refund due from a credit pro-
12 vision referred to in subsection (b)(2) of such sec-
13 tion.

14 “(6) ADDITIONAL INFORMATION.—As a condi-
15 tion of, and prior to, a payment under this section,
16 the Secretary may require such information or reg-
17 istration as the Secretary deems necessary or appro-
18 priate for purposes of preventing duplication, fraud,
19 improper payments, or excessive payments under
20 this section.

21 “(7) EXCESSIVE PAYMENT.—

22 “(A) IN GENERAL.—In the case of a pay-
23 ment made to a taxpayer under this subsection
24 or any amount treated as a payment which is
25 made by the taxpayer under subsection (a)

1 which the Secretary determines constitutes an
2 excessive payment, the tax imposed on such tax-
3 payer by chapter 1 for the taxable year in
4 which such determination is made shall be in-
5 creased by an amount equal to the sum of—

6 “(i) the amount of such excessive pay-
7 ment, plus

8 “(ii) an amount equal to 20 percent of
9 such excessive payment.

10 “(B) REASONABLE CAUSE.—Subparagraph
11 (A)(ii) shall not apply if the taxpayer dem-
12 onstrates to the satisfaction of the Secretary
13 that the excessive payment resulted from rea-
14 sonable cause.

15 “(C) EXCESSIVE PAYMENT DEFINED.—For
16 purposes of this paragraph, the term ‘excessive
17 payment’ means, with respect to a facility for
18 which an election is made under this section for
19 any taxable year, an amount equal to the excess
20 of—

21 “(i) the amount of the payment made
22 to the taxpayer under this subsection or
23 any amount treated as a payment which is
24 made by the taxpayer under subsection (a)

1 with respect to such facility for such tax-
2 able year, over

3 “(ii) the amount of the credit which,
4 without application of this subsection,
5 would be otherwise allowable (determined
6 without regard to section 38(c)) under this
7 section with respect to such facility for
8 such taxable year.

9 “(d) DENIAL OF DOUBLE BENEFIT.—In the case of
10 a taxpayer making an election under this section with re-
11 spect to an applicable credit, such credit shall be reduced
12 to zero and shall, for any other purposes under this title,
13 be deemed to have been allowed to the taxpayer for such
14 taxable year.

15 “(e) MIRROR CODE POSSESSIONS.—In the case of
16 any possession of the United States with a mirror code
17 tax system (as defined in section 24(k)), this section shall
18 not be treated as part of the income tax laws of the United
19 States for purposes of determining the income tax law of
20 such possession unless such possession elects to have this
21 section be so treated.

22 “(f) BASIS REDUCTION AND RECAPTURE.—Except
23 as otherwise provided in subsection (c)(1)(A), rules similar
24 to the rules of section 50 shall apply for purposes of this
25 section.

1 “(g) REGULATIONS.—The Secretary shall issue such
2 regulations or other guidance as may be necessary or ap-
3 propriate to carry out the purposes of this section, includ-
4 ing—

5 “(1) regulations or other guidance providing
6 rules for determining a partner’s distributive share
7 of the tax exempt income described in subsection
8 (c)(2)(A)(iii), and

9 “(2) guidance to ensure that the amount of the
10 payment or deemed payment made under this sec-
11 tion is commensurate with the amount of the credit
12 that would be otherwise allowable (determined with-
13 out regard to section 38(c)).”.

14 (b) APPLICATION WITH RESPECT TO REAL ESTATE
15 INVESTMENT TRUSTS.—Section 50(d) is amended by add-
16 ing at the end the following: “In the case of a real estate
17 investment trust making an election under section 6417,
18 paragraphs (1)(B) and (2)(B) of the section 46(e) referred
19 to in paragraph (1) of this subsection shall not apply to
20 any qualified investment credit property of a real estate
21 investment trust.”.

22 (c) GROSS-UP OF PAYMENTS IN CASE OF SEQUES-
23 TRATION.—In the case of any payment made as a refund
24 due to an overpayment as a result of section 6417 of the
25 Internal Revenue Code of 1986 after the date of the enact-

1 ment of this Act to which sequestration applies, the
2 amount of such payment shall be increased to an amount
3 equal to—

4 (1) such payment (determined before such se-
5 questration), multiplied by

6 (2) the quotient obtained by dividing 1 by the
7 amount by which 1 exceeds the percentage reduction
8 in such payment pursuant to such sequestration.

9 For purposes of this subsection, the term “sequestration”
10 means any reduction in direct spending ordered in accord-
11 ance with a sequestration report prepared by the Director
12 of the Office and Management and Budget pursuant to
13 the Balanced Budget and Emergency Deficit Control Act
14 of 1985 or the Statutory Pay-As-You-Go Act of 2010.

15 (d) CLERICAL AMENDMENT.—The table of sections
16 for subchapter B of chapter 65 is amended by inserting
17 after the item relating to section 6416 the following new
18 item:

“Sec. 6417. Elective payment of applicable credits.”.

19 (e) IN GENERAL.—The amendments made by this
20 section shall apply to taxable years beginning after De-
21 cember 31, 2021.

1 **SEC. 136105. INVESTMENT CREDIT FOR ELECTRIC TRANS-**
2 **MISSION PROPERTY.**

3 (a) IN GENERAL.—Subpart E of part IV of sub-
4 chapter A of chapter 1 is amended by inserting after sec-
5 tion 48C the following new section:

6 **“SEC. 48D. QUALIFYING ELECTRIC TRANSMISSION PROP-**
7 **ERTY.**

8 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-
9 tion 46, the qualifying electric transmission property cred-
10 it for any taxable year is an amount equal to 6 percent
11 of the basis of qualifying electric transmission property
12 placed in service by the taxpayer during such taxable year.

13 “(b) QUALIFYING ELECTRIC TRANSMISSION PROP-
14 ERTY.—For purposes of this section—

15 “(1) IN GENERAL.—The term ‘qualifying elec-
16 tric transmission property’ means tangible prop-
17 erty—

18 “(A) which is a qualifying electric trans-
19 mission line or related transmission property,

20 “(B)(i) the construction, reconstruction, or
21 erection of which is completed by the taxpayer,
22 or

23 “(ii) which is acquired by the taxpayer if
24 the original use of such property commences
25 with the taxpayer, and

1 “(C) with respect to which depreciation (or
2 amortization in lieu of depreciation) is allow-
3 able.

4 “(2) QUALIFYING ELECTRIC TRANSMISSION
5 LINE.—The term ‘qualifying electric transmission
6 line’ means an electric transmission line which—

7 “(A) is capable of transmitting electricity
8 at a voltage of not less than 275 kilovolts, and

9 “(B) has a transmission capacity of not
10 less than 500 megawatts.

11 “(3) RELATED TRANSMISSION PROPERTY.—

12 “(A) IN GENERAL.—The term ‘related
13 transmission property’ means, with respect to
14 any electric transmission line, any property
15 which—

16 “(i) is listed as a ‘transmission plant’
17 in the Uniform System of Accounts for the
18 Federal Energy Regulatory Commission
19 under part 101 of subchapter C of chapter
20 I of title 18, Code of Federal Regulations,
21 and

22 “(ii) is—

23 “(I) necessary for the operation
24 of such electric transmission line, or

1 “(II) conversion equipment along
2 such electric transmission line.

3 “(B) CREDIT NOT ALLOWED SEPARATELY
4 WITH RESPECT TO RELATED PROPERTY.—No
5 credit shall be allowed to any taxpayer under
6 this section with respect to any related trans-
7 mission property unless such taxpayer is al-
8 lowed a credit under this section with respect to
9 the qualifying electric transmission line to
10 which such related transmission property re-
11 lates.

12 “(c) APPLICATION TO REPLACEMENT AND UP-
13 GRADED SYSTEMS.—

14 “(1) IN GENERAL.—In the case of any quali-
15 fying electric transmission line (determined without
16 regard to this subsection) which replaces any exist-
17 ing electric transmission line—

18 “(A) the 500 megawatts referred to in sub-
19 section (b)(2)(B) shall be increased by the
20 transmission capacity of such existing electric
21 transmission line, and

22 “(B) in no event shall the basis of such ex-
23 isting electric transmission line (or related
24 transmission property with respect to such ex-
25 isting electric transmission line) be taken into

1 account in determining the credit allowed under
2 this section.

3 “(2) UPGRADES TREATED AS REPLACEMENTS.—For purposes of this subsection, any upgrade of an existing electric transmission line shall
4 be treated as a replacement of such line.
5

6 “(d) EXCEPTION FOR CERTAIN PROPERTY AND
7 PROJECTS ALREADY IN PROCESS.—

8 “(1) IN GENERAL.—No credit shall be allowed
9 under this section with respect to—

10 “(A) any property that is selected in a regional transmission plan by a regional transmission organization or an independent system operator (as such terms are defined in paragraphs (27) and (28) of section 3 of the Federal Power Act (16 U.S.C. 796)) prior to January 1, 2022, or
11
12
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18 “(B) any property if—

19 “(i) construction of such property begins before January 1, 2022, or
20

21 “(ii) construction of any portion of
22 the qualifying electric transmission line to
23 which such property relates begins before
24 such date.

1 “(2) WHEN CONSTRUCTION BEGINS.—For pur-
2 poses of subparagraph (B) of paragraph (1), con-
3 struction of property begins when the taxpayer has
4 begun on-site physical work of a significant nature
5 with respect to such property.

6 “(e) CERTAIN QUALIFIED PROGRESS EXPENDITURES
7 RULES MADE APPLICABLE.—Rules similar to the rules of
8 subsections (c)(4) and (d) of section 46 (as in effect on
9 the day before the enactment of the Revenue Reconcili-
10 ation Act of 1990) shall apply for purposes of this section.

11 “(f) CREDIT ADJUSTMENTS; WAGE AND APPREN-
12 TICESHIP REQUIREMENTS.—

13 “(1) INCREASED CREDIT AMOUNT FOR APPLI-
14 CABLE FACILITIES.—

15 “(A) IN GENERAL.—

16 “(i) RULE.—In the case of any appli-
17 cable facility which satisfies the require-
18 ments of subparagraph (B), the amount of
19 the credit determined under subsection (a)
20 shall be such amount multiplied by 5 (de-
21 termined without regard to this sentence).

22 “(ii) APPLICABLE FACILITY DE-
23 FINED.—For purposes of this subsection,
24 the term ‘applicable facility’ means a quali-
25 fying electric transmission line and related

1 transmission property to which such quali-
2 fying electric transmission line relates.

3 “(B) APPLICABLE FACILITY REQUIRE-
4 MENTS.—An applicable facility meets the re-
5 quirements of this subparagraph if it is one of
6 the following:

7 “(i) An applicable facility the con-
8 struction of which begins prior to the date
9 that is 60 days after the Secretary pub-
10 lishes guidance with respect to the require-
11 ments of paragraphs (2) and (3).

12 “(ii) An applicable facility which satis-
13 fies the requirements of paragraphs (2)
14 and (3).

15 “(2) PREVAILING WAGE REQUIREMENTS.—
16 Rules similar to the rules of section 48(a)(9) shall
17 apply.

18 “(3) APPRENTICESHIP REQUIREMENTS.—Rules
19 similar to the rules of section 45(b)(9) shall apply.

20 “(4) DOMESTIC CONTENT BONUS CREDIT
21 AMOUNT.—Rules similar to the rules of section
22 48(a)(11) shall apply.

23 “(5) PHASEOUT FOR ELECTIVE PAYMENT.—
24 Rules similar to the rules of section 48(a)(12) shall
25 apply.

1 “(g) TERMINATION.—This section shall not apply to
2 any qualifying electric transmission property unless such
3 property is placed in service before January 1, 2032.

4 “(h) REGULATIONS AND GUIDANCE.—The Secretary
5 shall issue such regulations or other guidance as the Sec-
6 retary determines necessary or appropriate to carry out
7 the purposes of this subsection, including regulations or
8 other guidance which provides for requirements for record-
9 keeping or information reporting for purposes of estab-
10 lishing the requirements of this subsection.”.

11 (b) ELECTIVE PAYMENT OF CREDIT.—Section
12 6417(b), as amended by the preceding provisions of this
13 Act, is amended by adding at the end the following new
14 paragraph:

15 “(6) The qualifying electric transmission prop-
16 erty credit determined under section 48D.”.

17 (c) SPECIAL RULE FOR PROPERTY FINANCED BY
18 TAX-EXEMPT BONDS.—Section 48D, as added by sub-
19 section (a), is amended by redesignating subsection (h) as
20 subsection (i) and by inserting after subsection (g) the fol-
21 lowing new subsection:

22 “(h) SPECIAL RULE FOR PROPERTY FINANCED BY
23 TAX-EXEMPT BONDS.—Rules similar to the rules of sec-
24 tion 45(b)(3) shall apply.”.

25 (d) CONFORMING AMENDMENTS.—

1 (1) Section 46 is amended—

2 (A) by striking “and” at the end of para-
3 graph (5),

4 (B) by striking the period at the end of
5 paragraph (6) and inserting “, and”, and

6 (C) by adding at the end the following new
7 paragraph:

8 “(7) the qualifying electric transmission prop-
9 erty credit.”.

10 (2) Section 49(a)(1)(C) is amended—

11 (A) by striking “and” at the end of clause
12 (iv),

13 (B) by striking the period at the end of
14 clause (v) and inserting “, and”, and

15 (C) by adding at the end the following new
16 clause:

17 “(vi) the basis of any qualifying elec-
18 tric transmission property under section
19 48D.”.

20 (3) Section 50(a)(2)(E) is amended by striking
21 “or 48C(b)(2)” and inserting “48C(b)(2), or
22 48D(e)”.

23 (4) The table of sections for subpart E of part
24 IV of subchapter A of chapter 1 of such Code is

1 amended by inserting after the item relating to sec-
2 tion 48C the following new item:

“Sec. 48D. Qualifying electric transmission property.”.

3 (e) EFFECTIVE DATE.—

4 (1) IN GENERAL.—The amendments made by
5 subsections (a), (b), and (d) of this section shall
6 apply to property placed in service after December
7 31, 2021.

8 (2) TAX-EXEMPT BONDS.—The amendment
9 made by subsection (c) shall apply to property the
10 construction of which begins after December 31,
11 2021.

12 (3) EXCEPTION FOR CERTAIN PROPERTY AND
13 PROJECTS ALREADY IN PROCESS.—For exclusion of
14 certain property and projects already in process, see
15 section 48D(d) of the Internal Revenue Code of
16 1986 (as added by this section).

17 **SEC. 136106. EXTENSION AND MODIFICATION OF CREDIT**
18 **FOR CARBON OXIDE SEQUESTRATION.**

19 (a) MODIFICATION OF CARBON OXIDE CAPTURE RE-
20 QUIREMENTS.—Section 45Q(d) is amended to read as fol-
21 lows:

22 “(d) QUALIFIED FACILITY.—

23 “(1) IN GENERAL.—For purposes of this sec-
24 tion, the term ‘qualified facility’ means a facility
25 which captures—

1 “(A) in the case of a direct air capture fa-
2 cility, not less than 1,000 metric tons of quali-
3 fied carbon oxide during the taxable year,

4 “(B) in the case of an electricity gener-
5 ating facility, not less than 18,750 metric tons
6 of qualified carbon oxide during the taxable
7 year and not less than 75 percent by mass of
8 the carbon oxide that would otherwise be re-
9 leased into the atmosphere by such facility dur-
10 ing such taxable year, and

11 “(C) in the case of any other facility, not
12 less than 12,500 metric tons of qualified carbon
13 oxide during the taxable year.

14 “(2) TERMINATION RULE.—The term ‘qualified
15 facility’ means any industrial facility or direct air
16 capture facility—

17 “(A) the construction of which begins be-
18 fore January 1, 2032, and

19 “(B) either—

20 “(i) the construction of carbon cap-
21 ture equipment of which begins before such
22 date, or

23 “(ii) the original planning and design
24 of which includes installation of carbon
25 capture equipment.”.

1 (b) DETERMINATION OF APPLICABLE DOLLAR
2 AMOUNT.—

3 (1) IN GENERAL.—Section 45Q(b)(1) is amend-
4 ed by redesignating subparagraph (B) as subpara-
5 graph (D) and by inserting after subparagraph (A)
6 the following new subparagraphs:

7 “(B) SPECIAL RULE FOR DIRECT AIR CAP-
8 TURE FACILITIES.—For any qualified facility
9 described in subsection (d)(1)(A), the construc-
10 tion of which begins after December 31, 2021,
11 the applicable dollar amount shall be an amount
12 equal to the applicable dollar amount otherwise
13 determined with respect to such facility under
14 subparagraph (A), except that such subpara-
15 graph shall be applied—

16 “(i) in clause (i)(I) of such subpara-
17 graph, by substituting ‘\$36’ for ‘\$17’, and

18 “(ii) in clause (i)(II) of such subpara-
19 graph, by substituting ‘\$26’ for ‘\$12’.

20 “(C) APPLICABLE DOLLAR AMOUNT FOR
21 ADDITIONAL CARBON CAPTURE EQUIPMENT.—

22 In the case of any qualified facility the con-
23 struction of which begins before January 1,
24 2022, if any additional carbon capture equip-
25 ment is installed at such facility and construc-

1 tion of such equipment began after December
2 31, 2021, the applicable dollar amount shall be
3 an amount equal to the applicable dollar
4 amount otherwise determined under subpara-
5 graph (A), except that such subparagraph shall
6 be applied by substituting ‘carbon capture
7 equipment’ for ‘qualified facility’ each place it
8 appears.”.

9 (2) CONFORMING AMENDMENTS.—

10 (A) Section 45Q(b)(1)(A) is amended by
11 striking “The applicable dollar amount” and in-
12 serting “Except as provided in subparagraph
13 (B), the applicable dollar amount”.

14 (B) Section 45Q(b)(1)(D), as redesignated
15 by subparagraph (A), is amended by striking
16 “subparagraph (A)” and inserting “subpara-
17 graph (A), (B), or (C)”.

18 (C) Section 45Q(b)(2) is amended by in-
19 serting “Subject to paragraph (3)” before “in
20 the case”.

21 (c) WAGE AND APPRENTICESHIP REQUIREMENTS.—

22 Section 45Q is amended by redesignating subsection (h)
23 as subsection (i) and inserting after subsection (g) fol-
24 lowing new subsection:

1 “(h) INCREASED CREDIT AMOUNT FOR QUALIFIED
2 FACILITIES AND CARBON CAPTURE EQUIPMENT.—

3 “(1) IN GENERAL.—In the case of any qualified
4 facility and any carbon capture equipment which
5 satisfy the requirements of paragraph (2), the
6 amount of the credit determined under subsection
7 (a) shall be equal to such amount multiplied by 5
8 (determined without regard to this sentence).

9 “(2) REQUIREMENTS.—The requirements de-
10 scribed in this subparagraph are that—

11 “(A) with respect to any qualified facility
12 the construction of which begins on or after the
13 date that is 60 days after the Secretary pub-
14 lishes guidance with respect to the requirements
15 of paragraphs (3) and (4), as well as any car-
16 bon capture equipment placed in service at such
17 facility—

18 “(i) subject to subparagraph (B) of
19 paragraph (3), such facility and equipment
20 shall satisfy the requirements under sub-
21 paragraph (A) of such paragraph, and

22 “(ii) subject to subparagraph (D) of
23 paragraph (4), the construction of such fa-
24 cility and equipment shall satisfy the re-

1 requirements under subparagraph (A) of
2 such paragraph, and

3 “(B) with respect to any carbon capture
4 equipment the construction of which begins
5 after the date that is 60 days after the Sec-
6 retary publishes guidance with respect to the
7 requirements of paragraphs (3) and (4), and
8 which is installed at a qualified facility the con-
9 struction of which began prior to such date—

10 “(i) subject to subparagraph (B) of
11 paragraph (3), such equipment satisfies
12 the requirements of subparagraphs (A) of
13 such paragraph, and

14 “(ii) subject to subparagraph (D) of
15 paragraph (4), the construction of such
16 equipment shall satisfy the requirements
17 under subparagraph (A) of such para-
18 graph.

19 “(3) PREVAILING WAGE REQUIREMENTS.—

20 “(A) IN GENERAL.—The requirements de-
21 scribed in this subparagraph with respect to
22 any qualified facility and any carbon capture
23 equipment placed in service at such facility are
24 that the taxpayer shall ensure that any laborers

1 and mechanics employed by contractors and
2 subcontractors in—

3 “(i) in the case of—

4 “(I) any qualified facility de-
5 scribed in subparagraph (A)(i) of
6 paragraph (2), the construction of
7 such facility and carbon capture
8 equipment placed in service at such
9 facility, or

10 “(II) any carbon capture equip-
11 ment described in subparagraph
12 (A)(ii) of paragraph (2), the construc-
13 tion of such equipment, and

14 “(ii) for the period of the taxable year
15 which is within the 12-year period begin-
16 ning on the date on which any carbon cap-
17 ture equipment is originally placed in serv-
18 ice at any qualified facility (as described in
19 paragraphs (3)(A) and (4)(A) of sub-
20 section (a)), the alteration or repair of
21 such facility or such equipment,

22 shall be paid wages at rates not less than the
23 prevailing rates for construction, alteration, or
24 repair of a similar character in the locality as
25 most recently determined by the Secretary of

1 Labor, in accordance with subchapter IV of
2 chapter 31 of title 40, United States Code. For
3 purposes of determining an increased credit
4 amount under paragraph (1) for a taxable year,
5 the requirement under clause (ii) of this para-
6 graph is applied to such taxable year in which
7 the alteration or repair of qualified facility oc-
8 curs.

9 “(B) CORRECTION AND PENALTY RELATED
10 TO FAILURE TO SATISFY WAGE REQUIRE-
11 MENTS.—Rules similar to the rules of section
12 45(b)(8)(B) shall apply.

13 “(4) APPRENTICESHIP REQUIREMENTS.—Rules
14 similar to the rules of section 45(b)(9) shall apply.

15 “(5) REGULATIONS AND GUIDANCE.—The Sec-
16 retary shall issue such regulations or other guidance
17 as the Secretary determines necessary or appropriate
18 to carry out the purposes of this subsection, includ-
19 ing regulations or other guidance which provides for
20 requirements for recordkeeping or information re-
21 porting for purposes of establishing the requirements
22 of this subsection.”.

23 (d) INCREASED APPLICABLE DOLLAR AMOUNT.—

24 (1) IN GENERAL.—Section 45Q(b)(1) is amend-
25 ed—

1 (A) by amending clause (i) of subpara-
2 graph (A) to read as follows:

3 “(i) for any taxable year beginning in
4 a calendar year after 2016 and before
5 2027—

6 “(I) for purposes of paragraph
7 (3) of subsection (a), \$17 for each
8 calendar year during such period, and

9 “(II) for purposes of paragraph
10 (4) of such subsection, \$12 for each
11 calendar year during such period,
12 and”, and

13 (B) in clause (ii)—

14 (i) in subclause (I), by striking “\$50”
15 and inserting “the amount determined
16 under clause (i)(I) with respect to the
17 qualified facility”, and

18 (ii) in subclause (II), by striking
19 “\$35” and inserting “the amount deter-
20 mined under clause (i)(II) with respect to
21 the qualified facility”.

22 (e) INSTALLATION OF ADDITIONAL CARBON CAP-
23 TURE EQUIPMENT ON CERTAIN FACILITIES.—Section
24 45Q(b) is amended by redesignating paragraph (3) as

1 paragraph (4) and by inserting after paragraph (2) the
2 following new paragraph:

3 “(3) INSTALLATION OF ADDITIONAL CARBON
4 CAPTURE EQUIPMENT ON CERTAIN FACILITIES.—In
5 the case of a qualified facility described in para-
6 graph (1)(C), for purposes of determining the
7 amount of qualified carbon oxide which is captured
8 by the taxpayer, rules similar to rules of paragraph
9 (2) shall apply for purposes of subsection (a).”.

10 (f) CREDIT REDUCED FOR TAX-EXEMPT BONDS.—
11 Section 45Q(f) is amended by adding at the end the fol-
12 lowing new paragraph:

13 “(8) CREDIT REDUCED FOR TAX-EXEMPT
14 BONDS.—Rules similar to the rule under section
15 45(b)(3) shall apply for purposes of this section.”.

16 (g) APPLICATION OF SECTION FOR CERTAIN CARBON
17 CAPTURE EQUIPMENT.—Section 45Q(g) is amended by
18 inserting “the earlier of January 1, 2023 and” before “the
19 end of the calendar year”.

20 (h) ELECTION.—Section 45Q(f) is amended by add-
21 ing at the end the following new paragraph:

22 “(9) ELECTION.—For purposes of paragraphs
23 (3) and (4) of subsection (a), a person described in
24 paragraph (3)(A)(ii) may elect, at such time and in
25 such manner as the Secretary may prescribe, to have

1 the 12-year period begin on the first day of the first
2 taxable year in which a credit under this section is
3 claimed with respect to carbon capture equipment
4 which is originally placed in service at a qualified fa-
5 cility on or after the date of the enactment of the
6 Bipartisan Budget Act of 2018 (after application of
7 subsection (f)(6) where applicable) if—

8 “(A) no taxpayer claimed a credit under
9 this section with respect to such carbon capture
10 equipment for any prior taxable year,

11 “(B) the qualified facility at which such
12 carbon capture equipment is placed in service is
13 located in an area affected by a federally-de-
14 clared disaster (as defined by section 165(i)
15 (5)(A)) after the carbon capture equipment is
16 originally placed in service, and

17 “(C) such federally-declared disaster re-
18 sults in a cessation of the operation of the
19 qualified facility after the carbon capture equip-
20 ment is originally placed in service.”.

21 (i) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to facilities or equipment the con-
23 struction of which begins after December 31, 2021.

1 **SEC. 136107. GREEN ENERGY PUBLICLY TRADED PARTNER-**
2 **SHIPS.**

3 (a) IN GENERAL.—Section 7704(d)(1)(E) is amend-
4 ed—

5 (1) by striking “income and gains derived from
6 the exploration” and inserting “income and gains
7 derived from—

8 “(i) the exploration”,

9 (2) by inserting “or” before “industrial
10 source”, and

11 (3) by striking “, or the transportation or stor-
12 age” and all that follows and inserting the following:

13 “(ii) the generation of electric power
14 or thermal energy exclusively using any
15 qualified energy resource (as defined in
16 section 45(c)(1)),

17 “(iii) the operation of energy property
18 (as defined in section 48(a)(3), determined
19 without regard to any date by which the
20 construction of the facility is required to
21 begin),

22 “(iv) in the case of a facility described
23 in paragraph (3) or (7) of section 45(d)
24 (determined without regard to any placed
25 in service date or date by which construc-
26 tion of the facility is required to begin),

1 the accepting or processing of open-loop
2 biomass or municipal solid waste,

3 “(v) the transportation or storage of
4 any fuel described in subsection (b), (c),
5 (d), or (e) of section 6426,

6 “(vi) the conversion of renewable bio-
7 mass (as defined in subparagraph (I) of
8 section 211(o)(1) of the Clean Air Act (as
9 in effect on the date of the enactment of
10 this clause)) into renewable fuel (as de-
11 fined in subparagraph (J) of such section
12 as so in effect), or the storage or transpor-
13 tation of such fuel,

14 “(vii) the production, storage, or
15 transportation of any fuel which—

16 “(I) uses as its primary feedstock
17 carbon oxides captured from an an-
18 thropogenic source or the atmosphere,

19 “(II) does not use as its primary
20 feedstock carbon oxide which is delib-
21 erately released from naturally occur-
22 ring subsurface springs, and

23 “(III) is determined by the Sec-
24 retary to achieve a reduction of not
25 less than a 60 percent in lifecycle

1 greenhouse gas emissions (as defined
2 in section 211(o)(1)(H) of the Clean
3 Air Act, as in effect on the date of the
4 enactment of this clause) compared to
5 baseline lifecycle greenhouse gas emis-
6 sions (as defined in section
7 211(o)(1)(C) of such Act, as so in ef-
8 fect), or

9 “(viii) a qualified facility (as defined
10 in section 45Q(d), without regard to any
11 date by which construction of the facility is
12 required to begin).”.

13 (b) EFFECTIVE DATE.—The amendments made by
14 this section apply to taxable years beginning after Decem-
15 ber 31, 2021.

16 **SEC. 136108. ZERO-EMISSION NUCLEAR POWER PRODUC-**
17 **TION CREDIT.**

18 (a) IN GENERAL.—Subpart D of part IV of sub-
19 chapter A of chapter 1 of the Internal Revenue Code of
20 1986 is amended by adding at the end the following new
21 section:

22 **“SEC. 45W. ZERO-EMISSION NUCLEAR POWER PRODUCTION**
23 **CREDIT.**

24 “(a) AMOUNT OF CREDIT.—For purposes of section
25 38, the zero-emission nuclear power production credit for

1 any taxable year is an amount equal to the amount by
2 which—

3 “(1) the product of—

4 “(A) 0.3 cents, multiplied by

5 “(B) the kilowatt hours of electricity—

6 “(i) produced by the taxpayer at a
7 qualified nuclear power facility, and

8 “(ii) sold by the taxpayer to an unre-
9 lated person during the taxable year, ex-
10 ceeds

11 “(2) the reduction amount for such taxable
12 year.

13 “(b) DEFINITIONS.—

14 “(1) QUALIFIED NUCLEAR POWER FACILITY.—

15 For purposes of this section, the term ‘qualified nu-
16 clear power facility’ means any nuclear facility—

17 “(A) which is owned by the taxpayer and
18 which uses nuclear energy to produce elec-
19 tricity,

20 “(B) which is not an advanced nuclear
21 power facility as defined in subsection (d)(1) of
22 section 45J, and

23 “(C) which is placed in service before the
24 date of the enactment of this section.

25 “(2) REDUCTION AMOUNT.—

1 “(A) IN GENERAL.—For purposes of this
2 section, the term ‘reduction amount’ means,
3 with respect to any qualified nuclear power fa-
4 cility for any taxable year, the amount equal to
5 the lesser of—

6 “(i) the amount determined under
7 subsection (a)(1), or

8 “(ii) the amount equal to 80 percent
9 of the excess of—

10 “(I) subject to subparagraph (B),
11 the gross receipts from any electricity
12 produced by such facility (including
13 any electricity services or products
14 provided in conjunction with the elec-
15 tricity produced by such facility) and
16 sold to an unrelated person during
17 such taxable year, over

18 “(II) the amount equal to the
19 product of—

20 “(aa) 0.5 cents (or 2.5 cents
21 for purposes of determining the
22 amount of the credit for any fa-
23 cility described in subsection
24 (d)(1)(A)), multiplied by

1 “(bb) the amount deter-
2 mined under subsection
3 (a)(1)(B).

4 “(B) TREATMENT OF CERTAIN RE-
5 CEIPTS.—

6 “(i) IN GENERAL.—The amount de-
7 termined under subparagraph (A)(ii)(I)
8 shall include any amount received by the
9 taxpayer during the taxable year with re-
10 spect to the qualified nuclear power facility
11 from a zero-emission credit program unless
12 the amount received by the taxpayer is
13 subject to reduction—

14 “(I) by the full amount of the
15 credit determined under this section,
16 or

17 “(II) by any lesser amount if
18 such amount entirely offsets the
19 amount received from a zero-emission
20 credit program.

21 “(ii) ZERO-EMISSION CREDIT PRO-
22 GRAM.—For purposes of this subpara-
23 graph, the term ‘zero-emission credit pro-
24 gram’ means any payments to a qualified
25 nuclear power facility as a result of any

1 Federal, State or local government pro-
2 gram for, in whole or in part, the zero-
3 emission, zero-carbon, or air quality at-
4 tributes of any portion of the electricity
5 produced by such facility.

6 “(3) ELECTRICITY.—For purposes of this sec-
7 tion, the term ‘electricity’ means the energy pro-
8 duced by a qualified nuclear power facility from the
9 conversion of nuclear fuel into electric power.

10 “(c) OTHER RULES.—

11 “(1) INFLATION ADJUSTMENT.—The 0.3 cent
12 amount in subsection (a)(1)(A) and the 0.5 cent (or
13 2.5 cents where applicable) amount in subsection
14 (b)(2)(A)(ii)(II)(aa) shall each be adjusted by multi-
15 plying such amount by the inflation adjustment fac-
16 tor (as determined under section 45(e)(2), as applied
17 by substituting ‘calendar year 2022’ for ‘calendar
18 year 1992’ in subparagraph (B) thereof) for the cal-
19 endar year in which the sale occurs. If any amount
20 as increased under the preceding sentence is not a
21 multiple of 0.1 cent, such amount shall be rounded
22 to the nearest multiple of 0.1 cent.

23 “(2) SPECIAL RULES.—Rules similar to the
24 rules of paragraphs (1), (3), (4), and (5) of section
25 45(e) shall apply for purposes of this section.

1 “(3) ULTIMATE PURCHASER.—For purposes of
2 this section, electricity produced by the taxpayer
3 shall be treated as sold to an unrelated person if the
4 ultimate purchaser of such electricity is unrelated to
5 such taxpayer.

6 “(d) WAGE REQUIREMENTS.—

7 “(1) INCREASED CREDIT AMOUNT FOR QUALI-
8 FIED NUCLEAR POWER FACILITIES.—In the case of
9 any qualified nuclear power facility which satisfies
10 the requirements of paragraph (2), the amount of
11 the credit determined under subsection (a) shall be
12 equal to such amount multiplied by 5 (determined
13 without regard to this sentence).

14 “(2) PREVAILING WAGE REQUIREMENTS.—

15 “(A) IN GENERAL.—The taxpayer shall en-
16 sure that any laborers and mechanics employed
17 by contractors and subcontractors in the alter-
18 ation or repair of a facility shall be paid wages
19 at rates not less than the prevailing rates for
20 alteration or repair of a similar character in the
21 locality as most recently determined by the Sec-
22 retary of Labor, in accordance with subchapter
23 IV of chapter 31 of title 40, United States
24 Code.

1 “(B) CORRECTION AND PENALTY RELATED
2 TO FAILURE TO SATISFY WAGE REQUIRE-
3 MENTS.—Rules similar to the rules of section
4 45(b)(8)(B) shall apply.

5 “(3) REGULATIONS AND GUIDANCE.—The Sec-
6 retary shall issue such regulations or other guidance
7 as the Secretary determines necessary or appropriate
8 to carry out the purposes of this subsection, includ-
9 ing regulations or other guidance which provides for
10 requirements for recordkeeping or information re-
11 porting for purposes of establishing the requirements
12 of this subsection.

13 “(e) TERMINATION.—This section shall not apply to
14 taxable years beginning after December 31, 2029.”.

15 (b) CONFORMING AMENDMENTS.—

16 (1) Section 38(b) of the Internal Revenue Code
17 of 1986 is amended—

18 (A) in paragraph (32), by striking “plus”
19 at the end,

20 (B) in paragraph (33), by striking the pe-
21 riod at the end and inserting “, plus”, and

22 (C) by adding at the end the following new
23 paragraph:

24 “(34) the zero-emission nuclear power produc-
25 tion credit determined under section 45W(a).”.

1 (2) The table of sections for subpart D of part
2 IV of subchapter A of chapter 1 of such Code is
3 amended by adding at the end the following new
4 item:

“Sec. 45W. Zero-emission nuclear power production credit.”.

5 (c) **ELECTIVE PAYMENT OF CREDIT.**—Section
6 6417(b), as amended by the preceding provisions of this
7 Act, is amended by adding at the end the following new
8 paragraph:

9 “(7) The zero-emission nuclear power produc-
10 tion credit determined under section 45W.”.

11 (d) **EFFECTIVE DATE.**—This section shall apply to
12 electricity produced and sold after December 31, 2021, in
13 taxable years beginning after such date.

14 **PART 2—RENEWABLE FUELS**

15 **SEC. 136201. EXTENSION OF INCENTIVES FOR BIODIESEL,** 16 **RENEWABLE DIESEL AND ALTERNATIVE** 17 **FUELS.**

18 (a) **BIODIESEL AND RENEWABLE DIESEL CREDIT.**—
19 Section 40A(g) is amended by striking “December 31,
20 2022” and inserting “December 31, 2026”.

21 (b) **BIODIESEL MIXTURE CREDIT.**—

22 (1) **IN GENERAL.**—Section 6426(c)(6) is
23 amended by striking “December 31, 2022” and in-
24 serting “December 31, 2026”.

1 (2) FUELS NOT USED FOR TAXABLE PUR-
2 POSES.—Section 6427(e)(6)(B) is amended by strik-
3 ing “December 31, 2022” and inserting “December
4 31, 2026”.

5 (c) ALTERNATIVE FUEL CREDIT.—Section
6 6426(d)(5) is amended by striking “December 31, 2021”
7 and inserting “December 31, 2026”.

8 (d) ALTERNATIVE FUEL MIXTURE CREDIT.—Section
9 6426(e)(3) is amended by striking “December 31, 2021”
10 and inserting “December 31, 2026”.

11 (e) PAYMENTS FOR ALTERNATIVE FUELS.—Section
12 6427(e)(6)(C) is amended by striking “December 31,
13 2021” and inserting “December 31, 2026”.

14 (f) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to fuel sold or used after December
16 31, 2021.

17 **SEC. 136202. EXTENSION OF SECOND GENERATION**
18 **BIOFUEL INCENTIVES.**

19 (a) IN GENERAL.—Section 40(b)(6)(J)(i) is amended
20 by striking “2022” and inserting “2027”.

21 (b) EFFECTIVE DATE.—The amendment made by
22 subsection (a) shall apply to qualified second generation
23 biofuel production after December 31, 2021.

1 **SEC. 136203. SUSTAINABLE AVIATION FUEL CREDIT.**

2 (a) IN GENERAL.—Subpart D of part IV of sub-
3 chapter A of chapter 1 is amended by inserting after sec-
4 tion 40A the following new section:

5 **“SEC. 40B. SUSTAINABLE AVIATION FUEL CREDIT.**

6 “(a) IN GENERAL.—For purposes of section 38, the
7 sustainable aviation fuel credit for the taxable year is, with
8 respect to any sale or use of a qualified mixture which
9 occurs during such taxable year, an amount equal to the
10 product of—

11 “(1) the number of gallons of sustainable avia-
12 tion fuel in such mixture, multiplied by

13 “(2) the sum of—

14 “(A) \$1.25, plus

15 “(B) the applicable supplementary amount
16 with respect to such sustainable aviation fuel.

17 “(b) APPLICABLE SUPPLEMENTARY AMOUNT.—For
18 purposes of this section, the term ‘applicable supple-
19 mentary amount’ means, with respect to any sustainable
20 aviation fuel, an amount equal to \$0.01 for each percent-
21 age point by which the lifecycle greenhouse gas emissions
22 reduction percentage with respect to such fuel exceeds 50
23 percent. In no event shall the applicable supplementary
24 amount determined under this subsection exceed \$0.50.

1 “(c) QUALIFIED MIXTURE.—For purposes of this
2 section, the term ‘qualified mixture’ means a mixture of
3 sustainable aviation fuel and kerosene if—

4 “(1) such mixture is produced by the taxpayer
5 in the United States,

6 “(2) such mixture is used by the taxpayer (or
7 sold by the taxpayer for use) in an aircraft,

8 “(3) such sale or use is in the ordinary course
9 of a trade or business of the taxpayer, and

10 “(4) the transfer of such mixture to the fuel
11 tank of such aircraft occurs in the United States.

12 “(d) SUSTAINABLE AVIATION FUEL.—For purposes
13 of this section, the term ‘sustainable aviation fuel’ means
14 liquid fuel which—

15 “(1) meets the requirements of—

16 “(A) ASTM International Standard
17 D7566, or

18 “(B) the Fischer Tropsch provisions of
19 ASTM International Standard D1655, Annex
20 A1,

21 “(2) is not derived from palm fatty acid dis-
22 tillates or petroleum, and

23 “(3) has been certified in accordance with sub-
24 section (e) as having a lifecycle greenhouse gas emis-
25 sions reduction percentage of at least 50 percent.

1 “(e) LIFECYCLE GREENHOUSE GAS EMISSIONS RE-
2 DUCTION PERCENTAGE.—For purposes of this section, the
3 term ‘lifecycle greenhouse gas emissions reduction per-
4 centage’ means, with respect to any sustainable aviation
5 fuel, the percentage reduction in lifecycle greenhouse gas
6 emissions—

7 “(1) as defined in accordance with—

8 “(A) the most recent Carbon Offsetting
9 and Reduction Scheme for International Avia-
10 tion which has been adopted by the Inter-
11 national Civil Aviation Organization with the
12 agreement of the United States, or

13 “(B) any similar methodology which satis-
14 fies the criteria under section 211(o)(1)(H) of
15 the Clean Air Act (42 U.S.C. 7545(o)(1)(H)),
16 and

17 “(2) achieved by such fuel as compared with pe-
18 troleum-based jet fuel.

19 “(f) REGISTRATION OF SUSTAINABLE AVIATION
20 FUEL PRODUCERS.—No credit shall be allowed under this
21 section with respect to any sustainable aviation fuel unless
22 the producer of such fuel is registered with the Secretary
23 under section 4101 and has provided such other informa-
24 tion with respect to such fuel as the Secretary may require
25 for purposes of carrying out this section.

1 “(g) COORDINATION WITH CREDIT AGAINST EXCISE
2 TAX.—The amount of the credit determined under this
3 section with respect to any sustainable aviation fuel shall,
4 under rules prescribed by the Secretary, be properly re-
5 duced to take into account any benefit provided with re-
6 spect to such sustainable aviation fuel solely by reason of
7 the application of section 6426 or 6427(e).

8 “(h) TERMINATION.—This section shall not apply to
9 any sale or use after December 31, 2026.”.

10 (b) CREDIT MADE PART OF GENERAL BUSINESS
11 CREDIT.— Section 38(b) is amended by striking “plus”
12 at the end of paragraph (33), by striking the period at
13 the end of paragraph (34) and inserting “, plus”, and by
14 inserting after paragraph (34) the following new para-
15 graph:

16 “(35) the sustainable aviation fuel credit deter-
17 mined under section 40B.”.

18 (c) COORDINATION WITH BIODIESEL INCENTIVES.—

19 (1) IN GENERAL.—Section 40A(d)(1) is amend-
20 ed by inserting “or 40B” after “determined under
21 section 40”.

22 (2) CONFORMING AMENDMENT.—Section
23 40A(f) is amended by striking paragraph (4).

1 (d) SUSTAINABLE AVIATION FUEL ADDED TO CRED-
2 IT FOR ALCOHOL FUEL, BIODIESEL, AND ALTERNATIVE
3 FUEL MIXTURES.—

4 (1) IN GENERAL.—Section 6426 is amended by
5 adding at the end the following new subsection:

6 “(k) SUSTAINABLE AVIATION FUEL CREDIT.—

7 “(1) IN GENERAL.—For purposes of this sec-
8 tion, the sustainable aviation fuel credit for the tax-
9 able year is, with respect to any sale or use of a
10 qualified mixture, an amount equal to the product
11 of—

12 “(A) the number of gallons of sustainable
13 aviation fuel in such mixture, multiplied by

14 “(B) the sum of—

15 “(i) \$1.25, plus

16 “(ii) the applicable supplementary
17 amount with respect to such sustainable
18 aviation fuel.

19 “(2) APPLICABLE SUPPLEMENTARY AMOUNT.—

20 For purposes of this subsection, the term ‘applicable
21 supplementary amount’ has the meaning given such
22 term in section 40B(b).

23 “(3) OTHER DEFINITIONS.—Any term used in
24 this subsection which is also used in section 40B

1 shall have the meaning given such term by section
2 40B.

3 “(4) REGISTRATION REQUIREMENT.—For pur-
4 poses of this subsection, rules similar to the rules of
5 section 40B(f) shall apply.”.

6 (2) CONFORMING AMENDMENTS.—

7 (A) Section 6426 is amended—

8 (i) in subsection (a)(1), by striking
9 “and (e)” and inserting “(e), and (k)”,
10 and

11 (ii) in subsection (h), by striking
12 “under section 40 or 40A” and inserting
13 “under section 40, 40A, or 40B”.

14 (B) Section 6427(e)(6) is amended by
15 striking the “and” at the end of subparagraph
16 (C), by striking the period at the end of sub-
17 paragraph (D) and inserting “, and”, and by
18 adding at the end the following new subpara-
19 graph:

20 “(E) any qualified mixture of sustainable
21 aviation fuel (as defined in section 6426(k)(3))
22 sold or used after December 31, 2026.”.

23 (C) Section 6427(e) is amended in the
24 heading by striking “OR ALTERNATIVE FUEL”

1 and inserting, “ALTERNATIVE FUEL, OR SUS-
2 TAINABLE AVIATION FUEL”.

3 (D) Section 6427(e)(1) is amended by in-
4 serting “or the sustainable aviation fuel mixture
5 credit” after “alternative fuel mixture credit”.

6 (E) Section 4101(a)(1) is amended by in-
7 serting “every person producing sustainable
8 aviation fuel (as defined in section 40B or sec-
9 tion 6426(k)(3)),” before “and every person
10 producing second generation biofuel”.

11 (e) GUIDANCE.—Under rules prescribed by the Sec-
12 retary of the Treasury (or the Secretary’s delegate), the
13 amount of the credit allowed under section 40B of the In-
14 ternal Revenue Code of 1986 (as added by this subsection)
15 shall be properly reduced to take into account any benefit
16 provided with respect to sustainable aviation fuel (as de-
17 fined in such section 40B) by reason of the application
18 of section 6426 or section 6427(e).

19 (f) AMOUNT OF CREDIT INCLUDED IN GROSS IN-
20 COME.—Section 87 is amended by striking “and” in para-
21 graph (1), by striking the period at the end of paragraph
22 (2) and inserting “, and”, and by adding at the end the
23 following new paragraph:

1 “(3) the sustainable aviation fuel credit deter-
2 mined with respect to the taxpayer for the taxable
3 year under section 40B(a).”.

4 (g) **EFFECTIVE DATE.**—The amendments made by
5 this section shall apply to fuel sold or used after December
6 31, 2022.

7 **SEC. 136204. CLEAN HYDROGEN.**

8 (a) **CREDIT FOR PRODUCTION OF CLEAN HYDRO-**
9 **GEN.**—

10 (1) **IN GENERAL.**—Subpart D of part IV of
11 subchapter A of chapter 1 is amended by adding at
12 the end the following new section:

13 **“SEC. 45X. CREDIT FOR PRODUCTION OF CLEAN HYDRO-**
14 **GEN.**

15 “(a) **AMOUNT OF CREDIT.**—For purposes of section
16 38, the clean hydrogen production credit for any taxable
17 year is an amount equal to the product of—

18 “(1) the applicable amount, multiplied by

19 “(2) the kilograms of qualified clean hydrogen
20 produced by the taxpayer during such taxable year
21 at a qualified clean hydrogen production facility dur-
22 ing the 10-year period beginning on the date such
23 facility was originally placed in service.

24 “(b) **APPLICABLE AMOUNT.**—

1 “(1) IN GENERAL.—For purposes of subsection
2 (a)(1), the applicable amount shall be an amount
3 equal to the applicable percentage of \$0.60. If any
4 amount as determined under the preceding sentence
5 is not a multiple of 0.1 cent, such amount shall be
6 rounded to the nearest multiple of 0.1 cent.

7 “(2) APPLICABLE PERCENTAGE.—For purposes
8 of paragraph (1), the term ‘applicable percentage’
9 shall be determined as follows:

10 “(A) In the case of any qualified clean hy-
11 drogen which is produced by a facility that is
12 placed in service before January 1, 2027
13 through a process that results in a lifecycle
14 greenhouse gas emissions rate of—

15 “(i) not greater than 6 kilograms of
16 CO₂e per kilogram of hydrogen, and

17 “(ii) not less than 4 kilograms of
18 CO₂e per kilogram of hydrogen,

19 the applicable percentage shall be 8.4 percent.

20 “(B) In the case of any qualified clean hy-
21 drogen which is produced through a process
22 that results in a lifecycle greenhouse gas emis-
23 sions rate of—

24 “(i) less than 4 kilograms of CO₂e
25 per kilogram of hydrogen, and

1 “(ii) not less than 2.5 kilograms of
2 CO₂e per kilogram of hydrogen,
3 the applicable percentage shall be 20 percent.

4 “(C) In the case of any qualified clean hy-
5 drogen which is produced through a process
6 that results in a lifecycle greenhouse gas emis-
7 sions rate of—

8 “(i) less than 2.5 kilograms of CO₂e
9 per kilogram of hydrogen, and

10 “(ii) not less than 1.5 kilograms of
11 CO₂e per kilogram of hydrogen,
12 the applicable percentage shall be 33.4 percent.

13 “(D) In the case of any qualified clean hy-
14 drogen which is produced through a process
15 that results in a lifecycle greenhouse gas emis-
16 sions rate of—

17 “(i) less than 1.5 kilograms of CO₂e
18 per kilogram of hydrogen, and

19 “(ii) not less than 0.45 kilograms of
20 CO₂e per kilogram of hydrogen,
21 the applicable percentage shall be 50 percent.

22 “(E) In the case of any qualified clean hy-
23 drogen which is produced through a process
24 that results in a lifecycle greenhouse gas emis-
25 sions rate of less than 0.45 kilograms of CO₂e

1 per kilogram of hydrogen, the applicable per-
2 centage shall be 100 percent.

3 “(3) INFLATION ADJUSTMENT.—The \$0.60
4 amount in paragraph (1) shall be adjusted by multi-
5 plying such amount by the inflation adjustment fac-
6 tor (as determined under section 45(e)(2), deter-
7 mined by substituting ‘2020’ for ‘1992’ in subpara-
8 graph (B) thereof) for the calendar year in which
9 the qualified clean hydrogen is produced. If any
10 amount as increased under the preceding sentence is
11 not a multiple of 0.1 cent, such amount shall be
12 rounded to the nearest multiple of 0.1 cent.

13 “(c) DEFINITIONS.—For purposes of this section—

14 “(1) LIFECYCLE GREENHOUSE GAS EMIS-
15 SIONS.—

16 “(A) IN GENERAL.—Subject to subpara-
17 graph (B), the term ‘lifecycle greenhouse gas
18 emissions’ has the same meaning given such
19 term under subparagraph (H) of section
20 211(o)(1) of the Clean Air Act (42 U.S.C.
21 7545(o)(1)), as in effect on the date of enact-
22 ment of this section.

23 “(B) GREET MODEL.—The term ‘lifecycle
24 greenhouse gas emissions’ shall only include
25 emissions through the point of production, as

1 determined under the most recent Greenhouse
2 gases, Regulated Emissions, and Energy use in
3 Transportation model (commonly referred to as
4 the ‘GREET model’) developed by Argonne Na-
5 tional Laboratory, or a successor model (as de-
6 termined by the Secretary).

7 “(2) QUALIFIED CLEAN HYDROGEN.—

8 “(A) IN GENERAL.—The term ‘qualified
9 clean hydrogen’ means hydrogen which is pro-
10 duced through a process that results in a
11 lifecycle greenhouse gas emissions rate of not
12 greater than 6 kilograms of CO₂e per kilogram
13 of hydrogen.

14 “(B) ADDITIONAL REQUIREMENTS.—Such
15 term shall not include any hydrogen unless such
16 hydrogen is produced—

17 “(i) in the United States (as defined
18 in section 638(1) or a possession of the
19 United States (as defined in section
20 638(2)),

21 “(ii) in the ordinary course of a trade
22 or business of the taxpayer, and

23 “(iii) for sale or use, as verified by an
24 unrelated third party of such production
25 and sale or use in such form or manner as

1 the Secretary may prescribe under sub-
2 section (f)(2).

3 “(3) QUALIFIED CLEAN HYDROGEN PRODUC-
4 TION FACILITY.—

5 “(A) IN GENERAL.—The term ‘qualified
6 clean hydrogen production facility’ means a fa-
7 cility owned by the taxpayer which produces
8 qualified clean hydrogen and which meets the
9 requirements of subparagraph (B).

10 “(B) TERMINATION.—The term ‘qualified
11 clean hydrogen production facility’ shall not in-
12 clude any facility the construction of which be-
13 gins after December 31, 2028.

14 “(d) SPECIAL RULES.—

15 “(1) TREATMENT OF FACILITIES OWNED BY
16 MORE THAN 1 TAXPAYER.—Rules similar to the
17 rules section 45(e)(3) shall apply for purposes of
18 this section.

19 “(2) COORDINATION WITH CREDIT FOR CARBON
20 OXIDE SEQUESTRATION.—No credit shall be allowed
21 under this section with respect to any qualified clean
22 hydrogen produced at a facility which includes car-
23 bon capture equipment for which a credit is allowed
24 to any taxpayer under section 45Q for the taxable
25 year or any prior taxable year.

1 “(e) INCREASED CREDIT AMOUNT FOR QUALIFIED
2 CLEAN HYDROGEN PRODUCTION FACILITIES.—

3 “(1) IN GENERAL.—In the case of any qualified
4 clean hydrogen production facility which satisfies the
5 requirements of paragraph (2), the amount of the
6 credit determined under subsection (a) with respect
7 to qualified clean hydrogen described in subsection
8 (b)(2) shall be equal to such amount multiplied by
9 5 (determined without regard to this sentence).

10 “(2) REQUIREMENTS.—A facility meets the re-
11 quirements of this subparagraph if it is one of the
12 following:

13 “(A) A facility—

14 “(i) the construction of which begins
15 prior to the date that is 60 days after the
16 Secretary publishes guidance with respect
17 to the requirements of paragraphs (3) and
18 (4), and

19 “(ii) which meets the requirements of
20 paragraph (3) with respect to construction,
21 alteration, or repair of facilities which oc-
22 curs after such date, and

23 “(B) A facility which satisfies the require-
24 ments of paragraphs (3) and (4).

25 “(3) PREVAILING WAGE REQUIREMENTS.—

1 “(A) IN GENERAL.—The requirements de-
2 scribed in this subparagraph with respect to
3 any qualified clean hydrogen production facility
4 are that the taxpayer shall ensure that any la-
5 borers and mechanics employed by contractors
6 and subcontractors in—

7 “(i) the construction of such facility,
8 and

9 “(ii) for the period of the taxable year
10 which is within the 10-year period begin-
11 ning on the date the facility was originally
12 placed in service, the alteration or repair of
13 such facility,

14 shall be paid wages at rates not less than the
15 prevailing rates for construction, alteration, or
16 repair of a similar character in the locality as
17 most recently determined by the Secretary of
18 Labor, in accordance with subchapter IV of
19 chapter 31 of title 40, United States Code. For
20 purposes of determining an increased credit
21 amount under paragraph (1) for a taxable year,
22 the requirement under clause (ii) of this para-
23 graph is applied to such taxable year in which
24 the alteration or repair of qualified facility oc-
25 curs.

1 “(B) CORRECTION AND PENALTY RELATED
2 TO FAILURE TO SATISFY WAGE REQUIRE-
3 MENTS.—Rules similar to the rules of section
4 45(b)(8)(B) shall apply.

5 “(4) APPRENTICESHIP REQUIREMENTS.—Rules
6 similar to the rules of section 45(b)(9) shall apply.

7 “(5) REGULATIONS AND GUIDANCE.—The Sec-
8 retary shall issue such regulations or other guidance
9 as the Secretary determines necessary or appropriate
10 to carry out the purposes of this subsection, includ-
11 ing regulations or other guidance which provides for
12 requirements for recordkeeping or information re-
13 porting for purposes of establishing the requirements
14 of this subsection.

15 “(f) REGULATIONS.—Not later than 1 year after the
16 date of enactment of this section, the Secretary shall issue
17 regulations or other guidance to carry out the purposes
18 of this section, including regulations or other guidance—

19 “(1) for determining lifecycle greenhouse gas
20 emissions, and

21 “(2) which require verification by unrelated
22 third parties of the production and sale or use of
23 qualified clean hydrogen with respect to which credit
24 is otherwise allowed under this section.”.

25 (2) ELECTIVE PAYMENT OF CREDIT.—

1 (A) IN GENERAL.—Section 6417(b), as
2 amended by the preceding provisions of this
3 Act, is amended by adding at the end the fol-
4 lowing new paragraph:

5 “(8) So much of the the credit for production
6 of clean hydrogen determined under section 45X as
7 is attributable to qualified clean hydrogen produc-
8 tion facilities which are originally placed in service
9 after December 31, 2011, and with respect to which
10 an election is made under subsection (c)(3).”.

11 (B) ELECTION.—Section 6417(c)(3), as
12 amended by the preceding provisions of this
13 Act, is amended by adding at the end the fol-
14 lowing new subparagraph:

15 “(D) CREDIT FOR PRODUCTION OF CLEAN
16 HYDROGEN.—In the case of the credit described
17 in subsection (b)(8), any election under this
18 subsection shall—

19 “(i) apply separately with respect to
20 each qualified clean hydrogen production
21 facility,

22 “(ii) be made for the taxable year in
23 which the facility is placed in service (or
24 within 90 days of date of enactment in the

1 case of facilities placed in service before
2 December 31, 2021),

3 “(iii) shall apply to such taxable year
4 and all subsequent taxable years with re-
5 spect to such facility.”.

6 (3) CREDIT REDUCED FOR TAX-EXEMPT
7 BONDS.—Section 45X(d), as added by this section,
8 is amended by adding at the end the following new
9 paragraph:

10 “(3) CREDIT REDUCED FOR TAX-EXEMPT
11 BONDS.—Rules similar to the rule under section
12 45(b)(3) shall apply for purposes of this section.”.

13 (4) CONFORMING AMENDMENTS.—

14 (A) Section 38(b) is amended—

15 (i) in paragraph (34), by striking
16 “plus” at the end,

17 (ii) in paragraph (35), by striking the
18 period at the end and inserting “, plus”,

19 and

20 (iii) by adding at the end the fol-
21 lowing new paragraph:

22 “(36) the clean hydrogen production credit de-
23 termined under section 45X(a).”.

1 (B) The table of sections for subpart D of
2 part IV of subchapter A of chapter 1 amended
3 by adding at the end the following new item:

“Sec. 45X. Credit for production of clean hydrogen.”.

4 (5) EFFECTIVE DATES.—

5 (A) The amendments made by paragraphs
6 (1), (2), and (4) of this subsection shall apply
7 to hydrogen produced after December 31, 2021.

8 (B) The amendment made by paragraph
9 (3) shall apply to facilities the construction of
10 which begins after December 31, 2021.

11 (b) CREDIT FOR ELECTRICITY PRODUCED FROM RE-
12 NEWABLE RESOURCES ALLOWED IF ELECTRICITY IS
13 USED TO PRODUCE CLEAN HYDROGEN.—

14 (1) IN GENERAL.—Section 45(e) is amended by
15 adding at the end the following new paragraph:

16 “(13) SPECIAL RULE FOR ELECTRICITY USED
17 AT A QUALIFIED CLEAN HYDROGEN PRODUCTION
18 FACILITY.—Electricity produced by the taxpayer
19 shall be treated as sold by such taxpayer to an unre-
20 lated person during the taxable year if such elec-
21 tricity is used during such taxable year by the tax-
22 payer or a person related to the taxpayer at a quali-
23 fied clean hydrogen production facility (as defined in
24 section 45X(c)(3)) to produce qualified clean hydro-
25 gen (as defined in section 45X(c)(2)) during the 10

1 year period after such facility is placed in service.
2 The Secretary shall issue such regulations or other
3 guidance as the Secretary determines appropriate to
4 carry out the purposes of this paragraph, including
5 regulations or other guidance to require verification
6 by unrelated third parties of the production and use
7 of electricity to which this paragraph applies.”.

8 (2) EFFECTIVE DATE.—The amendment made
9 by this subsection shall apply to electricity produced
10 after December 31, 2021.

11 (c) ELECTION TO TREAT CLEAN HYDROGEN PRO-
12 DUCATION FACILITIES AS ENERGY PROPERTY.—

13 (1) IN GENERAL.—Section 48(a) is amended by
14 adding at the end the following new paragraph:

15 “(15) ELECTION TO TREAT CLEAN HYDROGEN
16 PRODUCTION FACILITIES AS ENERGY PROPERTY.—

17 “(A) IN GENERAL.—In the case of any
18 qualified property (as defined in paragraph
19 (5)(D)) which is part of a specified clean hydro-
20 gen production facility—

21 “(i) such property shall be treated as
22 energy property for purposes of this sec-
23 tion, and

24 “(ii) the energy percentage with re-
25 spect to such property is—

1 “(I) in the case of a facility
2 which is designed and reasonably ex-
3 pected to produce qualified clean hy-
4 drogen which is described in a sub-
5 paragraph (A) of section 45X(b)(2),
6 0.5 percent,

7 “(II) in the case of a facility
8 which is designed and reasonably ex-
9 pected to produce qualified clean hy-
10 drogen which is described in a sub-
11 paragraph (B) of such section, 1.2
12 percent,

13 “(III) in the case of a facility
14 which is designed and reasonably ex-
15 pected to produce qualified clean hy-
16 drogen which is described in a sub-
17 paragraph (C) of such section, 2 per-
18 cent,

19 “(IV) in the case of a facility
20 which is designed and reasonably ex-
21 pected to produce qualified clean hy-
22 drogen which is described in a sub-
23 paragraph (D) of such section, 3 per-
24 cent, and

1 “(V) in the case of a facility
2 which is designed and reasonably ex-
3 pected to produce qualified clean hy-
4 drogen which is described in subpara-
5 graph (E) of such section, 6 percent.

6 “(B) DENIAL OF PRODUCTION CREDIT.—
7 No credit shall be allowed under section 45X or
8 section 45Q for any taxable year with respect to
9 any specified clean hydrogen production facility
10 or any carbon capture equipment included at
11 such facility.

12 “(C) SPECIFIED CLEAN HYDROGEN PRO-
13 DUCTION FACILITY.—For purposes of this para-
14 graph, the term ‘specified clean hydrogen pro-
15 duction facility’ means any qualified clean hy-
16 drogen production facility (as defined in section
17 45X(c)(3)) or any portion of such facility—

18 “(i) which is placed in service after
19 December 31, 2021, and

20 “(ii) with respect to which—

21 “(I) no credit has been allowed
22 under section 45X or 45Q, and

23 “(II) the taxpayer makes an ir-
24 revocable election to have this para-
25 graph apply.

1 “(D) QUALIFIED CLEAN HYDROGEN.—For
2 purposes of this paragraph, the term ‘qualified
3 clean hydrogen’ has the meaning given such
4 term by section 45X(c)(2).

5 “(E) REGULATIONS.—The Secretary shall
6 issue such regulations or other guidance as the
7 Secretary determines necessary or appropriate
8 to carry out the purposes of this section, includ-
9 ing regulations or other guidance which—

10 “(i) requires verification by one or
11 more unrelated third parties that the facil-
12 ity produces hydrogen which is consistent
13 with the hydrogen that such facility was
14 designed and expected to produce under
15 subparagraph (A)(ii), and

16 “(ii) recaptures so much of any credit
17 allowed under this section as exceeds the
18 amount of the credit which would have
19 been allowed if the expected production
20 were consistent with the actual verified
21 production (or all of the credit so allowed
22 in the absence of such verification).”.

23 (2) EFFECTIVE DATE.—The amendments made
24 by this subsection shall apply to property placed in
25 service after December 31, 2021 and, for any prop-

1 erty the construction of which begins prior to Janu-
2 ary 1, 2022, only to the extent of the basis thereof
3 attributable to the construction, reconstruction, or
4 erection after December 31, 2021.

5 (d) TERMINATION OF EXCISE TAX CREDIT FOR HY-
6 DROGEN.—

7 (1) IN GENERAL.—Section 6426(d)(2) is
8 amended by striking subparagraph (D) and by re-
9 designating subparagraphs (E), (F), and (G) as sub-
10 paragraphs (D), (E), and (F), respectively.

11 (2) CONFORMING AMENDMENT.—Section
12 6426(e)(2) is amended by striking “(F)” and insert-
13 ing “(E)”.

14 (3) EFFECTIVE DATE.—The amendments made
15 by this subsection shall apply to fuel sold or used
16 after December 31, 2021.

17 **PART 3—GREEN ENERGY AND EFFICIENCY**

18 **INCENTIVES FOR INDIVIDUALS**

19 **SEC. 136301. EXTENSION, INCREASE, AND MODIFICATIONS**
20 **OF NONBUSINESS ENERGY PROPERTY CRED-**
21 **IT.**

22 (a) EXTENSION OF CREDIT.—Section 25C(g)(2) is
23 amended by striking “December 31, 2021” and inserting
24 “December 31, 2031”.

1 (b) INCREASE IN CREDIT PERCENTAGE FOR QUALI-
2 FIED ENERGY EFFICIENCY IMPROVEMENTS.—Section
3 25C(a)(1) is amended by striking “10 percent” and insert-
4 ing “30 percent”.

5 (c) APPLICATION OF ANNUAL LIMITATION IN LIEU
6 OF LIFETIME LIMITATION.—Section 25C(b) is amended
7 to read as follows:

8 “(b) LIMITATIONS.—

9 “(1) IN GENERAL.—The credit allowed under
10 this section with respect to any taxpayer for any tax-
11 able year shall not exceed \$1,200.

12 “(2) WINDOWS.—The credit allowed under this
13 section by reason of subsection (a)(1) with respect to
14 any taxpayer for any taxable year shall not exceed,
15 in the aggregate with respect to all exterior windows
16 and skylights, \$600.

17 “(3) DOORS.—The credit allowed under this
18 section by reason of subsection (a)(1) with respect to
19 any taxpayer for any taxable year shall not exceed—

20 “(A) \$250 in the case of any exterior door,
21 and

22 “(B) \$500 in the aggregate with respect to
23 all exterior doors.

24 “(4) CERTAIN PROPERTY EXCLUDED FROM
25 LIMITATION.—Amounts paid or incurred for prop-

1 erty described in subsection (d)(2)(A)(ii), subsection
2 (d)(2)(B), or subsection (d)(2)(C) shall not be sub-
3 ject to the limitation in paragraph (1) or factored in
4 for purposes of calculating the limitation under such
5 paragraph.”.

6 (d) MODIFICATIONS RELATED TO QUALIFIED EN-
7 ERGY EFFICIENCY IMPROVEMENTS.—

8 (1) STANDARDS FOR ENERGY EFFICIENT
9 BUILDING ENVELOPE COMPONENTS.—Section
10 25C(e)(2) is amended by striking “meets—” and all
11 that follows through the period at the end and in-
12 serting the following: “meets—

13 “(A) in the case of an exterior window or
14 skylight, Energy Star most efficient certifi-
15 cation requirements

16 “(B) in the case of any other component,
17 the prescriptive criteria for such component es-
18 tablished by the most recent International En-
19 ergy Conservation Code standard in effect as of
20 the beginning of the calendar year which is 2
21 years prior to the calendar year in which such
22 component is placed in service.”.

23 (2) ROOFS NOT TREATED AS BUILDING ENVE-
24 LOPE COMPONENTS.—Section 25C(e)(3) is amended
25 by adding “and” at the end of subparagraph (B), by

1 striking “, and” at the end of subparagraph (C) and
2 inserting a period, and by striking subparagraph
3 (D).

4 (3) AIR SEALING INSULATION ADDED TO DEFINITION OF BUILDING ENVELOPE COMPONENT.—Section
5 25C(c)(3)(A) is amended by striking “material
6 or system” and inserting “material or system, including
7 air sealing material or system,”.
8

9 (e) MODIFICATION OF RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—Section 25C(d) is amended to
10 read as follows:
11

12 “(d) RESIDENTIAL ENERGY PROPERTY EXPENDITURES.—For purposes of this section—
13

14 “(1) IN GENERAL.—The term ‘residential energy property expenditures’ means expenditures
15 made by the taxpayer for qualified energy property
16 which is—
17

18 “(A) installed on or in connection with a
19 dwelling unit located in the United States and
20 used as a residence by the taxpayer, and

21 “(B) originally placed in service by the taxpayer.
22

23 Such term includes expenditures for labor costs
24 properly allocable to the onsite preparation, assembly,
25 or original installation of the property.

1 “(2) QUALIFIED ENERGY PROPERTY.—The
2 term ‘qualified energy property’ means:

3 “(A) Any of the following which meet or
4 exceed the highest efficiency tier (not including
5 any advanced tier) established by the Consor-
6 tium for Energy Efficiency which is in effect as
7 of the beginning of the calendar year in which
8 the property is placed in service:

9 “(i) An electric heat pump water heat-
10 er.

11 “(ii) An electric heat pump.

12 “(iii) A central air conditioner.

13 “(iv) A natural gas, propane, or oil
14 water heater.

15 “(v) A natural gas, propane, or oil
16 furnace or hot water boiler.

17 “(B) A geothermal heat pump which meets
18 such requirements of the Energy Star program
19 as are in effect at the time that the expenditure
20 for such equipment is made.

21 “(C) A biomass stove—

22 “(i) which uses the burning of bio-
23 mass fuel to heat a dwelling unit located in
24 the United States and used as a residence

1 by the taxpayer, or to heat water for use
2 in such a dwelling unit, and

3 “(ii) which has a thermal efficiency
4 rating of at least 75 percent (measured by
5 the higher heating value of the fuel).

6 “(D) Any oil furnace or hot water boiler
7 which—

8 “(i) is placed in service after Decem-
9 ber 31, 2021 and before January 1, 2027
10 and meets or exceeds 2021 Energy Star ef-
11 ficiency criteria and is rated by the manu-
12 facturer for use with eligible fuel blends of
13 20 percent or more, or

14 “(ii) is placed in service after Decem-
15 ber 31, 2026 and achieves an annual fuel
16 utilization efficiency rate of not less than
17 90 and is rated by the manufacturer for
18 use with eligible fuel blends of 50 percent
19 or more.

20 “(3) ELIGIBLE FUEL.—For purposes of para-
21 graph (2), the term ‘eligible fuel’ means biodiesel
22 and renewable diesel (within the meaning of section
23 40A) and second generation biofuel (within the
24 meaning of section 40).”.

25 (f) HOME ENERGY AUDITS.—

1 (1) IN GENERAL.—Section 25C(a) is amended
2 by striking “and” at the end of paragraph (1), by
3 striking the period at the end of paragraph (2) and
4 inserting “, and”, and by adding at the end the fol-
5 lowing new paragraph:

6 “(3) 30 percent of the amount paid or incurred
7 by the taxpayer during the taxable year for home en-
8 ergy audits.”.

9 (2) LIMITATION.—Section 25C(b), as amended
10 by subsection (c), is amended adding at the end the
11 following new paragraph:

12 “(4) HOME ENERGY AUDITS.—

13 “(A) DOLLAR LIMITATION.—The amount
14 of the credit allowed under this section by rea-
15 son of subsection (a)(3) shall not exceed \$150.

16 “(B) SUBSTANTIATION REQUIREMENT.—
17 No credit shall be allowed under this section by
18 reason of subsection (a)(3) unless the taxpayer
19 includes with the taxpayer’s return of tax such
20 information or documentation as the Secretary
21 may require.”.

22 (3) HOME ENERGY AUDITS.—

23 (A) IN GENERAL.—Section 25C, as amend-
24 ed by subsection (a), is amended by redesignig-
25 nating subsections (e), (f), and (g), as sub-

1 sections (f), (g), and (h), respectively, and by
2 inserting after subsection (d) the following new
3 subsection:

4 “(e) HOME ENERGY AUDITS.—For purposes of this
5 section, the term ‘home energy audit’ means an inspection
6 and written report with respect to a dwelling unit located
7 in the United States and owned or used by the taxpayer
8 as the taxpayer’s principal residence (within the meaning
9 of section 121) which—

10 “(1) identifies the most significant and cost-ef-
11 fective energy efficiency improvements with respect
12 to such dwelling unit, including an estimate of the
13 energy and cost savings with respect to each such
14 improvement, and

15 “(2) is conducted and prepared by a home en-
16 ergy auditor that meets the certification or other re-
17 quirements specified by the Secretary (not later than
18 365 days after the date of the enactment of this
19 subsection) in regulations or other guidance.”.

20 (B) CONFORMING AMENDMENT.—Section
21 1016(a)(33) is amended by striking “section
22 25C(f)” and inserting “section 25C(g)”.

23 (4) LACK OF SUBSTANTIATION TREATED AS
24 MATHEMATICAL OR CLERICAL ERROR.—Section
25 6213(g)(2) is amended—

1 (A) in subparagraph (P), by striking
2 “and” at the end,

3 (B) in subparagraph (Q), by striking the
4 period at the end and inserting “, and”, and

5 (C) by adding at the end the following:

6 “(R) an omission of correct information or
7 documentation required under section
8 25C(b)(4)(B) (relating to home energy audits)
9 to be included on a return.”.

10 (g) IDENTIFICATION NUMBER REQUIREMENT.—

11 (1) IN GENERAL.—Section 25C, as amended by
12 subsections (a) and (f), is amended by redesignating
13 subsection (h) as subsection (i) and by inserting
14 after subsection (g) the following new subsection:

15 “(h) PRODUCT IDENTIFICATION NUMBER REQUIRE-
16 MENT.—

17 “(1) IN GENERAL.—No credit shall be allowed
18 under subsection (a) with respect to any item of
19 specified property placed in service after December
20 31, 2023, unless—

21 “(A) such item is produced by a qualified
22 manufacturer, and

23 “(B) the taxpayer includes the qualified
24 product identification number of such item on
25 the return of tax for the taxable year.

1 “(2) QUALIFIED PRODUCT IDENTIFICATION
2 NUMBER.—For purposes of this section, the term
3 ‘qualified product identification number’ means, with
4 respect to any item of specified property, the prod-
5 uct identification number assigned to such item by
6 the qualified manufacturer pursuant to the method-
7 ology referred to in paragraph (3).

8 “(3) QUALIFIED MANUFACTURER.—For pur-
9 poses of this section, the term ‘qualified manufac-
10 turer’ means any manufacturer of specified property
11 which enters into an agreement with the Secretary
12 which provides that such manufacturer will—

13 “(A) assign a product identification num-
14 ber to each item of specified property produced
15 by such manufacturer utilizing a methodology
16 that will ensure that such number (including
17 any alphanumeric) is unique to each such item
18 (by utilizing numbers or letters which are
19 unique to such manufacturer or by such other
20 method as the Secretary may provide),

21 “(B) label such item with such number in
22 such manner as the Secretary may provide, and

23 “(C) make periodic written reports to the
24 Secretary (at such times and in such manner as
25 the Secretary may provide) of the product iden-

1 tification numbers so assigned and including
2 such information as the Secretary may require
3 with respect to the item of specified property to
4 which such number was so assigned.

5 “(4) SPECIFIED PROPERTY.—For purposes of
6 this subsection, the term ‘specified property’ means
7 any qualified energy property and any property de-
8 scribed in subparagraph (B) or (C) of subsection
9 (c)(3).”.

10 (2) OMISSION OF CORRECT PRODUCT IDENTI-
11 FICATION NUMBER TREATED AS MATHEMATICAL OR
12 CLERICAL ERROR.—Section 6213(g)(2), as amended
13 by the preceding provisions of this Act, is amend-
14 ed—

15 (A) in subparagraph (Q), by striking
16 “and” at the end,

17 (B) in subparagraph (R), by striking the
18 period at the end and inserting “, and”, and

19 (C) by adding at the end the following:

20 “(S) an omission of a correct product iden-
21 tification number required under section 25C(h)
22 (relating to credit for nonbusiness energy prop-
23 erty) to be included on a return.”.

24 (h) EFFECTIVE DATES.—

1 (1) IN GENERAL.—Except as otherwise pro-
2 vided by this subsection, the amendments made by
3 this section shall apply to property placed in service
4 after December 31, 2021.

5 (2) HOME ENERGY AUDITS.—The amendments
6 made by subsection (f) shall apply to amounts paid
7 or incurred after December 31, 2021.

8 (3) IDENTIFICATION NUMBER REQUIREMENT.—
9 The amendments made subsection (g) shall apply to
10 property placed in service after December 31, 2023.

11 **SEC. 136302. RESIDENTIAL ENERGY EFFICIENT PROPERTY.**

12 (a) EXTENSION OF CREDIT.—

13 (1) IN GENERAL.—Section 25D(h) is amended
14 by striking “December 31, 2023” and inserting
15 “December 31, 2033”.

16 (2) APPLICATION OF PHASEOUT.—Section
17 25D(g) is amended—

18 (A) by striking “before January 1, 2023”
19 in paragraph (2) and inserting “before January
20 1, 2022”,

21 (B) by striking “and” at the end of para-
22 graph (2),

23 (C) by redesignating paragraph (3) as
24 paragraph (5) and by inserting after paragraph
25 (2) the following new paragraphs:

1 “(3) in the case of property placed in service
2 after December 31, 2021, and before January 1,
3 2032, 30 percent,

4 “(4) in the case of property placed in service
5 after December 31, 2031, and before January 1,
6 2033, 26 percent, and”, and

7 (D) by striking “December 31, 2022, and
8 before January 1, 2024” in paragraph (5) (as
9 so redesignated) and inserting “December 31,
10 2032, and before January 1, 2034”.

11 (b) RESIDENTIAL ENERGY EFFICIENT PROPERTY
12 CREDIT FOR BATTERY STORAGE TECHNOLOGY.—

13 (1) IN GENERAL.—Section 25D(a) is amended
14 by striking “and” at the end of paragraph (5) and
15 by inserting after paragraph (6) the following new
16 paragraph:

17 “(7) the qualified battery storage technology ex-
18 penditures,”.

19 (2) QUALIFIED BATTERY STORAGE TECH-
20 NOLOGY EXPENDITURE.—Section 25D(d) is amend-
21 ed by adding at the end the following new para-
22 graph:

23 “(7) QUALIFIED BATTERY STORAGE TECH-
24 NOLOGY EXPENDITURE.—The term ‘qualified bat-

1 tery storage technology expenditure’ means an ex-
2 penditure for battery storage technology which—

3 “(A) is installed in connection with a
4 dwelling unit located in the United States and
5 used as a residence by the taxpayer, and

6 “(B) has a capacity of not less than 3 kilo-
7 watt hours.”.

8 (c) CREDIT MADE REFUNDABLE; INSTALLER RE-
9 QUIREMENTS; TREATMENT OF CERTAIN POSSESSIONS.—
10 Section 25D is amended by redesignating subsection (h)
11 as subsection (k) and by inserting after subsection (g) the
12 following new subsections:

13 “(h) CREDIT MADE REFUNDABLE FOR TAXABLE
14 YEARS AFTER 2021.—In the case of any taxable year be-
15 ginning after December 31, 2022, the credit allowed under
16 subsection (a) shall be treated as a credit allowed under
17 subpart C (and not allowed under this subpart).

18 “(i) REQUIREMENT FOR QUALIFIED INSTALLER.—

19 “(1) IN GENERAL.—No credit shall be allowed
20 under this section with respect to any property de-
21 scribed in subsection (a) placed in service after De-
22 cember 31, 2022 unless—

23 “(A) such property is installed by a quali-
24 fied installer, and

1 “(B) the taxpayer includes the qualified in-
2 stallation identification number described in
3 paragraph (3) on the return of tax for the tax-
4 able year.

5 “(2) QUALIFIED INSTALLER.—

6 “(A) IN GENERAL.—For purposes of this
7 section, the term ‘qualified installer’ means an
8 installer who enters into an agreement with the
9 Secretary which provides that such installer
10 will, with respect to expenditures described in
11 subsection (a) in connection with the residence
12 of a taxpayer—

13 “(i) provide the taxpayer with a quali-
14 fied installation identification number and
15 a written receipt of the purchase and in-
16 stallation of such property in a manner
17 prescribed by the Secretary, and

18 “(ii) make periodic written reports to
19 the Secretary (in such manner as the Sec-
20 retary may provide) of installation identi-
21 fication numbers assigned by the installer
22 corresponding to such expenditures, includ-
23 ing such information as the Secretary may
24 require with respect to such expenditures.

1 “(B) INSTALLER DEEMED TO MEET RE-
2 QUIREMENT.—For purposes of subparagraph
3 (A), to the extent provided by the Secretary, an
4 installer may be deemed to meet the require-
5 ment under clause (ii) of such subparagraph on
6 the basis of information available to the Sec-
7 retary which the Secretary determines is rea-
8 sonably reliable for purposes of determining the
9 amount of qualified expenditures under sub-
10 section (a) made by a taxpayer in connection
11 with a residence of such taxpayer.

12 “(3) QUALIFIED INSTALLATION IDENTIFICA-
13 TION NUMBER.—For purposes of this section, the
14 term ‘qualified installation identification number’
15 means a unique identification number with respect
16 to expenditures described in subsection (a) in con-
17 nection with a residence of a taxpayer that is in-
18 stalled by a qualified installer.

19 “(4) REGISTRATION.—The Secretary may re-
20 quire such information or registration of a qualified
21 installer as the Secretary deems necessary or appro-
22 priate for purposes of preventing duplication, fraud,
23 or improper claims with respect to property de-
24 scribed in subsection (a). Under regulations or other
25 guidance prescribed by the Secretary, the registra-

1 tion of any person under this section may be denied,
2 revoked, or suspended if the Secretary determines
3 that such denial, revocation, or suspension is nec-
4 essary to prevent duplication, fraud, or improper
5 claims with respect to property described in sub-
6 section (a).

7 “(j) TREATMENT OF CERTAIN POSSESSIONS.—

8 “(1) PAYMENTS TO POSSESSIONS WITH MIRROR
9 CODE TAX SYSTEMS.—The Secretary shall pay to
10 each possession of the United States which has a
11 mirror code tax system amounts equal to the loss (if
12 any) to that possession by reason of the application
13 of the provisions of this section. Such amounts shall
14 be determined by the Secretary based on information
15 provided by the government of the respective posses-
16 sion.

17 “(2) PAYMENTS TO OTHER POSSESSIONS.—The
18 Secretary shall pay to each possession of the United
19 States which does not have a mirror code tax system
20 amounts estimated by the Secretary as being equal
21 to the aggregate benefits (if any) that would have
22 been provided to residents of such possession by rea-
23 son of the provisions of this section if a mirror code
24 tax system had been in effect in such possession.
25 The preceding sentence shall not apply unless the re-

1 spective possession has a plan which has been ap-
2 proved by the Secretary under which such possession
3 will promptly distribute such payments to its resi-
4 dents.

5 “(3) MIRROR CODE TAX SYSTEM; TREATMENT
6 OF PAYMENTS.—Rules similar to the rules of para-
7 graphs (3), (4), and (5) of section 21(h) shall apply
8 for purposes of this section.”.

9 (d) CERTAIN EXPENDITURES DISALLOWED.—Sec-
10 tion 25D is amended—

11 (1) in subsection (a), by adding “and” at the
12 end of paragraph (3), by striking the comma at the
13 end of paragraph (4) and inserting a period, and by
14 striking paragraphs (5) and (6), and

15 (2) in subsection (d), by striking paragraphs
16 (5) and (6).

17 (e) CONFORMING AMENDMENT.—Section 6213(g)(2),
18 as amended by the preceding provisions of this Act, is
19 amended—

20 (1) in subparagraph (T), by striking “and” at
21 the end,

22 (2) in subparagraph (U), by striking the period
23 at the end and inserting “, and”, and

24 (3) by adding at the end the following:

1 “(V) an omission of a correct qualified in-
2 stallation identification number required under
3 section 25D (relating to credit for residential
4 energy efficient property) to be included on a
5 return.”.

6 (f) **EFFECTIVE DATES.**—

7 (1) The amendments made by subsections (a),
8 (b), (d), and (e) shall apply to expenditures made
9 after December 31, 2021.

10 (2) The amendments made by subsection (c)
11 shall apply to expenditures made after December 31,
12 2022.

13 **SEC. 136303. ENERGY EFFICIENT COMMERCIAL BUILDINGS**
14 **DEDUCTION.**

15 (a) **PLACED IN SERVICE REQUIREMENT.**—Section
16 179D(c)(2) is amended to read as follows:

17 “(2) **REFERENCE STANDARD 90.1.**—The term
18 ‘Reference Standard 90.1’ means, with respect to
19 any property, the more recent of—

20 “(A) Standard 90.1-2007 published by the
21 American Society of Heating, Refrigerating,
22 and Air Conditioning Engineers and the Illu-
23 minating Engineering Society of North Amer-
24 ica, or

1 “(B) the most recent Standard 90.1 pub-
2 lished by the American Society of Heating, Re-
3 frigerating, and Air Conditioning Engineers and
4 the Illuminating Engineering Society of North
5 America for which the Department of Energy
6 has issued a final determination and which has
7 been affirmed by the Secretary for purposes of
8 this section not later than the date that is 4
9 years before the date such property is placed in
10 service.”.

11 (b) TEMPORARY INCREASE IN DEDUCTION, ETC.—
12 Section 179D is amended by adding at the end the fol-
13 lowing:

14 “(i) TEMPORARY RULES.—

15 “(1) PERIOD OF APPLICATION.—The provisions
16 of this subsection shall apply only to taxable years
17 beginning after December 31, 2021, and before Jan-
18 uary 1, 2032.

19 “(2) MODIFICATION OF EFFICIENCY STAND-
20 ARD.—Subsection (c)(1)(D) shall be applied by sub-
21 stituting ‘25’ for ‘50’.

22 “(3) MAXIMUM AMOUNT OF DEDUCTION.—

23 “(A) IN GENERAL.—The deduction under
24 subsection (a) with respect to any building for

1 any taxable year shall not exceed the excess (if
2 any) of—

3 “(i) the product of—

4 “(I) the applicable dollar value,

5 and

6 “(II) the square footage of the

7 building, over

8 “(ii) the aggregate amount of the de-
9 ductions under subsection (a) and para-
10 graph (6) with respect to the building for
11 the 3 taxable years immediately preceding
12 such taxable year (or, in the case of any
13 such deduction allowable to a person other
14 than the taxpayer, for any taxable year
15 ending during the 4-taxable-year period
16 ending with such taxable year).

17 “(B) APPLICABLE DOLLAR VALUE.—For
18 purposes of paragraph (3)(A)(i), the applicable
19 dollar value shall be an amount equal to \$0.50
20 increased (but not above \$1.00) by \$0.02 for
21 each percentage point by which the total annual
22 energy and power costs for the building are cer-
23 tified to be reduced by a percentage greater
24 than 25 percent.

1 “(C) APPLICATION OF INFLATION ADJUST-
2 MENT.—Subsection (g) shall be applied—

3 “(i) by substituting ‘2022’ for ‘2020’,

4 “(ii) by substituting ‘subsection
5 (i)(3)(B)’ for ‘subsection (b) or subsection
6 (d)(1)(A)’, and

7 “(iii) by substituting ‘2021’ for
8 ‘2019’.

9 “(D) LIMITATION TO APPLY IN LIEU OF
10 CURRENT LIMITATION AND PARTIAL ALLOW-
11 ANCE.—Subsections (b) and (d)(1) shall not
12 apply.

13 “(4) INCREASED CREDIT AMOUNT FOR CERTAIN
14 PROPERTY.—

15 “(A) IN GENERAL.—In the case of any
16 property which satisfies the requirements of
17 subparagraph (B), paragraph (3)(B) shall be
18 applied by substituting ‘\$2.50’ for ‘\$0.50’,
19 ‘\$.10’ for ‘\$.02’, and ‘\$5.00’ for ‘\$1.00’.

20 “(B) PROJECT REQUIREMENTS.—A project
21 meets the requirements of this subparagraph if
22 it is one of the following:

23 “(i) A building or qualified retrofit
24 plan the construction of which begins prior
25 to 60 days after the Secretary publishes

1 guidance with respect to the requirements
2 of paragraphs (5) and (6).

3 “(ii) A building or qualified retrofit
4 plan the construction of which satisfies the
5 requirements of paragraphs (5) and (6).

6 “(5) PREVAILING WAGE REQUIREMENTS.—

7 “(A) IN GENERAL.—The requirements de-
8 scribed in this subparagraph with respect to
9 any project are that the taxpayer shall ensure
10 that any laborers and mechanics employed by
11 contractors and subcontractors in the construc-
12 tion of any property or with respect to building
13 modifications made as part of a qualified ret-
14 rofit plan shall be paid wages at rates not less
15 than the prevailing rates for construction, alter-
16 ation, or repair of a similar character in the lo-
17 cality as most recently determined by the Sec-
18 retary of Labor, in accordance with subchapter
19 IV of chapter 31 of title 40, United States
20 Code.

21 “(B) CORRECTION AND PENALTY RELATED
22 TO FAILURE TO SATISFY WAGE REQUIRE-
23 MENTS.—Rules similar to the rules of section
24 45(b)(8)(B) shall apply.

1 “(6) APPRENTICESHIP REQUIREMENTS.—Rules
2 similar to the rules of section 45(b)(9) shall apply.

3 “(7) ALLOCATION OF DEDUCTION BY CERTAIN
4 TAX-EXEMPT ENTITIES.—

5 “(A) IN GENERAL.—A specified tax-ex-
6 empt entity shall be treated in the same manner
7 as a Federal, State, or local government for
8 purposes of applying subsection (d)(4).

9 “(B) SPECIFIED TAX-EXEMPT ENTITY.—
10 For purposes of this paragraph, the term ‘spec-
11 ified tax-exempt entity’ means—

12 “(i) the United States, any State or
13 political subdivision thereof, any possession
14 of the United States, or any agency or in-
15 strumentality of any of the foregoing,

16 “(ii) any Indian tribal government
17 (within the meaning of section 139E), and

18 “(iii) any organization exempt from
19 tax imposed by this chapter.

20 “(8) ALTERNATIVE DEDUCTION FOR ENERGY
21 EFFICIENT RETROFIT BUILDING PROPERTY.—

22 “(A) IN GENERAL.—In the case of a tax-
23 payer which elects (at such time and in such
24 manner as the Secretary may provide) the ap-
25 plication of this paragraph with respect to any

1 qualified building, there shall be allowed as a
2 deduction for the taxable year which includes
3 the date of the qualifying final certification with
4 respect to the qualified retrofit plan of such
5 building, an amount equal to the lesser of—

6 “(i) the excess described in paragraph
7 (3) (determined by substituting ‘energy
8 usage intensity’ for ‘total annual energy
9 and power costs’ in subparagraph (B)
10 thereof), or

11 “(ii) the aggregate adjusted basis (de-
12 termined after taking into account all ad-
13 justments with respect to such taxable year
14 other than the reduction under subsection
15 (e)) of energy efficient retrofit building
16 property placed in service by the taxpayer
17 pursuant to such qualified retrofit plan.

18 “(B) QUALIFIED RETROFIT PLAN.—For
19 purposes of this paragraph, the term ‘qualified
20 retrofit plan’ means a written plan prepared by
21 a qualified professional which specifies modi-
22 fications to a building which, in the aggregate,
23 are expected to reduce such building’s energy
24 usage intensity by 25 percent or more in com-
25 parison to the baseline energy usage intensity of

1 such building. Such plan shall provide for a
2 qualified professional to—

3 “(i) as of any date during the 1-year
4 period ending on the date of the first cer-
5 tification described in clause (ii), certify
6 the energy usage intensity of such building
7 as of such date,

8 “(ii) certify the status of property in-
9 stalled pursuant to such plan as meeting
10 the requirements of clauses (ii) and (iii)
11 subparagraph (C), and

12 “(iii) as of any date that is more than
13 1 year after completion of the plan, certify
14 the energy usage intensity of such building
15 as of such date.

16 “(C) ENERGY EFFICIENT RETROFIT
17 BUILDING PROPERTY.—For purposes of this
18 paragraph, the term ‘energy efficient retrofit
19 building property’ means property—

20 “(i) with respect to which depreciation
21 (or amortization in lieu of depreciation) is
22 allowable,

23 “(ii) which is installed on or in any
24 qualified building,

25 “(iii) which is installed as part of—

1 “(I) the interior lighting systems,

2 “(II) the heating, cooling, ven-
3 tilation, and hot water systems, or

4 “(III) the building envelope, and

5 “(iv) which is certified in accordance
6 with subparagraph (B)(ii) as meeting the
7 requirements of clauses (ii) and (iii).

8 “(D) QUALIFIED BUILDING.—For pur-
9 poses of this paragraph, the term ‘qualified
10 building’ means any building which—

11 “(i) is located in the United States,
12 and

13 “(ii) was originally placed in service
14 not less than 5 years before the establish-
15 ment of the qualified retrofit plan with re-
16 spect to such building.

17 “(E) QUALIFYING FINAL CERTIFI-
18 CATION.—For purposes of this paragraph, the
19 term ‘qualifying final certification’ means, with
20 respect to any qualified retrofit plan, the certifi-
21 cation described in subparagraph (B)(iii) if the
22 energy usage intensity certified in such certifi-
23 cation is not more than 75 percent of the base-
24 line energy usage intensity of the building.

1 “(F) BASELINE ENERGY USAGE INTEN-
2 SITY.—

3 “(i) IN GENERAL.—The term ‘baseline
4 energy usage intensity’ means the energy
5 usage intensity certified under subpara-
6 graph (B)(i), as adjusted to take into ac-
7 count weather as compared to the energy
8 usage intensity determined under subpara-
9 graph (B)(iii).

10 “(ii) DETERMINATION OF ADJUST-
11 MENT.—For purposes of clause (i), the ad-
12 justments described in such clause shall be
13 determined in such manner as the Sec-
14 retary may provide.

15 “(G) OTHER DEFINITIONS.—For purposes
16 of this paragraph—

17 “(i) ENERGY USAGE INTENSITY.—The
18 term ‘energy usage intensity’ means the
19 annualized, measured site energy usage in-
20 tensity determined in accordance with such
21 regulations or other guidance as the Sec-
22 retary may provide and measured in Brit-
23 ish thermal units.

24 “(ii) QUALIFIED PROFESSIONAL.—
25 The term ‘qualified professional’ means an

1 individual who is a licensed architect or a
2 licenced engineer and meets such other re-
3 quirements as the Secretary may provide.

4 “(H) COORDINATION WITH DEDUCTION
5 OTHERWISE ALLOWED UNDER SUBSECTION
6 (a).—

7 “(i) IN GENERAL.—In the case of any
8 building with respect to which an election
9 is made under subparagraph (A), the term
10 ‘energy efficient commercial building prop-
11 erty’ shall not include any energy efficient
12 retrofit building property with respect to
13 which a deduction is allowable under this
14 paragraph.

15 “(ii) CERTAIN RULES NOT APPLICA-
16 BLE.—

17 “(I) IN GENERAL.—Except as
18 provided in subclause (II), subsection
19 (d) shall not apply for purposes of
20 this paragraph.

21 “(II) ALLOCATION OF DEDUC-
22 TION BY CERTAIN TAX-EXEMPT ENTI-
23 TIES.—Rules similar to subsection
24 (d)(4) (determined after application of

1 paragraph (5)) shall apply for pur-
2 poses of this paragraph.”.

3 (c) APPLICATION TO REAL ESTATE INVESTMENT
4 TRUST EARNINGS AND PROFITS.—Section 312(k)(3)(B)
5 is amended—

6 (1) by striking “for purposes of computing the
7 earnings and profits of a corporation” and inserting
8 the following:

9 “(i) IN GENERAL.—For purposes of
10 computing the earnings and profits of a
11 corporation, except as provided in clause
12 (ii)”, and

13 (2) by adding at the end the following new
14 clause:

15 “(ii) SPECIAL RULE.—In the case of a
16 corporation that is a real estate investment
17 trust, any amount deductible under section
18 179D shall be allowed in the year in which
19 the property giving rise to such deduction
20 is placed in service.”.

21 (d) CONFORMING AMENDMENT.—Section
22 179D(d)(2) is amended by striking “not later than the
23 date that is 2 years before the date that construction of
24 such property begins” and inserting “not later than the

1 date that is 4 years before the date such property is placed
2 in service”.

3 (e) EFFECTIVE DATE.—

4 (1) IN GENERAL.—Except as otherwise pro-
5 vided in this subsection, the amendment made by
6 this section shall apply to taxable years beginning
7 after December 31, 2021.

8 (2) ALTERNATIVE DEDUCTION FOR ENERGY EF-
9 FICIENT RETROFIT BUILDING PROPERTY.—Para-
10 graph (8) of section 179D(i) of the Internal Revenue
11 Code of 1986 (as added by this section), and any
12 other provision of such section solely for purposes of
13 applying such paragraph, shall apply to property
14 placed in service after December 31, 2021 (in tax-
15 able years ending after such date) if such property
16 is placed in service pursuant to qualified retrofit
17 plan (within the meaning of such section) estab-
18 lished after such date.

19 **SEC. 136304. EXTENSION, INCREASE, AND MODIFICATIONS**
20 **OF NEW ENERGY EFFICIENT HOME CREDIT.**

21 (a) EXTENSION OF CREDIT.—Section 45L(g) is
22 amended by striking “December 31, 2021” and inserting
23 “December 31, 2031”.

24 (b) INCREASE IN CREDIT AMOUNTS.—Section
25 45L(a)(2) is amended to read as follows:

1 “(2) APPLICABLE AMOUNT.—For purposes of
2 paragraph (1), the applicable amount is an amount
3 equal to—

4 “(A) in the case of a dwelling unit which
5 is eligible to participate in the Energy Star
6 Residential New Construction Program or the
7 Energy Star Manufactured New Homes pro-
8 gram—

9 “(i) that is described in subsection
10 (c)(1)(A) (and not described in subsection
11 (c)(1)(B)), \$2,500, and

12 “(ii) that is described in subsection
13 (c)(1)(B), \$5000, and

14 “(B) in the case of a dwelling unit which
15 is part of a building eligible to participate in
16 the Energy Star Multifamily New Construction
17 Program—

18 “(i) that is described in subsection
19 (c)(1)(A) (and not described in subsection
20 (c)(1)(B)), \$500, and

21 “(ii) that is described in subsection
22 (c)(1)(B), \$1000.”.

23 (c) MODIFICATION OF ENERGY SAVING REQUIRE-
24 MENTS.—Section 45L(c) is amended to read as follows:

25 “(c) ENERGY SAVING REQUIREMENTS.—

1 “(1) IN GENERAL.—A dwelling unit meets the
2 energy saving requirements of this subsection if—

3 “(A) such dwelling unit meets the require-
4 ments of paragraph (2) or (3) (whichever is ap-
5 plicable), or

6 “(B) such dwelling unit is certified as a
7 zero energy ready home under the zero energy
8 ready home program of the Department of En-
9 ergy (or any successor program determined by
10 the Secretary) as in effect on January 1, 2022.

11 “(2) SINGLE-FAMILY HOME REQUIREMENTS.—
12 A dwelling unit meets the requirements of this para-
13 graph if—

14 “(A) such dwelling unit meets—

15 “(i) in the case of a dwelling unit ac-
16 quired before January 1, 2025, the Energy
17 Star Single-Family New Homes National
18 Program Requirements 3.1, and

19 “(ii) in the case of a dwelling unit ac-
20 quired after December 31, 2024, the En-
21 ergy Star Single-Family New Homes Na-
22 tional Program Requirements 3.2,

23 “(B) such dwelling unit meets the most re-
24 cent Energy Star Single-Family New Homes
25 Program Requirements applicable to the loca-

1 tion of such dwelling unit (as in effect on the
2 latter of January 1, 2022 or January 1 of two
3 calendar years prior to the date the dwelling
4 unit was acquired), or

5 “(C) such dwelling unit meets the most re-
6 cent Energy Star Manufactured Home National
7 program requirements as in effect on the latter
8 of January 1, 2022 or January 1 of two cal-
9 endar years prior to the date such dwelling unit
10 is acquired.

11 “(3) MULTI-FAMILY HOME REQUIREMENTS.—A
12 dwelling unit meets the requirements of this para-
13 graph if—

14 “(A) such dwelling unit meets the most re-
15 cent Energy Star Multifamily New Construction
16 National Program Requirements (as in effect
17 on either January 1, 2022 or January 1 of
18 three calendar years prior to the date the dwell-
19 ing was acquired, whichever is later), and

20 “(B) such dwelling unit meets the most re-
21 cent Energy Star Multifamily New Construction
22 Regional Program Requirements applicable to
23 the location of such dwelling unit (as in effect
24 on either January 1, 2022 or January 1 of

1 three calendar years prior to the date the dwell-
2 ing was acquired, whichever is later).”.

3 (d) PREVAILING WAGE REQUIREMENT.—Section
4 45L is amended by redesignating subsection (g) as sub-
5 section (h) and by inserting after subsection (f) the fol-
6 lowing new subsection:

7 “(g) PREVAILING WAGE REQUIREMENT.—

8 “(1) IN GENERAL.—In the case of a qualifying
9 residence described in subsection (b)(2)(B) meeting
10 the prevailing wage requirements of paragraph (2),
11 the credit amount allowed with respect to such resi-
12 dence shall be—

13 “(A) \$2,500 in the case of a residence de-
14 scribed in subparagraph (A) of subsection
15 (c)(1) (and not described in subparagraph (B)
16 of such subsection), and

17 “(B) \$5,000 in the case of a residence de-
18 scribed in (c)(1)(B).

19 “(2) PREVAILING WAGE REQUIREMENTS.—

20 “(A) IN GENERAL.—The requirements de-
21 scribed in this paragraph with respect to any
22 qualified residence are that the taxpayer shall
23 ensure that any laborers and mechanics em-
24 ployed by contractors and subcontractors in the
25 construction of such residence shall be paid

1 wages at rates not less than the prevailing rates
2 for construction, alteration, or repair of a simi-
3 lar character in the locality as most recently de-
4 termined by the Secretary of Labor, in accord-
5 ance with subchapter IV of chapter 31 of title
6 40, United States Code.

7 “(B) CORRECTION AND PENALTY RELATED
8 TO FAILURE TO SATISFY WAGE REQUIRE-
9 MENTS.—Rules similar to the rules of section
10 45(b)(8)(B) shall apply.

11 “(3) REGULATIONS AND GUIDANCE.—The Sec-
12 retary shall issue such regulations or other guidance
13 as the Secretary determines necessary or appropriate
14 to carry out the purposes of this subsection, includ-
15 ing regulations or other guidance which provides for
16 requirements for recordkeeping or information re-
17 porting for purposes of establishing the requirements
18 of this subsection.”.

19 (e) EFFECTIVE DATES.—The amendments made by
20 this section shall apply to dwelling units acquired after
21 December 31, 2021.

22 **SEC. 136305. MODIFICATIONS TO INCOME EXCLUSION FOR**
23 **CONSERVATION SUBSIDIES.**

24 (a) IN GENERAL.—Section 136(a) is amended—

1 (1) by striking “any subsidy provided” and in-
2 serting “any subsidy—

3 “(1) provided”,

4 (2) by striking the period at the end and insert-
5 ing a comma, and

6 (3) by adding at the end the following new
7 paragraphs:

8 “(2) provided (directly or indirectly) by a public
9 utility to a customer, or by a State or local govern-
10 ment to a resident of such State or locality, for the
11 purchase or installation of any water conservation or
12 efficiency measure,

13 “(3) provided (directly or indirectly) by a storm
14 water management provider to a customer, or by a
15 State or local government to a resident of such State
16 or locality, for the purchase or installation of any
17 storm water management measure, or

18 “(4) provided (directly or indirectly) by a State
19 or local government to a resident of such State or
20 locality for the purchase or installation of any waste-
21 water management measure, but only if such meas-
22 ure is with respect to the taxpayer’s principal resi-
23 dence.”.

24 (b) CONFORMING AMENDMENTS.—

1 (1) DEFINITION OF WATER CONSERVATION OR
2 EFFICIENCY MEASURE AND STORM WATER MANAGE-
3 MENT MEASURE.—Section 136(c) is amended—

4 (A) by striking “ENERGY CONSERVATION
5 MEASURE” in the heading thereof and inserting
6 “DEFINITIONS”,

7 (B) by striking “IN GENERAL” in the
8 heading of paragraph (1) and inserting “EN-
9 ERGY CONSERVATION MEASURE”, and

10 (C) by redesignating paragraph (2) as
11 paragraph (5) and by inserting after paragraph
12 (1) the following:

13 “(2) WATER CONSERVATION OR EFFICIENCY
14 MEASURE.—For purposes of this section, the term
15 ‘water conservation or efficiency measure’ means any
16 evaluation of water use, or any installation or modi-
17 fication of property, the primary purpose of which is
18 to reduce consumption of water or to improve the
19 management of water demand with respect to one or
20 more dwelling units.

21 “(3) STORM WATER MANAGEMENT MEASURE.—
22 For purposes of this section, the term ‘storm water
23 management measure’ means any installation or
24 modification of property primarily designed to re-

1 duce or manage amounts of storm water with re-
2 spect to one or more dwelling units.

3 “(4) WASTEWATER MANAGEMENT MEASURE.—
4 For purposes of this section, the term ‘wastewater
5 management measure’ means any installation or
6 modification of property primarily designed to man-
7 age wastewater (including septic tanks and cess-
8 pools) with respect to one or more dwelling units.”.

9 (2) DEFINITION OF PUBLIC UTILITY.—Section
10 136(c)(5) (as redesignated by paragraph (1)(C)) is
11 amended by striking subparagraph (B) and inserting
12 the following:

13 “(B) PUBLIC UTILITY.—The term ‘public
14 utility’ means a person engaged in the sale of
15 electricity, natural gas, or water to residential,
16 commercial, or industrial customers for use by
17 such customers.

18 “(C) STORM WATER MANAGEMENT PRO-
19 VIDER.—The term ‘storm water management
20 provider’ means a person engaged in the provi-
21 sion of storm water management measures to
22 the public.

23 “(D) PERSON.—For purposes of subpara-
24 graphs (B) and (C), the term ‘person’ includes
25 the Federal Government, a State or local gov-

1 ernment or any political subdivision thereof, or
2 any instrumentality of any of the foregoing.”.

3 (3) CLERICAL AMENDMENTS.—

4 (A) The heading for section 136 is amend-
5 ed—

6 (i) by inserting “**AND WATER**” after
7 “**ENERGY**”, and

8 (ii) by striking “**PROVIDED BY PUB-
9 LIC UTILITIES**”.

10 (B) The item relating to section 136 in the
11 table of sections of part III of subchapter B of
12 chapter 1 is amended—

13 (i) by inserting “and water” after
14 “energy”, and

15 (ii) by striking “provided by public
16 utilities”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to amounts received after Decem-
19 ber 31, 2018.

20 (d) NO INFERENCE.—Nothing in this Act or the
21 amendments made by this Act shall be construed to create
22 any inference with respect to the proper tax treatment of
23 any subsidy received directly or indirectly from a public
24 utility, a storm water management provider, or a State
25 or local government for any water conservation measure

1 or storm water management measure before January 1,
2 2019.

3 **SEC. 136306. CREDIT FOR QUALIFIED WILDFIRE MITIGA-**
4 **TION EXPENDITURES.**

5 (a) IN GENERAL.—Subpart B of part IV of sub-
6 chapter A of chapter 1 is amended by inserting after sec-
7 tion 27 the following new section:

8 **“SEC. 28. QUALIFIED WILDFIRE MITIGATION EXPENDI-**
9 **TURES.**

10 “(a) IN GENERAL.—There shall be allowed as a cred-
11 it against the tax imposed by this chapter for the taxable
12 year an amount equal to 30 percent of the qualified wild-
13 fire mitigation expenditures paid or incurred by the tax-
14 payer during such taxable year with respect to real prop-
15 erty owned or leased by the taxpayer.

16 “(b) QUALIFIED WILDFIRE MITIGATION EXPENDI-
17 TURES.—For purposes of this section—

18 “(1) IN GENERAL.—The term ‘qualified wildfire
19 mitigation expenditures’ means any specified wildfire
20 mitigation expenditure made pursuant to a qualified
21 State wildfire mitigation program of a State which
22 requires expenditures for wildfire mitigation to be
23 paid both by the taxpayer and such State. Such
24 term shall not include any item of expenditure un-
25 less the ratio of the State’s expenditure for such

1 item to the sum of the State's and taxpayer's ex-
2 penditures for such item is not less than 25 percent.

3 “(2) SPECIFIED WILDFIRE MITIGATION EX-
4 PENDITURE.—The term ‘specified wildfire mitigation
5 expenditure’ means, with respect to any real prop-
6 erty owned or leased by the taxpayer, any amount
7 paid or incurred to reduce the risk of wildfire by re-
8 moving accumulations of vegetation (including estab-
9 lishing, expanding, or maintaining fuel breaks to
10 serve as fire breaks) on such real property.

11 “(3) QUALIFIED STATE WILDFIRE MITIGATION
12 PROGRAM.—The term ‘qualified State wildfire miti-
13 gation program’ means any program of a State the
14 primary purpose of which is to mitigate the risk of
15 wildfires in such State.

16 “(4) TREATMENT OF REIMBURSEMENTS.—Any
17 amount originally paid or incurred by the taxpayer
18 which is reimbursed by a State under a qualified
19 wildfire mitigation program of such State shall be
20 treated as paid by such State (and not by such tax-
21 payer).

22 “(c) APPLICATION WITH OTHER CREDITS.—

23 “(1) BUSINESS CREDIT TREATED AS PART OF
24 GENERAL BUSINESS CREDIT.—So much of the credit
25 which would be allowed under subsection (a) for any

1 taxable year (determined without regard to this sub-
2 section) that is attributable to expenditures made in
3 the ordinary course of the taxpayer's trade or busi-
4 ness (or, in the case of expenditures made by a
5 State, would have been expenditures made in the or-
6 dinary course of the taxpayer's trade or business if
7 made by the taxpayer) shall be treated as a credit
8 listed in section 38(b) for taxable year (and not al-
9 lowed under subsection (a)).

10 “(2) PERSONAL CREDIT.—For purposes of this
11 title, the credit allowed under subsection (a) for any
12 taxable year (determined after application of para-
13 graph (1)) shall be treated as a credit allowable
14 under subpart A for such taxable year.

15 “(d) REDUCTION OF CREDIT PERCENTAGE WHERE
16 TAXPAYER EXPENDITURES LESS THAN 30 PERCENT.—

17 “(1) IN GENERAL.—If the expenditure percent-
18 age with respect to any item of qualified wildfire
19 mitigation expenditure is less than 30 percent, sub-
20 section (a) shall be applied by substituting ‘the ex-
21 penditure percentage’ for ‘30 percent’ with respect
22 to such item of expenditure.

23 “(2) EXPENDITURE PERCENTAGE.—For pur-
24 poses of this section, the term ‘expenditure percent-
25 age’ means, with respect to any item of qualified

1 wildfire mitigation expenditure any portion of which
2 is paid or incurred by a State, the ratio (expressed
3 as a percentage) of—

4 “(A) the taxpayer’s expenditure for such
5 item, divided by

6 “(B) the sum of the taxpayer’s and such
7 State’s expenditures for such item.

8 “(e) SPECIAL RULES.—

9 “(1) TREATMENT OF EXPENDITURES RELATED
10 TO MARKETABLE TIMBER.—An expenditure shall not
11 be taken into account for purposes of this section
12 (whether made by the taxpayer or a State pursuant
13 to a qualified State wildfire mitigation program of
14 such State) if such expenditure is properly allocable
15 to timber which is sold or exchanged by the tax-
16 payer. The preceding sentence shall not apply to the
17 extent that such amount exceeds the gain on such
18 sale or exchange.

19 “(2) BASIS REDUCTION.—For purposes of this
20 subtitle, if the basis of any property would (but for
21 this paragraph) be determined by taking into ac-
22 count any qualified wildfire mitigation expenditure,
23 the basis of such property shall be reduced by the
24 amount of the credit allowed under subsection (a)

1 with respect to such expenditure (determined with-
2 out regard to subsection (c)).

3 “(3) DENIAL OF DOUBLE BENEFIT.—The
4 amount of any deduction or other credit allowable
5 under this chapter for any expenditure for which a
6 credit is allowable under subsection (a) shall be re-
7 duced by the amount of credit allowed under such
8 subsection for such expenditure (determined without
9 regard to subsection (c)).”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) Section 38(b), as amended by the preceding
12 provisions of this Act, is amended by striking “plus”
13 at the end of paragraph (35), by striking the period
14 at the end of paragraph (36) and inserting “, plus”,
15 and by adding at the end the following new para-
16 graph:

17 “(37) the portion of the qualified wildfire miti-
18 gation expenditures credit to which section 28(c)(1)
19 applies.”.

20 (2) Section 1016(a) is amended by redesignig-
21 nating paragraphs (35) through (38) as paragraphs
22 (36) through (39), respectively, and by inserting
23 after paragraph (34) the following new paragraph:

24 “(35) to the extent provided in section
25 28(e)(2),”.

1 (3) The table of sections for subpart B of part
2 IV of subchapter A of chapter 1 is amended by in-
3 serting after the item relating to section 27 the fol-
4 lowing new item:

“Sec. 28. Qualified wildfire mitigation expenditures.”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to expenditures paid or incurred
7 after the date of the enactment of this Act, in taxable
8 years ending after such date.

9 **PART 4—GREENING THE FLEET AND**
10 **ALTERNATIVE VEHICLES**

11 **SEC. 136401. REFUNDABLE NEW QUALIFIED PLUG-IN ELEC-**
12 **TRIC DRIVE MOTOR VEHICLE CREDIT FOR IN-**
13 **DIVIDUALS.**

14 (a) IN GENERAL.—Subpart C of part IV of sub-
15 chapter A of chapter 1 is amended by inserting after sec-
16 tion 36B the following new section:

17 **“SEC. 36C. NEW QUALIFIED PLUG-IN ELECTRIC DRIVE**
18 **MOTOR VEHICLES.**

19 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
20 dividual, there shall be allowed as a credit against the tax
21 imposed by this subtitle for the taxable year an amount
22 equal to the sum of the credit amounts determined under
23 subsection (b) with respect to each new qualified plug-in
24 electric drive motor vehicle placed in service by the tax-
25 payer during the taxable year.

1 “(b) PER VEHICLE AMOUNTS.—

2 “(1) IN GENERAL.—The amount determined
3 under this subsection with respect to any new quali-
4 fied plug-in electric drive motor vehicle is the sum
5 of the amounts determined under paragraphs (2)
6 through (5) with respect to such vehicle (not to ex-
7 ceed 50 percent of the purchase price of such vehi-
8 cle).

9 “(2) BASE AMOUNT.—The amount determined
10 under this paragraph is \$4,000.

11 “(3) BATTERY CAPACITY.—In the case of a new
12 qualified plug-in electric drive motor vehicle, the
13 amount determined under this paragraph is \$3,500
14 if—

15 “(A) in the case of a vehicle placed in serv-
16 ice before January 1, 2027, such vehicle draws
17 propulsion energy from a battery with not less
18 than 40 kilowatt hours of capacity and has a
19 gasoline tank capacity not greater than 2.5 gal-
20 lons, and

21 “(B) in the case of a vehicle placed in serv-
22 ice after December 31, 2026, such vehicle
23 draws propulsion energy from a battery with
24 not less than 50 kilowatt hours of capacity and

1 has a gasoline tank capacity not greater than
2 2.5 gallons.

3 “(4) DOMESTIC ASSEMBLY.—In the case of a
4 new qualified electric drive plug-in vehicle which sat-
5 isfies the domestic assembly qualifications, the
6 amount determined under this paragraph is \$4,500.

7 “(5) DOMESTIC CONTENT.—In the case of a
8 new qualified electric drive plug-in vehicle which sat-
9 isfies domestic content qualifications, the amount de-
10 termined under this paragraph is \$500.

11 “(c) LIMITATION BASED ON MODIFIED ADJUSTED
12 GROSS INCOME.—

13 “(1) IN GENERAL.—The amount of the credit
14 allowable under subsection (a) for any taxable year
15 shall be reduced (but not below zero) by \$200 for
16 each \$1,000 (or fraction thereof) by which—

17 “(A) the lesser of—

18 “(i) the taxpayer’s modified adjusted
19 gross income for such taxable year, or

20 “(ii) the taxpayer’s modified adjusted
21 gross income for the preceding taxable
22 year, exceeds

23 “(B) the threshold amount.

24 For purposes of the preceding sentence, the term
25 ‘modified adjusted gross income’ means adjusted

1 gross income increased by any amount excluded
2 from gross income under section 911, 931, or 933.

3 “(2) THRESHOLD AMOUNT.—For purposes of
4 paragraph (1), the term ‘threshold amount’ means—

5 “(A) \$800,000 in the case of a joint return
6 or surviving spouse (half such amount in the
7 case of a married individual filing a separate re-
8 turn),

9 “(B) \$600,000 in the case of a head of
10 household, and

11 “(C) \$400,000 in any other case.

12 “(d) MANUFACTURER’S SUGGESTED RETAIL PRICE
13 LIMITATION.—

14 “(1) IN GENERAL.—No credit shall be allowed
15 under subsection (a) for a vehicle with a manufac-
16 turer’s suggested retail price in excess of the appli-
17 cable limitation.

18 “(2) APPLICABLE LIMITATION.—For purposes
19 of paragraph (1), the applicable limitation for each
20 vehicle classification is as follows:

21 “(A) VANS.—In the case of a van,
22 \$64,000.

23 “(B) SPORT UTILITY VEHICLES.—In the
24 case of a sport utility vehicle, \$69,000.

1 “(C) PICKUP TRUCKS.—In the case of a
2 pickup truck, \$74,000.

3 “(D) OTHER.—In the case of any other ve-
4 hicle, \$55,000.

5 “(3) REGULATIONS AND GUIDANCE.—For pur-
6 poses of this subsection, the Secretary shall pre-
7 scribe such regulations or other guidance as the Sec-
8 retary determines necessary or appropriate for deter-
9 mining vehicle classifications using criteria similar to
10 that employed by the Environmental Protection
11 Agency and the Department of the Energy to deter-
12 mine size and class of vehicles.”

13 “(e) NEW QUALIFIED PLUG-IN ELECTRIC DRIVE
14 MOTOR VEHICLE.—For purposes of this section—

15 “(1) IN GENERAL.—The term ‘new qualified
16 plug-in electric drive motor vehicle’ means a motor
17 vehicle—

18 “(A) the original use of which commences
19 with the taxpayer,

20 “(B) which is acquired for use by the tax-
21 payer and not for resale,

22 “(C) which is made by a qualified manu-
23 facturer,

24 “(D) which is treated as a motor vehicle
25 for purposes of title II of the Clean Air Act,

1 “(E) which has a gross vehicle weight rat-
2 ing of less than 14,000 pounds,

3 “(F) which is propelled to a significant ex-
4 tent by an electric motor which draws electricity
5 from a battery which—

6 “(i) has a capacity of not less than 10
7 kilowatt hours, and

8 “(ii) is capable of being recharged
9 from an external source of electricity,

10 “(G) with respect to which, in the case of
11 a vehicle placed in service after December 31,
12 2026, final assembly is within the United
13 States,

14 “(H) is not of a character subject to an al-
15 lowance for depreciation, and

16 “(I) for which the person who sells or
17 leases any new qualified plug-in electric vehicle
18 to the taxpayer furnishes a report to the tax-
19 payer and to the Secretary, at such time and in
20 such manner as the Secretary shall provide,
21 containing—

22 “(i) the name and taxpayer identifica-
23 tion number of the taxpayer,

24 “(ii) the vehicle identification number
25 of the vehicle, unless, in accordance with

1 any applicable rules promulgated by the
2 Secretary of Transportation, the vehicle is
3 not assigned such a number,

4 “(iii) the battery capacity of the vehi-
5 cle,

6 “(iv) in the case of any new qualified
7 plug-in electric vehicle, verification that
8 original use of the vehicle commences with
9 the taxpayer,

10 “(v) the maximum credit under this
11 section allowable to the taxpayer with re-
12 spect to the vehicle, and

13 “(vi) any amount described in sub-
14 section (k)(2)(C) which has been provided
15 to the taxpayer.

16 “(2) MOTOR VEHICLE.—The term ‘motor vehi-
17 cle’ means any vehicle which is manufactured pri-
18 marily for use on public streets, roads, and highways
19 (not including a vehicle operated exclusively on a rail
20 or rails) and which has at least 4 wheels.

21 “(3) QUALIFIED MANUFACTURER.—The term
22 ‘qualified manufacturer’ means any manufacturer
23 (within the meaning of the regulations prescribed by
24 the Administrator of the Environmental Protection
25 Agency for purposes of the administration of title II

1 of the Clean Air Act (42 U.S.C. 7521 et seq.)) which
2 enters into a written agreement with the Secretary
3 under which such manufacturer agrees—

4 “(A) to ensure that each vehicle manufac-
5 tured by such manufacturer after the later of
6 the date on which such agreement takes effect
7 or December 31, 2021, and that meets the re-
8 quirements of subsection (d), subparagraphs
9 (D), (E), and (F) of paragraph (1), and para-
10 graph (6) of subsection (f) is labeled with a
11 unique vehicle identification number, and

12 “(B) to make periodic written reports to
13 the Secretary (at such times and in such man-
14 ner as the Secretary may provide) providing
15 such vehicle identification numbers and such
16 other information related to such vehicle as the
17 Secretary may require.

18 “(4) BATTERY CAPACITY.—The term ‘capacity’
19 means, with respect to any battery, the quantity of
20 electricity which the battery is capable of storing, ex-
21 pressed in kilowatt hours, as measured from a 100
22 percent state of charge to a 0 percent state of
23 charge.

24 “(f) SPECIAL RULES.—

1 “(1) BASIS REDUCTION.—For purposes of this
2 subtitle, the basis of any property for which a credit
3 is allowable under subsection (a) shall be reduced by
4 the amount of such credit so allowed.

5 “(2) NO DOUBLE BENEFIT.—The amount of
6 any deduction or other credit allowable under this
7 chapter for a vehicle for which a credit is allowable
8 under subsection (a) shall be reduced by the amount
9 of credit allowed under such subsection for such ve-
10 hicle.

11 “(3) PROPERTY USED OUTSIDE UNITED STATES
12 NOT QUALIFIED.—No credit shall be allowable under
13 subsection (a) with respect to any property referred
14 to in section 50(b)(1).

15 “(4) RECAPTURE.—The Secretary shall, by reg-
16 ulations or other guidance, provide for recapturing
17 the benefit of any credit allowable under subsection
18 (a) with respect to any property which ceases to be
19 property eligible for such credit.

20 “(5) ELECTION NOT TO TAKE CREDIT.—No
21 credit shall be allowed under subsection (a) for any
22 vehicle if the taxpayer elects to not have this section
23 apply to such vehicle.

24 “(6) INTERACTION WITH AIR QUALITY AND
25 MOTOR VEHICLE SAFETY STANDARDS.—A vehicle

1 shall not be considered eligible for a credit under
2 this section unless such vehicle is in compliance
3 with—

4 “(A) the applicable provisions of the Clean
5 Air Act for the applicable make and model year
6 of the vehicle (or applicable air quality provi-
7 sions of State law in the case of a State which
8 has adopted such provision under a waiver
9 under section 209(b) of the Clean Air Act), and

10 “(B) the motor vehicle safety provisions of
11 sections 30101 through 30169 of title 49,
12 United States Code.

13 “(g) CREDIT ALLOWED FOR 2 AND 3-WHEELED
14 PLUG-IN ELECTRIC VEHICLES.—

15 “(1) IN GENERAL.—In the case of a qualified
16 2- or 3-wheeled plug-in electric vehicle—

17 “(A) there shall be allowed as a credit
18 against the tax imposed by this subtitle for the
19 taxable year an amount equal to the sum of the
20 applicable amount with respect to each such
21 qualified 2- or 3-wheeled plug-in electric vehicle
22 placed in service by the taxpayer during the
23 taxable year, and

1 “(B) the amount of the credit allowed
2 under subparagraph (A) shall be treated as a
3 credit allowed under subsection (a).

4 “(2) APPLICABLE AMOUNT.—For purposes of
5 paragraph (1), the applicable amount is an amount
6 equal to the lesser of—

7 “(A) 30 percent of the cost of the qualified
8 2- or 3-wheeled plug-in electric vehicle, or

9 “(B) \$7,500.

10 “(3) QUALIFIED 2- OR 3-WHEELED PLUG-IN
11 ELECTRIC VEHICLE.—The term ‘qualified 2- or 3-
12 wheeled plug-in electric vehicle’ means any vehicle
13 which—

14 “(A) has 2 or 3 wheels,

15 “(B) meets the requirements of—

16 “(i) subparagraphs (A), (B), (C), (E),
17 (F), (G), and (I) of subsection (e)(1) (de-
18 termined by substituting ‘2.5 kilowatt
19 hours’ for ‘10 kilowatt hours’ in subpara-
20 graph (F)(i)),

21 “(ii) paragraphs (3) and (4) of sub-
22 section (e), and

23 “(iii) subsections (f), (h), (i), and (k),

24 “(C) is manufactured primarily for use on
25 public streets, roads, and highways, and

1 “(D) is capable of achieving a speed of 45
2 miles per hour or greater.

3 “(h) VIN NUMBER REQUIREMENT.—No credit shall
4 be allowed under this section with respect to any vehicle
5 unless the taxpayer includes the vehicle identification
6 number of such vehicle on the return of tax for the taxable
7 year.

8 “(i) TREATMENT OF CERTAIN POSSESSIONS.—

9 “(1) PAYMENTS TO POSSESSIONS WITH MIRROR
10 CODE TAX SYSTEMS.—The Secretary shall pay to
11 each possession of the United States which has a
12 mirror code tax system amounts equal to the loss (if
13 any) to that possession by reason of the application
14 of the provisions of this section (determined without
15 regard to this subsection). Such amounts shall be
16 determined by the Secretary based on information
17 provided by the government of the respective posses-
18 sion.

19 “(2) PAYMENTS TO OTHER POSSESSIONS.—The
20 Secretary shall pay to each possession of the United
21 States which does not have a mirror code tax system
22 amounts estimated by the Secretary as being equal
23 to the aggregate benefits (if any) that would have
24 been provided to residents of such possession by rea-
25 son of the provisions of this section if a mirror code

1 tax system had been in effect in such possession.
2 The preceding sentence shall not apply unless the re-
3 spective possession has a plan which has been ap-
4 proved by the Secretary under which such possession
5 will promptly distribute such payments to its resi-
6 dents.

7 “(3) MIRROR CODE TAX SYSTEM; TREATMENT
8 OF PAYMENTS.—Rules similar to the rules of para-
9 graphs (3), (4), and (5) of section 21(h) shall apply
10 for purposes of this section.

11 “(j) ASSEMBLY AND CONTENT QUALIFICATIONS.—
12 For purposes of this section—

13 “(1) DOMESTIC ASSEMBLY QUALIFICATIONS.—
14 The term ‘domestic assembly qualifications’ means,
15 with respect to any new qualified plug-in electric ve-
16 hicle, that the final assembly of such vehicle occurs
17 at a plant, factory, or other place which is located
18 in the United States and operating under a collective
19 bargaining agreement negotiated by an employee or-
20 ganization (as defined in section 412(c)(4)), deter-
21 mined in a manner consistent with section
22 7701(a)(46).

23 “(2) DOMESTIC CONTENT QUALIFICATIONS.—
24 The term ‘domestic content qualifications’ means,
25 with respect to any model of a new qualified plug-

1 in electric vehicle, that vehicles of that model are
2 powered by battery cells which are manufactured in
3 the United States as certified by the manufacturer
4 at such time and in such form and manner as the
5 Secretary may prescribe.

6 “(3) FINAL ASSEMBLY.—The term ‘final assem-
7 bly’ means the process by which a manufacturer pro-
8 duces a new qualified plug-in electric drive motor ve-
9 hicle at, or through the use of, a plant, factory, or
10 other place from which the vehicle is delivered to a
11 dealer or importer with all component parts nec-
12 essary for the mechanical operation of the vehicle in-
13 cluded with the vehicle, whether or not the compo-
14 nent parts are permanently installed in or on the ve-
15 hicle.

16 “(k) TERMINATION.—No credit shall be allowed
17 under this section with respect to any vehicle acquired
18 after December 31, 2031.”

19 (b) TRANSFER OF CREDIT.—

20 (1) IN GENERAL.—Section 36C, as added by
21 subsection (a), is amended by redesignating sub-
22 section (k) as subsection (l) and by inserting after
23 subsection (j) following new subsection:

24 “(k) TRANSFER OF CREDIT.—

1 “(1) IN GENERAL.—Subject to such regulations
2 or other guidance as the Secretary determines nec-
3 essary or appropriate, if the taxpayer who acquires
4 a new plug-in electric drive motor vehicle elects the
5 application of this subsection with respect to such
6 vehicle, the credit which would (but for this sub-
7 section) be allowed to such taxpayer with respect to
8 such vehicle shall be allowed to the eligible entity
9 specified in such election (and not to such taxpayer).

10 “(2) ELIGIBLE ENTITY.—For purposes of this
11 paragraph, the term ‘eligible entity’ means, with re-
12 spect to the vehicle for which the credit is allowed
13 under subsection (a), the dealer which sold such ve-
14 hicle to the taxpayer and has—

15 “(A) subject to paragraph (4), registered
16 with the Secretary for purposes of this para-
17 graph, at such time, and in such form and
18 manner, as the Secretary may prescribe,

19 “(B) prior to the election described in
20 paragraph (1) and not later than at the time of
21 such sale, disclosed to the taxpayer purchasing
22 such vehicle—

23 “(i) the manufacturer’s suggested re-
24 tail price,

1 “(ii) the value of the credit allowed or
2 other incentive available for the purchase
3 of such vehicle,

4 “(iii) all fees associated with the pur-
5 chase of such vehicle, and

6 “(iv) the amount provided by the deal-
7 er to such taxpayer as a condition of the
8 election described in paragraph (1),

9 “(C) made payment to such taxpayer
10 (whether in cash or in the form of a partial
11 payment or down payment for the purchase of
12 such vehicle) in an amount equal to the credit
13 otherwise allowable to such taxpayer, and

14 “(D) with respect to any incentive other-
15 wise available for the purchase of a vehicle for
16 which a credit is allowed under this section, in-
17 cluding any incentive in the form of a rebate or
18 discount provided by the dealer or manufac-
19 turer, ensured that—

20 “(i) the availability or use of such in-
21 centive shall not limit the ability of a tax-
22 payer to make an election described in
23 paragraph (1), and

24 “(ii) such election shall not limit the
25 value or use of such incentive.

1 “(3) TIMING.—An election described in para-
2 graph (1) shall be made by the taxpayer not later
3 than the date on which the vehicle for which the
4 credit is allowed under subsection (a) is purchased.

5 “(4) REVOCATION OF REGISTRATION.—Upon
6 determination by the Secretary that a dealer has
7 failed to comply with the requirements described in
8 paragraph (2), the Secretary may revoke the reg-
9 istration (as described in subparagraph (A) of such
10 paragraph) of such dealer.

11 “(5) TAX TREATMENT OF PAYMENTS.—With
12 respect to any payment described in paragraph
13 (2)(C), such payment—

14 “(A) shall not be includible in the gross in-
15 come of the taxpayer, and

16 “(B) with respect to the dealer, shall not
17 be deductible under this title.

18 “(6) APPLICATION OF CERTAIN OTHER RE-
19 QUIREMENTS.—In the case of any election under
20 paragraph (1) with respect to any vehicle—

21 “(A) the amount of the reduction under
22 subsection (c) shall be determined with respect
23 to the modified adjusted gross income of the
24 taxpayer for the taxable year preceding the tax-
25 able year in which such vehicle was acquired

1 (and not with respect to such income for the
2 taxable year in which such vehicle was ac-
3 quired),

4 “(B) the requirements of paragraphs (1)
5 and (2) of subsection (f) shall apply to the tax-
6 payer who acquired the vehicle in the same
7 manner as if the credit determined under this
8 section with respect to such vehicle were al-
9 lowed to such taxpayer,

10 “(C) subsection (f)(5) shall not apply, and

11 “(D) the requirement of subsection (h)
12 shall be treated as satisfied if the eligible entity
13 provides the vehicle identification number of
14 such vehicle to the Secretary in such manner as
15 the Secretary may provide.

16 “(7) ADVANCE PAYMENT TO REGISTERED
17 DEALERS.—

18 “(A) IN GENERAL.—The Secretary shall
19 establish a program to make advance payments
20 to any eligible entity in an amount equal to the
21 cumulative amount of the credits allowed under
22 subsection (a) with respect to any vehicles sold
23 by such entity for which an election described
24 in paragraph (1) has been made.

1 “(B) EXCESSIVE PAYMENTS.—Rules simi-
2 lar to the rules of section 6417(c)(8) shall apply
3 for purposes of this paragraph.

4 “(8) DEALER.—For purposes of this sub-
5 section, the term ‘dealer’ means a person licensed by
6 a State, the District of Columbia, the Common-
7 wealth of Puerto Rico, any other territory or posses-
8 sion of the United States, or an Indian Tribe (as de-
9 fined in section 4 of the Indian Self-Determination
10 and Education Assistance Act (25 U.S.C. 5304)) to
11 engage in the sale of vehicles.”.

12 (2) CONFORMING AMENDMENT.—Section
13 36C(g)(3)(iii), as added by subsection (a), is amend-
14 ed by striking “, and (k)” and inserting “(k), and
15 (l)”.

16 (c) REPEAL OF NONREFUNDABLE NEW QUALIFIED
17 PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE CREDIT.—
18 Subpart B of part IV of subchapter A of chapter 1 is
19 amended by striking section 30D (and by striking the item
20 relating to such section in the table of sections of such
21 subpart).

22 (d) CONFORMING AMENDMENTS.—

23 (1) Section 1016(a)(37) is amended by striking
24 “section 30D(f)(1)” and inserting “section
25 36C(f)(1)”.

1 (2) Section 6211(b)(4)(A) is amended by insert-
2 ing “36C,” after “36B,”.

3 (3) Section 6213(g)(2), as amended by the pre-
4 ceding provisions of this Act, is amended—

5 (A) in subparagraph (R), by striking
6 “and” at the end,

7 (B) in subparagraph (S), by striking the
8 period at the end and inserting “, and”, and

9 (C) by adding at the end the following:

10 “(T) an omission of a correct vehicle iden-
11 tification number required under section 36C(f)
12 (relating to credit for new qualified plug-in elec-
13 tric drive motor vehicles) to be included on a re-
14 turn.”.

15 (4) Section 6501(m) is amended by striking
16 “30D(e)(4)” and inserting “36C(f)(5)”.

17 (5) Section 166(b)(5)(A)(ii) of title 23, United
18 States Code, is amended by striking “section
19 30D(d)(1)” and inserting “section 36C(e)(1)”.

20 (6) Section 1324(b)(2) of title 31, United
21 States Code, is amended by inserting “36C,” after
22 “36B,”.

23 (7) The table of sections for subpart C of part
24 IV of subchapter A of chapter 1 is amended by in-

1 serting after the item relating to section 36B the fol-
2 lowing new item:

“Sec. 36C. New qualified plug-in electric drive motor vehicles.”.

3 (e) **EFFECTIVE DATES.**—

4 (1) The amendments made by subsections (a),
5 (c), and (d) of this section shall apply to vehicles ac-
6 quired after December 31, 2021.

7 (2) The amendments made by subsection (b)
8 shall apply to vehicles acquired after December 31,
9 2022.

10 **SEC. 136402. CREDIT FOR PREVIOUSLY-OWNED QUALIFIED**
11 **PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.**

12 (a) **IN GENERAL.**—Subpart C of part IV of sub-
13 chapter A of chapter 1, as amended by the preceding pro-
14 visions of this Act, is amended by inserting after section
15 36C the following new section:

16 **“SEC. 36D. PREVIOUSLY-OWNED QUALIFIED PLUG-IN ELEC-**
17 **TRIC DRIVE MOTOR VEHICLES.**

18 “(a) **ALLOWANCE OF CREDIT.**—In the case of a
19 qualified buyer who during a taxable year places in service
20 a previously-owned qualified plug-in electric drive motor
21 vehicle, there shall be allowed as a credit against the tax
22 imposed by this subtitle for the taxable year an amount
23 equal to the sum of—

24 “(1) \$2,000, plus

25 “(2) the supplemental credit amount.

1 “(b) SUPPLEMENTAL CREDIT AMOUNT.—For pur-
2 poses of subsection (a), the term ‘supplemental credit
3 amount’ means—

4 “(1) \$2,000, if—

5 “(A) in the case of a vehicle placed in serv-
6 ice before January 1, 2027, such vehicle draws
7 propulsion energy from a battery with not less
8 than 40 kilowatt hours of capacity and has a
9 gasoline tank capacity not greater than 2.5 gal-
10 lons, and

11 “(B) in the case of a vehicle placed in serv-
12 ice after December 31, 2026, such vehicle
13 draws propulsion energy from a battery with
14 not less than 50 kilowatt hours of capacity and
15 has a gasoline tank capacity not greater than
16 2.5 gallons, and

17 “(2) \$0 in any other case.

18 “(c) LIMITATIONS.—

19 “(1) SALE PRICE.—The credit allowed under
20 subsection (a) with respect to sale of a vehicle shall
21 not exceed 50 percent of the sale price.

22 “(2) LIMITATION BASED ON MODIFIED AD-
23 JUSTED GROSS INCOME.—The amount which would
24 (but for this paragraph) be allowed as a credit under
25 subsection (a) shall be reduced (but not below zero)

1 by \$200 for each \$1,000 (or fraction thereof) by
2 which the lesser of—

3 “(A) the taxpayer’s modified adjusted
4 gross income for such taxable year, or

5 “(B) the taxpayer’s modified adjusted
6 gross income for the preceding taxable year, ex-
7 ceeds—

8 “(i) \$150,000 in the case of a joint
9 return or a surviving spouse (as defined in
10 section 2(a)),

11 “(ii) \$112,500 in the case of a head
12 of household (as defined in section 2(b)),
13 and

14 “(iii) \$75,000 in the case of a tax-
15 payer not described in paragraph (1) or
16 (2).

17 “(d) DEFINITIONS.—For purposes of this section—

18 “(1) PREVIOUSLY-OWNED QUALIFIED PLUG-IN
19 ELECTRIC DRIVE MOTOR VEHICLE.—The term ‘pre-
20 viously-owned qualified plug-in electric drive motor
21 vehicle’ means, with respect to a taxpayer, a motor
22 vehicle—

23 “(A) the model year of which is at least 2
24 years earlier than the calendar year in which
25 the taxpayer acquires such vehicle,

1 “(B) the original use of which commences
2 with a person other than the taxpayer,

3 “(C) which is acquired by the taxpayer in
4 a qualified sale, and

5 “(D) which meets the requirements of sub-
6 paragraphs (C), (D), (E), (F), (G), (H), and (I)
7 of section 36C(e)(1) (determined by applying
8 ‘previously-owned qualified plug-in electric drive
9 motor vehicle’ for ‘new qualified plug-in electric
10 drive motor vehicle’), or which is a new quali-
11 fied fuel cell motor vehicle (as defined in sub-
12 paragraphs (A) and (B) of section 30B(b)(3))
13 which has a gross vehicle weight rating of less
14 than 14,000 pounds.

15 “(2) QUALIFIED SALE.—The term ‘qualified
16 sale’ means a sale of a motor vehicle—

17 “(A) by a seller who holds such vehicle in
18 inventory (within the meaning of section 471)
19 for sale or lease,

20 “(B) for a sale price not to exceed
21 \$25,000, and

22 “(C) which is the first transfer since the
23 date of the enactment of this section to a per-
24 son other than the person with whom the origi-
25 nal use of such vehicle commenced.

1 “(3) QUALIFIED BUYER.—The term ‘qualified
2 buyer’ means, with respect to a sale of a motor vehi-
3 cle, a taxpayer—

4 “(A) who is an individual,

5 “(B) who purchases such vehicle for use
6 and not for resale,

7 “(C) with respect to whom no deduction is
8 allowable with respect to another taxpayer
9 under section 151,

10 “(D) who has not been allowed a credit
11 under this section for any sale during the 3-
12 year period ending on the date of the sale of
13 such vehicle, and

14 “(E) who possesses a certificate issued by
15 the seller that certifies—

16 “(i) that the vehicle is a previously-
17 owned qualified plug-in electric drive motor
18 vehicle,

19 “(ii) the vehicle identification number
20 of such vehicle,

21 “(iii) the capacity of the battery at
22 time of sale, and

23 “(iv) such other information as the
24 Secretary may require.

1 “(4) MOTOR VEHICLE; CAPACITY.—The terms
2 ‘motor vehicle’ and ‘capacity’ have the meaning
3 given such terms in paragraphs (2) and (4) of sec-
4 tion 36C(e), respectively.

5 “(e) VIN NUMBER REQUIREMENT.—No credit shall
6 be allowed under subsection (a) with respect to any vehicle
7 unless the taxpayer includes the vehicle identification
8 number of such vehicle on the return of tax for the taxable
9 year.

10 “(f) APPLICATION OF CERTAIN RULES.—For pur-
11 poses of this section, rules similar to the rules of para-
12 graphs (1), (2), (4), (5), and (6) of section 36C(f) shall
13 apply for purposes of this section.

14 “(g) CERTIFICATE SUBMISSION REQUIREMENT.—
15 The Secretary may require that the issuer of the certifi-
16 cate described in subsection (c)(3)(E) submit such certifi-
17 cate to the Secretary at the time and in the manner re-
18 quired by the Secretary.

19 “(h) TREATMENT OF CERTAIN POSSESSIONS.—

20 “(1) PAYMENTS TO POSSESSIONS WITH MIRROR
21 CODE TAX SYSTEMS.—The Secretary shall pay to
22 each possession of the United States which has a
23 mirror code tax system amounts equal to the loss (if
24 any) to that possession by reason of the application
25 of the provisions of this section. Such amounts shall

1 be determined by the Secretary based on information
2 provided by the government of the respective posses-
3 sion.

4 “(2) PAYMENTS TO OTHER POSSESSIONS.—The
5 Secretary shall pay to each possession of the United
6 States which does not have a mirror code tax system
7 amounts estimated by the Secretary as being equal
8 to the aggregate benefits (if any) that would have
9 been provided to residents of such possession by rea-
10 son of the provisions of this section if a mirror code
11 tax system had been in effect in such possession.
12 The preceding sentence shall not apply unless the re-
13 spective possession has a plan which has been ap-
14 proved by the Secretary under which such possession
15 will promptly distribute such payments to its resi-
16 dents.

17 “(3) MIRROR CODE TAX SYSTEM; TREATMENT
18 OF PAYMENTS.—Rules similar to the rules of para-
19 graphs (3), (4), and (5) of section 21(h) shall apply
20 for purposes of this section.

21 “(i) TRANSFER OF CREDIT.—Rules similar to the
22 rules of section 36C(k) shall apply.

23 “(j) TERMINATION.—No credit shall be allowed
24 under this section with respect to any vehicle acquired
25 after December 31, 2031.”

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 6211(b)(4)(A), as amended by the
3 preceding provisions of this Act, is amended by in-
4 serting “36D,” after “36C.”

5 (2) Section 6213(g)(2), as amended by the pre-
6 ceding provisions of this Act, is amended—

7 (A) in subparagraph (S), by striking
8 “and” at the end,

9 (B) in subparagraph (T), by striking the
10 period at the end and inserting “, and”, and

11 (C) by adding at the end the following:

12 “(U) an omission of a correct vehicle iden-
13 tification number required under section
14 36D(d) (relating to credit for previously-owned
15 qualified plug-in electric drive motor vehicles) to
16 be included on a return.”.

17 (3) Paragraph (2) of section 1324(b) of title
18 31, United States Code, as amended by the pre-
19 ceding provisions of this Act, is amended by insert-
20 ing “36D,” after “36C.”

21 (c) CLERICAL AMENDMENT.—The table of sections
22 for subpart C of part IV of subchapter A of chapter 1,
23 as amended by the preceding provisions of this Act, is
24 amended by inserting after the item relating to section
25 36C the following new item:

“Sec. 36D. Previously-owned qualified plug-in electric drive motor vehicles.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to vehicles acquired after Decem-
3 ber 31, 2021.

4 **SEC. 136403. QUALIFIED COMMERCIAL ELECTRIC VEHI-**
5 **CLES.**

6 (a) IN GENERAL.—Subpart D of part IV of sub-
7 chapter A of chapter 1 is amended by adding at the end
8 the following new section:

9 **“SEC. 45Y. CREDIT FOR QUALIFIED COMMERCIAL ELEC-**
10 **TRIC VEHICLES.**

11 “(a) IN GENERAL.—For purposes of section 38, the
12 qualified commercial electric vehicle credit for any taxable
13 year is an amount equal to the sum of the credit amounts
14 determined under subsection (b) with respect to each
15 qualified commercial electric vehicle placed in service by
16 the taxpayer during the taxable year.

17 “(b) PER VEHICLE AMOUNT.—

18 “(1) IN GENERAL.—The amount determined
19 under this subsection with respect to any qualified
20 commercial electric vehicle shall be equal to the less-
21 er of—

22 “(A) 15 percent of the basis of such vehi-
23 cle (30 percent in the case of a vehicle not pow-
24 ered by a gasoline or diesel internal combustion
25 engine), or

1 “(B) the incremental cost of such vehicle.

2 “(2) INCREMENTAL COST.—For purposes of
3 paragraph (1)(B), the incremental cost of any quali-
4 fied commercial electric vehicle is an amount equal
5 to the excess of the purchase price for such vehicle
6 over such price of a comparable vehicle.

7 “(3) COMPARABLE VEHICLE.—For purposes of
8 this paragraph, the term ‘comparable vehicle’ means,
9 with respect to any qualified commercial electric ve-
10 hicle, any vehicle which is powered solely by a gaso-
11 line or diesel internal combustion engine and which
12 is comparable in size and use to such vehicle.

13 “(4) VEHICLES FOR LEASE TO INDIVIDUALS.—

14 “(A) IN GENERAL.—In the case of a com-
15 mercial electric vehicle which is acquired by the
16 taxpayer for the purpose of leasing such vehicle
17 to any individual, the amount determined under
18 this subsection with respect to such vehicle
19 shall, at the election of such taxpayer, be equal
20 to the amount of the credit that would other-
21 wise be allowed under section 36C(a) with re-
22 spect to such vehicle, as determined as if such
23 vehicle—

24 “(i) is a new qualified plug-in electric
25 drive motor vehicle, and

1 “(ii) has been acquired and placed in
2 service by an individual.

3 “(B) ELECTION REQUIREMENTS.—

4 “(i) IN GENERAL.—An election under
5 subparagraph (A) shall be made at such
6 time and in such manner as the Secretary
7 prescribes by regulations or other guid-
8 ance.

9 “(ii) DISCLOSURE REQUIREMENT.—
10 For purposes of any regulations or other
11 guidance prescribed under clause (i), the
12 Secretary shall require that, as a condition
13 of an election under subparagraph (A), the
14 taxpayer making such election shall be re-
15 quired to disclose to the lessee of the com-
16 mercial electric vehicle the value of the
17 credit allowed under this section.

18 “(c) QUALIFIED COMMERCIAL ELECTRIC VEHI-
19 CLE.—For purposes of this section, the term ‘qualified
20 commercial electric vehicle’ means any vehicle which—

21 “(1) meets the requirements of subparagraphs
22 (A) and (C) of section 36C(e)(1) without regard to
23 any gross vehicle weight rating, and is acquired for
24 use or lease by the taxpayer and not for resale,

25 “(2) either—

1 “(A) meets the requirements of subpara-
2 graph (D) of section 36C(e)(1) and is manufac-
3 tured primarily for use on public streets, roads,
4 and highways (not including a vehicle operated
5 exclusively on a rail or rails), or

6 “(B) is mobile machinery, as defined in
7 section 4053(8) (including vehicles that are not
8 designed to perform a function of transporting
9 a load over the public highways),

10 “(3) either—

11 “(A) is propelled to a significant extent by
12 an electric motor which draws electricity from a
13 battery which has a capacity of not less than 15
14 kilowatt hours and is capable of being re-
15 charged from an external source of electricity,
16 or

17 “(B) is a new qualified fuel cell motor ve-
18 hicle described in subparagraphs (A) and (B) of
19 section 30B(b)(3), and

20 “(4) is of a character subject to the allowance
21 for depreciation.

22 “(d) SPECIAL RULES.—

23 “(1) IN GENERAL.—Subject to paragraph (2),
24 rules similar to the rules under subsection (f) of sec-
25 tion 36C shall apply for purposes of this section.

1 “(2) RECAPTURE.—The Secretary shall, by reg-
2 ulations or other guidance, provide for recapturing
3 the benefit of any credit allowed under subsection
4 (a) with respect to any property which ceases to be
5 property eligible for such credit, including regula-
6 tions or other guidance which, in the case of any
7 commercial electric vehicle for which an election was
8 made under subsection (b)(4)—

9 “(A) recaptures the credit allowed under
10 subsection (a) if—

11 “(i) such vehicle was not leased to an
12 individual, or

13 “(ii) the taxpayer failed to comply
14 with the requirements described in sub-
15 section (b)(4)(B)(ii), and

16 “(B) in the case of a commercial electric
17 vehicle which is leased by an individual whose
18 modified adjusted gross income exceeds the
19 threshold amount under section 36C(c)(2), re-
20 captures so much of the credit allowed under
21 subsection (a) as exceeds the amount of the
22 credit which would have otherwise been allow-
23 able under such subsection if, for purposes of
24 subsection (b)(4)(A), the amount of the credit
25 that would otherwise be allowed under section

1 36C(a) with respect to such vehicle had been
2 determined as if such vehicle was acquired and
3 placed in service by such individual and subject
4 to reduction under section 36C(c).

5 “(3) VEHICLES PLACED IN SERVICE BY TAX-
6 EXEMPT ENTITIES.—Subsection (c)(4) shall not
7 apply to any vehicle which is not subject to a lease
8 and which is placed in service by a tax-exempt entity
9 described in clause (i), (ii), or (iv) of section
10 168(h)(2)(A).

11 “(e) VIN NUMBER REQUIREMENT.—No credit shall
12 be determined under subsection (a) with respect to any
13 vehicle unless the taxpayer includes the vehicle identifica-
14 tion number of such vehicle on the return of tax for the
15 taxable year.

16 “(f) TERMINATION.—No credit shall be determined
17 under this section with respect to any vehicle acquired
18 after December 31, 2031.”.

19 (b) ELECTIVE PAYMENT OF CREDIT IN CASE OF
20 CERTAIN TAX-EXEMPT ENTITIES.—Section 6417(b), as
21 amended by the preceding provisions of this Act, is amend-
22 ed by adding at the end the following new paragraph:

23 “(9) In the case of a tax-exempt entity de-
24 scribed in clause (i), (ii), or (iv) of section
25 168(h)(2)(A), the credit for qualified commercial ve-

1 hicles determined under section 45Y by reason of
2 subsection (d)(2) thereof.”.

3 (c) CONFORMING AMENDMENTS.—

4 (1) Section 38(b) is amended by striking para-
5 graph (30) and inserting the following:

6 “(30) the qualified commercial electric vehicle
7 credit determined under section 45Y,”.

8 (2) Section 6213(g)(2), as amended by the pre-
9 ceding provisions of this Act, is amended—

10 (A) in subparagraph (T), by striking
11 “and” at the end,

12 (B) in subparagraph (U), by striking the
13 period at the end and inserting “, and”, and

14 (C) by adding at the end the following:

15 “(V) an omission of a correct vehicle iden-
16 tification number required under section 45Y(e)
17 (relating to commercial electric vehicle credit)
18 to be included on a return.”.

19 (3) The table of sections for subpart D of part
20 IV of subchapter A of chapter 1 is amended by add-
21 ing at the end the following new item:

 “Sec. 45Y. Qualified commercial electric vehicle credit.”.

22 (d) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to vehicles acquired after Decem-
24 ber 31, 2021.

1 **SEC. 136404. QUALIFIED FUEL CELL MOTOR VEHICLES.**

2 (a) IN GENERAL.—Section 30B(k)(1) is amended by
3 striking “December 31, 2021” and inserting “December
4 31, 2031”.

5 (b) NEW QUALIFIED FUEL CELL MOTOR VEHI-
6 CLE.—Section 30B(b) is amended by striking “and” at
7 the end of subparagraph (D), by striking the period at
8 the end of subparagraph (E) and inserting “, and”, and
9 by adding at the end the following new subparagraph:

10 “(F) which is not property of a character
11 subject to an allowance for depreciation.”.

12 (c) CONFORMING AMENDMENT.—Section 30B(g) is
13 amended to read as follows:

14 “(g) PERSONAL CREDIT.—For purposes of this title,
15 the credit allowed under subsection (a) for any taxable
16 year (determined after application of paragraph (1)) shall
17 be treated as a credit allowable under subpart A for such
18 taxable year.”.

19 (d) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to property placed in service after
21 December 31, 2021.

22 **SEC. 136405. ALTERNATIVE FUEL REFUELING PROPERTY**
23 **CREDIT.**

24 (a) IN GENERAL.—Section 30C(g) is amended by
25 striking “December 31, 2021” and inserting “December
26 31, 2031”.

1 (b) ADDITIONAL CREDIT FOR CERTAIN ELECTRIC
2 CHARGING PROPERTY.—

3 (1) IN GENERAL.—Section 30C(a) is amend-
4 ed—

5 (A) by striking “equal to 30 percent” and
6 inserting the following: “equal to the sum of—
7 “(1) 30 percent (6 percent in the case of prop-
8 erty described in subsection (b)(2))”,

9 (B) by striking the period at the end and
10 inserting “, plus”, and

11 (C) by adding at the end the following new
12 paragraph:

13 “(2) 4 percent of so much of such cost as ex-
14 ceeds the limitation under subsection (b)(1) that
15 does not exceed the amount of cost attributable to
16 qualified alternative vehicle refueling property (de-
17 termined without regard to subsection (c)(1) and as
18 if only electricity, and fuel at least 85 percent of the
19 volume of which consists of hydrogen, were treated
20 as clean-burning fuels for purposes of section
21 179A(d)) which—

22 “(A) is intended for general public use
23 with no associated fee or payment arrangement,

24 “(B) is intended for general public use and
25 accepts payment via a credit card reader, in-

1 including a credit card reader that uses
2 contactless technology, or

3 “(C) is intended for use exclusively by
4 commercial or governmental vehicles.”.

5 (2) CONFORMING AMENDMENT.—Section
6 30C(b) is amended—

7 (A) by striking “The credit allowed under
8 subsection (a)” and inserting “The amount of
9 cost taken into account under subsection
10 (a)(1)”,

11 (B) by striking “\$30,000” and inserting
12 “\$100,000”, and

13 (C) by striking “\$1,000” and inserting
14 “\$3,333.33”.

15 (3) BIDIRECTIONAL CHARGING EQUIPMENT IN-
16 CLUDED AS QUALIFIED ALTERNATIVE FUEL VEHI-
17 CLE REFUELING PROPERTY.—Section 30C(e) is
18 amended—

19 (A) by striking “For purposes of this sec-
20 tion, the term” and inserting “For purposes of
21 this section—

22 “(1) IN GENERAL.—The term”, and

23 (B) by adding at the end the following new
24 paragraph:

1 “(2) BIDIRECTIONAL CHARGING EQUIPMENT.—
2 Property shall not fail to be treated as qualified al-
3 ternative vehicle refueling property solely because
4 such property—

5 “(A) is capable of charging the battery of
6 a motor vehicle propelled by electricity, and

7 “(B) allows discharging electricity from
8 such battery to an electric load external to such
9 motor vehicle.”.

10 (c) CERTAIN ELECTRIC CHARGING STATIONS IN-
11 CLUDED AS QUALIFIED ALTERNATIVE FUEL VEHICLE
12 REFUELING PROPERTY.—Section 30C is amended by re-
13 designating subsections (f) and (g) as subsections (g) and
14 (h), respectively, and by inserting after subsection (e) the
15 following:

16 “(f) SPECIAL RULE FOR ELECTRIC CHARGING STA-
17 TIONS FOR CERTAIN VEHICLES WITH 2 OR 3 WHEELS.—
18 For purposes of this section—

19 “(1) IN GENERAL.—The term ‘qualified alter-
20 native fuel vehicle refueling property’ includes any
21 property described in subsection (c) for the re-
22 charging of a motor vehicle described in paragraph
23 (2) that is propelled by electricity, but only if the
24 property—

1 “(A) meets the requirements of subsection
2 (a)(2), and

3 “(B) is of a character subject to deprecia-
4 tion.

5 “(2) MOTOR VEHICLE.—A motor vehicle is de-
6 scribed in this paragraph if the motor vehicle—

7 “(A) is manufactured primarily for use on
8 public streets, roads, or highways (not including
9 a vehicle operated exclusively on a rail or rails),
10 and

11 “(B) has at least 2, but not more than 3,
12 wheels.”.

13 (d) WAGE AND APPRENTICESHIP REQUIREMENTS.—
14 Section 30C, as amended by this section, is further
15 amended by redesignating subsections (g) and (h) as sub-
16 sections (h) and (i) and by inserting after subsection (f)
17 the following new subsection:

18 “(g) WAGE AND APPRENTICESHIP REQUIRE-
19 MENTS.—

20 “(1) INCREASED CREDIT AMOUNT.—

21 “(A) IN GENERAL.—In the case of any
22 qualified alternative fuel vehicle refueling
23 project which satisfies the requirements of sub-
24 paragraph (C), the amount of the credit deter-
25 mined under subsection (a) shall be equal to

1 such amount multiplied by 5 (determined with-
2 out regard to this sentence).

3 “(B) QUALIFIED ALTERNATIVE FUEL VE-
4 HICLE REFUELING PROJECT.—For purposes of
5 this subsection, the term ‘qualified alternative
6 fuel vehicle refueling project’ means a project
7 consisting of multiple properties that are part
8 of a single project. The requirements of this
9 paragraph shall be applied to such project.

10 “(C) PROJECT REQUIREMENTS.—A project
11 meets the requirements of this subparagraph if
12 it is one of the following:

13 “(i) A project the construction of
14 which begins prior to the date that is 60
15 days after the Secretary publishes guid-
16 ance with respect to the requirements of
17 paragraphs (2) and (3).

18 “(ii) A project which satisfies the re-
19 quirements of paragraphs (2) and (3).

20 “(2) PREVAILING WAGE REQUIREMENTS.—

21 “(A) IN GENERAL.—The requirements de-
22 scribed in this subparagraph with respect to
23 any qualified alternative fuel vehicle refueling
24 project are that the taxpayer shall ensure that
25 any laborers and mechanics employed by con-

1 tractors and subcontractors in the construction
2 of such property shall be paid wages at rates
3 not less than the prevailing rates for construc-
4 tion, alteration, or repair of a similar character
5 in the locality as most recently determined by
6 the Secretary of Labor, in accordance with sub-
7 chapter IV of chapter 31 of title 40, United
8 States Code.

9 “(B) CORRECTION AND PENALTY RELATED
10 TO FAILURE TO SATISFY WAGE REQUIRE-
11 MENTS.—Rules similar to the rules of section
12 45(b)(8)(B) shall apply.

13 “(3) APPRENTICESHIP REQUIREMENTS.—Rules
14 similar to the rules of section 45(b)(9) shall apply.

15 “(4) REGULATIONS AND GUIDANCE.—The Sec-
16 retary shall issue such regulations or other guidance
17 as the Secretary determines necessary or appropriate
18 to carry out the purposes of this subsection, includ-
19 ing regulations or other guidance which provides for
20 requirements for recordkeeping or information re-
21 porting for purposes of establishing the requirements
22 of this subsection.”.

23 (e) EFFECTIVE DATE.—The amendment made by
24 this section shall apply to property placed in service after
25 December 31, 2021.

1 **SEC. 136406. REINSTATEMENT AND EXPANSION OF EM-**
2 **PLOYER-PROVIDED FRINGE BENEFITS FOR**
3 **BICYCLE COMMUTING.**

4 (a) REPEAL OF SUSPENSION OF EXCLUSION FOR
5 QUALIFIED BICYCLE COMMUTING BENEFITS.—Section
6 132(f) is amended by striking paragraph (8).

7 (b) EXPANSION OF BICYCLE COMMUTING BENE-
8 FITS.—Section 132(f)(5)(F) is amended to read as fol-
9 lows:

10 “(F) DEFINITIONS RELATED TO BICYCLE
11 COMMUTING BENEFITS.—

12 “(i) QUALIFIED BICYCLE COMMUTING
13 BENEFIT.—The term ‘qualified bicycle
14 commuting benefit’ means, with respect to
15 any calendar year—

16 “(I) any employer reimbursement
17 during the 15-month period beginning
18 with the first day of such calendar
19 year for reasonable expenses incurred
20 by the employee during such calendar
21 year for the purchase (including asso-
22 ciated finance charges), lease, rental
23 (including a bikeshare), improvement,
24 repair, or storage of qualified com-
25 muting property, or

1 “(II) the direct or indirect provi-
2 sion by the employer to the employee
3 during such calendar year of the use
4 (including a bikeshare), improvement,
5 repair, or storage of qualified com-
6 muting property,
7 if the employee regularly uses such quali-
8 fied commuting property for travel between
9 the employee’s residence, place of employ-
10 ment, a qualified parking facility, or a
11 mass transit facility that connects the em-
12 ployee to their residence or place of em-
13 ployment.

14 “(ii) QUALIFIED COMMUTING PROP-
15 PERTY.—The term ‘qualified commuting
16 property’ means—

17 “(I) any bicycle (other than a bi-
18 cycle equipped with any motor),

19 “(II) any electric bicycle which
20 meets the requirements of section
21 36E(c)(5),

22 “(III) any 2- or 3-wheel scooter
23 (other than a scooter equipped with
24 any motor), and

1 “(IV) any 2- or 3-wheel scooter
2 propelled by an electric motor if such
3 motor does not provide assistance if
4 the speed of such scooter exceeds 20
5 miler per hour (or if the speed of such
6 scooter is not capable of exceeding 20
7 miles per hour) and the weight of
8 such scooter does not exceed 100
9 pounds.

10 “(iii) BIKESHARE.—The term
11 ‘bikeshare’ means a rental operation at
12 which qualified commuting property is
13 made available to customers to pick up and
14 drop off for point-to-point use within a de-
15 fined geographic area.”.

16 (c) LIMITATION ON EXCLUSION.—Section
17 132(f)(2)(C) is amended to read as follows:

18 “(C) 30 percent of the dollar amount in ef-
19 fect under subparagraph (B) per month in the
20 case of any qualified bicycle commuting ben-
21 efit.”.

22 (d) NO CONSTRUCTIVE RECEIPT.—Section 132(f)(4)
23 is amended by striking “(other than a qualified bicycle
24 commuting reimbursement)”.

25 (e) CONFORMING AMENDMENTS.—

1 (1) Section 132(f)(1)(D) is amended by striking
2 “reimbursement” and inserting “benefit”.

3 (2) Section 274(l) is amended by striking para-
4 graph (2).

5 (f) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to taxable years beginning after
7 December 31, 2021.

8 **SEC. 136407. CREDIT FOR CERTAIN NEW ELECTRIC BICY-**
9 **CLES.**

10 (a) IN GENERAL.—Subpart C of part IV of sub-
11 chapter A of chapter 1, as amended by the preceding pro-
12 visions of this Act, is amended by inserting after section
13 36D the following new section:

14 **“SEC. 36E. ELECTRIC BICYCLES.**

15 “(a) ALLOWANCE OF CREDIT.—There shall be al-
16 lowed as a credit against the tax imposed by this chapter
17 for the taxable year an amount equal to 30 percent of the
18 cost of each qualified electric bicycle placed in service by
19 the taxpayer during such taxable year.

20 “(b) LIMITATIONS.—

21 “(1) LIMITATION ON COST PER ELECTRIC BICY-
22 CLE TAKEN INTO ACCOUNT.—The amount taken
23 into account under subsection (a) as the cost of any
24 qualified electric bicycle shall not exceed \$5,000.

1 “(2) BICYCLE LIMITATION WITH RESPECT TO
2 CREDIT.—

3 “(A) LIMITATION ON NUMBER OF PER-
4 SONAL-USE BICYCLES.—In the case of any tax-
5 payer for any taxable year, the number of per-
6 sonal-use bicycles taken into account under sub-
7 section (a) shall not exceed the excess (if any)
8 of—

9 “(i) 1 (2 in the case of a joint return),
10 reduced by

11 “(ii) the aggregate number of bicycles
12 taken into account by the taxpayer under
13 subsection (a) for the 2 preceding taxable
14 years.

15 “(B) PHASEOUT BASED ON MODIFIED AD-
16 JUSTED GROSS INCOME.—The credit allowed
17 under subsection (a) shall be reduced by \$200
18 for each \$1,000 (or fraction thereof) by which
19 the taxpayer’s modified adjusted gross income
20 exceeds—

21 “(i) \$150,000 in the case of a joint
22 return or a surviving spouse (as defined in
23 section 2(a)),

1 “(ii) \$112,500 in the case of a head
2 of household (as defined in section 2(b)),
3 and

4 “(iii) \$75,000 in the case of a tax-
5 payer not described in clause (i) or (ii).

6 “(C) MODIFIED ADJUSTED GROSS IN-
7 COME.—For purposes of subparagraph (B), the
8 term ‘modified adjusted gross income’ means
9 adjusted gross income increased by any amount
10 excluded from gross income under section 911,
11 931, or 933.

12 “(D) SPECIAL RULE FOR MODIFIED AD-
13 JUSTED GROSS INCOME TAKEN INTO AC-
14 COUNT.—The modified adjusted gross income
15 of the taxpayer that is taken into account for
16 purposes of this paragraph shall be the lesser
17 of—

18 “(i) the modified adjusted gross in-
19 come for the taxable year in which the
20 credit is claimed, or

21 “(ii) the modified adjusted gross in-
22 come for the immediately preceding taxable
23 year.

1 “(c) QUALIFIED ELECTRIC BICYCLE.—For purposes
2 of this section, the term ‘qualified electric bicycle’ means
3 a bicycle—

4 “(1) the original use of which commences with
5 the taxpayer,

6 “(2) which is acquired for use by the taxpayer
7 and not for resale,

8 “(3) which is made by a qualified manufacturer
9 and is labeled with the qualified vehicle identification
10 number assigned to such bicycle by such manufac-
11 turer,

12 “(4) with respect to which the aggregate
13 amount paid for such acquisition does not exceed
14 \$8,000, and

15 “(5) which is equipped with—

16 “(A) fully operable pedals,

17 “(B) a saddle or seat for the rider, and

18 “(C) an electric motor of less than 750
19 watts which is designed to provided assistance
20 in propelling the bicycle and—

21 “(i) does not provide such assistance
22 if the bicycle is moving in excess of 20
23 miler per hour, or

24 “(ii) if such motor only provides such
25 assistance when the rider is pedaling, does

1 not provide such assistance if the bicycle is
2 moving in excess of 28 miles per hour.

3 “(d) VIN NUMBER REQUIREMENT.—

4 “(1) IN GENERAL.—No credit shall be allowed
5 under subsection (a) with respect to any qualified
6 electric bicycle unless the taxpayer includes the
7 qualified vehicle identification number of such bicy-
8 cle on the return of tax for the taxable year.

9 “(2) QUALIFIED VEHICLE IDENTIFICATION
10 NUMBER.—For purposes of this section, the term
11 ‘qualified vehicle identification number’ means, with
12 respect to any bicycle, the vehicle identification num-
13 ber assigned to such bicycle by a qualified manufac-
14 turer pursuant to the methodology referred to in
15 paragraph (3).

16 “(3) QUALIFIED MANUFACTURER.—For pur-
17 poses of this section, the term ‘qualified manufac-
18 turer’ means any manufacturer of qualified electric
19 bicycles which enters into an agreement with the
20 Secretary which provides that such manufacturer
21 will—

22 “(A) assign a vehicle identification number
23 to each qualified electric bicycle produced by
24 such manufacturer utilizing a methodology that
25 will ensure that such number (including any al-

1 phanumeric) is unique to such bicycle (by uti-
2 lizing numbers or letters which are unique to
3 such manufacturer or by such other method as
4 the Secretary may provide),

5 “(B) label such bicycle with such number
6 in such manner as the Secretary may provide,
7 and

8 “(C) make periodic written reports to the
9 Secretary (at such times and in such manner as
10 the Secretary may provide) of the vehicle identi-
11 fication numbers so assigned and including
12 such information as the Secretary may require
13 with respect to the qualified electric bicycle to
14 which such number was so assigned.

15 “(e) SPECIAL RULES.—

16 “(1) BASIS REDUCTION.—For purposes of this
17 subtitle, the basis of any property for which a credit
18 is allowable under subsection (a) shall be reduced by
19 the amount of such credit so allowed.

20 “(2) NO DOUBLE BENEFIT.—The amount of
21 any deduction or other credit allowable under this
22 chapter for a qualified electric bicycle for which a
23 credit is allowable under subsection (a) shall be re-
24 duced by the amount of credit allowed under such
25 subsection for such bicycle.

1 “(3) PROPERTY USED OUTSIDE UNITED STATES
2 NOT QUALIFIED.—No credit shall be allowable under
3 subsection (a) with respect to any property referred
4 to in section 50(b)(1).

5 “(4) RECAPTURE.—The Secretary shall, by reg-
6 ulations or other guidance, provide for recapturing
7 the benefit of any credit allowable under subsection
8 (a) with respect to any property which ceases to be
9 property eligible for such credit.

10 “(5) ELECTION NOT TO TAKE CREDIT.—No
11 credit shall be allowed under subsection (a) for any
12 bicycle if the taxpayer elects to not have this section
13 apply to such bicycle.

14 “(f) TREATMENT OF CERTAIN POSSESSIONS.—

15 “(1) PAYMENTS TO POSSESSIONS WITH MIRROR
16 CODE TAX SYSTEMS.—The Secretary shall pay to
17 each possession of the United States which has a
18 mirror code tax system amounts equal to the loss (if
19 any) to that possession by reason of the application
20 of the provisions of this section (determined without
21 regard to this subsection). Such amounts shall be
22 determined by the Secretary based on information
23 provided by the government of the respective posses-
24 sion.

1 “(2) PAYMENTS TO OTHER POSSESSIONS.—The
2 Secretary shall pay to each possession of the United
3 States which does not have a mirror code tax system
4 amounts estimated by the Secretary as being equal
5 to the aggregate benefits (if any) that would have
6 been provided to residents of such possession by rea-
7 son of the provisions of this section if a mirror code
8 tax system had been in effect in such possession.
9 The preceding sentence shall not apply unless the re-
10 spective possession has a plan which has been ap-
11 proved by the Secretary under which such possession
12 will promptly distribute such payments to its resi-
13 dents.

14 “(3) MIRROR CODE TAX SYSTEM; TREATMENT
15 OF PAYMENTS.—Rules similar to the rules of para-
16 graphs (3), (4), and (5) of section 21(h) shall apply
17 for purposes of this section.

18 “(g) TRANSFER OF CREDIT.—

19 “(1) IN GENERAL.—Subject to such regulations
20 or other guidance as the Secretary determines nec-
21 essary or appropriate, if the taxpayer who acquires
22 a qualified electric bicycle after December 31, 2022
23 elects the application of this subsection with respect
24 to such qualified electric bicycle, the credit which
25 would (but for this subsection) be allowed to such

1 taxpayer with respect to such qualified electric bicy-
2 cle shall be allowed to the eligible entity specified in
3 such election (and not to such taxpayer).

4 “(2) ELIGIBLE ENTITY.—For purposes of this
5 paragraph, the term ‘eligible entity’ means, with re-
6 spect to the qualified electric bicycle for which the
7 credit is allowed under subsection (a), the retailer
8 which sold such qualified electric bicycle to the tax-
9 payer and has—

10 “(A) subject to paragraph (4), registered
11 with the Secretary for purposes of this para-
12 graph, at such time, and in such form and
13 manner, as the Secretary may prescribe,

14 “(B) prior to the election described in
15 paragraph (1) and no later than at the time of
16 such sale, disclosed to the taxpayer purchasing
17 such qualified electric bicycle—

18 “(i) the retail price,

19 “(ii) the value of the credit allowed or
20 other incentive available for the purchase
21 of such qualified electric bicycle,

22 “(iii) all fees associated with the pur-
23 chase of such qualified electric bicycle, and

1 “(iv) the amount provided by the re-
2 tailer to such taxpayer as a condition of
3 the election described in paragraph (1),

4 “(C) made payment to such taxpayer
5 (whether in cash or in the form of a partial
6 payment or down payment for the purchase of
7 such qualified electric bicycle) in an amount
8 equal to the credit otherwise allowable to such
9 taxpayer, and

10 “(D) with respect to any incentive other-
11 wise available for the purchase of a qualified
12 electric bicycle for which a credit is allowed
13 under this section, including any incentive in
14 the form of a rebate or discount provided by the
15 retailer or manufacturer, ensured that—

16 “(i) the availability or use of such in-
17 centive shall not limit the ability of a tax-
18 payer to make an election described in
19 paragraph (1), and

20 “(ii) such election shall not limit the
21 value or use of such incentive.

22 “(3) TIMING.—An election described in para-
23 graph (1) shall be made by the taxpayer not later
24 than the date on which the qualified electric bicycle

1 for which the credit is allowed under subsection (a)
2 is purchased.

3 “(4) REVOCATION OF REGISTRATION.—Upon
4 determination by the Secretary that a retailer has
5 failed to comply with the requirements described in
6 paragraph (2), the Secretary may revoke the reg-
7 istration (as described in subparagraph (A) of such
8 paragraph) of such retailer.

9 “(5) TAX TREATMENT OF PAYMENTS.—With
10 respect to any payment described in paragraph
11 (2)(C), such payment—

12 “(A) shall not be includible in the gross in-
13 come of the taxpayer, and

14 “(B) with respect to the retailer, shall not
15 be deductible under this title.

16 “(6) APPLICATION OF CERTAIN OTHER RE-
17 QUIREMENTS.—In the case of any election under
18 paragraph (1) with respect to any qualified electric
19 bicycle—

20 “(A) the amount of the reduction under
21 subsection (b) shall be determined with respect
22 to the modified adjusted gross income of the
23 taxpayer for the taxable year preceding the tax-
24 able year in which such qualified electric bicycle
25 was acquired (and not with respect to such in-

1 come for the taxable year in which such quali-
2 fied electric bicycle was acquired),

3 “(B) the requirements of paragraphs (1)
4 and (2) of subsection (e) shall apply to the tax-
5 payer who acquired the qualified electric bicycle
6 in the same manner as if the credit determined
7 under this section with respect to such qualified
8 electric bicycle were allowed to such taxpayer,
9 and

10 “(C) subsection (e)(5) shall not apply.

11 “(7) ADVANCE PAYMENT TO REGISTERED RE-
12 TAILERS.—

13 “(A) IN GENERAL.—The Secretary shall
14 establish a program to make advance payments
15 to any eligible entity in an amount equal to the
16 cumulative amount of the credits allowed under
17 subsection (a) with respect to any qualified elec-
18 tric bicycles sold by such entity for which an
19 election described in paragraph (1) has been
20 made.

21 “(B) EXCESSIVE PAYMENTS.—Rules simi-
22 lar to the rules of section 6417(c)(8) shall apply
23 for purposes of this paragraph.

24 “(8) RETAILER.—For purposes of this sub-
25 section, the term ‘retailer’ means a person engaged

1 in the trade or business of selling qualified electric
2 bicycles in a State, the District of Columbia, the
3 Commonwealth of Puerto Rico, any other territory
4 or possession of the United States, or an Indian
5 Tribe (as defined in section 4 of the Indian Self-De-
6 termination and Education Assistance Act (25
7 U.S.C. 5304)).

8 “(h) TERMINATION.—This section shall not apply to
9 bicycles placed in service after December 31, 2026.”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) Section 1016(a) is amended by striking
12 “and” at the end of paragraph (38), by striking the
13 period at the end of paragraph (39) and inserting “,
14 and”, and by adding at the end the following new
15 paragraph:

16 “(40) to the extent provided in section
17 36E(f)(1).”.

18 (2) Section 6211(b)(4)(A) of such Code is
19 amended by inserting “36E by reason of subsection
20 (e)(2) thereof,” before “32,”.

21 (3) Section 6213(g)(2), as amended by the pre-
22 ceding provisions of this Act, is amended—

23 (A) in subparagraph (U), by striking
24 “and” at the end,

1 (B) in subparagraph (V), by striking the
2 period at the end and inserting “, and”, and

3 (C) by adding at the end the following:

4 “(W) an omission of a correct vehicle iden-
5 tification number required under section 36E(d)
6 (relating to electric bicycles credit) to be in-
7 cluded on a return.”.

8 (4) Section 6501(m) is amended by inserting
9 “36E(f)(4),” after “35(g)(11),”.

10 (5) Section 1324(b)(2) of title 31, United
11 States Code, is amended by inserting “36E,” after
12 “36D,”.

13 (c) CLERICAL AMENDMENT.—The table of sections
14 for subpart B of part IV of subchapter A of chapter 1
15 is amended by adding at the end the following new item:
“Sec. 36E. Electric bicycles.”.

16 (d) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to property placed in service after
18 December 31, 2021, in taxable years ending after such
19 date.

20 **PART 5—INVESTMENT IN THE GREEN**

21 **WORKFORCE AND MANUFACTURING**

22 **SEC. 136501. EXTENSION OF THE ADVANCED ENERGY** 23 **PROJECT CREDIT.**

24 (a) EXTENSION OF CREDIT.—Section 48C is amend-
25 ed by redesignating subsection (e) as subsection (f) and

1 by inserting after subsection (d) the following new sub-
2 section:

3 “(e) ADDITIONAL ALLOCATIONS.—

4 “(1) IN GENERAL.—Not later than 270 days
5 after the date of enactment of this subsection, the
6 Secretary shall establish a program to consider and
7 award certifications for qualified investments eligible
8 for credits under this section to qualifying advanced
9 energy project sponsors.

10 “(2) ANNUAL LIMITATION.—

11 “(A) IN GENERAL.—The amount of credits
12 that may be allocated under this subsection
13 during any calendar year shall not exceed the
14 annual credit limitation with respect to such
15 year.

16 “(B) ANNUAL CREDIT LIMITATION.—

17 “(i) IN GENERAL.—For purposes of
18 this subsection, the term ‘annual credit
19 limitation’ means \$5,000,000,000 for each
20 of calendar years 2022 through 2023,
21 \$1,875,000,000 for each of calendar years
22 2024 through 2031, and zero thereafter.

23 “(ii) AMOUNT SET ASIDE FOR AUTO-
24 MOTIVE COMMUNITIES.—

1300

1 “(I) IN GENERAL.—For purposes
2 of clause (i), \$800,000,000 of the an-
3 nual credit limitation for each of cal-
4 endar years 2022 through 2023 and
5 \$300,000,000 for each of calendar
6 years 2024 through 2031 shall be al-
7 located to qualified investments lo-
8 cated within automotive communities.

9 “(II) AUTOMOTIVE COMMU-
10 NITIES.—For purposes of this clause,
11 the term ‘automotive communities’
12 means a census tract and any directly
13 adjoining census tract, including a no-
14 population census tract, that has ex-
15 perience major job losses in the auto-
16 motive manufacturing sector since
17 January 1, 1994, as determined by
18 the Secretary.

19 “(iii) AMOUNT SET ASIDE FOR EN-
20 ERGY COMMUNITIES.—

21 “(I) IN GENERAL.—For purposes
22 of clause (i), \$800,000,000 of the an-
23 nual credit limitation for each of cal-
24 endar years 2022 through 2023 and
25 \$300,000,000 for each of calendar

1 years 2024 through 2031 shall be al-
2 located to qualified investments lo-
3 cated within energy communities.

4 “(II) ENERGY COMMUNITITES.—
5 For purposes of this clause, the term
6 ‘energy communities’ means a census
7 tract or any directly adjoining census
8 tract in which—

9 “(aa) after December 31,
10 1999, a coal mine has closed, or

11 “(bb) after December 31,
12 2009, a coal-fired electric gener-
13 ating unit has been retired.

14 “(C) CARRYOVER OF UNUSED LIMITA-
15 TION.—If the annual credit limitation for any
16 calendar year exceeds the aggregate amount
17 designated for such year under this subsection,
18 such limitation for the succeeding calendar year
19 shall be increased by the amount of such excess.
20 No amount may be carried under the preceding
21 sentence to any calendar year after 2036.

22 “(3) CERTIFICATIONS.—

23 “(A) APPLICATION REQUIREMENT.—Each
24 applicant for certification under this subsection
25 shall submit an application at such time and

1 containing such information as the Secretary
2 may require.

3 “(B) TIME TO MEET CRITERIA FOR CER-
4 TIFICATION.—Each applicant for certification
5 shall have 2 years from the date of acceptance
6 by the Secretary of the application during
7 which to provide to the Secretary evidence that
8 the requirements of the certification have been
9 met.

10 “(C) PERIOD OF ISSUANCE.—An applicant
11 which receives a certification shall have 2 years
12 from the date of issuance of the certification in
13 order to place the project in service and to no-
14 tify the Secretary that such project has been so
15 placed in service, and if such project is not
16 placed in service (and the Secretary so notified)
17 by that time period, then the certification shall
18 no longer be valid. If any certification is re-
19 voked under this subparagraph, the amount of
20 the annual credit limitation under paragraph
21 (2) for the calendar year in which such certifi-
22 cation is revoked shall be increased by the
23 amount of the credit with respect to such re-
24 voked certification.

1 “(4) SELECTION CRITERIA.—Selection criteria
2 similar to those in subsection (d)(3) shall apply, ex-
3 cept that in determining designations under this
4 subsection, the Secretary shall—

5 “(A) in addition to the factors described in
6 subsection (d)(3)(B), take into consideration
7 which projects—

8 “(i) will provide the greatest net im-
9 pact in avoiding or reducing anthropogenic
10 emissions of greenhouse gases, as deter-
11 mined by the Secretary,

12 “(ii) will provide the greatest domestic
13 job creation (both direct and indirect) dur-
14 ing the credit period,

15 “(iii) will provide the greatest job cre-
16 ation within the vicinity of the project, par-
17 ticularly with respect to—

18 “(I) low-income communities (as
19 described in section 45D(e)), and

20 “(II) dislocated workers who
21 were previously employed in manufac-
22 turing, coal power plants, or coal min-
23 ing, and

24 “(iv) will provide the greatest job cre-
25 ation in areas with a population that is at

1 risk of experiencing higher or more adverse
2 human health or environmental effects and
3 a significant portion of such population is
4 comprised of communities of color, low-in-
5 come communities, Tribal and Indigenous
6 communities, or individuals formerly em-
7 ployed in the fossil fuel industry, and

8 “(B) give the highest priority to projects
9 which—

10 “(i) manufacture (other than pri-
11 marily assembly of components) property
12 described in a subclause of subsection
13 (c)(1)(A)(i) (or components thereof), and

14 “(ii) have the greatest potential for
15 commercial deployment of new applica-
16 tions.

17 “(5) DISCLOSURE OF ALLOCATIONS.—The Sec-
18 retary shall, upon allocating a credit under this sub-
19 section, publicly disclose the identity of the appli-
20 cant, the amount of the credit with respect to such
21 applicant, and the project location for which such
22 credit was allocated.

23 “(6) CREDIT CONDITIONED UPON WAGE AND
24 APPRENTICESHIP REQUIREMENTS.—

1 “(A) BASE RATE.—For purposes of alloca-
2 tions under this subsection, the amount of the
3 credit determined under subsection (a) shall be
4 determined by substituting ‘6 percent’ for ‘30
5 percent’.

6 “(B) ALTERNATIVE RATE.—In the case of
7 any project which satisfies the requirements of
8 paragraphs (7) and (8), the amount of the cred-
9 it determined under subsection (a) shall be
10 equal to such amount multiplied by 5.

11 “(7) PREVAILING WAGE REQUIREMENTS.—

12 “(A) IN GENERAL.—The requirements de-
13 scribed in this paragraph with respect to a
14 project are that the taxpayer shall ensure that
15 any laborers and mechanics employed by con-
16 tractors and subcontractors in the re-equipping,
17 expansion, or establishment of a manufacturing
18 facility shall be paid wages at rates not less
19 than the prevailing rates for construction, alter-
20 ation, or repair of a similar character in the lo-
21 cality as most recently determined by the Sec-
22 retary of Labor, in accordance with subchapter
23 IV of chapter 31 of title 40, United States
24 Code.

1 “(B) CORRECTION AND PENALTY RELATED
2 TO FAILURE TO SATISFY WAGE REQUIRE-
3 MENTS.—In the case of any taxpayer which
4 fails to satisfy the requirement under subpara-
5 graph (A) with respect to any project—

6 “(i) rules similar to the rules of sec-
7 tion 45(b)(8)(B) shall apply, and

8 “(ii) if the failure to satisfy the re-
9 quirement under subparagraph (A) is not
10 corrected pursuant to the rules described
11 in clause (i), the certification with respect
12 to the re-equipping, expansion, or estab-
13 lishment of a manufacturing facility shall
14 no longer be valid.

15 “(8) APPRENTICESHIP REQUIREMENTS.—Rules
16 similar to the rules of section 45(b)(9) shall apply.”.

17 (b) MODIFICATION OF QUALIFYING ADVANCED EN-
18 ERGY PROJECTS.—

19 (1) INCLUSION OF WATER AS A RENEWABLE
20 RESOURCE.—Section 48C(c)(1)(A)(i)(I) is amended
21 by inserting “water,” after “sun,”.

22 (2) ENERGY STORAGE SYSTEMS.—Section
23 48C(c)(1)(A)(i)(II) is amended by striking “an en-
24 ergy storage system for use with electric or hybrid-

1 electric motor vehicles” and inserting “energy stor-
2 age systems and components”.

3 (3) MODIFICATION OF QUALIFYING ELECTRIC
4 GRID PROPERTY.—Section 48C(c)(1)(A)(i)(III) is
5 amended to read as follows:

6 “(III) electric grid modernization
7 equipment or components,”.

8 (4) USE OF CAPTURED CARBON.—Section
9 48C(c)(1)(A)(i)(IV) is amended by striking “seques-
10 ter” and insert “use or sequester”.

11 (5) ELECTRIC VEHICLES AND BICYCLES.—Sec-
12 tion 48C(c)(1)(A)(i)(VI) is amended—

13 (A) by striking “new qualified plug-in elec-
14 tric drive motor vehicles (as defined by section
15 30D)” and inserting “vehicles described in sec-
16 tions 36C and 45Y, and bicycles described in
17 section 36E”, and

18 (B) and striking “and power control units”
19 and inserting “power control units, and equip-
20 ment used for charging or refueling”.

21 (6) PROPERTY FOR PRODUCTION OF HYDRO-
22 GEN.—Section 48C(c)(1)(A)(i) is amended by strik-
23 ing “or” at the end of subclause (VI), by redesign-
24 ating subclause (VII) as subclause (VIII), and by in-

1 serting after subclause (VI) the following new sub-
2 clause:

3 “(VII) property designed to be
4 used to produce qualified clean hydro-
5 gen (as defined in section 45X), or”.

6 (7) RECYCLING OF ADVANCED ENERGY PROP-
7 ERTY.—Section 48C(c)(1) is amended by adding at
8 the end the following new subparagraph:

9 “(C) SPECIAL RULE FOR CERTAIN RECY-
10 CLING FACILITIES.—A facility which recycles
11 batteries or similar energy storage property de-
12 scribed in subparagraph (A)(i) shall be treated
13 as part of a manufacturing facility described in
14 such subparagraph.”.

15 (c) DENIAL OF DOUBLE BENEFIT.—48C(f), as re-
16 designated by this section, is amended by striking “or
17 48B” and inserting “48B, 48F, 45Q, or 45X”.

18 (d) QUALIFYING ADVANCED ENERGY PROJECT.—
19 Section 48C(c)(1)(A) is amended by striking “and” at the
20 end of clause (i), by redesignating clause (ii) as clause
21 (iii), and by inserting after clause (i) the following new
22 clause:

23 “(ii) which re-equips a manufacturing
24 facility with equipment designed to reduce
25 greenhouse gas emissions by at least 20

1 percent, as determined by the Secretary,
2 and”.

3 (e) EFFECTIVE DATE.—The amendments made by
4 this section shall take effect on January 1, 2022.

5 **SEC. 136502. LABOR COSTS OF INSTALLING MECHANICAL**
6 **INSULATION PROPERTY.**

7 (a) IN GENERAL.—Subpart D of part IV of sub-
8 chapter A of chapter 1, as amended by the preceding pro-
9 visions of this Act, is further amended by adding at the
10 end the following new section:

11 **“SEC. 45Z. LABOR COSTS OF INSTALLING MECHANICAL IN-**
12 **SULATION PROPERTY.**

13 “(a) IN GENERAL.—For purposes of section 38, the
14 mechanical insulation labor costs credit determined under
15 this section for any taxable year is an amount equal to
16 2 percent of the mechanical insulation labor costs paid or
17 incurred by the taxpayer during such taxable year.

18 “(b) MECHANICAL INSULATION LABOR COSTS.—For
19 purposes of this section—

20 “(1) IN GENERAL.—The term ‘mechanical insu-
21 lation labor costs’ means the labor cost of installing
22 mechanical insulation property with respect to a me-
23 chanical system referred to in paragraph (2)(A)
24 which was originally placed in service not less than

1 1 year before the date on which such mechanical in-
2 sulation property is installed.

3 “(2) MECHANICAL INSULATION PROPERTY.—

4 The term ‘mechanical insulation property’ means in-
5 sulation materials, and facings and accessory prod-
6 ucts installed in connection to such insulation mate-
7 rials—

8 “(A) placed in service in connection with a
9 mechanical system which—

10 “(i) is located in the United States,

11 “(ii) is of a character subject to an al-
12 lowance for depreciation, and

13 “(iii) meets the requirements of sec-
14 tion 434.403 of title 10, Code of Federal
15 Regulations (as in effect on the date of en-
16 actment of this section), and

17 “(B) which result in a reduction in energy
18 loss from the mechanical system which is great-
19 er than the expected reduction from the instal-
20 lation of insulation materials which meet the
21 minimum requirements of Reference Standard
22 90.1 (as defined in section 179D(c)(2)).

23 “(c) WAGE AND APPRENTICESHIP REQUIRE-
24 MENTS.—

1 “(1) IN GENERAL.—In the case of any project
2 which meets the prevailing wage and apprenticeship
3 requirements of this subsection, the amount of credit
4 determined under subsection (a) shall be multiplied
5 by 5.

6 “(2) WAGE REQUIREMENTS.—Rules similar to
7 the rules of section 45(b)(8) shall apply.

8 “(3) APPRENTICESHIP REQUIREMENTS.—Rules
9 similar to the rules of section 45(b)(9) shall apply.

10 “(d) TERMINATION.—This section shall not apply to
11 mechanical insulation labor costs paid or incurred after
12 December 31, 2027.”.

13 (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-
14 NESS CREDIT.—Section 38(b), as amended by the pre-
15 ceding provisions of this Act, is further amended by strik-
16 ing “plus” at the end of paragraph (36), by striking the
17 period at the end of paragraph (37) and inserting “, plus”,
18 and by adding at the end the following new paragraph:

19 “(38) the mechanical insulation labor costs
20 credit determined under section 45Z(a).”.

21 (c) CONFORMING AMENDMENTS.—

22 (1) Section 280C is amended by adding at the
23 end the following new subsection:

24 “(i) MECHANICAL INSULATION LABOR COSTS CRED-
25 IT.—

1 “(1) IN GENERAL.—No deduction shall be al-
2 lowed for that portion of the mechanical insulation
3 labor costs (as defined in section 45Z(b)) otherwise
4 allowable as deduction for the taxable year which is
5 equal to the amount of the credit determined for
6 such taxable year under section 45Z(a).

7 “(2) SIMILAR RULE WHERE TAXPAYER CAP-
8 ITALIZES RATHER THAN DEDUCTS EXPENSES.—If—

9 “(A) the amount of the credit determined
10 for the taxable year under section 45Z(a), ex-
11 ceeds

12 “(B) the amount of allowable as a deduc-
13 tion for such taxable year for mechanical insu-
14 lation labor costs (determined without regard to
15 paragraph (1)),

16 the amount chargeable to capital account for the
17 taxable year for such costs shall be reduced by the
18 amount of such excess.”.

19 (2) The table of sections for subpart D of part
20 IV of subchapter A of chapter 1, as amended by the
21 preceding provisions of this Act, is further amended
22 by adding at the end the following new item:

 “Sec. 45Z. Labor costs of installing mechanical insulation property.”.

23 (d) EFFECTIVE DATE.—The amendments made by
24 this section shall apply to amounts paid or incurred after

1 December 31, 2021, in taxable years ending after such
2 date.

3 **SEC. 136503. ADVANCED MANUFACTURING INVESTMENT**
4 **CREDIT.**

5 (a) IN GENERAL.—Subpart E of part IV of sub-
6 chapter A of chapter 1 is amended by inserting after sec-
7 tion 48D the following new section:

8 **“SEC. 48E. ADVANCED MANUFACTURING INVESTMENT**
9 **CREDIT.**

10 “(a) ESTABLISHMENT OF CREDIT.—

11 “(1) IN GENERAL.—For purposes of section 46,
12 the advanced manufacturing investment credit for
13 any taxable year is an amount equal to the applica-
14 ble percentage of the qualified investment for such
15 taxable year with respect to any advanced manufac-
16 turing facility.

17 “(2) APPLICABLE PERCENTAGE.—

18 “(A) BASE AMOUNT.—In the case of any
19 advanced manufacturing facility which does not
20 satisfy the requirements described in clauses (i)
21 and (ii) of subparagraph (B), the applicable
22 percentage shall be 5 percent.

23 “(B) ALTERNATIVE AMOUNT.—In the case
24 of any advanced manufacturing facility which—

1 “(i) subject to subparagraph (B) of
2 subsection (c)(2), satisfies the require-
3 ments under subparagraph (A) of such
4 subsection, and

5 “(ii) with respect to the construction
6 of such facility, satisfies the apprenticeship
7 requirements under subsection (c)(3),

8 the applicable percentage shall be 25 percent.

9 “(b) QUALIFIED INVESTMENT.—

10 “(1) IN GENERAL.—For purposes of subsection
11 (a)(1), the qualified investment with respect to any
12 advanced manufacturing facility for any taxable year
13 is the basis of any qualified property placed in serv-
14 ice by the taxpayer during such taxable year which
15 is part of an advanced manufacturing facility.

16 “(2) QUALIFIED PROPERTY.—

17 “(A) IN GENERAL.—For purposes of this
18 subsection, the term ‘qualified property’ means
19 property—

20 “(i) which is tangible property,

21 “(ii) with respect to which deprecia-
22 tion (or amortization in lieu of deprecia-
23 tion) is allowable,

24 “(iii) which is—

1 “(I) constructed, reconstructed,
2 or erected by the taxpayer, or

3 “(II) acquired by the taxpayer if
4 the original use of such property com-
5 mences with the taxpayer, and

6 “(iv) which is integral to the operation
7 of the advanced manufacturing facility.

8 “(B) BUILDINGS AND STRUCTURAL COM-
9 PONENTS.—

10 “(i) IN GENERAL.—The term ‘quali-
11 fied property’ shall include any building or
12 its structural components which otherwise
13 satisfy the requirements under subpara-
14 graph (A).

15 “(ii) EXCEPTION.—Clause (i) shall
16 not apply with respect to any offices or
17 other administrative buildings.

18 “(3) ADVANCED MANUFACTURING FACILITY.—
19 For purposes of this subpart, the term ‘advanced
20 manufacturing facility’ means a facility—

21 “(A) for which the primary purpose is the
22 manufacturing of semiconductors and semicon-
23 ductor tooling equipment, and

24 “(B) the construction of which begins be-
25 fore January 1, 2027.

1 “(4) COORDINATION WITH REHABILITATION
2 CREDIT.—The qualified investment with respect to
3 any advanced manufacturing facility for any taxable
4 year shall not include that portion of the basis of
5 any property which is attributable to qualified reha-
6 bilitation expenditures (as defined in section
7 47(c)(2)).

8 “(c) SPECIAL RULES.—

9 “(1) CERTAIN PROGRESS EXPENDITURE RULES
10 MADE APPLICABLE.—Rules similar to the rules of
11 subsections (c)(4) and (d) of section 46 (as in effect
12 on the day before the date of the enactment of the
13 Revenue Reconciliation Act of 1990) shall apply for
14 purposes of subsection (a).

15 “(2) WAGE REQUIREMENTS.—

16 “(A) IN GENERAL.—The requirements de-
17 scribed in this subparagraph with respect to
18 any facility are that the taxpayer shall ensure
19 that any laborers and mechanics employed by
20 contractors and subcontractors in—

21 “(i) the construction of such facility,

22 and

23 “(ii) for any year during the 5-year
24 period beginning on the date the facility is

1 originally placed in service, the alteration
2 or repair of such facility,
3 shall be paid wages at rates not less than the
4 prevailing rates for construction, alteration, or
5 repair of a similar character in the locality as
6 most recently determined by the Secretary of
7 Labor, in accordance with subchapter IV of
8 chapter 31 of title 40, United States Code.

9 “(B) CORRECTION AND PENALTY RELATED
10 TO FAILURE TO SATISFY WAGE REQUIRE-
11 MENTS.—Rules similar to the rules of section
12 45(b)(8)(B) shall apply.

13 “(C) RECAPTURE.—The Secretary shall,
14 by regulations or other guidance, provide for re-
15 capturing the benefit of any increase in the
16 credit allowed under paragraph (2)(B) of sub-
17 section (a), with respect to any project which
18 does not satisfy the requirements under sub-
19 paragraph (A) (after application of subpara-
20 graph (B)) for the period described in clause
21 (ii) of subparagraph (A) (but which does not
22 cease to be investment credit property within
23 the meaning of section 50(a)). The period and
24 percentage of such recapture shall be deter-

1 mined under rules similar to the rules of section
2 50(a).

3 “(3) APPRENTICESHIP REQUIREMENTS.—Rules
4 similar to the rules of section 45(b)(9) shall apply.

5 “(4) REGULATIONS AND GUIDANCE.—The Sec-
6 retary shall issue such regulations or other guidance
7 as the Secretary determines necessary or appropriate
8 to carry out the purposes of this section, including
9 regulations or other guidance which provides for re-
10 quirements for recordkeeping or information report-
11 ing for purposes of establishing the requirements of
12 this section.”.

13 (b) ELECTIVE PAYMENT OF CREDIT.—Section
14 6417(b), as amended by the preceding provisions of this
15 Act, is amended by adding at the end the following new
16 paragraph:

17 “(10) The advanced manufacturing investment
18 credit determined under section 48E.”.

19 (c) CONFORMING AMENDMENTS.—

20 (1) Section 46 is amended—

21 (A) by striking “and” at the end of para-
22 graph (6),

23 (B) by striking the period at the end of
24 paragraph (7) and inserting “, and”, and

1 (C) by adding at the end the following new
2 paragraph:

3 “(8) the advanced manufacturing investment
4 credit.”.

5 (2) Section 49(a)(1)(C) is amended—

6 (A) by striking “and” at the end of clause
7 (vi),

8 (B) by striking the period at the end of
9 clause (vii) and inserting “, and”, and

10 (C) by adding at the end the following new
11 clause:

12 “(viii) the basis of any qualified prop-
13 erty (as defined in section 48E(b)(2))
14 which is part of an advanced manufac-
15 turing facility.”.

16 (3) Section 50(a)(2)(E) is amended by striking
17 “or 48D(e)” and inserting “48D(e), or 48E(c)(1)”.

18 (4) The table of sections for subpart E of part
19 IV of subchapter A of chapter 1 is amended by in-
20 sserting after the item relating to section 48D the
21 following new item:

“48E. Advanced manufacturing investment credit.”.

22 (d) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to property placed in service after
24 December 31, 2021 and, for any property the construction
25 of which begins prior to January 1, 2022, only to the ex-

1 tent of the basis thereof attributable to the construction,
2 reconstruction, or erection after December 31, 2021.

3 **SEC. 136504. ADVANCED MANUFACTURING PRODUCTION**
4 **CREDIT.**

5 (a) IN GENERAL.—Subpart D of part IV of sub-
6 chapter A of chapter 1 is amended by adding at the end
7 the following new section:

8 **“SEC. 45AA. ADVANCED MANUFACTURING PRODUCTION**
9 **CREDIT.**

10 “(a) IN GENERAL.—

11 “(1) ALLOWANCE OF CREDIT.—For purposes of
12 section 38, the advanced manufacturing production
13 credit for any taxable year is an amount equal to the
14 sum of the credit amounts determined under sub-
15 section (b) with respect to each eligible component
16 which is—

17 “(A) produced by such taxpayer, and

18 “(B) during the taxable year, sold by the
19 taxpayer to an unrelated person for the use of
20 such person in their trade or business.

21 “(2) PRODUCTION AND SALE MUST BE IN
22 TRADE OR BUSINESS.—Any eligible component pro-
23 duced and sold by the taxpayer shall be taken into
24 account only if the production and sale described in

1 paragraph (1) is in a trade or business of the tax-
2 payer.

3 “(b) CREDIT AMOUNT.—

4 “(1) IN GENERAL.—Subject to paragraph (3),
5 the amount determined under this subsection with
6 respect to any eligible component, including any eli-
7 gible component it incorporates, shall be equal to—

8 “(A) in the case of a thin film photovoltaic
9 cell, an amount equal to the product of—

10 “(i) 5 cents, multiplied by

11 “(ii) the capacity of such cell (ex-
12 pressed on a per direct current watt basis)

13 “(B) in the case of a crystalline photo-
14 voltaic cell, an amount equal to the product
15 of—

16 “(i) 4 cents, multiplied by

17 “(ii) the capacity of such cell (ex-
18 pressed on a per direct current watt basis),

19 “(C) in the case of a photovoltaic wafer,
20 \$12 per square meter,

21 “(D) in the case of solar grade polysilicon,
22 \$3 per kilogram,

23 “(E) in the case of a solar module, an
24 amount equal to the product of—

25 “(i) 7 cents, multiplied by

1 “(ii) the capacity of such module (ex-
2 pressed on a per direct current watt basis),
3 and

4 “(F) in the case of a wind energy compo-
5 nent, an amount equal to the product of—

6 “(i) the applicable amount with re-
7 spect to such component, multiplied by

8 “(ii) the total rated capacity (ex-
9 pressed on a per watt basis) of the com-
10 pleted wind turbine for which such compo-
11 nent is designed.

12 “(2) APPLICABLE AMOUNT.—For purposes of
13 paragraph (1)(F), the applicable amount with re-
14 spect to any wind energy component shall be—

15 “(A) in the case of a blade, 2 cents,

16 “(B) in the case of a nacelle, 5 cents,

17 “(C) in the case of a tower, 3 cents, and

18 “(D) in the case of an offshore wind foun-
19 dation—

20 “(i) which uses a fixed platform, 2
21 cents, or

22 “(ii) which uses a floating platform, 4
23 cents.

24 “(3) PHASE OUT.—

1 “(A) IN GENERAL.—In the case of any eli-
2 gible component sold after December 31, 2026,
3 the amount determined under this subsection
4 with respect to such component shall be equal
5 to the product of—

6 “(i) the amount determined under
7 paragraph (1) with respect to such compo-
8 nent, as determined without regard to this
9 paragraph, multiplied by

10 “(ii) the phase out percentage under
11 subparagraph (B).

12 “(B) PHASE OUT PERCENTAGE.—The
13 phase out percentage under this subparagraph
14 is equal to—

15 “(i) in the case of an eligible compo-
16 nent sold during calendar year 2027, 75
17 percent,

18 “(ii) in the case of an eligible compo-
19 nent sold during calendar year 2028, 50
20 percent,

21 “(iii) in the case of an eligible compo-
22 nent sold during calendar year 2029, 25
23 percent,

1 “(iv) in the case of an eligible compo-
2 nent sold after December 31, 2029, 0 per-
3 cent.

4 “(c) DEFINITIONS.—For purposes of this section—

5 “(1) ELIGIBLE COMPONENT.—

6 “(A) IN GENERAL.—The term ‘eligible
7 component’ means—

8 “(i) any solar energy component, and

9 “(ii) any wind energy component.

10 “(B) APPLICATION WITH OTHER CRED-
11 ITS.—With respect to any taxable year, the
12 term ‘eligible component’ shall not include any
13 property which is produced at a facility which,
14 for such taxable year or any previous taxable
15 year, the basis of any property which is part of
16 such facility is taken into account for purposes
17 of the credit allowed under section 48C or 48E.

18 “(2) SOLAR ENERGY COMPONENT.—

19 “(A) IN GENERAL.—The term ‘solar en-
20 ergy component’ means any of the following:

21 “(i) Solar modules.

22 “(ii) Photovoltaic cells.

23 “(iii) Photovoltaic wafers.

24 “(iv) Solar grade polysilicon.

25 “(B) ASSOCIATED DEFINITIONS.—

1 “(i) PHOTOVOLTAIC CELL.—The term
2 ‘photovoltaic cell’ means the smallest semi-
3 conductor element of a solar module which
4 performs the immediate conversion of light
5 into electricity.

6 “(ii) PHOTOVOLTAIC WAFER.—The
7 term ‘photovoltaic wafer’ means a thin
8 slice, sheet, or layer of semiconductor ma-
9 terial of at least 240 square centimeters
10 produced by a single manufacturer—

11 “(I) either—

12 “(aa) directly from molten
13 or evaporated solar grade
14 polysilicon or deposition of solar
15 grade thin film semiconductor
16 photon absorber layer, or

17 “(bb) through formation of
18 an ingot from molten polysilicon
19 and subsequent slicing, and

20 “(II) which comprises the sub-
21 strate or absorber layer of one or
22 more photovoltaic cells.

23 “(iii) SOLAR GRADE POLYSILICON.—
24 The term ‘solar grade polysilicon’ means
25 silicon which is—

1 “(I) suitable for use in photo-
2 voltaic manufacturing, and

3 “(II) purified to a minimum pu-
4 rity of 99.999999 percent silicon by
5 mass.

6 “(iv) SOLAR MODULE.—The term
7 ‘solar module’ means the connection and
8 lamination of photovoltaic cells into an en-
9 vironmentally protected final assembly
10 which is—

11 “(I) suitable to generate elec-
12 tricity when exposed to sunlight, and

13 “(II) ready for installation with-
14 out an additional manufacturing proc-
15 ess.

16 “(3) WIND ENERGY COMPONENT.—

17 “(A) IN GENERAL.—The term ‘wind en-
18 ergy component’ means any of the following:

19 “(i) Blades.

20 “(ii) Nacelles.

21 “(iii) Towers.

22 “(iv) Offshore wind foundations.

23 “(B) ASSOCIATED DEFINITIONS.—

24 “(i) BLADE.—The term ‘blade’ means
25 an airfoil-shaped blade which is responsible

1 for converting wind energy to low-speed ro-
2 tational energy.

3 “(ii) OFFSHORE WIND FOUNDA-
4 TION.—The term ‘offshore wind founda-
5 tion’ means the component which secures
6 an offshore wind tower and any above-
7 water turbine components to the seafloor
8 using—

9 “(I) fixed platforms, such as off-
10 shore wind monopiles, jackets, or
11 gravity-based foundations, or

12 “(II) floating platforms and asso-
13 ciated mooring systems.

14 “(iii) NACELLE.—The term ‘nacelle’
15 means the assembly of the drivetrain and
16 other tower-top components of a wind tur-
17 bine (with the exception of the blades and
18 the hub) within their cover housing.

19 “(iv) TOWER.—The term ‘tower’
20 means a tubular or lattice structure which
21 supports the nacelle and rotor of a wind
22 turbine.

23 “(d) SPECIAL RULES.—In this section—

24 “(1) RELATED PERSONS.—Persons shall be
25 treated as related to each other if such persons

1 would be treated as a single employer under the reg-
2 ulations prescribed under section 52(b). In the case
3 of a corporation which is a member of an affiliated
4 group of corporations filing a consolidated return,
5 such corporation shall be treated as selling compo-
6 nents to an unrelated person if such component is
7 sold to such a person by another member of such
8 group.

9 “(2) ONLY PRODUCTION IN THE UNITED
10 STATES TAKEN INTO ACCOUNT.—Sales shall be
11 taken into account under this section only with re-
12 spect to eligible components the production of which
13 is within—

14 “(A) the United States (within the mean-
15 ing of section 638(1)), or

16 “(B) a possession of the United States
17 (within the meaning of section 638(2)).

18 “(3) PASS-THRU IN THE CASE OF ESTATES AND
19 TRUSTS.—Under regulations prescribed by the Sec-
20 retary, rules similar to the rules of subsection (d) of
21 section 52 shall apply.

22 “(4) CREDIT EQUAL TO 10 PERCENT OF THE
23 CREDIT AMOUNT FOR UNION FACILITIES.—In the
24 case of a facility operating under a collective bar-
25 gaining agreement negotiated by an employee orga-

1 nization (as defined in section 412(c)(4)), deter-
2 mined in a manner consistent with section
3 7701(a)(46), for purposes of determining the
4 amount of the credit under subsection (a) with re-
5 spect to eligible components produced by such facil-
6 ity, the applicable amount under subsection (b) of
7 such subsection shall be increased by an amount
8 equal to 10 percent of the amount otherwise in ef-
9 fect under such subsection.”.

10 (b) ELECTIVE PAYMENT OF CREDIT.—Section
11 6417(b), as amended by the preceding provisions of this
12 Act, is amended by adding at the end the following new
13 paragraph:

14 “(11) The credit for advanced manufacturing
15 production under section 45AA.”.

16 (c) CONFORMING AMENDMENTS.—

17 (1) Section 38(b) of the Internal Revenue Code
18 of 1986 is amended—

19 (A) in paragraph (37), by striking “plus”
20 at the end,

21 (B) in paragraph (38), by striking the pe-
22 riod at the end and inserting “, plus”, and

23 (C) by adding at the end the following new
24 paragraph:

1 “(39) the advanced manufacturing production
2 credit determined under section 45AA(a).”.

3 (2) The table of sections for subpart D of part
4 IV of subchapter A of chapter 1 is amended by add-
5 ing at the end the following new item:

“Sec. 45AA. Advanced manufacturing production credit.”.

6 (d) **EFFECTIVE DATE.**—The amendments made by
7 this section shall apply to components produced and sold
8 after December 31, 2021.

9 **PART 6—ENVIRONMENTAL JUSTICE**

10 **SEC. 136601. QUALIFIED ENVIRONMENTAL JUSTICE PRO-**
11 **GRAM CREDIT.**

12 (a) **IN GENERAL.**—Subpart C of part IV of sub-
13 chapter A of chapter 1, as amended by the preceding pro-
14 visions of this Act, is amended by inserting after section
15 36F the following new section:

16 **“SEC. 36G. QUALIFIED ENVIRONMENTAL JUSTICE PRO-**
17 **GRAMS.**

18 “(a) **ALLOWANCE OF CREDIT.**—In the case of an eli-
19 gible educational institution, there shall be allowed as a
20 credit against the tax imposed by this subtitle for any tax-
21 able year an amount equal to the applicable percentage
22 of the amounts paid or incurred by such taxpayer during
23 such taxable year which are necessary for a qualified envi-
24 ronmental justice program.

1 “(b) QUALIFIED ENVIRONMENTAL JUSTICE PRO-
2 GRAM.—For purposes of this section—

3 “(1) IN GENERAL.—The term ‘qualified envi-
4 ronmental justice program’ means a program con-
5 ducted by one or more eligible educational institu-
6 tions that is designed to address, or improve data
7 about, qualified environmental stressors for the pri-
8 mary purpose of improving, or facilitating the im-
9 provement of, health and economic outcomes of indi-
10 viduals residing in low-income areas or areas that
11 experience, or are at risk of experiencing, multiple
12 exposures to qualified environmental stressors.

13 “(2) QUALIFIED ENVIRONMENTAL STRESSOR.—
14 The term ‘qualified environmental stressor’ means,
15 with respect to an area, a contamination of the air,
16 water, soil, or food with respect to such area or a
17 change relative to historical norms of the weather
18 conditions of such area, including—

19 “(A) toxic pollutants (such as lead, pes-
20 ticides, or fine particulate matter) in air, soil,
21 food, or water,

22 “(B) high rates of asthma prevalence and
23 incidence, and

1 “(C) such other adverse human health or
2 environmental effects as are identified by the
3 Secretary.

4 “(c) ELIGIBLE EDUCATIONAL INSTITUTION.—For
5 purposes of this section, the term ‘eligible educational in-
6 stitution’ means an institution of higher education (as
7 such term is defined in section 101 or 102(c) of the High-
8 er Education Act of 1965) that is eligible to participate
9 in a program under title IV of such Act.

10 “(d) APPLICABLE PERCENTAGE.—For purposes of
11 this section, the term ‘applicable percentage’ means—

12 “(1) in the case of a program involving material
13 participation of faculty and students of an institu-
14 tion described in section 371(a) of the Higher Edu-
15 cation Act of 1965, 30 percent, and

16 “(2) in all other cases, 20 percent.

17 “(e) CREDIT ALLOCATION.—

18 “(1) ALLOCATION.—

19 “(A) IN GENERAL.—The Secretary shall
20 allocate credit dollar amounts under this section
21 to eligible educational institutions, for qualified
22 environmental justice programs, that—

23 “(i) submit applications at such time
24 and in such manner as the Secretary may
25 provide, and

1 “(ii) are selected by the Secretary
2 under subparagraph (B).

3 “(B) SELECTION CRITERIA.—The Sec-
4 retary shall select applications on the basis of
5 the following criteria:

6 “(i) The extent of participation of fac-
7 ulty and students of an institution de-
8 scribed in section 371(a) of the Higher
9 Education Act of 1965.

10 “(ii) The extent of the expected effect
11 on the health or economic outcomes of in-
12 dividuals residing in areas within the
13 United States that are low-income areas or
14 areas that experience, or are at risk of ex-
15 periencing, multiple exposures to qualified
16 environmental stressors.

17 “(iii) The creation or significant ex-
18 pansion of qualified environmental justice
19 programs.

20 “(2) LIMITATIONS.—

21 “(A) IN GENERAL.—The amount of the
22 credit determined under this section for any
23 taxable year to any eligible educational institu-
24 tion for any qualified environmental justice pro-
25 gram shall not exceed the excess of—

1 “(i) the credit dollar amount allocated
2 to such institution for such program under
3 this subsection, over

4 “(ii) the credits previously claimed by
5 such institution for such program under
6 this section.

7 “(B) FIVE-YEAR LIMITATION.—No
8 amounts paid or incurred after the 5-year pe-
9 riod beginning on the date a credit dollar
10 amount is allocated to an eligible educational
11 institution for a qualified environmental justice
12 program shall be taken into account under sub-
13 section (a) with respect to such institution for
14 such program.

15 “(C) ALLOCATION LIMITATION.—The total
16 amount of credits that may be allocated under
17 the program shall not exceed—

18 “(i) \$1,000,000,000 for each of tax-
19 able years 2022 through 2031, and

20 “(ii) \$0 for each subsequent year.

21 “(D) CARRYOVER OF UNUSED LIMITA-
22 TION.—If the annual credit limitation for any
23 calendar year exceeds the aggregate amount
24 designated for such year under this subsection,
25 such limitation for the succeeding calendar year

1 shall be increased by the amount of such excess.

2 No amount may be carried under the preceding
3 sentence to any calendar year after 2036.

4 “(f) REQUIREMENTS.—

5 “(1) IN GENERAL.—An eligible educational in-
6 stitution that has been allocated credit dollar
7 amounts under this section for a qualified environ-
8 mental justice project for a taxable year shall—

9 “(A) make publicly available the applica-
10 tion submitted to the Secretary under sub-
11 section (e) with respect to such project, and

12 “(B) submit an annual report to the Sec-
13 retary that describes the amounts paid or in-
14 curred for, and expected impact of, such
15 project.

16 “(2) FAILURE TO COMPLY.—In the case of an
17 eligible education institution that has failed to com-
18 ply with the requirements of this subsection, the
19 credit dollar amount allocated to such institution
20 under this section is deemed to be \$0.

21 “(g) PUBLIC DISCLOSURE.—The Secretary, upon
22 making an allocation of credit dollar amounts under this
23 section, shall publicly disclose—

24 “(1) the identity of the eligible educational in-
25 stitution receiving the allocation, and

1 “(2) the amount of such allocation.”.

2 (b) GROSS-UP OF PAYMENTS IN CASE OF SEQUES-
3 TRATION.—In the case of any payment made as a refund
4 due to an overpayment as a result of section 36G of the
5 Internal Revenue Code of 1986 made after the date of
6 the enactment of this Act to which sequestration applies,
7 the amount of such payment shall be increased to an
8 amount equal to—

9 (1) such payment (determined before such se-
10 questration), multiplied by

11 (2) the quotient obtained by dividing 1 by the
12 amount by which 1 exceeds the percentage reduction
13 in such payment pursuant to such sequestration.

14 For purposes of this subsection, the term “sequestration”
15 means any reduction in direct spending ordered in accord-
16 ance with a sequestration report prepared by the Director
17 of the Office and Management and Budget pursuant to
18 the Balanced Budget and Emergency Deficit Control Act
19 of 1985 or the Statutory Pay-As-You-Go Act of 2010.

20 (c) CONFORMING AMENDMENTS.—

21 (1) Section 6211(b)(4)(A), as amended by the
22 preceding provisions of this Act, is amended by in-
23 serting “36G,” after “36F,”.

24 (2) Paragraph (2) of section 1324(b) of title
25 31, United States Code, as amended by the pre-

1 ceding provisions of this Act, is amended by insert-
2 ing “36G,” after “36F,”.

3 (d) CLERICAL AMENDMENT.—The table of sections
4 for subpart C of part IV of subchapter A of chapter 1,
5 as amended by the preceding provisions of this Act, is
6 amended by inserting after the item relating to section
7 36F the following new item:

“Sec. 36G. Qualified environmental justice programs.”.

8 (e) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect on January 1, 2022.

10 **PART 7—SUPERFUND**

11 **SEC. 136701. REINSTATEMENT OF SUPERFUND.**

12 (a) HAZARDOUS SUBSTANCE SUPERFUND FINANC-
13 ING RATE.—

14 (1) EXTENSION.—Section 4611(e) is amended
15 to read as follows:

16 “(e) APPLICATION OF HAZARDOUS SUBSTANCE
17 SUPERFUND FINANCING RATE.—The Hazardous Sub-
18 stance Superfund financing rate under this section shall
19 apply after June 30, 2022.”.

20 (2) ADJUSTMENT FOR INFLATION.—

21 (A) Section 4611(c)(2)(A) is amended by
22 striking “9.7 cents” and inserting “16.4 cents”.

23 (B) Section 4611(c) is amended by adding
24 at the end the following:

25 “(3) ADJUSTMENT FOR INFLATION.—

1 “(A) IN GENERAL.—In the case of a year
2 beginning after 2022, the amount in paragraph
3 (2)(A) shall be increased by an amount equal
4 to—

5 “(i) such amount, multiplied by

6 “(ii) the cost-of-living adjustment de-
7 termined under section 1(f)(3) for the cal-
8 endar year, determined by substituting
9 ‘calendar year 2021’ for ‘calendar year
10 2016’ in subparagraph (A)(ii) thereof.

11 “(B) ROUNDING.—If any amount as ad-
12 justed under subparagraph (A) is not a multiple
13 of \$0.01, such amount shall be rounded to the
14 next lowest multiple of \$0.01.”.

15 (b) AUTHORITY FOR ADVANCES.—Section
16 9507(d)(3)(B) is amended by striking “December 31,
17 1995” and inserting “December 31, 2031”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall take effect on July 1, 2022.

20 **PART 8—INCENTIVES FOR CLEAN ELECTRICITY**
21 **AND CLEAN TRANSPORTATION**

22 **SEC. 136801. CLEAN ELECTRICITY PRODUCTION CREDIT.**

23 (a) IN GENERAL.—Subpart D of part IV of sub-
24 chapter A of chapter 1 is amended by adding at the end
25 the following new section:

1 **“SEC. 45BB. CLEAN ELECTRICITY PRODUCTION CREDIT.**

2 “(a) AMOUNT OF CREDIT.—

3 “(1) IN GENERAL.—For purposes of section 38,
4 the clean electricity production credit for any taxable
5 year is an amount equal to the product of—

6 “(A) the kilowatt hours of electricity—

7 “(i) produced by the taxpayer at a
8 qualified facility, and

9 “(ii)(I) sold by the taxpayer to an un-
10 related person during the taxable year, or

11 “(II) in the case of a qualified facility
12 which is equipped with a metering device
13 which is owned and operated by an unre-
14 lated person, sold, consumed, or stored by
15 the taxpayer during the taxable year, mul-
16 tiplied by

17 “(B) the applicable amount with respect to
18 such qualified facility.

19 “(2) APPLICABLE AMOUNT.—

20 “(A) BASE AMOUNT.—Subject to sub-
21 section (g)(7), in the case of any qualified facil-
22 ity which is not described in clause (i) of sub-
23 paragraph (B) and does not satisfy the require-
24 ments described in clause (ii) of such subpara-
25 graph, the applicable amount shall be 0.3 cents.

1 “(B) ALTERNATIVE AMOUNT.—Subject to
2 subsection (g)(7), in the case of any qualified
3 facility—

4 “(i) with a maximum net output of
5 less than 1 megawatt, or

6 “(ii) which—

7 “(I) satisfies the requirements
8 under paragraph (9) of subsection (g),
9 and

10 “(II) with respect to the con-
11 struction of such facility, satisfies the
12 requirements under paragraph (10) of
13 subsection (g),

14 the applicable amount shall be 1.5 cents.

15 “(b) QUALIFIED FACILITY.—

16 “(1) IN GENERAL.—

17 “(A) DEFINITION.—Subject to subpara-
18 graphs (B), (C), and (D), the term ‘qualified
19 facility’ means a facility owned by the tax-
20 payer—

21 “(i) which is used for the generation
22 of electricity,

23 “(ii) the construction of which begins
24 after December 31, 2026, and

1 “(iii) for which the greenhouse gas
2 emissions rate (as determined under para-
3 graph (2)) is not greater than zero.

4 “(B) 10-YEAR PRODUCTION CREDIT.—For
5 purposes of this section, a facility shall only be
6 treated as a qualified facility during the 10-year
7 period beginning on the date the facility was
8 originally placed in service.

9 “(C) EXPANSION OF FACILITY; INCRE-
10 MENTAL PRODUCTION.—The term ‘qualified fa-
11 cility’ shall include either of the following in
12 connection with a facility described in subpara-
13 graph (A) (without regard to clause (ii) of such
14 subparagraph) the construction of which begins
15 before January 1, 2027, but only to the extent
16 of the increased amount of electricity produced
17 at the facility by reason of the following:

18 “(i) A new unit the construction of
19 which begins after December 31, 2026.

20 “(ii) Any additions of capacity the
21 construction of which begins after Decem-
22 ber 31, 2026.

23 “(D) COORDINATION WITH OTHER CRED-
24 ITS.—The term ‘qualified facility’ shall not in-
25 clude any facility for which a credit determined

1 under section 45, 45J, 45Q, 48, 48A, or 48F
2 is allowed under section 38 for the taxable year
3 or any prior taxable year.

4 “(2) GREENHOUSE GAS EMISSIONS RATE.—

5 “(A) IN GENERAL.—For purposes of this
6 section, the term ‘greenhouse gas emissions
7 rate’ means the amount of greenhouse gases
8 emitted into the atmosphere by a facility in the
9 production of electricity, expressed as grams of
10 CO₂e per KWh.

11 “(B) FUEL COMBUSTION AND GASIFI-
12 CATION.—In the case of a facility which pro-
13 duces electricity through combustion or gasifi-
14 cation, the greenhouse gas emissions rate for
15 such facility shall be equal to the net rate of
16 greenhouse gases emitted into the atmosphere
17 by such facility (taking into account lifecycle
18 greenhouse gas emissions, as described in sec-
19 tion 211(o)(1)(H) of the Clean Air Act (42
20 U.S.C. 7545(o)(1)(H))) in the production of
21 electricity, expressed as grams of CO₂e per
22 KWh.

23 “(C) ESTABLISHMENT OF EMISSIONS
24 RATES FOR FACILITIES.—

1 “(i) PUBLISHING EMISSIONS RATES.—

2 The Secretary shall annually publish a
3 table that sets forth the greenhouse gas
4 emissions rates for types or categories of
5 facilities, which a taxpayer shall use for
6 purposes of this section.

7 “(ii) PROVISIONAL EMISSIONS
8 RATE.—In the case of any facility for
9 which an emissions rate has not been es-
10 tablished by the Secretary, a taxpayer
11 which owns such facility may file a petition
12 with the Secretary for determination of the
13 emissions rate with respect to such facility.

14 “(D) CARBON CAPTURE AND SEQUESTRA-
15 TION EQUIPMENT.—For purposes of this sub-
16 section, the amount of greenhouse gases emit-
17 ted into the atmosphere by a facility in the pro-
18 duction of electricity shall not include any quali-
19 fied carbon dioxide that is captured by the tax-
20 payer and—

21 “(i) pursuant to any regulations es-
22 tablished under paragraph (2) of section
23 45Q(f), disposed of by the taxpayer in se-
24 cure geological storage, or

1 “(ii) utilized by the taxpayer in a
2 manner described in paragraph (5) of such
3 section.

4 “(c) INFLATION ADJUSTMENT.—

5 “(1) IN GENERAL.—In the case of a calendar
6 year beginning after 2021, the 0.3 cent amount in
7 paragraph (2)(A) of subsection (a) and the 1.5 cent
8 amount in paragraph (2)(B) of such subsection shall
9 each be adjusted by multiplying such amount by the
10 inflation adjustment factor for the calendar year in
11 which the sale or use of the electricity occurs. If any
12 amount as increased under the preceding sentence is
13 not a multiple of 0.1 cent, such amount shall be
14 rounded to the nearest multiple of 0.1 cent.

15 “(2) ANNUAL COMPUTATION.—The Secretary
16 shall, not later than April 1 of each calendar year,
17 determine and publish in the Federal Register the
18 inflation adjustment factor for such calendar year in
19 accordance with this subsection.

20 “(3) INFLATION ADJUSTMENT FACTOR.—The
21 term ‘inflation adjustment factor’ means, with re-
22 spect to a calendar year, a fraction the numerator
23 of which is the GDP implicit price deflator for the
24 preceding calendar year and the denominator of
25 which is the GDP implicit price deflator for the cal-

1 endar year 1992. The term ‘GDP implicit price
2 deflator’ means the most recent revision of the im-
3 plicit price deflator for the gross domestic product
4 as computed and published by the Department of
5 Commerce before March 15 of the calendar year.

6 “(d) CREDIT PHASE-OUT.—

7 “(1) IN GENERAL.—The amount of the clean
8 electricity production credit under subsection (a) for
9 any qualified facility the construction of which be-
10 gins during a calendar year described in paragraph
11 (2) shall be equal to the product of—

12 “(A) the amount of the credit determined
13 under subsection (a) without regard to this sub-
14 section, multiplied by

15 “(B) the phase-out percentage under para-
16 graph (2).

17 “(2) PHASE-OUT PERCENTAGE.—The phase-out
18 percentage under this paragraph is equal to—

19 “(A) for a facility the construction of
20 which begins during the first calendar year fol-
21 lowing the applicable year, 100 percent,

22 “(B) for a facility the construction of
23 which begins during the second calendar year
24 following the applicable year, 75 percent,

1 “(C) for a facility the construction of
2 which begins during the third calendar year fol-
3 lowing the applicable year, 50 percent, and

4 “(D) for a facility the construction of
5 which begins during any calendar year subse-
6 quent to the calendar year described in sub-
7 paragraph (C), 0 percent.

8 “(3) APPLICABLE YEAR.—For purposes of this
9 subsection, the term ‘applicable year’ means the
10 later of—

11 “(A) the calendar year in which the Sec-
12 retary determines that the annual greenhouse
13 gas emissions from the production of electricity
14 in the United States are equal to or less than
15 25 percent of the annual greenhouse gas emis-
16 sions from the production of electricity in the
17 United States for calendar year 2021, or

18 “(B) 2031.

19 “(e) DEFINITIONS.—For purposes of this section:

20 “(1) CO₂e PER KWh.—The term ‘CO₂e per
21 KWh’ means, with respect to any greenhouse gas,
22 the equivalent carbon dioxide (as determined based
23 on global warming potential) per kilowatt hour of
24 electricity produced.

1 “(2) GREENHOUSE GAS.—The term ‘greenhouse
2 gas’ has the same meaning given such term under
3 section 211(o)(1)(G) of the Clean Air Act (42
4 U.S.C. 7545(o)(1)(G)), as in effect on the date of
5 the enactment of this section.

6 “(3) QUALIFIED CARBON DIOXIDE.—The term
7 ‘qualified carbon dioxide’ means carbon dioxide cap-
8 tured from an industrial source which—

9 “(A) would otherwise be released into the
10 atmosphere as industrial emission of green-
11 house gas,

12 “(B) is measured at the source of capture
13 and verified at the point of disposal or utiliza-
14 tion, and

15 “(C) is captured and disposed or utilized
16 within the United States (within the meaning of
17 section 638(1)) or a possession of the United
18 States (within the meaning of section 638(2)).

19 “(f) GUIDANCE.—Not later than January 1, 2027,
20 the Secretary shall issue guidance regarding implementa-
21 tion of this section, including calculation of greenhouse
22 gas emission rates for qualified facilities and determina-
23 tion of clean electricity production credits under this sec-
24 tion.

25 “(g) SPECIAL RULES.—

1 “(1) ONLY PRODUCTION IN THE UNITED
2 STATES TAKEN INTO ACCOUNT.—Consumption or
3 sales shall be taken into account under this section
4 only with respect to electricity the production of
5 which is within—

6 “(A) the United States (within the mean-
7 ing of section 638(1)), or

8 “(B) a possession of the United States
9 (within the meaning of section 638(2)).

10 “(2) COMBINED HEAT AND POWER SYSTEM
11 PROPERTY.—

12 “(A) IN GENERAL.—For purposes of sub-
13 section (a)—

14 “(i) the kilowatt hours of electricity
15 produced by a taxpayer at a qualified facil-
16 ity shall include any production in the
17 form of useful thermal energy by any com-
18 bined heat and power system property
19 within such facility, and

20 “(ii) the amount of greenhouse gases
21 emitted into the atmosphere by such facil-
22 ity in the production of such useful ther-
23 mal energy shall be included for purposes
24 of determining the greenhouse gas emis-
25 sions rate for such facility.

1 “(B) COMBINED HEAT AND POWER SYS-
2 TEM PROPERTY.—For purposes of this para-
3 graph, the term ‘combined heat and power sys-
4 tem property’ has the same meaning given such
5 term by section 48(c)(3) (without regard to
6 subparagraphs (A)(iv), (B), and (D) thereof).

7 “(C) CONVERSION FROM BTU TO KWH.—

8 “(i) IN GENERAL.—For purposes of
9 subparagraph (A)(i), the amount of kilo-
10 watt hours of electricity produced in the
11 form of useful thermal energy shall be
12 equal to the quotient of—

13 “(I) the total useful thermal en-
14 ergy produced by the combined heat
15 and power system property within the
16 qualified facility, divided by

17 “(II) the heat rate for such facil-
18 ity.

19 “(ii) HEAT RATE.—For purposes of
20 this subparagraph, the term ‘heat rate’
21 means the amount of energy used by the
22 qualified facility to generate 1 kilowatt
23 hour of electricity, expressed as British
24 thermal units per net kilowatt hour gen-
25 erated.

1 “(3) PRODUCTION ATTRIBUTABLE TO THE TAX-
2 PAYER.—In the case of a qualified facility in which
3 more than 1 person has an ownership interest, ex-
4 cept to the extent provided in regulations prescribed
5 by the Secretary, production from the facility shall
6 be allocated among such persons in proportion to
7 their respective ownership interests in the gross
8 sales from such facility.

9 “(4) RELATED PERSONS.—Persons shall be
10 treated as related to each other if such persons
11 would be treated as a single employer under the reg-
12 ulations prescribed under section 52(b). In the case
13 of a corporation which is a member of an affiliated
14 group of corporations filing a consolidated return,
15 such corporation shall be treated as selling electricity
16 to an unrelated person if such electricity is sold to
17 such a person by another member of such group.

18 “(5) PASS-THRU IN THE CASE OF ESTATES AND
19 TRUSTS.—Under regulations prescribed by the Sec-
20 retary, rules similar to the rules of subsection (d) of
21 section 52 shall apply.

22 “(6) ALLOCATION OF CREDIT TO PATRONS OF
23 AGRICULTURAL COOPERATIVE.—

24 “(A) ELECTION TO ALLOCATE.—

1 “(i) IN GENERAL.—In the case of an
2 eligible cooperative organization, any por-
3 tion of the credit determined under sub-
4 section (a) for the taxable year may, at the
5 election of the organization, be apportioned
6 among patrons of the organization on the
7 basis of the amount of business done by
8 the patrons during the taxable year.

9 “(ii) FORM AND EFFECT OF ELEC-
10 TION.—An election under clause (i) for any
11 taxable year shall be made on a timely
12 filed return for such year. Such election,
13 once made, shall be irrevocable for such
14 taxable year. Such election shall not take
15 effect unless the organization designates
16 the apportionment as such in a written no-
17 tice mailed to its patrons during the pay-
18 ment period described in section 1382(d).

19 “(B) TREATMENT OF ORGANIZATIONS AND
20 PATRONS.—The amount of the credit appor-
21 tioned to any patrons under subparagraph
22 (A)—

23 “(i) shall not be included in the
24 amount determined under subsection (a)

1 with respect to the organization for the
2 taxable year, and

3 “(ii) shall be included in the amount
4 determined under subsection (a) for the
5 first taxable year of each patron ending on
6 or after the last day of the payment period
7 (as defined in section 1382(d)) for the tax-
8 able year of the organization or, if earlier,
9 for the taxable year of each patron ending
10 on or after the date on which the patron
11 receives notice from the cooperative of the
12 apportionment.

13 “(C) SPECIAL RULES FOR DECREASE IN
14 CREDITS FOR TAXABLE YEAR.—If the amount
15 of the credit of a cooperative organization de-
16 termined under subsection (a) for a taxable
17 year is less than the amount of such credit
18 shown on the return of the cooperative organi-
19 zation for such year, an amount equal to the
20 excess of—

21 “(i) such reduction, over

22 “(ii) the amount not apportioned to
23 such patrons under subparagraph (A) for
24 the taxable year,

1 shall be treated as an increase in tax imposed
2 by this chapter on the organization. Such in-
3 crease shall not be treated as tax imposed by
4 this chapter for purposes of determining the
5 amount of any credit under this chapter.

6 “(D) ELIGIBLE COOPERATIVE DEFINED.—
7 For purposes of this section, the term ‘eligible
8 cooperative’ means a cooperative organization
9 described in section 1381(a) which is owned
10 more than 50 percent by agricultural producers
11 or by entities owned by agricultural producers.
12 For this purpose an entity owned by an agricul-
13 tural producer is one that is more than 50 per-
14 cent owned by agricultural producers.

15 “(7) INCREASE IN CREDIT IN CERTAIN
16 CASES.—

17 “(A) ENERGY COMMUNITIES.—

18 “(i) IN GENERAL.—In the case of any
19 qualified facility which is located in an en-
20 ergy community, for purposes of deter-
21 mining the amount of the credit under
22 subsection (a) with respect to any elec-
23 tricity produced by the taxpayer at such
24 facility during the taxable year, the appli-
25 cable amount under paragraph (2) of such

1 subsection shall be increased by an amount
2 equal to 10 percent of the amount other-
3 wise in effect under such paragraph (with-
4 out application of subparagraph (B)).

5 “(ii) ENERGY COMMUNITY.—For pur-
6 poses of this subparagraph, the term ‘en-
7 ergy community’ means a census tract—

8 “(I) in which—

9 “(aa) for the calendar year
10 in which construction of the
11 qualified facility began, not less
12 than 5 percent of the employ-
13 ment in such tract is within the
14 oil and gas sector,

15 “(bb) after December 31,
16 1999, a coal mine has closed, or

17 “(cc) after December 31,
18 2009, a coal-fired electric gener-
19 ating unit has been retired, or

20 “(II) which is immediately adja-
21 cent to any census tract described in
22 subclause (I).

23 “(B) DOMESTIC CONTENT.—Rules similar
24 to the rules of section 45(b)(10) shall apply.

1 “(8) CREDIT REDUCED FOR TAX-EXEMPT
2 BONDS.—Rules similar to the rules of section
3 45(b)(3) shall apply.

4 “(9) WAGE REQUIREMENTS.—Rules similar to
5 the rules of section 45(b)(8) shall apply.

6 “(10) APPRENTICESHIP REQUIREMENTS.—
7 Rules similar to the rules of section 45(b)(9) shall
8 apply.

9 “(11) DOMESTIC CONTENT REQUIREMENT FOR
10 ELECTIVE PAYMENT.—Rules similar to the rules of
11 section 45(b)(11) shall apply.”.

12 (b) ELECTIVE PAYMENT OF CREDIT.—Section
13 6417(b), as amended by preceding provisions of this Act,
14 is amended by adding at the end the following new para-
15 graph:

16 “(12) The clean electricity production credit de-
17 termined under section 45BB(a).”.

18 (c) ELECTION.—Section 6417(c)(3), as amended by
19 the preceding provisions of this Act, is amended by adding
20 at the end the following new subparagraph:

21 “(D) CLEAN ELECTRICITY PRODUCTION
22 CREDIT.—In the case of the credit described in
23 subsection (b)(10), any election under this sub-
24 section shall—

1 “(i) apply separately with respect to
2 each qualified facility,

3 “(ii) be made for the taxable year in
4 which the facility is placed in service, and

5 “(iii) shall apply to such taxable year
6 and all subsequent taxable years with re-
7 spect to such facility.”.

8 (d) CONFORMING AMENDMENTS.—

9 (1) Section 38(b) is amended—

10 (A) in paragraph (38), by striking “plus”
11 at the end,

12 (B) in paragraph (39), by striking the pe-
13 riod at the end and inserting “, plus”, and

14 (C) by adding at the end the following new
15 paragraph:

16 “(40) the clean electricity production credit de-
17 termined under section 45BB(a).”.

18 (2) The table of sections for subpart D of part
19 IV of subchapter A of chapter 1 is amended by add-
20 ing at the end the following new item:

“Sec. 45BB. Clean electricity production credit.”.

21 (e) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to facilities placed in service after
23 December 31, 2022.

1 **SEC. 136802. CLEAN ELECTRICITY INVESTMENT CREDIT.**

2 (a) IN GENERAL.—Subpart E of part IV of sub-
3 chapter A of chapter 1 is amended by inserting after sec-
4 tion 48E the following new section:

5 **“SEC. 48F. CLEAN ELECTRICITY INVESTMENT CREDIT.**

6 “(a) INVESTMENT CREDIT FOR QUALIFIED PROP-
7 erty.—

8 “(1) IN GENERAL.—For purposes of section 46,
9 the clean electricity investment credit for any taxable
10 year is an amount equal to the applicable percentage
11 of the qualified investment for such taxable year
12 with respect to—

13 “(A) any qualified facility, and

14 “(B) any grid improvement property.

15 “(2) APPLICABLE PERCENTAGE.—

16 “(A) QUALIFIED FACILITIES.—Subject to
17 paragraph (3)—

18 “(i) BASE RATE.—In the case of any
19 qualified facility which is not described in
20 subclause (I) of clause (ii) and does not
21 satisfy the requirements described in sub-
22 clause (II) of such clause, the applicable
23 percentage shall be 6 percent.

24 “(ii) ALTERNATIVE RATE.—In the
25 case of any qualified facility—

1 “(I) with a maximum net output
2 of less than 1 megawatt, or

3 “(II) which—

4 “(aa) satisfies the require-
5 ments of subsection (d)(3), and

6 “(bb) with respect to the
7 construction of such facility, sat-
8 isfies the requirements of sub-
9 section (d)(4),

10 the applicable percentage shall be 30 per-
11 cent.

12 “(B) GRID IMPROVEMENT PROPERTY.—

13 Subject to paragraph (3)—

14 “(i) BASE RATE.—In the case of any
15 grid improvement property which is not de-
16 scribed in subclause (I) of clause (ii) and
17 does not satisfy the requirements described
18 in subclause (II) of such clause, the appli-
19 cable percentage shall be 6 percent.

20 “(ii) ALTERNATIVE RATE.—In the
21 case of any grid improvement property—

22 “(I) which is energy storage
23 property with a capacity of less than
24 1 megawatt, or

25 “(II) which—

1 “(aa) satisfies the require-
2 ments of subsection (d)(3), and

3 “(bb) with respect to the
4 construction of such property,
5 satisfies rules similar to the rules
6 of section 45(b)(9),

7 the applicable percentage shall be 30 per-
8 cent.

9 “(3) INCREASE IN CREDIT RATE IN CERTAIN
10 CASES.—

11 “(A) ENERGY COMMUNITIES.—

12 “(i) IN GENERAL.—In the case of any
13 qualified investment with respect to a
14 qualified facility or with respect to grid im-
15 provement property which is placed in
16 service within an energy community, for
17 purposes applying paragraph (2) with re-
18 spect to such property or investment, the
19 applicable percentage shall be increased by
20 the applicable credit rate increase.

21 “(ii) APPLICABLE CREDIT RATE IN-
22 CREASE.—For purposes of clause (i), the
23 applicable credit rate increase shall be an
24 amount equal to—

1 “(I) in the case of any qualified
2 investment with respect to a qualified
3 facility described in paragraph
4 (2)(A)(i) or with respect to grid im-
5 provement property described in para-
6 graph (2)(B)(i), 2 percentage points,
7 and

8 “(II) in the case of any qualified
9 investment with respect to a qualified
10 facility described in paragraph
11 (2)(A)(ii) or with respect to grid im-
12 provement property described in para-
13 graph (2)(B)(ii), 10 percentage
14 points.

15 “(B) DOMESTIC CONTENT.—Rules similar
16 to the rules of section 45(a)(11) shall apply.

17 “(b) QUALIFIED INVESTMENT WITH RESPECT TO A
18 QUALIFIED FACILITY.—

19 “(1) IN GENERAL.—For purposes of subsection
20 (a), the qualified investment with respect to any
21 qualified facility for any taxable year is the sum
22 of—

23 “(A) the basis of any qualified property
24 placed in service by the taxpayer during such

1 taxable year which is part of a qualified facility,
2 plus

3 “(B) the amount of any expenditures
4 which are—

5 “(i) paid or incurred by the taxpayer
6 for qualified interconnection property—

7 “(I) in connection with a quali-
8 fied facility which has a maximum net
9 output of not greater than 5
10 megawatts, and

11 “(II) placed in service during the
12 taxable year of the taxpayer, and

13 “(ii) properly chargeable to capital ac-
14 count of the taxpayer.

15 “(2) QUALIFIED PROPERTY.—The term ‘quali-
16 fied property’ means property—

17 “(A) which is—

18 “(i) tangible personal property, or

19 “(ii) other tangible property (not in-
20 cluding a building or its structural compo-
21 nents), but only if such property is used as
22 an integral part of the qualified facility,

23 “(B) with respect to which depreciation (or
24 amortization in lieu of depreciation) is allow-
25 able, and

1 “(C)(i) the construction, reconstruction, or
2 erection of which is completed by the taxpayer,
3 or

4 “(ii) which is acquired by the taxpayer if
5 the original use of such property commences
6 with the taxpayer.

7 “(3) QUALIFIED FACILITY.—

8 “(A) IN GENERAL.—For purposes of this
9 section, the term ‘qualified facility’ means a fa-
10 cility—

11 “(i) which is used for the generation
12 of electricity,

13 “(ii) the construction of which begins
14 after December 31, 2026, and

15 “(iii) for which the anticipated green-
16 house gas emissions rate (as determined
17 under subparagraph (B)(ii)) is not greater
18 than zero.

19 “(B) ADDITIONAL RULES.—

20 “(i) EXPANSION OF FACILITY; INCRE-
21 MENTAL PRODUCTION.—Rules similar to
22 the rules of section 45BB(b)(1)(C) shall
23 apply for purposes of this paragraph.

24 “(ii) GREENHOUSE GAS EMISSIONS
25 RATE.—Rules similar to the rules of sec-

1 tion 45BB(b)(2) shall apply for purposes
2 of this paragraph.

3 “(C) EXCLUSION.—The term ‘qualified fa-
4 cility’ shall not include any facility for which—

5 “(i) a renewable electricity production
6 credit determined under section 45,

7 “(ii) an advanced nuclear power facil-
8 ity production credit determined under sec-
9 tion 45J,

10 “(iii) a carbon oxide sequestration
11 credit determined under section 45Q,

12 “(iv) a clean electricity production
13 credit determined under section 45BB,

14 “(v) an energy credit determined
15 under section 48,

16 “(vi) a qualifying advanced coal
17 project credit under section 48A, or

18 “(vii) a qualifying electric trans-
19 mission property credit under section 48D,
20 is allowed under section 38 for the taxable year
21 or any prior taxable year.

22 “(4) QUALIFIED INTERCONNECTION PROP-
23 ERTY.—For purposes of this paragraph, the term
24 ‘qualified interconnection property’ has the meaning
25 given such term in section 48(a)(7)(B).

1 “(5) COORDINATION WITH REHABILITATION
2 CREDIT.—The qualified investment with respect to
3 any qualified facility for any taxable year shall not
4 include that portion of the basis of any property
5 which is attributable to qualified rehabilitation ex-
6 penditures (as defined in section 47(c)(2)).

7 “(6) DEFINITIONS.—For purposes of this sub-
8 section, the terms ‘CO₂e per KWh’ and ‘greenhouse
9 gas emissions rate’ have the same meaning given
10 such terms under section 45BB(b).

11 “(c) QUALIFIED INVESTMENT WITH RESPECT TO
12 GRID IMPROVEMENT PROPERTY.—

13 “(1) IN GENERAL.—

14 “(A) QUALIFIED INVESTMENT.—For pur-
15 poses of subsection (a), the qualified investment
16 with respect to grid improvement property for
17 any taxable year is the basis of any grid im-
18 provement property placed in service by the tax-
19 payer during such taxable year.

20 “(B) GRID IMPROVEMENT PROPERTY.—
21 For purposes of this section, the term ‘grid im-
22 provement property’ means any energy storage
23 property.

24 “(2) ENERGY STORAGE PROPERTY.—For pur-
25 poses of this section, the term ‘energy storage prop-

1 erty' has the meaning given such term in section
2 48(c)(6).

3 “(d) SPECIAL RULES.—

4 “(1) CERTAIN PROGRESS EXPENDITURE RULES
5 MADE APPLICABLE.—Rules similar to the rules of
6 subsections (c)(4) and (d) of section 46 (as in effect
7 on the day before the date of the enactment of the
8 Revenue Reconciliation Act of 1990) shall apply for
9 purposes of subsection (a).

10 “(2) SPECIAL RULE FOR PROPERTY FINANCED
11 BY SUBSIDIZED ENERGY FINANCING OR PRIVATE AC-
12 TIVITY BONDS.—Rules similar to the rules of section
13 45(b)(3) shall apply.

14 “(3) PREVAILING WAGE REQUIREMENTS.—
15 Rules similar to the rules of section 48(a)(9) shall
16 apply.

17 “(4) APPRENTICESHIP REQUIREMENTS.—Rules
18 similar to the rules of section 45(b)(9) shall apply.

19 “(5) DOMESTIC CONTENT REQUIREMENT FOR
20 ELECTIVE PAYMENT.—Rules similar to the rules of
21 section 45(b)(11) shall apply.

22 “(e) CREDIT PHASE-OUT.—

23 “(1) IN GENERAL.—The amount of the clean
24 electricity investment credit under subsection (a) for
25 any qualified investment with respect to any quali-

1 fied facility or grid improvement property the con-
2 struction of which begins during a calendar year de-
3 scribed in paragraph (2) shall be equal to the prod-
4 uct of—

5 “(A) the amount of the credit determined
6 under subsection (a) without regard to this sub-
7 section, multiplied by

8 “(B) the phase-out percentage under para-
9 graph (2).

10 “(2) PHASE-OUT PERCENTAGE.—The phase-out
11 percentage under this paragraph is equal to—

12 “(A) for any qualified investment with re-
13 spect to any qualified facility or grid improve-
14 ment property the construction of which begins
15 during the first calendar year following the ap-
16 plicable year, 100 percent,

17 “(B) for any qualified investment with re-
18 spect to any qualified facility or grid improve-
19 ment property the construction of which begins
20 during the second calendar year following the
21 applicable year, 75 percent,

22 “(C) for any qualified investment with re-
23 spect to any qualified facility or grid improve-
24 ment property the construction of which begins

1 during the third calendar year following the ap-
2 plicable year, 50 percent, and

3 “(D) for any qualified investment with re-
4 spect to any qualified facility or grid improve-
5 ment property the construction of which begins
6 during any calendar year subsequent to the cal-
7 endar year described in subparagraph (C), 0
8 percent.

9 “(3) APPLICABLE YEAR.—For purposes of this
10 subsection, the term ‘applicable year’ has the same
11 meaning given such term in section 45BB(d)(3).

12 “(f) GREENHOUSE GAS.—In this section, the term
13 ‘greenhouse gas’ has the same meaning given such term
14 under section 45BB(e)(2).

15 “(g) RECAPTURE OF CREDIT.—For purposes of sec-
16 tion 50, if the Secretary determines that the greenhouse
17 gas emissions rate for a qualified facility is greater than
18 10 grams of CO₂e per KWh, any property for which a
19 credit was allowed under this section with respect to such
20 facility shall cease to be investment credit property in the
21 taxable year in which the determination is made.

22 “(h) GUIDANCE.—Not later than January 1, 2027,
23 the Secretary shall issue guidance regarding implementa-
24 tion of this section.”.

1 (b) ELECTIVE PAYMENT OF CREDIT.—Section
2 6417(b), as amended by preceding provisions of this Act,
3 is amended by adding at the end the following new para-
4 graph:

5 “(13) The clean electricity investment credit de-
6 termined under section 48F.”.

7 (c) PUBLIC UTILITY PROPERTY.—Section 50(d) is
8 amended by adding at the end the following: “Paragraphs
9 (1)(B) and (2)(B) of the section 46(e) referred to in para-
10 graph (1) of this subsection shall not apply to any quali-
11 fied investment described in section 48F of a real estate
12 investment trust.”

13 (d) CONFORMING AMENDMENTS.—

14 (1) Section 46 is amended—

15 (A) by striking “and” at the end of para-
16 graph (5),

17 (B) by striking the period at the end of
18 paragraph (6) and inserting “, and”, and

19 (C) by adding at the end the following new
20 paragraph:

21 “(7) the clean electricity investment credit.”.

22 (2) Section 49(a)(1)(C) is amended—

23 (A) by striking “and” at the end of clause
24 (iv),

1 (B) by striking the period at the end of
2 clause (v) and inserting a comma, and

3 (C) by adding at the end the following new
4 clauses:

5 “(vi) the basis of any qualified prop-
6 erty which is part of a qualified facility
7 under section 48F, and

8 “(vii) the basis of any energy storage
9 property under section 48F.”.

10 (3) Section 50(a)(2)(E) is amended by striking
11 “or 48E(c)(1)” and inserting “48E(c)(1), or
12 48F(e)”.

13 (4) Section 50(c)(3) is amended by inserting
14 “or clean electricity investment credit” after “In the
15 case of any energy credit”.

16 (5) The table of sections for subpart E of part
17 IV of subchapter A of chapter 1 is amended by in-
18 serting after the item relating to section 48E the fol-
19 lowing new item:

“48F. Clean electricity investment credit.”.

20 (e) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to property placed in service after
22 December 31, 2026, and, for any property the construc-
23 tion of which begins prior to January 1, 2027, only to
24 the extent of the basis thereof attributable to the construc-
25 tion, reconstruction, or erection after December 31, 2026.

1 **SEC. 136803. INCREASE IN CLEAN ELECTRICITY INVEST-**
2 **MENT CREDIT FOR FACILITIES PLACED IN**
3 **SERVICE IN CONNECTION WITH LOW-INCOME**
4 **COMMUNITIES.**

5 (a) IN GENERAL.—Section 48F, as added by this
6 Act, is amended by adding at the end the following new
7 subsection:

8 “(i) SPECIAL RULES FOR CERTAIN FACILITIES
9 PLACED IN SERVICE IN CONNECTION WITH LOW-INCOME
10 COMMUNITIES.—

11 “(1) IN GENERAL.—In the case of any qualified
12 facility with respect to which the Secretary makes an
13 allocation of environmental justice capacity limita-
14 tion under paragraph (4)—

15 “(A) the applicable percentage otherwise
16 determined under subsection (a)(2) with respect
17 to any eligible property which is part of such
18 facility shall be increased by—

19 “(i) in the case of a facility described
20 in subclause (I) of paragraph (2)(A)(iii)
21 and not described in subclause (II) of such
22 paragraph, 10 percentage points, and

23 “(ii) in the case of a facility described
24 in subclause (II) of paragraph (2)(A)(iii),
25 20 percentage points, and

1 “(B) the increase in the credit determined
2 under subsection (a) by reason of this sub-
3 section for any taxable year with respect to all
4 property which is part of such facility shall not
5 exceed the amount which bears the same ratio
6 to the amount of such increase (determined
7 without regard to this subparagraph) as—

8 “(i) the environmental justice capacity
9 limitation allocated to such facility, bears
10 to

11 “(ii) the total megawatt nameplate ca-
12 pacity of such facility, as measured in di-
13 rect current.

14 “(2) QUALIFIED FACILITY.—For purposes of
15 this subsection—

16 “(A) IN GENERAL.—The term ‘qualified
17 facility’ means any facility—

18 “(i) which is described in subsection
19 (b)(3)(A) and not described in section
20 45BB(b)(2)(B),

21 “(ii) which has a maximum net output
22 of less than 5 megawatts, and

23 “(iii) which—

24 “(I) is located in a low-income
25 community (as defined in section

1 45D(e)) or on Indian land (as defined
2 in section 2601(2) of the Energy Pol-
3 icy Act of 1992 (25 U.S.C. 3501(2))),
4 or

5 “(II) is part of a qualified low-in-
6 come residential building project or a
7 qualified low-income economic benefit
8 project.

9 “(B) QUALIFIED LOW-INCOME RESIDEN-
10 TIAL BUILDING PROJECT.—A facility shall be
11 treated as part of a qualified low-income resi-
12 dential building project if—

13 “(i) such facility is installed on a resi-
14 dential rental building which participates
15 in a covered housing program (as defined
16 in section 41411(a) of the Violence Against
17 Women Act of 1994 (34 U.S.C.
18 12491(a)(3)), a Housing Development
19 Fund Corporation cooperative under Arti-
20 cle XI of the New York State Private
21 Housing Finance Law, a housing assist-
22 ance program administered by the Depart-
23 ment of Agriculture under title V of the
24 Housing Act of 1949, a housing program
25 administered by a tribally designated hous-

1 ing entity (as defined in section 4(22) of
2 the Native American Housing Assistance
3 and Self-Determination Act of 1996 (25
4 U.S.C. 4103(22))) or such other affordable
5 housing programs as the Secretary may
6 provide, and

7 “(ii) the financial benefits of the elec-
8 tricity produced by such facility are allo-
9 cated equitably among the occupants of the
10 dwelling units of such building.

11 “(C) QUALIFIED LOW-INCOME ECONOMIC
12 BENEFIT PROJECT.—A facility shall be treated
13 as part of a qualified low-income economic ben-
14 efit project if at least 50 percent of the finan-
15 cial benefits of the electricity produced by such
16 facility are provided to households with income
17 of—

18 “(i) less than 200 percent of the pov-
19 erty line applicable to a family of the size
20 involved, or

21 “(ii) less than 80 percent of area me-
22 dian gross income (as determined under
23 section 142(d)(2)(B)).

24 “(D) FINANCIAL BENEFIT.—For purposes
25 of subparagraphs (B) and (C), electricity ac-

1 required at a below-market rate shall not fail to
2 be taken into account as a financial benefit.

3 “(3) ELIGIBLE PROPERTY.—For purposes of
4 this section, the term ‘eligible property’ means a
5 qualified investment with respect to any qualified fa-
6 cility which is described in subsection (b).

7 “(4) ALLOCATIONS.—

8 “(A) IN GENERAL.—Not later than Janu-
9 ary 1, 2027, the Secretary shall establish a pro-
10 gram to allocate amounts of environmental jus-
11 tice capacity limitation to qualified facilities.

12 “(B) LIMITATION.—The amount of envi-
13 ronmental justice capacity limitation allocated
14 by the Secretary under subparagraph (A) dur-
15 ing any calendar year shall not exceed the an-
16 nual capacity limitation with respect to such
17 year.

18 “(C) ANNUAL CAPACITY LIMITATION.—For
19 purposes of this paragraph, the term ‘annual
20 capacity limitation’ means 1.8 gigawatts of di-
21 rect current capacity for each of calendar years
22 2027 through 2031, and zero thereafter.

23 “(D) CARRYOVER OF UNUSED LIMITA-
24 TION.—

1 “(i) IN GENERAL.—If the annual ca-
2 capacity limitation for any calendar year ex-
3 ceeds the aggregate amount allocated for
4 such year under this paragraph, such limi-
5 tation for the succeeding calendar year
6 shall be increased by the amount of such
7 excess. No amount may be carried under
8 the preceding sentence to any calendar
9 year after 2033.

10 “(ii) CARRYOVER FROM SECTION 48
11 FOR CALENDAR YEAR 2027.—If the annual
12 capacity limitation for calendar year 2026
13 under section 48(e)(4)(D) exceeds the ag-
14 gregate amount allocated for such year
15 under section 48(e)(4)(D), such excess
16 amount may be carried over and applied to
17 the annual capacity limitation under this
18 subsection for calendar year 2027. Such
19 limitation shall be increased by the amount
20 of such excess.

21 “(E) PLACED IN SERVICE DEADLINE.—

22 “(i) IN GENERAL.—Paragraph (1)
23 shall not apply with respect to any prop-
24 erty which is placed in service after the
25 date that is 4 years after the date of the

1 allocation with respect to the facility of
2 which such property is a part.

3 “(ii) APPLICATION OF CARRYOVER.—
4 Any amount of environmental justice ca-
5 pacity limitation which expires under
6 clause (i) during any calendar year shall be
7 taken into account as an excess described
8 in subparagraph (D) (or as an increase in
9 such excess) for such calendar year, sub-
10 ject to the limitation imposed by the last
11 sentence of such subparagraph.

12 “(F) SELECTION CRITERIA.—In deter-
13 mining to which qualified facilities to allocate
14 environmental justice capacity limitation under
15 this paragraph, the Secretary shall take into
16 consideration which facilities will result in—

17 “(i) the greatest health and economic
18 benefits, including the ability to withstand
19 extreme weather events, for individuals de-
20 scribed in section 45D(e)(2),

21 “(ii) the greatest employment and
22 wages for such individuals, and

23 “(iii) the greatest engagement with,
24 outreach to, or ownership by, such individ-
25 uals, including through partnerships with

1 local governments, Indian tribal govern-
2 ments (as defined in section 139E), and
3 community-based organizations.

4 “(G) DISCLOSURE OF ALLOCATIONS.—The
5 Secretary shall, upon making an allocation of
6 environmental justice capacity limitation under
7 this paragraph, publicly disclose the identity of
8 the applicant, the amount of the environmental
9 justice capacity limitation allocated to such ap-
10 plicant, and the location of the facility for
11 which such allocation is made.

12 “(5) RECAPTURE.—The Secretary shall, by reg-
13 ulations or other guidance, provide for recapturing
14 the benefit of any increase in the credit allowed
15 under subsection (a) by reason of this subsection
16 with respect to any property which ceases to be
17 property eligible for such increase (but which does
18 not cease to be investment credit property within the
19 meaning of section 50(a)). The period and percent-
20 age of such recapture shall be determined under
21 rules similar to the rules of section 50(a). To the ex-
22 tent provided by the Secretary, such recapture may
23 not apply with respect to any property if, within 12
24 months after the date the taxpayer becomes aware
25 (or reasonably should have become aware) of such

1 property ceasing to be property eligible for such in-
2 crease, the eligibility of such property for such in-
3 crease is restored. The preceding sentence shall not
4 apply more than once with respect to any facility.”.

5 (b) **EFFECTIVE DATE.**—The amendments made by
6 this section shall take effect on January 1, 2027.

7 **SEC. 136804. COST RECOVERY FOR QUALIFIED FACILITIES,**
8 **QUALIFIED PROPERTY, AND GRID IMPROVE-**
9 **MENT PROPERTY.**

10 (a) **IN GENERAL.**—Section 168(e)(3)(B) is amend-
11 ed—

12 (1) in clause (vi)(III), by striking “and” at the
13 end,

14 (2) in clause (vii), by striking the period at the
15 end and inserting “, and”, and

16 (3) by inserting after clause (vii) the following:

17 “(viii) any qualified facility (as de-
18 fined in section 45BB(b)(1)(A)), any quali-
19 fied property (as defined in subsection
20 (b)(2) of section 48F) which is a qualified
21 investment (as defined in subsection (b)(1)
22 of such section), or any grid improvement
23 property (as defined in subsection
24 (c)(1)(B) of such section).”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to facilities and property placed
3 in service after December 31, 2026.

4 **SEC. 136805. CLEAN FUEL PRODUCTION CREDIT.**

5 (a) IN GENERAL.—Subpart D of part IV of sub-
6 chapter A of chapter 1 is amended by adding at the end
7 the following new section:

8 **“SEC. 45CC. CLEAN FUEL PRODUCTION CREDIT.**

9 “(a) AMOUNT OF CREDIT.—

10 “(1) IN GENERAL.—For purposes of section 38,
11 the clean fuel production credit for any taxable year
12 is an amount equal to the product of—

13 “(A) the applicable amount per gallon (or
14 gallon equivalent) with respect to any transpor-
15 tation fuel which is—

16 “(i) produced by the taxpayer at a
17 qualified facility, and

18 “(ii) sold by the taxpayer in a manner
19 described in paragraph (4) during the tax-
20 able year, and

21 “(B) the emissions factor for such fuel (as
22 determined under subsection (b)).

23 “(2) APPLICABLE AMOUNT.—

24 “(A) BASE AMOUNT.—In the case of any
25 transportation fuel produced at a qualified facil-

1 ity which does not satisfy the requirements de-
2 scribed in subparagraph (B), the applicable
3 amount shall be 20 cents.

4 “(B) ALTERNATIVE AMOUNT.—In the case
5 of any transportation fuel produced at a quali-
6 fied facility which satisfies the requirements
7 under paragraphs (6) and (7) of subsection (g),
8 the applicable amount shall be \$1.00.

9 “(3) SPECIAL RATE FOR SUSTAINABLE AVIA-
10 TION FUEL.—

11 “(A) IN GENERAL.—In the case of a trans-
12 portation fuel which is sustainable aviation fuel,
13 paragraph (2) shall be applied—

14 “(i) in the case of a transportation
15 fuel produced at a qualified facility de-
16 scribed in paragraph (2)(A), by sub-
17 stituting ‘35 cents’ for ‘20 cents’, and

18 “(ii) in the case of a transportation
19 fuel produced at a qualified facility de-
20 scribed in paragraph (2)(B), by sub-
21 stituting ‘\$1.75’ for ‘\$1.00’.

22 “(B) SUSTAINABLE AVIATION FUEL.—For
23 purposes of this subparagraph (A), the term
24 ‘sustainable aviation fuel’ means liquid fuel
25 which is sold for use in an aircraft and which—

1 “(i) meets the requirements of—

2 “(I) ASTM International Stand-
3 ard D7566, or

4 “(II) the Fischer Tropsch provi-
5 sions of ASTM International Stand-
6 ard D1655, Annex A1, and

7 “(ii) is not derived from palm fatty
8 acid distillates or petroleum.

9 “(4) SALE.—For purposes of paragraph (1),
10 the transportation fuel is sold in a manner described
11 in this paragraph if such fuel is sold by the taxpayer
12 to an unrelated person—

13 “(A) for use by such person in the produc-
14 tion of a fuel mixture,

15 “(B) for use by such person in a trade or
16 business, or

17 “(C) who sells such fuel at retail to an-
18 other person and places such fuel in the fuel
19 tank of such other person.

20 “(5) ROUNDING.—If any amount determined
21 under paragraph (1) is not a multiple of 0.1 cent,
22 such amount shall be rounded to the nearest mul-
23 tiple of 0.1 cent.

24 “(b) EMISSIONS FACTORS.—

25 “(1) EMISSIONS FACTOR.—

1 “(A) CALCULATION.—

2 “(i) IN GENERAL.—The emissions fac-
3 tor of a transportation fuel shall be an
4 amount equal to the quotient of—

5 “(I) an amount equal to—

6 “(aa) 75 kilograms of CO₂e
7 per mmBTU, minus

8 “(bb) the emissions rate for
9 such fuel, divided by

10 “(II) 75 kilograms of CO₂e per
11 mmBTU.

12 “(B) ESTABLISHMENT OF EMISSIONS
13 RATE.—

14 “(i) IN GENERAL.—Subject to clauses
15 (ii) and (iii), the Secretary shall annually
16 publish a table which sets forth the emis-
17 sions rate for similar types and categories
18 of transportation fuels based on the
19 amount of lifecycle greenhouse gas emis-
20 sions (as described in section 211(o)(1)(H)
21 of the Clean Air Act (42 U.S.C.
22 7545(o)(1)(H)), as in effect on the date of
23 the enactment of this section) for such
24 fuels, expressed as kilograms of CO₂e per

1 mmBTU, which a taxpayer shall use for
2 purposes of this section.

3 “(ii) NON-AVIATION FUEL.—In the
4 case of any transportation fuel which is
5 not a sustainable aviation fuel, the lifecycle
6 greenhouse gas emissions of such fuel shall
7 be based on the most recent determina-
8 tions under the Greenhouse gases, Regu-
9 lated Emissions, and Energy use in Trans-
10 portation model developed by Argonne Na-
11 tional Laboratory, or a successor model (as
12 determined by the Secretary).

13 “(iii) AVIATION FUEL.—In the case of
14 any transportation fuel which is a sustain-
15 able aviation fuel, the lifecycle greenhouse
16 gas emissions of such fuel shall be deter-
17 mined in accordance with—

18 “(I) the most recent Carbon Off-
19 setting and Reduction Scheme for
20 International Aviation which has been
21 adopted by the International Civil
22 Aviation Organization with the agree-
23 ment of the United States, or

24 “(II) any similar methodology
25 which satisfies the criteria under sec-

1 tion 211(o)(1)(H) of the Clean Air
2 Act (42 U.S.C. 7545(o)(1)(H)).

3 “(C) ROUNDING OF EMISSIONS RATE.—

4 The Secretary may round the emissions rates
5 under subparagraph (B) to the nearest multiple
6 of 5 kilograms of CO₂e per mmBTU, except
7 that, in the case of an emissions rate that is
8 less than 2.5 kilograms of CO₂e per mmBTU,
9 the Secretary may round such rate to zero.

10 “(D) PROVISIONAL EMISSIONS RATE.—In

11 the case of any transportation fuel for which an
12 emissions rate has not been established under
13 subparagraph (B), a taxpayer producing such
14 fuel may file a petition with the Secretary for
15 determination of the emissions rate with respect
16 to such fuel.

17 “(2) ROUNDING.—If any amount determined

18 under paragraph (1)(A) is not a multiple of 0.1,
19 such amount shall be rounded to the nearest mul-
20 tiple of 0.1.

21 “(c) INFLATION ADJUSTMENT.—

22 “(1) IN GENERAL.—In the case of calendar
23 years beginning after 2026, the 20 cent amount in
24 subsection (a)(2)(A), the \$1.00 amount in sub-
25 section (a)(2)(B), the 35 cent amount in subsection

1 (a)(3)(A)(i), and the \$1.75 amount in subsection
2 (a)(3)(A)(ii) shall each be adjusted by multiplying
3 such amount by the inflation adjustment factor for
4 the calendar year in which the sale of the transpor-
5 tation fuel occurs. If any amount as increased under
6 the preceding sentence is not a multiple of 1 cent,
7 such amount shall be rounded to the nearest mul-
8 tiple of 1 cent.

9 “(2) INFLATION ADJUSTMENT FACTOR.—For
10 purposes of paragraph (1), the inflation adjustment
11 factor shall be the inflation adjustment factor deter-
12 mined and published by the Secretary pursuant to
13 section 45BB(c), determined by substituting ‘cal-
14 endar year 2021’ for ‘calendar year 1992’ in para-
15 graph (3) thereof.

16 “(d) CREDIT PHASE-OUT.—

17 “(1) IN GENERAL.—The amount of the clean
18 fuel production credit under subsection (a) for any
19 transportation fuel sold during a taxable year de-
20 scribed in paragraph (2) shall be equal to the prod-
21 uct of—

22 “(A) the amount of the credit determined
23 under subsection (a) without regard to this sub-
24 section, multiplied by

1 “(B) the phase-out percentage under para-
2 graph (2).

3 “(2) PHASE-OUT PERCENTAGE.—The phase-out
4 percentage under this paragraph is equal to—

5 “(A) for any taxable year beginning in the
6 first calendar year following the applicable year,
7 100 percent,

8 “(B) for any taxable year beginning in the
9 second calendar year following the applicable
10 year, 75 percent,

11 “(C) for any taxable year beginning in the
12 third calendar year following the applicable
13 year, 50 percent, and

14 “(D) for any taxable year beginning in any
15 calendar year subsequent to the calendar year
16 described in subparagraph (C), 0 percent.

17 “(3) APPLICABLE YEAR.—For purposes of this
18 subsection, the term ‘applicable year’ means the
19 later of—

20 “(A) the calendar year in which the Sec-
21 retary determines that the greenhouse gas emis-
22 sions from the transportation of persons and
23 goods annually in the United States are equal
24 to or less than 25 percent of the greenhouse gas
25 emissions from the transportation of persons

1 and goods in the United States during calendar
2 year 2021, or

3 “(B) 2031.

4 “(e) DEFINITIONS.—In this section:

5 “(1) mmBTU.—The term ‘mmBTU’ means
6 1,000,000 British thermal units.

7 “(2) CO₂e.—The term ‘CO₂e’ means, with re-
8 spect to any greenhouse gas, the equivalent carbon
9 dioxide (as determined based on relative global
10 warming potential).

11 “(3) GREENHOUSE GAS.—The term ‘greenhouse
12 gas’ has the same meaning given that term under
13 section 211(o)(1)(G) of the Clean Air Act (42
14 U.S.C. 7545(o)(1)(G)), as in effect on the date of
15 the enactment of this section.

16 “(4) QUALIFIED FACILITY.—The term ‘quali-
17 fied facility’—

18 “(A) means a facility used for the produc-
19 tion of transportation fuels, and

20 “(B) does not include any facility for
21 which one of the following credits is allowed
22 under section 38 for the taxable year:

23 “(i) The credit for production of clean
24 hydrogen under section 45X.

1 “(ii) The credit for clean hydrogen
2 production facilities under section
3 48(a)(15).

4 “(iii) The credit for carbon oxide se-
5 questration under section 45Q.

6 “(5) TRANSPORTATION FUEL.—The term
7 ‘transportation fuel’ means a fuel (with the excep-
8 tion of hydrogen) which—

9 “(A) is suitable for use as a fuel in a high-
10 way vehicle or aircraft, and

11 “(B) has an emissions rate which is not
12 greater than—

13 “(i) in the case of a fuel which is not
14 a sustainable aviation fuel—

15 “(I) for any such fuel sold during
16 calendar years 2027 through 2030, 50
17 kilograms of CO₂e per mmBTU, and

18 “(II) for any such fuel sold dur-
19 ing any calendar year beginning after
20 December 31, 2030, 25 kilograms of
21 CO₂e per mmBTU, or

22 “(ii) in the case of a fuel which is a
23 sustainable aviation fuel—

24 “(I) for any such fuel sold during
25 any period before January 1, 2031,

1 35 kilograms of CO_{2e} per mmBTU,
2 and
3 “(II) for any such fuel sold dur-
4 ing any period after December 31,
5 2030, 25 kilograms of CO_{2e} per
6 mmBTU.

7 “(f) GUIDANCE.—Not later than January 1, 2027,
8 the Secretary shall issue guidance regarding implementa-
9 tion of this section, including calculation of emissions fac-
10 tors for transportation fuel, the table described in sub-
11 section (b)(1)(B)(i), and the determination of clean fuel
12 production credits under this section.

13 “(g) SPECIAL RULES.—

14 “(1) ONLY REGISTERED PRODUCTION IN THE
15 UNITED STATES TAKEN INTO ACCOUNT.—

16 “(A) IN GENERAL.—No clean fuel produc-
17 tion credit shall be determined under subsection
18 (a) with respect to any transportation fuel un-
19 less—

20 “(i) the taxpayer is registered as a
21 producer of clean fuel under section 4101
22 at the time of production, and

23 “(ii) such fuel is produced in the
24 United States.

1 “(B) UNITED STATES.—For purposes of
2 this paragraph, the term ‘United States’ in-
3 cludes any possession of the United States.

4 “(2) PRODUCTION ATTRIBUTABLE TO THE TAX-
5 PAYER.—In the case of a facility in which more than
6 1 person has an ownership interest, except to the ex-
7 tent provided in regulations prescribed by the Sec-
8 retary, production from the facility shall be allocated
9 among such persons in proportion to their respective
10 ownership interests in the gross sales from such fa-
11 cility.

12 “(3) RELATED PERSONS.—Persons shall be
13 treated as related to each other if such persons
14 would be treated as a single employer under the reg-
15 ulations prescribed under section 52(b). In the case
16 of a corporation which is a member of an affiliated
17 group of corporations filing a consolidated return,
18 such corporation shall be treated as selling fuel to
19 an unrelated person if such fuel is sold to such a
20 person by another member of such group.

21 “(4) PASS-THRU IN THE CASE OF ESTATES AND
22 TRUSTS.—Under regulations prescribed by the Sec-
23 retary, rules similar to the rules of subsection (d) of
24 section 52 shall apply.

1 “(5) ALLOCATION OF CREDIT TO PATRONS OF
2 AGRICULTURAL COOPERATIVE.—

3 “(A) ELECTION TO ALLOCATE.—

4 “(i) IN GENERAL.—In the case of an
5 eligible cooperative organization, any por-
6 tion of the credit determined under sub-
7 section (a) for the taxable year may, at the
8 election of the organization, be apportioned
9 among patrons of the organization on the
10 basis of the amount of business done by
11 the patrons during the taxable year.

12 “(ii) FORM AND EFFECT OF ELEC-
13 TION.—An election under clause (i) for any
14 taxable year shall be made on a timely
15 filed return for such year. Such election,
16 once made, shall be irrevocable for such
17 taxable year. Such election shall not take
18 effect unless the organization designates
19 the apportionment as such in a written no-
20 tice mailed to its patrons during the pay-
21 ment period described in section 1382(d).

22 “(B) TREATMENT OF ORGANIZATIONS AND
23 PATRONS.—The amount of the credit appor-
24 tioned to any patrons under subparagraph
25 (A)—

1 “(i) shall not be included in the
2 amount determined under subsection (a)
3 with respect to the organization for the
4 taxable year, and

5 “(ii) shall be included in the amount
6 determined under subsection (a) for the
7 first taxable year of each patron ending on
8 or after the last day of the payment period
9 (as defined in section 1382(d)) for the tax-
10 able year of the organization or, if earlier,
11 for the taxable year of each patron ending
12 on or after the date on which the patron
13 receives notice from the cooperative of the
14 apportionment.

15 “(C) SPECIAL RULES FOR DECREASE IN
16 CREDITS FOR TAXABLE YEAR.—If the amount
17 of the credit of a cooperative organization de-
18 termined under subsection (a) for a taxable
19 year is less than the amount of such credit
20 shown on the return of the cooperative organi-
21 zation for such year, an amount equal to the
22 excess of—

23 “(i) such reduction, over

1 “(ii) the amount not apportioned to
2 such patrons under subparagraph (A) for
3 the taxable year,
4 shall be treated as an increase in tax imposed
5 by this chapter on the organization. Such in-
6 crease shall not be treated as tax imposed by
7 this chapter for purposes of determining the
8 amount of any credit under this chapter.

9 “(D) ELIGIBLE COOPERATIVE DEFINED.—
10 For purposes of this section the term ‘eligible
11 cooperative’ means a cooperative organization
12 described in section 1381(a) which is owned
13 more than 50 percent by agricultural producers
14 or by entities owned by agricultural producers.
15 For this purpose an entity owned by an agricul-
16 tural producer is one that is more than 50 per-
17 cent owned by agricultural producers.

18 “(6) PREVAILING WAGE REQUIREMENTS.—

19 “(A) IN GENERAL.—Subject to subpara-
20 graph (B), rules similar to the rules of section
21 45(b)(8) shall apply.

22 “(B) SPECIAL RULE FOR FACILITIES
23 PLACED IN SERVICE BEFORE JANUARY 1,
24 2027.—In the case of any qualified facility
25 placed in service before January 1, 2027—

1 “(i) the rules of clause (i) of section
2 45(b)(8) shall not apply, and

3 “(ii) clause (ii) of such section shall
4 be applied by substituting ‘for any period
5 of the taxable year beginning after Decem-
6 ber 31, 2026 for which the credit is
7 claimed under this section with respect to
8 production of transportation fuel, the alter-
9 ation or repair of such facility’ for ‘for the
10 period of the taxable year which is within
11 the 10-year period beginning on the date
12 the facility was originally placed in service,
13 the alteration or repair of such facility’.

14 “(7) APPRENTICESHIP REQUIREMENTS.—Rules
15 similar to the rules of section 45(b)(9) shall apply.”.

16 (b) ELECTIVE PAYMENT OF CREDIT.—Section
17 6417(b), as amended by preceding provisions of this Act,
18 is amended by adding at the end the following new para-
19 graph:

20 “(14) The clean fuel production credit deter-
21 mined under section 45CC(a).”.

22 (c) CONFORMING AMENDMENTS.—

23 (1) Section 38(b), as amended by section 101,
24 is amended—

1 (A) in paragraph (39), by striking “plus”
2 at the end,

3 (B) in paragraph (40), by striking the pe-
4 riod at the end and inserting “, plus”, and

5 (C) by adding at the end the following new
6 paragraph:

7 “(41) the clean fuel production credit deter-
8 mined under section 45CC(a).”.

9 (2) The table of sections for subpart D of part
10 IV of subchapter A of chapter 1, as amended by sec-
11 tion 101, is amended by adding at the end the fol-
12 lowing new item:

“Sec. 45CC. Clean fuel production credit.”.

13 (3) Section 4101(a)(1) is amended by inserting
14 “every person producing a fuel eligible for the clean
15 fuel production credit (pursuant to section 45CC),”
16 after “section 6426(b)(4)(A)),”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to transportation fuel produced
19 after December 31, 2026.

20 **PART 9—APPROPRIATIONS**

21 **SEC. 136901. APPROPRIATIONS.**

22 Immediately upon the enactment of this Act, in addi-
23 tion to amounts otherwise available, there are appro-
24 priated for fiscal year 2022, out of any money in the
25 Treasury not otherwise appropriated, \$3,831,000,000 to

1 remain available until September 30, 2031, for necessary
2 expenses for the Internal Revenue Service to carry out this
3 subtitle (and the amendments made by this subtitle),
4 which shall supplement and not supplant any other appro-
5 priations that may be available for this purpose.

6 **Subtitle E—Medicaid**

7 **PART 1—EXPANDING ACCESS TO MEDICAID**

8 **HOME AND COMMUNITY-BASED SERVICES**

9 **SEC. 30711. HCBS IMPROVEMENT PLANNING GRANTS.**

10 (a) FUNDING.—

11 (1) IN GENERAL.—In addition to amounts oth-
12 erwise available, there is appropriated to the Sec-
13 retary for fiscal year 2022, out of any money in the
14 Treasury not otherwise appropriated, \$130,000,000,
15 to remain available until expended, for carrying out
16 this section.

17 (2) TECHNICAL ASSISTANCE AND GUIDANCE.—

18 The Secretary shall reserve \$5,000,000 of the
19 amount appropriated under paragraph (1) for pur-
20 poses of issuing guidance and providing technical as-
21 sistance to States intending to apply for, or which
22 are awarded, a planning grant under this section,
23 and for other administrative expenses related to
24 awarding planning grants under this section.

25 (b) AWARD AND USE OF GRANTS.—

1 (1) DEADLINE FOR AWARD OF GRANTS.—From
2 the amount appropriated under subsection (a)(1),
3 the Secretary, not later than 12 months after the
4 date of enactment of this Act, shall solicit State re-
5 quests for HCBS improvement planning grants and
6 award such grants to all States that meet such re-
7 quirements as determined by the Secretary.

8 (2) USE OF FUNDS.—Subject to paragraph (3),
9 a State awarded a planning grant under this section
10 shall use the grant to carry out planning activities
11 for purposes of developing and submitting to the
12 Secretary an HCBS improvement plan for the State
13 that meets the requirements of subsections (c) and
14 (d) in order to expand access to home and commu-
15 nity-based services and strengthen the direct care
16 workforce that provides such services. A State may
17 use planning grant funds to support activities re-
18 lated to the implementation of the HCBS improve-
19 ment plan for the State, collect and report informa-
20 tion described in subsection (c), identify areas for
21 improvement to the service delivery systems for
22 home and community-based services, carry out ac-
23 tivities related to evaluating payment rates for home
24 and community-based services and identifying im-
25 provements to update the rate setting process, en-

1 hance caregiver supports, promote community inte-
2 gration and compliance with the home and commu-
3 nity-based settings rule published on January 16,
4 2014, or any successor regulation, make infrastruc-
5 ture investments (such as case management or other
6 information technology systems), and for related
7 purposes as the Secretary shall specify.

8 (3) LIMITATION ON USE OF FUNDS.—None of
9 the funds awarded to a State under this section may
10 be used by a State as the source of the non-Federal
11 share of expenditures under the State plan (or waiv-
12 er of such plan).

13 (c) HCBS IMPROVEMENT PLAN REQUIREMENTS.—
14 In order to meet the requirements of this subsection, an
15 HCBS improvement plan developed using funds awarded
16 to a State under this section shall include, with respect
17 to the State and subject to subsection (d), the following:

18 (1) EXISTING MEDICAID HCBS LANDSCAPE.—

19 (A) ELIGIBILITY AND BENEFITS.—A de-
20 scription of the existing standards, pathways,
21 and methodologies for eligibility for home and
22 community-based services pursuant to the State
23 plan (or waiver of such plan), including limits
24 on assets and income, the home and commu-
25 nity-based services available under the State

1 Medicaid program and the types of settings in
2 which they may be provided, and utilization
3 management standards for such services.

4 (B) ACCESS.—

5 (i) BARRIERS.—A description of the
6 barriers to accessing home and community-
7 based services in the State identified by
8 Medicaid eligible individuals, the families
9 of such individuals, and direct care work-
10 ers and home care agencies, or other simi-
11 lar organizations.

12 (ii) AVAILABILITY; UNMET NEED.—A
13 summary, in accordance with guidance
14 issued by the Secretary and as able to be
15 practicably determined by the State, of the
16 extent to which home and community-
17 based services are available to all individ-
18 uals in the State who would be eligible for
19 such services under the State Medicaid
20 program (including individuals who are on
21 a waiting list for such services).

22 (C) UTILIZATION.—An assessment of the
23 utilization of home and community-based serv-
24 ices in the State (including the number of indi-

1 individuals receiving such services) during such pe-
2 riod specified by the Secretary.

3 (D) SERVICE DELIVERY STRUCTURES AND
4 SUPPORTS.—A description of the service deliv-
5 ery structures for providing home and commu-
6 nity-based services in the State.

7 (E) WORKFORCE.—A description of the di-
8 rect care workforce, including estimates of the
9 number of full- and part-time direct care work-
10 ers, the average and range of direct care worker
11 wages, the benefits provided to direct care
12 workers, the turnover and vacancy rates of di-
13 rect care worker positions, the membership of
14 direct care workers in labor organizations and,
15 to the extent the State has access to such data,
16 demographic information about such workforce,
17 including information on race, ethnicity, and
18 gender.

19 (F) PAYMENT RATES.—

20 (i) IN GENERAL.—A description of the
21 payment rates for home and community-
22 based services, including, to the extent ap-
23 plicable, how payments for such services
24 are factored into the development of man-
25 aged care capitation rates, when the State

1 last updated payment rates for home and
2 community-based services, and an estimate
3 of the portion of the payment rate that
4 goes toward direct care worker compensa-
5 tion.

6 (ii) ASSESSMENT.—An assessment of
7 the relationship between payment rates for
8 such services and workforce shortages, av-
9 erage beneficiary wait times for such serv-
10 ices, provider-to-beneficiary ratios in the
11 geographic region, and any other factors
12 identified by the Secretary.

13 (G) QUALITY.—A description of how the
14 quality of home and community-based services
15 is measured and monitored.

16 (H) LONG-TERM SERVICES AND SUPPORTS
17 PROVIDED IN INSTITUTIONAL SETTINGS.—A de-
18 scription of the number of individuals enrolled
19 in the State Medicaid program in a year who
20 receive items and services furnished by an insti-
21 tution for greater than 30 days in an institu-
22 tional setting.

23 (I) HCBS SHARE OF OVERALL MEDICAID
24 LTSS SPENDING.—For the most recent State
25 fiscal year for which complete data is available,

1 the percentage of expenditures made by the
2 State under the State Medicaid program for
3 long-term services and supports that are for
4 home and community-based services.

5 (J) DEMOGRAPHIC DATA.—To the extent
6 available and as applicable with respect to the
7 information required under subparagraphs (B),
8 (C), and (H), demographic data for such infor-
9 mation, disaggregated by age groups, primary
10 disability, income brackets, gender, race, eth-
11 nicity, geography, primary language, and type
12 of service setting.

13 (2) GOALS FOR HCBS IMPROVEMENTS.—A de-
14 scription of how the State will do the following:

15 (A) Conduct the activities required under
16 subsection (jj) of section 1905 of the Social Se-
17 curity Act (as added under section 30712).

18 (B) Reduce barriers to and disparities in
19 access or utilization of home and community-
20 based services in the State.

21 (C) Monitor and report (with supporting
22 data, to the extent available and applicable,
23 disaggregated by age groups, primary disability,
24 income brackets, gender, race, ethnicity, geog-
25 raphy, primary language, and type of service

1 setting) on access to home and community-
2 based services under the State Medicaid pro-
3 gram, disparities in access to such services, and
4 the utilization of such services.

5 (D) Monitor and report the amount of
6 State Medicaid expenditures for home and com-
7 munity-based services under the State Medicaid
8 program as a proportion of the total amount of
9 State expenditures under the State Medicaid
10 program for long-term services and supports.

11 (E) Monitor and report on wages, benefits,
12 and vacancy and turnover rates for direct care
13 workers.

14 (F) Assess and monitor the sufficiency of
15 payment rates under the State Medicaid pro-
16 gram, in a manner specified by the Secretary,
17 for the specific types of home and community-
18 based services available under such program for
19 purposes of supporting direct care worker re-
20 cruitment and retention and ensuring the avail-
21 ability of home and community-based services.

22 (G) Coordinate implementation of the
23 HCBS improvement plan among the State
24 Medicaid agency, agencies serving individuals
25 with disabilities, agencies serving the elderly,

1 and other relevant State and local agencies and
2 organizations that provide related supports,
3 such as those for housing, transportation, em-
4 ployment, and other services and supports.

5 (d) DEVELOPMENT AND APPROVAL REQUIRE-
6 MENTS.—

7 (1) DEVELOPMENT REQUIREMENTS.—In order
8 to meet the requirements of this subsection, a State
9 awarded a planning grant under this section shall
10 develop an HCBS improvement plan for the State
11 with input from stakeholders through a public notice
12 and comment process that includes consultation with
13 Medicaid eligible individuals who are recipients of
14 home and community-based services, family care-
15 givers of such recipients, providers, health plans, di-
16 rect care workers, chosen representatives of direct
17 care workers, and aging, disability, and workforce
18 advocates.

19 (2) AUTHORITY TO ADJUST CERTAIN PLAN
20 CONTENT REQUIREMENTS.—The Secretary may
21 modify the requirements for any of the information
22 specified in subsection (c)(1) if a State requests a
23 modification and demonstrates to the satisfaction of
24 the Secretary that it is impracticable for the State
25 to collect and submit the information.

1 (3) SUBMISSION AND APPROVAL.—Not later
2 than 24 months after the date on which a State is
3 awarded a planning grant under this section, the
4 State shall submit an HCBS improvement plan for
5 approval by the Secretary, along with assurances by
6 the State that the State will implement the plan in
7 accordance with the requirements of the HCBS Im-
8 provement Program established under subsection (jj)
9 of section 1905 of the Social Security Act (42
10 U.S.C. 1396d) (as added by section 30712). The
11 Secretary shall approve and make publicly available
12 the HCBS improvement plan for a State after the
13 plan and such assurances are submitted to the Sec-
14 retary for approval and the Secretary determines the
15 plan meets the requirements of subsection (c). A
16 State may amend its HCBS improvement plan, sub-
17 ject to the approval of the Secretary that the plan
18 as so amended meets the requirements of subsection
19 (c). The Secretary may withhold or recoup funds
20 provided under this section to a State, if the State
21 fails to comply with the requirements of this section.

22 (e) DEFINITIONS.—In the part:

23 (1) DIRECT CARE WORKER.—The term “direct
24 care worker” means, with respect to a State, any of
25 the following individuals who are paid to provide di-

1 rectly to Medicaid eligible individuals home and com-
2 munity-based services available under the State
3 Medicaid program:

4 (A) A registered nurse, licensed practical
5 nurse, nurse practitioner, or clinical nurse spe-
6 cialist, or a licensed nursing assistant who pro-
7 vides such services under the supervision of a
8 registered nurse, licensed practical nurse, nurse
9 practitioner, or clinical nurse specialist.

10 (B) A direct support professional.

11 (C) A personal care attendant.

12 (D) A home health aide.

13 (E) Any other paid health care profes-
14 sional or worker determined to be appropriate
15 by the State and approved by the Secretary.

16 (2) HCBS PROGRAM IMPROVEMENT STATE.—

17 The term “HCBS program improvement State”
18 means a State that is awarded a planning grant
19 under subsection (b) and has an HCBS improve-
20 ment plan approved by the Secretary under sub-
21 section (d)(3).

22 (3) HEALTH PLAN.—The term “health plan”
23 means any of the following entities that provide or
24 arrange for home and community-based services for

1 Medicaid eligible individuals who are enrolled with
2 the entities under a contract with a State:

3 (A) A medicaid managed care organiza-
4 tion, as defined in section 1903(m)(1)(A) of the
5 Social Security Act (42 U.S.C.
6 1396b(m)(1)(A)).

7 (B) A prepaid inpatient health plan or pre-
8 paid ambulatory health plan, as defined in sec-
9 tion 438.2 of title 42, Code of Federal Regula-
10 tions (or any successor regulation).

11 (C) Any other entity determined to be ap-
12 propriate by the State and approved by the Sec-
13 retary.

14 (4) HOME AND COMMUNITY-BASED SERV-
15 ICES.—The term “home and community-based serv-
16 ices” means any of the following (whether provided
17 on a fee-for-service, risk, or other basis):

18 (A) Home health care services authorized
19 under paragraph (7) of section 1905(a) of the
20 Social Security Act (42 U.S.C. 1396d(a)).

21 (B) Private duty nursing services author-
22 ized under paragraph (8) of such section, when
23 such services are provided in a Medicaid eligible
24 individual’s home.

1 (C) Personal care services authorized
2 under paragraph (24) of such section.

3 (D) PACE services authorized under para-
4 graph (26) of such section.

5 (E) Home and community-based services
6 authorized under subsections (b), (c), (i), (j),
7 and (k) of section 1915 of such Act (42 U.S.C.
8 1396n), authorized under a waiver under sec-
9 tion 1115 of such Act (42 U.S.C. 1315), or
10 provided through coverage authorized under
11 section 1937 of such Act (42 U.S.C. 1396u-7).

12 (F) Case management services authorized
13 under section 1905(a)(19) of the Social Secu-
14 rity Act (42 U.S.C. 1396d(a)(19)) and section
15 1915(g) of such Act (42 U.S.C. 1396n(g)).

16 (G) Rehabilitative services, including those
17 related to behavioral health, described in section
18 1905(a)(13) of such Act (42 U.S.C.
19 1396d(a)(13)).

20 (H) Such other services specified by the
21 Secretary.

22 (5) INSTITUTIONAL SETTING.—The term “insti-
23 tutional setting” means—

1 (A) a skilled nursing facility (as defined in
2 section 1819(a) of the Social Security Act (42
3 U.S.C. 1395i–3(a)));

4 (B) a nursing facility (as defined in section
5 1919(a) of such Act (42 U.S.C. 1396r(a)));

6 (C) a long-term care hospital (as described
7 in section 1886(d)(1)(B)(iv) of such Act (42
8 U.S.C. 1395ww(d)(1)(B)(iv)));

9 (D) a facility described in section 1905(d)
10 of such Act (42 U.S.C. 1396d(d));

11 (E) an institution which is a psychiatric
12 hospital (as defined in section 1861(f) of such
13 Act (42 U.S.C. 1395x(f))) or that provides in-
14 patient psychiatric services in a residential set-
15 ting specified by the Secretary;

16 (F) an institution described in section
17 1905(i) of such Act (42 U.S.C. 1396d(i)); and

18 (G) any other relevant facility, as deter-
19 mined by the Secretary.

20 (6) MEDICAID ELIGIBLE INDIVIDUAL.—The
21 term “Medicaid eligible individual” means an indi-
22 vidual who is eligible for and receiving medical as-
23 sistance under a State Medicaid plan or a waiver of
24 such plan. Such term includes an individual who is
25 on a waiting list and who would become eligible for

1 medical assistance and enrolled under a State Med-
2 icaid plan, or waiver of such plan, upon receipt of
3 home and community-based services.

4 (7) STATE MEDICAID PROGRAM.—The term
5 “State Medicaid program” means, with respect to a
6 State, the State program under title XIX of the So-
7 cial Security Act (42 U.S.C. 1396 through 1396w-
8 6) (including any waiver or demonstration under
9 such title or under section 1115 of such Act (42
10 U.S.C. 1315) relating to such title).

11 (8) SECRETARY.—The term “Secretary” means
12 the Secretary of Health and Human Services.

13 (9) STATE.—The term “State” means each of
14 the 50 States, the District of Columbia, Puerto Rico,
15 the Virgin Islands, Guam, the Northern Mariana Is-
16 lands, and American Samoa.

17 **SEC. 30712. HCBS IMPROVEMENT PROGRAM.**

18 (a) INCREASED FMAP FOR HCBS PROGRAM IM-
19 PROVEMENT STATES.—Section 1905 of the Social Secu-
20 rity Act (42 U.S.C. 1396d) is amended—

21 (1) in subsection (b), by striking “and (ii)” and
22 inserting “(ii), and (jj)”; and

23 (2) by adding at the end the following new sub-
24 section:

1 “(jj) ADDITIONAL SUPPORT FOR HCBS PROGRAM
2 IMPROVEMENT STATES.—

3 “(1) IN GENERAL.—

4 “(A) ADDITIONAL SUPPORT.—Subject to
5 paragraph (5), in the case of a State that is an
6 HCBS program improvement State, for each
7 fiscal quarter that begins on or after the first
8 date on which the State is an HCBS program
9 improvement State—

10 “(i) and for which the State meets the
11 requirements described in paragraphs (2)
12 and (4), notwithstanding subsection (b) or
13 (ff), subject to subparagraph (B), with re-
14 spect to amounts expended during the
15 quarter by such State for medical assist-
16 ance for home and community-based serv-
17 ices, the Federal medical assistance per-
18 centage for such State and quarter (as de-
19 termined for the State under subsection
20 (b) and, if applicable, increased under sub-
21 section (y), (z), (aa), or (ii), or section
22 6008(a) of the Families First Coronavirus
23 Response Act) shall be increased by 6 per-
24 centage points in addition any percentage
25 point increases pursuant to either such

1 subsection (y), (z), (aa), or (ii), or such
2 section 6008(a); and

3 “(ii) with respect to the State meeting
4 the requirements described in paragraphs
5 (2) and (4), notwithstanding [sections
6 1903(a)(7) and 1903(a)(3)], with respect
7 to amounts expended during the quarter
8 and before October 1, 2031, for adminis-
9 trative costs for expanding and enhancing
10 home and community-based services, in-
11 cluding for enhancing Medicaid data and
12 technology infrastructure, modifying rate
13 setting processes, adopting or improving
14 training programs for direct care workers
15 and family caregivers, home and commu-
16 nity-based services ombudsman office ac-
17 tivities, developing processes to identify di-
18 rect care workers and assign such workers
19 unique identifiers, and adopting, carrying
20 out, or enhancing programs that register
21 direct care workers or connect beneficiaries
22 to direct care workers, the per centum
23 specified in such [sections 1903(a)(7) and
24 1903(a)(3)] shall be increased to 80 per-
25 cent.

1 In no case may the application of clause (i) re-
2 sult in the Federal medical assistance percent-
3 age determined for a State being more than 95
4 percent with respect to such expenditures. In no
5 case shall the application of clause (ii) result in
6 a reduction to the per centum otherwise speci-
7 fied without application of such clause. Any in-
8 crease pursuant to clause (ii) shall be available
9 to a State before the State meets the require-
10 ments of paragraphs (2) and (4).

11 “(B) ADDITIONAL HCBS IMPROVEMENT
12 EFFORTS.—Subject to paragraph (5), in addi-
13 tion to the increase to the Federal medical as-
14 sistance percentage under subparagraph (A)(i)
15 for amounts expended during a quarter for
16 medical assistance for home and community-
17 based services by an HCBS program improve-
18 ment State that meets the requirements of
19 paragraphs (2) and (4) for the quarter, the
20 Federal medical assistance percentage for
21 amounts expended by the State during the
22 quarter for medical assistance for home and
23 community-based services shall be further in-
24 creased by 2 percentage points (but not to ex-
25 ceed 95 percent) during the first 6 fiscal quar-

1 ters throughout which the State has imple-
2 mented and has in effect a program to support
3 self-directed care that meets the requirements
4 of paragraph (3).

5 “(C) NONAPPLICATION OF TERRITORIAL
6 FUNDING CAPS.—Any payment made to Puerto
7 Rico, the Virgin Islands, Guam, the Northern
8 Mariana Islands, or American Samoa for ex-
9 penditures that are subject to an increase in the
10 Federal medical assistance percentage under
11 subparagraph (A)(i) or (B), or an increase in
12 an applicable Federal matching percentage
13 under subparagraph (A)(ii), shall not be taken
14 into account for purposes of applying payment
15 limits under subsections (f) and (g) of section
16 1108.

17 “(D) NONAPPLICATION TO CHIP EFMAP.—
18 Any increase described in subparagraph (A) (or
19 payment made for expenditures on medical as-
20 sistance that are subject to such increase) shall
21 not be taken into account in calculating the en-
22 hanced FMAP of a State under section 2105.

23 “(2) REQUIREMENTS.—Subject to the last sen-
24 tence of paragraph (1)(A), as conditions for receipt
25 of the increase under paragraph (1) to the Federal

1 medical assistance percentage determined for a
2 State, with respect to a fiscal year quarter, the State
3 shall meet each of the following requirements:

4 “(A) NONSUPPLANTATION.—The State
5 uses the Federal funds attributable to the in-
6 crease in the Federal medical assistance per-
7 centage for amounts expended during a quarter
8 for medical assistance for home and commu-
9 nity-based services under subparagraphs (A)
10 and, if applicable, (B) of paragraph (1) to sup-
11 plement, and not supplant, the level of State
12 funds expended for home and community-based
13 services for eligible individuals through pro-
14 grams in effect as of the date the State is
15 awarded a planning grant under section 30711
16 of the Act titled ‘An Act to provide for rec-
17 onciliation pursuant to title II of S. Con. Res.
18 14’. In applying this subparagraph, the Sec-
19 retary shall provide that a State shall have a 3-
20 year period, as specified by the Secretary, to
21 spend any accumulated unspent State funds at-
22 tributable to the increase described in clause (i)
23 in the Federal medical assistance percentage.

24 “(B) MAINTENANCE OF EFFORT.—

1 “(i) IN GENERAL.—The State does
2 not—

3 “(I) reduce the amount, dura-
4 tion, or scope of home and commu-
5 nity-based services available under the
6 State plan (or waiver of such plan)
7 relative to the home and community-
8 based services available under the
9 plan or a waiver of such plan as of
10 the date on which the State was
11 awarded a planning grant under sec-
12 tion 30711 of the Act titled ‘An Act
13 to provide for reconciliation pursuant
14 to title II of S. Con. Res. 14’;

15 “(II) reduce payment rates for
16 home and community-based services
17 lower than such rates that were in
18 place as of the date described in sub-
19 clause (I), including, to the extent ap-
20 plicable, assumed payment rates for
21 such services that are included in
22 managed care capitation rates as such
23 rates are being prospectively built; or

24 “(III) except to the extent per-
25 mitted under clause (ii), adopt more

1 restrictive standards, methodologies,
2 or procedures for determining eligi-
3 bility for or the scope of medical as-
4 sistance of home and community-
5 based services, including with respect
6 to cost-sharing, than the standards,
7 methodologies, or procedures applica-
8 ble as of the date described in sub-
9 clause (I).

10 “(ii) FLEXIBILITY TO SUPPORT INNO-
11 VATIVE MODELS.—A State may make
12 modifications that would otherwise violate
13 the maintenance of effort described in
14 clause (i) if the State demonstrates to the
15 satisfaction of the Secretary that such
16 modifications shall not result in—

17 “(I) home and community-based
18 services that are less comprehensive
19 or lower in amount, duration, or
20 scope;

21 “(II) fewer individuals (overall
22 and within particular eligibility
23 groups) receiving home and commu-
24 nity-based services, the calculation of
25 which may be adjusted for demo-

1 graphic changes since the date de-
2 scribed in clause (i)(I); or

3 “(III) increased cost-sharing
4 (other than resulting from the rate of
5 inflation) for home and community-
6 based services.

7 “(C) ACCESS TO SERVICES.—Not later
8 than an implementation date as specified by the
9 Secretary (which may vary for each of the fol-
10 lowing clauses) after the first day of the first
11 fiscal quarter for which a State receives an in-
12 crease to the Federal medical assistance per-
13 centage or other applicable Federal matching
14 percentage under paragraph (1), the State does
15 all of the following to improve access to serv-
16 ices:

17 “(i) Reduce access barriers and dis-
18 parities in access or utilization of home
19 and community-based services, as de-
20 scribed in the State HCBS improvement
21 plan.

22 “(ii) Provides coverage of personal
23 care services authorized under subsection
24 (a)(24) for all individuals eligible for and
25 enrolled in medical assistance in the State.

1 “(iii) Provides for navigation of home
2 and community-based services through ‘no
3 wrong door’ programs, provides expedited
4 eligibility for home and community-based
5 services, and improves home and commu-
6 nity-based services counseling and edu-
7 cation programs.

8 “(iv) Expands access to behavioral
9 health services furnished in home and com-
10 munity-based settings.

11 “(v) Improves coordination of home
12 and community-based services with em-
13 ployment, housing, and transportation sup-
14 ports.

15 “(vi) Provides supports to family care-
16 givers, such as respite care, caregiver as-
17 sessments, peer supports, or paid family
18 caregiving.

19 “(vii) Newly provides coverage under,
20 or expands existing eligibility criteria for, 1
21 or more of the eligibility categories author-
22 ized under subclause (XIII), (XV), or
23 (XVI) of section 1902(a)(10)(A)(ii).

24 “(D) STRENGTHENED AND EXPANDED
25 WORKFORCE.—

1 “(i) IN GENERAL.—The State
2 strengthens and expands the direct care
3 workforce that provides home and commu-
4 nity-based services by—

5 “(I) adopting processes to ensure
6 that payment rates for home and com-
7 munity-based services are sufficient
8 (as defined by the Secretary) to en-
9 sure that care and services are avail-
10 able to the extent described in the
11 State HCBS improvement plan; and

12 “(II) updating qualification
13 standards (at such time and at such
14 frequency as the Secretary determines
15 appropriate), and developing and
16 adopting training opportunities, for
17 the continuum of providers of home
18 and community-based services, includ-
19 ing programs for independent pro-
20 viders of such services and agency di-
21 rect care workers, as well as unique
22 programs and resources for family
23 caregivers.

24 “(ii) PAYMENT RATES.—In carrying
25 out clause (i)(I), the State shall—

1 “(I) update and, as appropriate,
2 increase payment rates to support re-
3 cruitment and retention of the direct
4 care workforce by 2 years after ap-
5 proval of the improvement plan and,
6 at least every 3 years thereafter,
7 using, through existing or other proc-
8 esses to determine provider payment,
9 a transparent process involving mean-
10 ingful input from stakeholders; and

11 “(II) ensure that increases in the
12 payment rates for home and commu-
13 nity-based services—

14 “(aa) at a minimum, result
15 in a proportionate increase to
16 payments for direct care workers
17 and in a manner that is deter-
18 mined with input from the stake-
19 holders described in subclause
20 (II); and

21 “(bb) are incorporated into
22 provider payment rates for home
23 and community-based services
24 provided under this title by a
25 health plan, under a contract and

1 paid through capitation rates
2 with the State.

3 “(3) SELF-DIRECTED MODELS FOR THE DELIV-
4 ERY OF SERVICES.—As conditions for receipt of the
5 increase under paragraph (1)(B) to the Federal
6 medical assistance percentage determined for a
7 State, with respect to a fiscal year quarter, the State
8 shall establish directly, or by contract with 1 or
9 more entities, including an agency with choice or a
10 similar service delivery model, a program for the
11 performance of all of the following functions to fa-
12 cilitate beneficiary use of self-directed care in the
13 case the State covers home and community-based
14 services under authorities that permit self-direction:

15 “(A) Registering qualified direct care
16 workers and assisting beneficiaries in finding
17 direct care workers.

18 “(B) Undertaking activities to recruit and
19 train independent providers to enable bene-
20 ficiaries to direct their own care, including by
21 providing or coordinating training for bene-
22 ficiaries on self-directed care.

23 “(C) Ensuring the safety of, and sup-
24 porting the quality of, care provided to bene-
25 ficiaries, such as by conducting background

1 checks and addressing complaints reported by
2 recipients of home and community-based serv-
3 ices.

4 “(D) Facilitating coordination between
5 State and local agencies and direct care workers
6 for matters of public health, training opportuni-
7 ties, changes in program requirements, work-
8 place health and safety, or related matters.

9 “(E) Supporting beneficiary hiring, if se-
10 lected by the beneficiary, of independent pro-
11 viders of home and community-based services,
12 including by processing applicable tax informa-
13 tion, collecting and processing timesheets, sub-
14 mitting claims and processing payments to such
15 providers.

16 “(F) To the extent a State permits bene-
17 ficiaries to hire a family member or individual
18 with whom they have an existing relationship to
19 provide home and community-based services,
20 providing support to beneficiaries who wish to
21 hire a caregiver who is a family member or in-
22 dividual with whom they have an existing rela-
23 tionship, such as by facilitating enrollment of
24 such family member or individual as a provider

1 of home and community-based services under
2 the State plan or a waiver of such plan.

3 “(G) Ensuring that the program under
4 this paragraph does not promote or prevent the
5 ability of workers to form a labor organization
6 or discriminate against workers who may join
7 or decline to join such an organization.

8 “(4) REPORTING AND OVERSIGHT.—As condi-
9 tions for receipt of the increase under paragraph (1)
10 to the Federal medical assistance percentage deter-
11 mined for a State, with respect to a fiscal year quar-
12 ter, the State shall meet each of the following re-
13 quirements:

14 “(A) The State designates (by a date spec-
15 ified by the Secretary) an HCBS ombudsman
16 (or a long-term care ombudsman program of-
17 fice) that—

18 “(i) operates independently from the
19 State Medicaid agency and managed care
20 entities;

21 “(ii) provides direct assistance to re-
22 cipients of home and community-based
23 services available under the State Medicaid
24 program and their families; and

1 “(iii) identifies and reports systemic
2 problems to State officials, the public, and
3 the Secretary.

4 “(B) Beginning with the last day of the
5 5th fiscal quarter for which the State is an
6 HCBS program improvement State, and annu-
7 ally thereafter, the State reports to the Sec-
8 retary on the state (as of the most recent quar-
9 ter before the report for which complete data is
10 available and which may be incorporated into
11 the report) of—

12 “(i) the availability and utilization of
13 home and community-based services,
14 disaggregated (to the extent available and
15 as applicable) by age groups, primary dis-
16 ability, income brackets, gender, race, eth-
17 nicity, geography, primary language, and
18 type of service setting;

19 “(ii) benefits, turnover and vacancy
20 rates, and average and range of wages for
21 the direct care workforce;

22 “(iii) changes in payment rates for
23 home and community-based services;

24 “(iv) implementation of the activities
25 to strengthen and expand access to home

1 and community-based services and the di-
2 rect care workforce that provides such
3 services in accordance with the require-
4 ments of subparagraphs (C) and (D) of
5 paragraph (2);

6 “(v) if applicable, implementation of
7 the activities described in paragraph (3);

8 “(vi) State expenditures for home and
9 community-based services under the State
10 plan or a waiver of such plan as a propor-
11 tion of the total amount of State expendi-
12 tures under the plan or waiver of such plan
13 for long-term services and supports;

14 “(vii) the challenges in, and best prac-
15 tices identified for expanding access to
16 home and community-based services, re-
17 ducing disparities, and supporting and ex-
18 panding the direct care workforce; and

19 “(viii) the use of enhanced Federal
20 funding provided under this section.

21 “(5) BENCHMARKS FOR DEMONSTRATING IM-
22 PROVEMENTS.—An HCBS program improvement
23 State shall cease to be eligible for an increase in the
24 Federal medical assistance percentage under para-
25 graph (1)(A)(i) or (1)(B) or an increase in an appli-

1 cable Federal matching percentage under paragraph
2 (1)(A)(ii) on or after the first date on which a State
3 is an HCBS program improvement State if the
4 State is found to be out of compliance with para-
5 graph (2)(B) or any other requirement of this sub-
6 section and, beginning with such 29th fiscal quarter,
7 unless, not later than 90 days before the first day
8 of such fiscal quarter, the State submits to the Sec-
9 retary a report demonstrating the following improve-
10 ments:

11 “(A) Increased availability (above a mar-
12 ginal increase) of home and community-based
13 services in the State relative to such availability
14 as reported in the State HCBS improvement
15 plan and adjusted for demographic changes in
16 the State since the submission of such plan.

17 “(B) Reduced disparities in the utilization
18 and availability of home and community-based
19 services relative to the availability and utiliza-
20 tion of such services by such populations as re-
21 ported in such plan according to age groups,
22 primary disability, income brackets, gender,
23 race, ethnicity, geography, primary language,
24 and type of service setting (to the extent avail-
25 able and applicable), and adjusted for demo-

1 graphic changes in the State since the submis-
2 sion of such plan.

3 “(C) Evidence that rates are sufficient (as
4 defined by the Secretary) to ensure access to
5 items and services for individuals eligible for
6 HCBS in such State.

7 “(D) With respect to the percentage of ex-
8 penditures made by the State for long-term
9 services and supports that are for home and
10 community-based services, in the case of an
11 HCBS program improvement State for which
12 such percentage (as reported in the State
13 HCBS improvement plan) was—

14 “(i) less than 50 percent, the State
15 demonstrates that the percentage of such
16 expenditures has increased to at least 50
17 percent since the plan was approved; and

18 “(ii) at least 50 percent, the State
19 demonstrates that such percentage has not
20 decreased since the plan was approved.

21 “(6) DEFINITIONS.—In this subsection, the
22 terms ‘State Medicaid plan’, ‘direct care worker’,
23 ‘HCBS program improvement State’, ‘health plan’;
24 and ‘home and community-based services’ have the
25 meaning given those terms in section 30711(e) of

1 the Act titled ‘An Act to provide for reconciliation
2 pursuant to title II of S. Con. Res. 14’.”.

3 **SEC. 30713. FUNDING FOR FEDERAL ACTIVITIES.**

4 In addition to amounts otherwise available, there is
5 appropriated to the Secretary for fiscal year 2022, out of
6 any money in the Treasury not otherwise appropriated,
7 \$40,000,000, to remain available until expended, to carry
8 out section 30712 (including the amendments made by
9 such section), including by issuing necessary guidance and
10 technical assistance to States, conducting program integ-
11 rity and oversight efforts, and preparing and submitting
12 to the Committee on Energy and Commerce of the House
13 of Representatives and the Committee on Finance of the
14 Senate, beginning 5 years after the date of the enactment
15 of this Act and every three years thereafter, a report de-
16 scribing the progress of the HCBS planning and improve-
17 ment activities undertaken by States as applicable and as
18 described in sections 30711 and 30712 (including the
19 amendments made by such sections), and describing the
20 impact of such activities on access to care, including with
21 respect to disparities in access and utilization, and the di-
22 rect care workforce.

1 **SEC. 30714. FUNDING FOR HCBS QUALITY MEASUREMENT**
2 **AND IMPROVEMENT.**

3 (a) INCREASED FEDERAL MATCHING RATE FOR
4 ADOPTION AND REPORTING OF HCBS QUALITY MEAS-
5 URES.—

6 (1) IN GENERAL.—Section 1903(a)(3) of the
7 Social Security Act (42 U.S.C. 1396b(a)(3)) is
8 amended—

9 (A) in subparagraph (F)(ii), by striking
10 “plus” after the semicolon and inserting “and”;
11 and

12 (B) by inserting after subparagraph (F),
13 the following:

14 “(G) 80 percent of so much of the sums
15 expended during such quarter as are attrib-
16 utable to the reporting of information regarding
17 the quality of home and community-based serv-
18 ices in accordance with sections
19 1139A(a)(4)(B)(ii) and 1139B(b)(3)(C); and”.

20 (2) EXEMPTION FROM TERRITORIES’ PAYMENT
21 LIMITS.—Section 1108(g)(4) of the Social Security
22 Act is amended by adding at the end the following
23 new subparagraph:

24 “(C) ADDITIONAL EXEMPTION RELATING
25 TO HCBS QUALITY REPORTING.—Payments
26 under section 1903(a)(3)(G) shall not be taken

1 into account in applying payment limits under
2 subsections (f) and (g) of this subsection.”.

3 (b) HCBS QUALITY MEASURES FOR INCREASE.—

4 Title XI of the Social Security Act (42 U.S.C. 1301
5 through 1320e-3) is amended—

6 (1) in section 1139A—

7 (A) in subsection (a)(4)(B)—

8 (i) by striking “Beginning with the
9 annual State report on fiscal year 2024”
10 and inserting the following:

11 “(i) IN GENERAL.—Subject to clause
12 (ii), beginning with the annual State report
13 on fiscal year 2024”; and

14 (ii) by adding at the end the following
15 new clause:

16 “(ii) REPORTING HCBS QUALITY
17 MEASURES.—With respect to reporting on
18 information regarding the quality of home
19 and community-based services provided to
20 children under title XIX or title XXI, be-
21 ginning with the annual State report re-
22 quired under subsection (c)(1) for the first
23 fiscal year that begins on or after the date
24 that is 2 years after the date that the Sec-
25 retary publishes the home and community-

1 based services quality measures developed
2 under subsection (b)(5)(B) the Secretary
3 shall require States to report such infor-
4 mation using the standardized format for
5 reporting information and procedures de-
6 veloped under subparagraph (A) and using
7 all such home and community-based qual-
8 ity measures developed under subsection
9 (b)(5) (including any updates or changes
10 to such measures).”; and

11 (B) in subsection (b)(5)—

12 (i) by striking “Beginning no later
13 than January 1, 2013” and inserting the
14 following:

15 “(A) IN GENERAL.—Beginning no later
16 than January 1, 2013”; and

17 (ii) by adding at the end the following
18 new subparagraph:

19 “(B) HCBS QUALITY MEASURES.—Begin-
20 ning with the first year that begins on the date
21 that is 2 years after the date of enactment of
22 this subparagraph, the requirements of sub-
23 paragraph (A) shall apply, and the core meas-
24 ures described in subsection (a) (and any up-
25 dates or changes to such measures) shall in-

1 clude home and community-based services qual-
2 ity measures developed by the Secretary in the
3 manner described in section 1139B(b)(5)(D).
4 The Secretary shall ensure that the application
5 of such measures reflects the full array of home
6 and community-based services, consult with
7 stakeholders with expertise in home and com-
8 munity-based services (including recipients and
9 providers of such services) and allowing for the
10 collection (to the extent available) of data
11 disaggregated by age groups, primary disability,
12 income brackets, gender, race, ethnicity, geog-
13 raphy, primary language, and type of service
14 setting.”;

15 (C) in subsection (b)(6)

16 (i) by inserting “or support services”
17 before “that is capable of”;

18 (ii) by striking “and ambulatory
19 health care and home and community-
20 based settings” and inserting “, ambula-
21 tory health care, and home and commu-
22 nity-based settings”; and

23 (iii) by inserting “and home and com-
24 munity-based” before “care system”; and

1 (D) in subsection (c)(1), in the matter pre-
2 ceding subparagraph (A), by inserting “, sub-
3 ject to subsection (a)(4)(B)(ii),” before “annu-
4 ally report”; and

5 (2) in section 1139B—

6 (A) in subsection (b)—

7 (i) in paragraph (3), by adding at the
8 end the following new subparagraph:

9 “(C) MANDATORY REPORTING WITH RE-
10 SPECT TO HCBS QUALITY MEASURES.—Begin-
11 ning with the State report required under sub-
12 section (d)(1) for the first year that begins on
13 or after the date that is 2 years after the date
14 that the Secretary publishes the home and com-
15 munity-based quality measures developed under
16 paragraph (5)(D), the Secretary shall require
17 States to report information, using the stand-
18 ardized format for reporting information and
19 procedures developed under subparagraph (A),
20 regarding the quality of home and community-
21 based services for Medicaid eligible adults using
22 all of the home and community-based services
23 quality measures included in the core set of
24 adult health quality measures under paragraph

1 (5)(D), and any updates or changes to such
2 measures.”; and

3 (ii) in paragraph (5), by adding at the
4 end the following new subparagraph:

5 “(D) HCBS QUALITY MEASURES.—

6 “(i) FUNDING.—In addition to
7 amounts otherwise available, there is ap-
8 propriated to the Secretary, for each fiscal
9 year, beginning with fiscal year 2022, out
10 of any money in the Treasury not other-
11 wise appropriated, \$5,000,000, for car-
12 rying out this subparagraph.

13 “(ii) INCLUSION OF HCBS QUALITY
14 MEASURES.—Beginning with respect to
15 State reports required under subsection
16 (d)(1) for the first year that begins on or
17 after the date that is 2 years after the date
18 of enactment of this subparagraph (or, in
19 the case of measures that require develop-
20 ment and testing prior to availability, not
21 later than 4 years after the date of enact-
22 ment of this subparagraph) the core set of
23 child and adult health quality measures
24 maintained under this paragraph (and any
25 updates or changes to such measures) shall

1 include home and community-based serv-
2 ices quality measures developed in accord-
3 ance with this subparagraph.

4 “(iii) REQUIREMENTS.—

5 “(I) IN GENERAL.—In developing
6 (and subsequently reviewing and up-
7 dating) the home and community-
8 based services quality measures in-
9 cluded in the core set of adult health
10 quality measures maintained under
11 this paragraph, the Secretary shall
12 collaborate with relevant agencies
13 across the Department of Health and
14 Human Services and ensure that such
15 measures are informed consultation
16 with stakeholders with expertise in
17 home and community-based services
18 (including recipients and providers of
19 such services).

20 “(II) FULL ARRAY OF SERV-
21 ICES.—Such home and community-
22 based services quality measures shall
23 reflect the full array of home and
24 community-based services and adult
25 recipients of such services.

1 “(III) DEMOGRAPHICS.—Such
2 home and community-based services
3 quality measures shall allow for the
4 collection, to the extent available, of
5 data that is disaggregated by age
6 groups, primary disability, income
7 brackets, gender, race, ethnicity, geog-
8 raphy, primary language, and type of
9 service setting.

10 “(IV) DEFINITIONS.—For pur-
11 poses of this section and section
12 1139A, the terms ‘home and commu-
13 nity-based services’, and ‘direct care
14 worker’ have the meanings given those
15 terms in section 30711(e) of the Act
16 titled ‘An Act to provide for reconcili-
17 ation pursuant to title II of S. Con.
18 Res. 14’.”; and

19 (B) in subsection (d)(1)(A), by striking “;
20 and” and inserting “and, beginning with the re-
21 port for the first year that begins after the date
22 that is 2 years after the Secretary publishes the
23 home and community-based quality measures
24 developed under subsection (b)(5)(D), all home
25 and community-based services quality measures

1 included in the core set of adult health quality
2 measures maintained under subsection (b)(5)
3 and any updates or changes to such measures;
4 and”.

5 **PART 2—OTHER MEDICAID**

6 **SEC. 30721. PERMANENT EXTENSION OF MEDICAID PRO-**
7 **TECTIONS AGAINST SPOUSAL IMPOVERISH-**
8 **MENT FOR RECIPIENTS OF HOME AND COM-**
9 **MUNITY-BASED SERVICES.**

10 (a) IN GENERAL.—Section 1924(h)(1)(A) of the So-
11 cial Security Act (42 U.S.C. 1396r–5(h)(1)(A)) is amend-
12 ed by striking “(at the option of the State) is described
13 in section 1902(a)(10)(A)(ii)(VI)” and inserting the fol-
14 lowing: “is eligible for medical assistance for home and
15 community-based services provided under subsection (c),
16 (d), or (i) of section 1915 or under a waiver approved
17 under section 1115, or who is eligible for such medical
18 assistance by reason of being determined eligible under
19 section 1902(a)(10)(C) or by reason of section 1902(f) or
20 otherwise on the basis of a reduction of income based on
21 costs incurred for medical or other remedial care, or who
22 is eligible for medical assistance for home and community-
23 based attendant services and supports under section
24 1915(k)”.

1 (b) CONFORMING AMENDMENT.—Section 2404 of the
2 Patient Protection and Affordable Care Act (42 U.S.C.
3 1396r–5 note) is amended by striking “September 30,
4 2023” and inserting “the date of the enactment of the
5 Act titled ‘An Act to provide for reconciliation pursuant
6 to title II of S. Con. Res. 14’ ”.

7 **SEC. 30722. PERMANENT EXTENSION OF MONEY FOLLOWS**
8 **THE PERSON REBALANCING DEMONSTRATION.**
9 **TION.**

10 (a) IN GENERAL.—Subsection (h) of section 6071 of
11 the Deficit Reduction Act of 2005 (42 U.S.C. 1396a note)
12 is amended—

13 (1) in paragraph (1)—

14 (A) in subparagraph (I), by inserting
15 “and” after the semicolon;

16 (B) by amending subparagraph (J) to read
17 as follows:

18 “(J) \$450,000,000 for each fiscal year
19 after fiscal year 2021.”; and

20 (C) by striking subparagraph (K);

21 (2) in paragraph (2), by striking “September
22 30, 2023” and inserting “September 30 of the sub-
23 sequent fiscal year”; and

24 (3) by adding at the end the following new
25 paragraph:

1 “(3) TECHNICAL ASSISTANCE.—Out of the
2 amounts made available under paragraph (1), for
3 the 3-year period beginning with fiscal year 2022
4 and for each subsequent 3-year period, \$5,000,000
5 shall be made available for carrying out subsections
6 (f), (g), and (i).”.

7 (b) REDISTRIBUTION OF UNEXPENDED GRANT
8 AWARDS.—Subsection (e)(2) of section 6071 of the Deficit
9 Reduction Act of 2005 (42 U.S.C. 1396a note) is amended
10 by adding at the end the following new sentence: “Any
11 portion of a State grant award for a fiscal year under this
12 section that is unexpended by the State at the end of the
13 fourth succeeding fiscal year shall be rescinded by the Sec-
14 retary and added to the appropriation for the fifth suc-
15 ceeding fiscal year.”.

16 **Subtitle F—Social Safety Net**

17 **SEC. 137001. AMENDMENT OF 1986 CODE.**

18 Except as otherwise expressly provided, whenever in
19 this subtitle an amendment or repeal is expressed in terms
20 of an amendment to, or repeal of, a section or other provi-
21 sion, the reference shall be considered to be made to a
22 section or other provision of the Internal Revenue Code
23 of 1986.

1 **PART 1—CHILD TAX CREDIT**

2 **SEC. 137101. MODIFICATIONS APPLICABLE BEGINNING IN**
3 **2021.**

4 (a) **SAFE HARBOR EXCEPTION FOR FRAUD AND IN-**
5 **TENTIONAL DISREGARD OF RULES AND REGULATIONS.—**

6 Section 24(j)(2)(B) is amended—

7 (1) by striking “qualified” each place it appears
8 in clause (iv)(II) and inserting “qualifying”, and

9 (2) by adding at the end the following new
10 clause:

11 “(v) **EXCEPTION FOR FRAUD AND IN-**
12 **TENTIONAL DISREGARD OF RULES AND**
13 **REGULATIONS.—**

14 “(I) **IN GENERAL.—**For purposes
15 of determining the safe harbor
16 amount under clause (iv) with respect
17 to any taxpayer, an individual shall
18 not be treated as taken into account
19 in determining the annual advance
20 amount of such taxpayer if the Sec-
21 retary determines that such individual
22 was so taken into account due to
23 fraud by the taxpayer or intentional
24 disregard of rules and regulations by
25 the taxpayer.

1 “(II) ARRANGEMENTS TO TAKE
2 INDIVIDUAL INTO ACCOUNT MORE
3 THAN ONCE.—For purposes of sub-
4 clause (I), a taxpayer shall not fail to
5 be treated as intentionally dis-
6 regarding rules and regulations with
7 respect to any individual taken into
8 account in determining the annual ad-
9 vance amount of such taxpayer if such
10 taxpayer entered into a plan or other
11 arrangement with, or expected, an-
12 other taxpayer to take such individual
13 into account in determining the credit
14 allowed under this section for the tax-
15 able year.”.

16 (b) RULES RELATING TO RECONCILIATION OF CRED-
17 IT AND ADVANCE CREDIT.—Section 24(j) is amended by
18 adding at the end the following new paragraphs:

19 “(3) JOINT RETURNS.—Except as otherwise
20 provided by the Secretary, in the case of an advance
21 payment made under section 7527A with respect to
22 a joint return, half of such payment shall be treated
23 as having been made to each individual filing such
24 return.

1 “(4) COORDINATION WITH POSSESSIONS OF
2 THE UNITED STATES.—For purposes of this sub-
3 section, payments made under section 7527A include
4 payments made by any jurisdiction other than the
5 United States under section 7527A of the income
6 tax law of such jurisdiction, and advance payments
7 made by American Samoa pursuant to a plan de-
8 scribed in subsection (k)(3)(B). In carrying out this
9 section, the Secretary shall coordinate with each pos-
10 session of the United States to prevent any applica-
11 tion of this paragraph that is inconsistent with the
12 purposes of this subsection.”.

13 (c) ANNUAL ADVANCE AMOUNT.—Section 7527A(b)
14 is amended—

15 (1) in paragraph (1)—

16 (A) in subparagraph (A), by inserting “or
17 based on any other information known to the
18 Secretary” after “reference taxable year”,

19 (B) in subparagraph (C), by inserting “un-
20 less determined by the Secretary based on any
21 information known to the Secretary,” before
22 “the only children”, and

23 (C) in subparagraph (D), by inserting “un-
24 less determined by the Secretary based on any

1 information known to the Secretary,” before
2 “the ages of”, and
3 (2) in paragraph (3)(A)(ii), by striking “ pro-
4 vided by the taxpayer” and inserting “provided, or
5 known,”.

6 (d) DISCLOSURE OF INFORMATION RELATING TO
7 JOINT FILERS AND ADVANCE PAYMENT OF CHILD TAX
8 CREDIT.—Section 6103(e) is amended by adding at the
9 end the following new paragraph:

10 “(12) DISCLOSURE OF INFORMATION RELATING
11 TO JOINT FILERS AND ADVANCE PAYMENT OF CHILD
12 TAX CREDIT.—In the case of an individual to whom
13 the Secretary makes payments under section 7527A,
14 if the reference taxable year (as defined in section
15 7527A(b)(2)) that the Secretary uses to calculate
16 such payments is a year for which the individual
17 filed an income tax return jointly with another indi-
18 vidual, the Secretary may disclose to such individual
19 any information which is relevant in determining the
20 payment under section 7527A and the individual’s
21 eligibility for such payment, including information
22 regarding any of the following:

23 “(A) The number of specified children, in-
24 cluding by reason of the birth of a child.

1 “(B) The name and TIN of specified chil-
2 dren.

3 “(C) Marital status.

4 “(D) Modified adjusted gross income.

5 “(E) Principal place of abode.

6 “(F) Any other factor which the Secretary
7 may provide pursuant to section 7527A(e).”.

8 (e) EFFECTIVE DATE.—

9 (1) IN GENERAL.—Except as otherwise pro-
10 vided in this subsection, the amendments made by
11 this section shall apply to taxable years beginning,
12 and payments made, after December 31, 2020.

13 (2) DISCLOSURE OF INFORMATION RELATING
14 TO JOINT FILERS AND ADVANCE PAYMENT OF CHILD
15 TAX CREDIT.—The amendment made by subsection
16 (d) shall take effect on the date of the enactment of
17 this Act.

18 **SEC. 137102. EXTENSIONS AND MODIFICATIONS APPLICA-**
19 **BLE BEGINNING IN 2022.**

20 (a) EXTENSIONS.—

21 (1) EXTENSION OF CHILD TAX CREDIT.—Sec-
22 tion 24(i) is amended—

23 (A) by striking “January 1, 2022” in the
24 matter preceding paragraph (1) and inserting
25 “January 1, 2023”, and

1 (B) by inserting “AND 2022” after “2021”
2 in the heading thereof.

3 (2) EXTENSION OF PROVISIONS RELATED TO
4 POSSESSIONS OF THE UNITED STATES.—

5 (A) Section 24(k)(2)(B) is amended—

6 (i) by striking “December 31, 2021”
7 in the matter preceding clause (i) and in-
8 serting “December 31, 2022”, and

9 (ii) by striking “AFTER 2021” in the
10 heading thereof and inserting “AFTER
11 2022”.

12 (B) Section 24(k)(3)(C)(ii) is amended—

13 (i) in subclause (I), by inserting “or
14 2022” after “2021”, and

15 (ii) in subclause (II), by striking “De-
16 cember 31, 2021” and inserting “Decem-
17 ber 31, 2022”.

18 (C) The heading of section 24(k)(2)(A) is
19 amended by inserting “AND 2022” after
20 “2021”.

21 (b) EXTENSION AND MODIFICATION OF ADVANCE
22 PAYMENT.—

23 (1) IN GENERAL.—Section 7527A is amend-
24 ed—

1 (A) in subsection (b)(1), by striking “50
2 percent of”,

3 (B) in clauses (i) and (ii) of subsection
4 (e)(4)(C), by inserting “or 2022” after “in
5 2021”, and

6 (C) in subsection (f), by striking “Decem-
7 ber 31, 2021” and inserting “December 31,
8 2022”.

9 (2) MONTHLY PAYMENTS.—

10 (A) IN GENERAL.—Section 7527A(a) is
11 amended to read as follows:

12 “(a) IN GENERAL.—The Secretary shall establish a
13 program for making monthly payments to taxpayers in
14 amounts equal to $1/12$ of the annual advance amount with
15 respect to such taxpayer.”.

16 (B) MODIFICATIONS DURING CALENDAR
17 YEAR.—Section 7527A(b)(3), as amended by
18 the preceding provisions of this Act, is amend-
19 ed—

20 (i) by amending subparagraph (A)(ii)
21 to read as follows:

22 “(ii) any other information provided,
23 or known, to the Secretary which allows
24 the Secretary to more accurately estimate
25 the amount treated as allowed under sub-

1 part C of part IV of subchapter A of chap-
2 ter 1 by reason of section 24(i)(1) with re-
3 spect to the taxpayer for the reference tax-
4 able year.”,

5 (ii) by redesignating subparagraph
6 (B) as subparagraph (C) and by inserting
7 after subparagraph (A) the following new
8 subparagraph:

9 “(B) APPLICATION OF MODIFICATIONS TO
10 SUBSEQUENT MONTHS.—Except as may be pro-
11 vided under subparagraph (C), any modification
12 of the annual advance amount with respect to
13 any taxpayer under subparagraph (A) shall be
14 taken into account for purposes of determining
15 the amount of monthly payments with respect
16 to such taxpayer under subsection (a) which are
17 determined by the Secretary after such modi-
18 fication.”, and

19 (iii) in subparagraph (C) (as redesign-
20 ated by clause (ii), by striking “periodic
21 payment” both places it appears and in-
22 serting “monthly payment”).

23 (C) CONFORMING AMENDMENT.—Section
24 7527A(e)(2) is amended by striking “subsection
25 (b)(3)(B)” and inserting “subsection (b)(3)”.

1 (3) ELIGIBILITY FOR ADVANCE PAYMENTS LIM-
2 ITED BASED ON MODIFIED ADJUSTED GROSS IN-
3 COME.—Section 7527A(b) is amended by adding at
4 the end the following new paragraph:

5 “(6) LIMITATION BASED ON MODIFIED AD-
6 JUSTED GROSS INCOME.—

7 “(A) IN GENERAL.—If the modified ad-
8 justed gross income of the taxpayer for the ref-
9 erence taxable year exceeds the applicable
10 threshold amount with respect to such taxpayer
11 (as defined in section 24(i)(4)(B)), the annual
12 advance amount with respect to such taxpayer
13 shall be zero.

14 “(B) EXCEPTION FOR MODIFICATIONS
15 MADE DURING THE CALENDAR YEAR.—Sub-
16 paragraph (A) shall not apply to a reference
17 taxable year taken into account by reason of
18 paragraph (3)(A)(i) or subsection (c) if the tax-
19 payer received one or more payments under
20 subsection (a) for months in the calendar year
21 which precede the month for which such ref-
22 erence taxable year will be taken into account.”.

23 (4) ADVANCE PAYMENTS TO PUERTO RICO
24 RESIDENTS FOR 2022.—Section 7527A(e)(4) is
25 amended—

1 (A) in subparagraph (A), by striking “The
2 advance” and inserting “Except as provided in
3 subparagraph (D), the advance”, and

4 (B) by adding at the end the following new
5 subparagraph:

6 “(D) ADVANCE PAYMENTS TO PUERTO
7 RICO RESIDENTS FOR 2022.—For the period
8 beginning on July 1, 2022, and ending on De-
9 cember 31, 2022, the Secretary may apply this
10 section without regard to subparagraph
11 (A)(i).”.

12 (c) ELECTION TO APPLY INCOME PHASEOUT ON
13 BASIS OF INCOME FROM THE PRECEDING TAXABLE
14 YEAR.—Section 24(i) is amended by adding at the end
15 the following new paragraph:

16 “(5) ELECTION TO APPLY INCOME PHASEOUT
17 ON BASIS OF INCOME FROM THE PRECEDING TAX-
18 ABLE YEAR.—In the case of a taxpayer who elects
19 (at such time and in such manner as the Secretary
20 may provide) the application of this paragraph for
21 any taxable year, paragraph (4) and subsection
22 (b)(1) shall both be applied with respect to the modi-
23 fied adjusted gross income (as defined in subsection
24 (b)) for the taxpayer’s preceding taxable year.”.

1 (d) MODIFICATION OF RECAPTURE SAFE HARBOR
2 FOR 2022.—Section 24(j)(2)(B)(iv), as amended by the
3 preceding provisions of this Act, is amended to read as
4 follows:

5 “(iv) SAFE HARBOR AMOUNT.—For
6 purposes of this subparagraph, the term
7 ‘safe harbor amount’ means, with respect
8 to any taxpayer for any taxable year, the
9 sum of—

10 “(I) an amount equal to the
11 product of \$3,600 multiplied by the
12 excess (if any) of the number of quali-
13 fying children who have not attained
14 age 6 as of the close of the calendar
15 year in which the taxable year of the
16 taxpayer begins, and who are taken
17 into account in determining the an-
18 nual advance amount with respect to
19 the taxpayer under section 7527A
20 with respect to months beginning in
21 such taxable year, over the number of
22 such qualifying children taken into ac-
23 count in determining the credit al-
24 lowed under this section for such tax-
25 able year, plus

1 “(II) an amount equal to the
2 product of \$3,000 multiplied by the
3 excess (if any) of the number of quali-
4 fying children not described in clause
5 (I), and who are taken into account in
6 determining the annual advance
7 amount with respect to the taxpayer
8 under section 7527A with respect to
9 months beginning in such taxable
10 year, over the number of such quali-
11 fying children taken into account in
12 determining the credit allowed under
13 this section for such taxable year.”.

14 (e) REPEAL OF SOCIAL SECURITY NUMBER RE-
15 QUIREMENT.—

16 (1) IN GENERAL.—Section 24(h) is amended by
17 striking paragraph (7).

18 (2) CONFORMING AMENDMENTS.—

19 (A) Section 24(h)(1) is amended by strik-
20 ing “paragraphs (2) through (7)” and inserting
21 “paragraphs (2) through (6)”.

22 (B) Section 24(h)(4) is amended by strik-
23 ing subparagraph (C).

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning, and
3 payments made, after December 31, 2021.

4 **SEC. 137103. REFUNDABLE CHILD TAX CREDIT AFTER 2022.**

5 (a) IN GENERAL.—Section 24 is amended by adding
6 at the end the following new subsection:

7 “(1) REFUNDABLE CREDIT AFTER 2022.—In the
8 case of any taxable year beginning after December 31,
9 2022, if the taxpayer (in the case of a joint return, either
10 spouse) has a principal place of abode in the United States
11 (determined as provided in section 32) for more than one-
12 half of the taxable year or is a bona fide resident of Puerto
13 Rico (within the meaning of section 937(a)) for such tax-
14 able year—

15 “(1) subsection (d) shall not apply, and

16 “(2) so much of the credit determined under
17 subsection (a) (after application of paragraph (1))
18 as does not exceed the amount of such credit which
19 would be so determined without regard to subsection
20 (h)(4) shall be allowed under subpart C (and not al-
21 lowed under this subpart)”.

22 (b) CONFORMING AMENDMENTS RELATED TO POS-
23 SESSIONS OF THE UNITED STATES.—

1 (1) PUERTO RICO.—Section 24(k)(2)(B), as
2 amended by the preceding provisions of this Act, is
3 amended to read as follows:

4 “(B) APPLICATION TO TAXABLE YEARS
5 AFTER 2022.—For application of refundable
6 credit to residents of Puerto Rico for taxable
7 years after 2022, see subsection (l).”.

8 (2) AMERICAN SAMOA.—Section
9 24(k)(3)(C)(ii)(II), as amended by the preceding
10 provisions of this Act, is amended to read as follows:

11 “(II) if such taxable year begins
12 after December 31, 2022, subsection
13 (l) shall be applied by substituting
14 ‘Puerto Rico or American Samoa’ for
15 ‘Puerto Rico’.”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2022.

19 **PART 2—EARNED INCOME TAX CREDIT**

20 **SEC. 137201. CERTAIN IMPROVEMENTS TO THE EARNED IN-**
21 **COME TAX CREDIT EXTENDED THROUGH**
22 **2022.**

23 (a) IN GENERAL.—Section 32(n) is amended by
24 striking “January 1, 2022” and inserting “January 1,
25 2023”.

1 (b) INFLATION ADJUSTMENT.—Section 32(n)(4)(B)
2 is amended to read as follows:

3 “(B) INFLATION ADJUSTMENT.—In the
4 case of any taxable year beginning after 2021,
5 the \$9,820 and \$11,610 dollar amounts in sub-
6 paragraph (A) shall be increased by an amount
7 equal to—

8 “(i) such dollar amount, multiplied by

9 “(ii) the cost-of-living adjustment de-
10 termined under section 1(f)(3) for the cal-
11 endar year in which the taxable year be-
12 gins, determined by substituting ‘calendar
13 year 2020’ for ‘calendar year 2016’ in sub-
14 paragraph (A)(ii) thereof.”.

15 (c) ELECTION TO DETERMINE EARNED INCOME
16 BASED ON PRIOR TAXABLE YEAR.—Section 32, as
17 amended by subsection (f), is amended by adding at the
18 end the following new subsection:

19 “(o) ELECTION TO DETERMINE EARNED INCOME
20 BASED ON PRIOR TAXABLE YEAR.—

21 “(1) IN GENERAL.—In the case of a taxpayer
22 whose earned income for any taxable year beginning
23 after December 31, 2021, and before January 1,
24 2023, is less than the earned income of such tax-
25 payer for the preceding taxable year, if such tax-

1 payer elects (at such time and in such manner as
2 the Secretary may provide) the application of this
3 subsection for such taxable year, the earned income
4 of such taxpayer for such taxable year shall be treat-
5 ed for purposes of this section as being equal to the
6 earned income of such taxpayer for such preceding
7 taxable year.

8 “(2) JOINT RETURNS.—For purposes of this
9 subsection, in the case of a joint return, the earned
10 income of the taxpayer for the preceding taxable
11 year shall be the sum of the earned income of each
12 spouse for the preceding taxable year.

13 “(3) TREATMENT AS MATHEMATICAL OR CLER-
14 ICAL ERROR.—In the case of a taxpayer described in
15 paragraph (1) who makes the election described in
16 such paragraph, the use on the return for purposes
17 of this section of an amount of earned income for
18 the preceding taxable year which differs from the
19 amount of such earned income as shown in the elec-
20 tronic files of the Internal Revenue Service shall be
21 treated as a mathematical or clerical error for pur-
22 poses of section 6213.

23 “(4) TREATMENT OF REFERENCES.—Any pro-
24 vision of this title which defines or determines
25 earned income by reference to this section shall be

1 applied without regard to this subsection unless such
2 provision specifically provides otherwise.”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2021.

6 **SEC. 137202. FUNDS FOR ADMINISTRATION OF EARNED IN-**
7 **COME TAX CREDITS IN THE TERRITORIES.**

8 (a) PUERTO RICO.—Section 7530(a)(1) is amended
9 by striking “plus” at the end of subparagraph (A), by
10 striking the period at the end of subparagraph (B) and
11 inserting “, plus”, and by adding at the end the following
12 new subparagraph:

13 “(C) reasonable administrative costs asso-
14 ciated with the provision of the earned income
15 tax credit not in excess of \$4,000,000.”.

16 (b) POSSESSIONS WITH MIRROR CODE TAX SYS-
17 TEMS.—Section 7530(b)(1) is amended by striking “plus”
18 at the end of subparagraph (A), by striking the period
19 at the end of subparagraph (B) and inserting “, plus”,
20 and by adding at the end the following new subparagraph:

21 “(C) reasonable administrative costs asso-
22 ciated with the provision of the earned income
23 tax credit not in excess of \$200,000.”.

24 (c) AMERICAN SAMOA.—Section 7530(c)(1) is
25 amended by striking “plus” at the end of subparagraph

1 (A), by striking the period at the end of subparagraph
2 (B) and inserting “, plus”, and by adding at the end the
3 following new subparagraph:

4 “(C) reasonable administrative costs asso-
5 ciated with the provision of the earned income
6 tax credit not in excess of \$200,000.”.

7 (d) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to payments made for calendar
9 years beginning after December 31, 2021.

10 **PART 3—EXPANDING ACCESS TO HEALTH**

11 **COVERAGE AND LOWERING COSTS**

12 **SEC. 137301. IMPROVE AFFORDABILITY AND REDUCE PRE-**
13 **MIUM COSTS OF HEALTH INSURANCE FOR**
14 **CONSUMERS.**

15 (a) IN GENERAL.—Section 36B(b)(3)(A) is amend-
16 ed—

17 (1) by striking clause (ii) and redesignating
18 clause (iii) as clause (ii), and

19 (2) in clause (ii) (as redesignated by paragraph
20 (1)) by striking all that precedes the table contained
21 therein and inserting the following:

22 “(ii) TEMPORARY PERCENTAGES FOR
23 2021 THROUGH 2025.—In the case of a tax-
24 able year beginning after December 31,
25 2020, and before January 1, 2026, the fol-

1 lowing table shall be applied in lieu of the
2 table contained in clause (i):”.

3 (b) EXTENSION THROUGH 2025 OF RULE TO ALLOW
4 CREDIT TO TAXPAYERS WHOSE HOUSEHOLD INCOME
5 EXCEEDS 400 PERCENT OF THE POVERTY LINE.—Sec-
6 tion 36B(c)(1)(E) is amended—

7 (1) by striking “in 2021 or 2022” and inserting
8 “after December 31, 2020, and before January 1,
9 2026”, and

10 (2) by striking “AND 2022” in the heading
11 thereof and inserting “THROUGH 2025”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 2021.

15 **SEC. 137302. MODIFICATION OF EMPLOYER-SPONSORED**
16 **COVERAGE AFFORDABILITY TEST IN HEALTH**
17 **INSURANCE PREMIUM TAX CREDIT.**

18 (a) IN GENERAL.—Section 36B(c)(2)(C)(i)(II) is
19 amended by inserting “(8.5 percent in the case of any tax-
20 able year beginning after December 31, 2021, and before
21 January 1, 2026)” after “9.5 percent”.

22 (b) QUALIFIED SMALL EMPLOYER HEALTH REIM-
23 BURSEMENT ARRANGEMENTS.—Section 36B(c)(4)(C)(ii)
24 is amended by inserting “(8.5 percent in the case of any

1 taxable year beginning after December 31, 2021, and be-
2 fore January 1, 2026)” after “9.5 percent”.

3 (c) PERCENTAGES DETERMINED WITHOUT REGARD
4 TO ADJUSTMENTS AFTER 2025.—

5 (1) Section 36B(c)(2)(C) is amended by strik-
6 ing clause (iv).

7 (2) Section 36B(c)(4) is amended by striking
8 subparagraph (F).

9 (d) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to taxable years beginning after
11 December 31, 2021.

12 **SEC. 137303. TREATMENT OF LUMP-SUM SOCIAL SECURITY**
13 **BENEFITS IN DETERMINING HOUSEHOLD IN-**
14 **COME.**

15 (a) IN GENERAL.—Section 36B(d)(2) is amended by
16 adding at the end the following new subparagraph:

17 “(C) EXCLUSION OF PORTION OF LUMP-
18 SUM SOCIAL SECURITY BENEFITS.—

19 “(i) IN GENERAL.—The term ‘modi-
20 fied adjusted gross income’ shall not in-
21 clude so much of any lump-sum social se-
22 curity benefit payment as is attributable to
23 months ending before the beginning of the
24 taxable year.

1 “(ii) LUMP-SUM SOCIAL SECURITY
2 BENEFIT PAYMENT.—For purposes of this
3 subparagraph, the term ‘lump-sum social
4 security benefit payment’ means any pay-
5 ment of social security benefits (as defined
6 in section 86(d)(1)) which constitutes more
7 than 1 month of such benefits.

8 “(iii) ELECTION TO INCLUDE EX-
9 CLUDABLE AMOUNT.—With respect to any
10 taxable year beginning after December 31,
11 2025, a taxpayer may elect (at such time
12 and in such manner as the Secretary may
13 provide) to have this subparagraph not
14 apply for such taxable year.”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to taxable years beginning after
17 December 31, 2021.

18 **SEC. 137304. TEMPORARY EXPANSION OF HEALTH INSUR-**
19 **ANCE PREMIUM TAX CREDITS FOR CERTAIN**
20 **LOW-INCOME POPULATIONS.**

21 (a) IN GENERAL.—Section 36B is amended by redess-
22 ignating subsection (h) as subsection (i) and by inserting
23 after subsection (g) the following new subsection:

1 “(h) CERTAIN TEMPORARY RULES BEGINNING IN
2 2022.—With respect to any taxable year beginning after
3 December 31, 2021, and before January 1, 2026—

4 “(1) ELIGIBILITY FOR CREDIT NOT LIMITED
5 BASED ON INCOME.—Section 36B(e)(1)(A) shall be
6 disregarded in determining whether a taxpayer is an
7 applicable taxpayer.

8 “(2) CREDIT ALLOWED TO CERTAIN LOW-IN-
9 COME EMPLOYEES OFFERED EMPLOYER-PROVIDED
10 COVERAGE.—Subclause (II) of subsection
11 (e)(2)(C)(i) shall not apply if the taxpayer’s house-
12 hold income does not exceed 138 percent of the pov-
13 erty line for a family of the size involved. Subclause
14 (II) of subsection (e)(2)(C)(i) shall also not apply to
15 an individual described in the last sentence of such
16 subsection if the taxpayer’s household income does
17 not exceed 138 percent of the poverty line for a fam-
18 ily of the size involved.

19 “(3) CREDIT ALLOWED TO CERTAIN LOW-IN-
20 COME EMPLOYEES OFFERED QUALIFIED SMALL EM-
21 PLOYER HEALTH REIMBURSEMENT ARRANGE-
22 MENTS.—A qualified small employer health reim-
23 bursement arrangement shall not be treated as con-
24 stituting affordable coverage for an employee (or any
25 spouse or dependent of such employee) for any

1 months of a taxable year if the employee's household
2 income for such taxable year does not exceed 138
3 percent of the poverty line for a family of the size
4 involved.

5 “(4) LIMITATIONS ON RECAPTURE.—

6 “(A) IN GENERAL.—In the case of a tax-
7 payer whose household income is less than 200
8 percent of the poverty line for the size of the
9 family involved for the taxable year, the amount
10 of the increase under subsection (f)(2)(A) shall
11 in no event exceed \$300 (one-half of such
12 amount in the case of a taxpayer whose tax is
13 determined under section 1(c) for the taxable
14 year).

15 “(B) LIMITATION ON INCREASE FOR CER-
16 TAIN NON-FILERS.—In the case of any taxpayer
17 who would not be required to file a return of
18 tax for the taxable year but for any require-
19 ment to reconcile advance credit payments
20 under subsection (f), if an Exchange established
21 under title I of the Patient Protection and Af-
22 fordable Care Act has determined that—

23 “(i) such taxpayer is eligible for ad-
24 vance payments under section 1412 of

1 such Act for any portion of such taxable
2 year, and

3 “(ii) such taxpayer’s household in-
4 come for such taxable year is projected to
5 not exceed 138 percent of the poverty line
6 for a family of the size involved,

7 subsection (f)(2)(A) shall not apply to such tax-
8 payer for such taxable year and such taxpayer
9 shall not be required to file such return of tax.

10 “(C) INFORMATION PROVIDED BY EX-
11 CHANGE.—The information required to be pro-
12 vided by an Exchange to the Secretary and to
13 the taxpayer under subsection (f)(3) shall in-
14 clude such information as is necessary to deter-
15 mine whether such Exchange has made the de-
16 terminations described in clauses (i) and (ii) of
17 subparagraph (B) with respect to such tax-
18 payer.”.

19 (b) EMPLOYER SHARED RESPONSIBILITY PROVISION
20 NOT APPLICABLE WITH RESPECT TO CERTAIN LOW-IN-
21 COME TAXPAYERS RECEIVING PREMIUM ASSISTANCE.—

22 Section 4980H(c)(3) is amended to read as follows:

23 “(3) APPLICABLE PREMIUM TAX CREDIT AND
24 COST-SHARING REDUCTION.—

1 “(A) IN GENERAL.—The term ‘applicable
2 premium tax credit and cost-sharing reduction’
3 means—

4 “(i) any premium tax credit allowed
5 under section 36B,

6 “(ii) any cost-sharing reduction under
7 section 1402 of the Patient Protection and
8 Affordable Care Act, and

9 “(iii) any advance payment of such
10 credit or reduction under section 1412 of
11 such Act.

12 “(B) EXCEPTION WITH RESPECT TO CER-
13 TAIN LOW-INCOME TAXPAYERS.—Such term
14 shall not include any premium tax credit, cost-
15 sharing reduction, or advance payment other-
16 wise described in subparagraph (A) if such
17 credit, reduction, or payment is allowed or paid
18 for a taxable year of an employee (beginning
19 after December 31, 2021, and before January
20 1, 2026) with respect to which—

21 “(i) an Exchange established under
22 title I of the Patient Protection and Af-
23 fordable Care Act has determined that
24 such employee’s household income for such
25 taxable year is projected to not exceed 138

1 percent of the poverty line for a family of
2 the size involved, or

3 “(ii) such employee’s household in-
4 come for such taxable year does not exceed
5 138 percent of the poverty line for a family
6 of the size involved.”.

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2021.

10 **SEC. 137305. SPECIAL RULE FOR INDIVIDUALS RECEIVING**
11 **UNEMPLOYMENT COMPENSATION.**

12 (a) EXTENSION.—Section 36B(g)(1) is amended by
13 striking “during 2021,” and inserting “after December
14 31, 2020, and before January 1, 2026,”.

15 (b) MODIFICATION OF INCOME NOT TAKEN INTO AC-
16 COUNT.—Section 36B(g)(1)(B) is amended by striking
17 “133 percent” and inserting “150 percent”.

18 (c) CONFORMING AMENDMENT.—Section 36B(g) by
19 inserting “THROUGH 2025” after “2021” in the heading
20 thereof.

21 (d) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2021.

1 **SEC. 137306. PERMANENT CREDIT FOR HEALTH INSURANCE**

2 **COSTS.**

3 (a) IN GENERAL.—Subparagraph (B) of section
4 35(b)(1) of the Internal Revenue Code of 1986 is amended
5 by striking “, and before January 1, 2022” and inserting
6 a period.

7 (b) INCREASE IN CREDIT PERCENTAGE.—Subsection
8 (a) of section 35 of the Internal Revenue Code of 1986
9 is amended by striking “72.5 percent” and inserting “80
10 percent”.

11 (c) CONFORMING AMENDMENTS.—Subsections (b)
12 and (e)(1) of section 7527 of the Internal Revenue Code
13 of 1986 are each amended by striking “72.5 percent” and
14 inserting “80 percent”.

15 (d) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to coverage months beginning after
17 December 31, 2021.

18 **SEC. 137307. EXCLUSION OF CERTAIN DEPENDENT INCOME**
19 **FOR PURPOSES OF PREMIUM TAX CREDIT.**

20 (a) IN GENERAL.—Section 36B(d)(2), as amended
21 by the preceding provisions of this Act, is further amended
22 by adding at the end the following new subparagraph:

23 “(D) EXCEPTION FOR CERTAIN DEPEND-
24 ENT INCOME.—

25 “(i) IN GENERAL.—There shall not be
26 taken into account under subparagraph

1 (A)(ii) the modified adjusted gross income
2 of any dependent of the taxpayer who has
3 not attained age 24 as of the last day of
4 the calendar year in which the taxable year
5 of the taxpayer begins.

6 “(ii) LIMITATION.—Clause (i) shall
7 not apply to so much of the aggregate of
8 the modified adjusted gross income of all
9 dependents of the taxpayer who have not
10 attained the age described in such clause
11 as exceeds \$3,500.

12 “(iii) ELECTION TO HAVE SUBPARA-
13 GRAPH NOT APPLY.—In the case of any
14 taxable year beginning after December 31,
15 2025, a taxpayer may elect (at such time
16 and in such manner as the Secretary may
17 provide) to have this subparagraph not
18 apply with respect to the income of any de-
19 pendent of the taxpayer for such taxable
20 year.

21 “(iv) ADJUSTMENT FOR INFLATION.—
22 In the case of any taxable year beginning
23 after December 31, 2023, the \$3,500
24 amount in clause (ii) shall be increased by
25 an amount equal to—

1 “(I) such amount, multiplied by
2 “(II) the cost-of-living adjust-
3 ment determined under section 1(f)(3)
4 for the calendar year in which the tax-
5 able year begins, determined by sub-
6 stituting ‘calendar year 2022’ for ‘cal-
7 endar year 2016’ in subparagraph
8 (A)(ii) thereof.

9 If any increase determined under the pre-
10 ceding sentence is not a multiple of \$100,
11 such increase shall be rounded to the next
12 lowest multiple of \$100.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) Section 36B(d)(2)(A)(ii) is amended by in-
15 serting “, except as provided in subparagraph (D),”
16 after “individuals”.

17 (2) Section 1411(b)(3) of the Patient Protec-
18 tion and Affordable Care Act (42 U.S.C. 18081) is
19 amended by adding at the end the following new
20 subparagraph:

21 “(D) INFORMATION REGARDING CERTAIN
22 DEPENDENTS.—Information regarding whether
23 section 36B(d)(2)(D) will apply to any individ-
24 uals taken into account as members of the
25 household of the enrollee, and the amount of in-

1 come of each such individual for the taxable
2 year described in subparagraph (A).”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to credits allowed under section
5 36B of the Internal Revenue Code of 1986 for, and ad-
6 vance payments of credits under section 1412 of the Pa-
7 tient Protection and Affordable Care Act with respect to,
8 taxable years beginning after December 31, 2022.

9 **PART 4—PATHWAY TO PRACTICE TRAINING**

10 **PROGRAMS**

11 **SEC. 137401. ADMINISTRATIVE FUNDING OF THE RURAL** 12 **AND UNDERSERVED PATHWAY TO PRACTICE** 13 **TRAINING PROGRAMS FOR POST-BACCA-** 14 **LAUREATE STUDENTS, MEDICAL STUDENTS,** 15 **AND MEDICAL RESIDENTS.**

16 The Secretary shall provide for the transfer of
17 \$6,000,000 from the Hospital Insurance Trust Fund es-
18 tablished under section 1817 of the Social Security Act
19 (42 U.S.C. 1395i) and the Federal Supplementary Med-
20 ical Insurance Trust Fund under section 1841 of such Act
21 (42 U.S.C. 1395t), in addition to amounts otherwise avail-
22 able, to carry out the administration of the Rural and Un-
23 derserved Pathway to Practice Training Program for
24 Post-Baccalaureate and Medical Students under section
25 1899C of such Act (42 U.S.C. 1395mmm) and the Rural

1 and Underserved Pathway to Practice Training Programs
2 for Medical Residents under section 1886(h)(4)(H)(vii) of
3 such Act (42 U.S.C. 1395ww(h)(4)(H)(vii)). Amounts
4 transferred under the preceding sentence shall remain
5 available until expended.

6 **SEC. 137402. ESTABLISHING RURAL AND UNDERSERVED**
7 **PATHWAY TO PRACTICE TRAINING PRO-**
8 **GRAMS FOR POST-BACCALAUREATE STU-**
9 **DENTS AND MEDICAL STUDENTS.**

10 (a) PROGRAM.—

11 (1) IN GENERAL.—Title XVIII of the Social Se-
12 curity Act (42 U.S.C. 1395 et seq.) is amended by
13 adding at the end the following new section:

14 **“SEC. 1899C. RURAL AND UNDERSERVED PATHWAY TO**
15 **PRACTICE TRAINING PROGRAM FOR POST-**
16 **BACCALAUREATE AND MEDICAL STUDENTS.**

17 “(a) IN GENERAL.—Not later than October 1, 2023,
18 the Secretary shall, subject to the succeeding provisions
19 of this section, carry out the ‘Rural and Underserved
20 Pathway to Practice Training Program for Post-Bacca-
21 laurate and Medical Students’ (in this section, referred
22 to as the ‘Program’) under which the Secretary awards
23 Pathway to Practice medical scholarship vouchers to quali-
24 fying students described in subsection (b) for the purpose

1 of increasing the number of physicians practicing in rural
2 and underserved communities.

3 “(b) QUALIFYING STUDENT DESCRIBED.—For pur-
4 poses of this section, a qualifying student described in this
5 subsection is an individual who—

6 “(1) attests he or she—

7 “(A) is or will be a first-generation student
8 of a 4-year college, graduate school, or profes-
9 sional school;

10 “(B) was a Pell Grant recipient; or

11 “(C) lived in a medically underserved area,
12 rural area, or health professional shortage area
13 for a period of 4 or more years prior to attend-
14 ing an undergraduate program;

15 “(2) has accepted enrollment in—

16 “(A) a post-baccalaureate program that is
17 not more than 2 years and intends to enroll in
18 a qualifying medical school within 2 years after
19 completion of such program; or

20 “(B) a qualifying medical school;

21 “(3) will practice medicine in a health profes-
22 sional shortage area, medically underserved area,
23 public hospital, rural area, or as required under sub-
24 section (d)(5); and

1 “(4) submits an application and a signed copy
2 of the agreement described under subsection (c).

3 “(c) APPLICATIONS.—

4 “(1) IN GENERAL.—To be eligible to receive a
5 Pathway to Practice medical scholarship voucher
6 under this section, a qualifying student described in
7 subsection (b) shall submit to the Secretary an ap-
8 plication at such time, in such manner, and con-
9 taining such information as the Secretary may re-
10 quire.

11 “(2) INFORMATION TO BE INCLUDED.—As a
12 part of the application described in paragraph (1),
13 the Secretary shall include a notice of the items
14 which are required to be agreed to under subsection
15 (d)(4) for the purpose of notifying the qualifying
16 student of the terms of the Rural and Underserved
17 Pathway to Practice Training Program for Post-
18 Baccalaureate and Medical Students.

19 “(d) PATHWAY TO PRACTICE MEDICAL SCHOLAR-
20 SHIP VOUCHER DETAILS.—

21 “(1) NUMBER.—On an annual basis, the Sec-
22 retary shall award a Pathway to Practice medical
23 scholarship voucher under the Program to 1,000
24 qualifying students described in subsection (b).

1 “(2) PRIORITIZATION CRITERIA.—In deter-
2 mining whether to award a Pathway to Practice
3 medical scholarship voucher under the Program to
4 qualifying students described in subsection (b), the
5 Secretary shall prioritize applications from any such
6 student who attests that he or she—

7 “(A) was a participant in the Health Re-
8 sources and Services Administration Health Ca-
9 reers Opportunity Program, Centers of Excel-
10 lence Program, or an Area Health Education
11 Center program;

12 “(B) is a disadvantaged student (as de-
13 fined by the National Health Service Corps of
14 the Health Resources & Services Administration
15 of the Department of Health and Human Serv-
16 ices); or

17 “(C) attended a historically black college
18 or other minority serving institution (as defined
19 in section 1067q of title 20, United States
20 Code).

21 “(3) DURATION.—Each Pathway to Practice
22 medical scholarship voucher awarded to a qualifying
23 student pursuant to paragraph (1) shall be so
24 awarded to such a student on an annual basis for
25 each year of enrollment in a post-baccalaureate pro-

1 gram and a qualifying medical school (as appro-
2 priate).

3 “(4) AMOUNT.—Subject to paragraph (5), each
4 Pathway to Practice medical scholarship voucher
5 awarded under the Program shall include amounts
6 for—

7 “(A) tuition;

8 “(B) academic fees (as determined by the
9 qualifying medical school);

10 “(C) required textbooks and equipment;

11 “(D) a monthly stipend equal to the
12 amount provided for individuals under the
13 health professions scholarship and financial as-
14 sistance program for active service stipend
15 monthly rate; and

16 “(E) any other educational expenses nor-
17 mally incurred by students at the post-bacca-
18 laureate program or qualifying medical school
19 (as appropriate).

20 “(5) REQUIRED AGREEMENT.—No amounts
21 under paragraph (4) may be provided a qualifying
22 student awarded a Pathway to Practice medical
23 scholarship voucher under the Program unless the
24 qualifying student submits to the Secretary an
25 agreement to—

1 “(A) complete a post-baccalaureate pro-
2 gram that is not more than 2 years (if applica-
3 ble pursuant to the option under subsection
4 (b)(2)(A));

5 “(B) graduate from a qualifying medical
6 school;

7 “(C) complete a residency program in an
8 approved residency training program (as de-
9 fined in section 1886(h)(5)(A));

10 “(D) complete an initial residency period
11 or the period of board eligibility;

12 “(E) practice medicine for at least the
13 number of years of the Pathway to Practice
14 medical scholarship voucher awarded under
15 paragraph (2) after a residency program in a
16 health professional shortage area, a medically
17 underserved area, a public hospital, or a rural
18 area, and during such period annually submit
19 documentation with respect to whether the
20 qualifying student practices medicine in such an
21 area and where;

22 “(F) for the purpose of determining com-
23 pliance with subparagraph (E), not later than
24 180 days after the date on which qualifying stu-
25 dent completes a residency program, provide to

1 the Secretary information with respect to where
2 the qualifying student is practicing medicine
3 following the period described in such subpara-
4 graph;

5 “(G) except in the case of a waiver for
6 hardship pursuant to section 1892(f)(3), be lia-
7 ble to the United States pursuant to section
8 1892 for any amounts received under this Pro-
9 gram that is determined a past-due obligation
10 under subsection (b)(3) of such section in the
11 case qualifying student fails to complete all of
12 the requirements of this agreement under this
13 subsection; and

14 “(H) for the purpose of determining the
15 amount of Pathway to Practice medical scholar-
16 ship vouchers paid or incurred by a qualifying
17 medical school or any provider of a post-bacca-
18 laurate program referred to in subsection
19 (b)(2)(A) for the costs of tuition under para-
20 graph (4)(A), consent to any personally identi-
21 fying information being shared with the Sec-
22 retary of the Treasury.

23 “(6) RESPONSIBILITIES OF PARTICIPATING
24 EDUCATIONAL INSTITUTIONS.—Each annual award
25 of an amount of Pathway to Practice medical schol-

1 arship voucher under paragraph (2) shall be made
2 with respect to a specific qualifying medical school
3 or to a post-baccalaureate program that is not more
4 than 2 years and such school or program shall (as
5 a condition of, and prior to, such award being made
6 with respect to such school or program)—

7 “(A) submit to the Secretary such infor-
8 mation as the Secretary may require to deter-
9 mine the amount of such award on the basis of
10 the costs of the costs of the items specified
11 under paragraph (4) (except for subparagraph
12 (D)) with respect to such school or program,
13 and

14 “(B) enter into an agreement with the Sec-
15 retary under which such school or provider will
16 verify (in such manner as the Secretary may
17 provide) that amounts paid by such school or
18 provider to the qualifying student are used for
19 such costs.

20 “(e) DEFINITIONS.—In this section:

21 “(1) HEALTH PROFESSIONAL SHORTAGE
22 AREA.—The term ‘health professional shortage’
23 has the meaning given such term in subparagraphs
24 (A) or (B) of section 332(a)(1) of the Public Health
25 Service Act.

1 “(2) INITIAL RESIDENCY PERIOD.—The term
2 ‘initial residency period’ has the meaning given such
3 term in section 1886(h)(5)(F).

4 “(3) MEDICALLY UNDERSERVED AREA.—The
5 term ‘medically underserved area’ means an area
6 designated pursuant to section 330(b)(3)(A) of the
7 Public Health Service Act.

8 “(4) PELL GRANT RECIPIENT.—The term ‘Pell
9 Grant recipient’ has the meaning given such term in
10 section 322(3) of the Higher Education Act of 1965.

11 “(5) PERIOD OF BOARD ELIGIBILITY.—The
12 term ‘period of board eligibility’ has the meaning
13 given such term in section 1886(h)(5)(G).

14 “(6) QUALIFYING MEDICAL SCHOOL.—The term
15 ‘qualifying medical school’ means a school of medi-
16 cine accredited by the Liaison Committee on Medical
17 Education of the American Medical Association and
18 the Association of American Medical Colleges (or ap-
19 proved by such Committee as meeting the standards
20 necessary for such accreditation) or a school of oste-
21 opathy accredited by the American Osteopathic As-
22 sociation, or approved by such Association as meet-
23 ing the standards necessary for such accreditation
24 which—

1 “(A) for each academic year, enrolls at
2 least 10 qualifying students who are in enrolled
3 in such a school;

4 “(B) requires qualifying students to enroll
5 in didactic coursework and clinical experience
6 applicable to practicing medicine in health pro-
7 fessional shortage areas, medically underserved
8 areas, or rural areas, including—

9 “(i) clinical rotations in such areas in
10 applicable specialties (as applicable and as
11 available);

12 “(ii) coursework or training experi-
13 ences focused on medical issues prevalent
14 in such areas and cultural or structural
15 competency; and

16 “(C) is located in a State (as defined in
17 section 210(h)).

18 “(7) RURAL AREA.—The term ‘rural area’ has
19 the meaning given such term in section
20 1886(d)(2)(D).

21 “(f) PENALTY FOR FALSE INFORMATION.—Any per-
22 son who knowingly and willfully obtains by fraud, false
23 statement, or forgery, or fails to refund any funds, assets,
24 or property provided under this section or attempts to so
25 obtain by fraud, false statement or forgery, or fail to re-

1 fund any funds, assets, or property, received pursuant to
2 this section shall be fined not more than \$20,000 or im-
3 prisoned for not more than 5 years, or both.”.

4 (2) AGREEMENTS.—Section 1892 of the Social
5 Security Act (42 U.S.C. 1395ccc) is amended—

6 (A) in subsection (a)(1)(A)—

7 (i) by striking “, or the” and inserting
8 “, the”; and

9 (ii) by inserting “or the Rural and
10 Underserved Pathway to Practice Training
11 Program for Post- Baccalaureate and Med-
12 ical Students under section 1899C” before
13 “, owes a past-due obligation”;

14 (B) in subsection (b)—

15 (i) in paragraph (1), by striking at
16 the end “or”;

17 (ii) in paragraph (2), by striking the
18 period at the end and inserting “; or”; and

19 (iii) by adding the end the following
20 new paragraph:

21 “(3) subject to subsection (f), owed by an indi-
22 vidual to the United States by breach of an agree-
23 ment under section 1899C(c) and which payment
24 has not been paid by the individual for any amounts
25 received under the Rural and Underserved Pathway

1 to Practice Training Program for Post-Bacca-
2 laurate and Medical Students (and accrued interest
3 determined in accordance with subsection (f)(4)) in
4 the case such individual fails to complete the re-
5 quirements of such agreement.”; and

6 (C) by adding at the end the following new
7 subsection:

8 “(f) AUTHORITIES WITH RESPECT TO THE COLLEC-
9 TION UNDER THE PATHWAY TO PRACTICE TRAINING
10 PROGRAM.—The Secretary—

11 “(1) shall require payment to the United States
12 for any amount of damages that the United States
13 is entitled to recover under subsection (b)(3), within
14 the 5-year period beginning on the date an eligible
15 individual fails to complete the requirements of such
16 agreement under section 1899C(d)(5) (or such
17 longer period beginning on such date as specified by
18 the Secretary), and any such amounts not paid with-
19 in such period shall be subject to collection through
20 deductions in Medicare payments pursuant to sub-
21 section (e);

22 “(2) shall allow payments described in para-
23 graph (1) to be paid in installments over such 5-year
24 period, which shall accrue interest in an amount de-
25 termined pursuant to paragraph (5);

1 “(3) shall waive the requirement for an indi-
2 vidual to pay a past-due obligation under subsection
3 (b)(3) in the case of hardship (as determined by the
4 Secretary);

5 “(4) shall not disclose any past-due obligation
6 under subsection (b)(3) that is owed to the United
7 States to any credit reporting agency that the
8 United States entitled to be recovered the United
9 States under this section; and

10 “(5) shall make a final determination of wheth-
11 er the amount of payment under section 1899C
12 made to a qualifying student (as described in sub-
13 section (b) of such section) was in excess of or less
14 than the amount of payment that is due, and pay-
15 ment of such excess or deficit is not made (or ef-
16 fected by offset) within 90 days of the date of the
17 determination, and interest shall accrue on the bal-
18 ance of such excess or deficit not paid or offset (to
19 the extent that the balance is owed by or owing to
20 the provider) at a rate determined in accordance
21 with the regulations of the Secretary of the Treasury
22 applicable to charges for late payments.”.

1 **SEC. 137403. FUNDING FOR THE RURAL AND UNDERSERVED**
2 **PATHWAY TO PRACTICE TRAINING PRO-**
3 **GRAMS FOR POST-BACCALAUREATE STU-**
4 **DENTS AND MEDICAL STUDENTS.**

5 (a) IN GENERAL.—Subpart C of part IV of sub-
6 chapter A of chapter 1 of the Internal Revenue Code of
7 1986, as amended by the preceding provisions of this Act,
8 is amended by inserting after section 36F the following
9 new section:

10 **“SEC. 36G. PATHWAY TO PRACTICE MEDICAL SCHOLAR-**
11 **SHIP VOUCHER CREDIT.**

12 “(a) IN GENERAL.—In the case of a qualified edu-
13 cational institution, there shall be allowed as a credit
14 against the tax imposed by this subtitle for any taxable
15 year an amount equal to the aggregate amount paid or
16 incurred by such institution during such taxable year pur-
17 suant to any Pathway to Practice medical scholarship
18 voucher awarded to a qualifying student with respect to
19 such institution.

20 “(b) DETERMINATION OF AMOUNTS PAID PURSUANT
21 TO QUALIFIED SCHOLARSHIP VOUCHERS, ETC.—For pur-
22 poses of this section—

23 “(1) an amount shall be treated as paid or in-
24 curred pursuant to an annual award of a Pathway
25 to Practice medical scholarship voucher only if such
26 amount is paid or incurred in reimbursement, or an-

1 ticipation of, an expense described in subparagraphs
2 (A) through (E) of paragraph (4) of section
3 1899C(d) of the Social Security Act and is subject
4 to verification in such manner as the Secretary of
5 Health and Human Services may provide under
6 paragraph (6) of such section, and

7 “(2) in the case of any amount credited by a
8 qualified educational institution against a liability
9 owed by the qualifying student to such institution,
10 such amount shall be treated as paid by such insti-
11 tution to such student as of the date that such liabil-
12 ity would otherwise be due.

13 “(c) DEFINITIONS.—For purposes of this section—

14 “(1) QUALIFIED EDUCATIONAL INSTITUTION.—
15 The term ‘qualified educational institution’ means,
16 with respect to any annual award of a Pathway to
17 Practice medical scholarship voucher—

18 “(A) any qualifying medical school (as de-
19 fined in subsection (e)(6) of section 1899C of
20 the Social Security Act), and

21 “(B) any provider of a post-baccalaureate
22 program referred to in subsection (b)(2)(A) of
23 such section,

24 which meets the requirements of subsection (d)(6) of
25 such section.

1 “(2) QUALIFYING STUDENT.—The term ‘quali-
2 fying student’ means any student to whom the Sec-
3 retary of Health and Human Services has made an
4 annual award of a Pathway to Practice medical
5 scholarship voucher under section 1899C of the So-
6 cial Security Act.

7 “(3) ANNUAL AWARD OF A PATHWAY TO PRAC-
8 TICE MEDICAL SCHOLARSHIP VOUCHER.—The term
9 ‘annual award of a Pathway to Practice medical
10 scholarship voucher’ means the annual award of a
11 Pathway to Practice medical scholarship voucher re-
12 ferred to in section 1899C(d)(3) of the Social Secu-
13 rity Act.

14 “(d) COORDINATION OF ACADEMIC AND TAXABLE
15 YEARS.—The credit allowed under subsection (a) with re-
16 spect to any Pathway to Practice medical scholarship
17 voucher shall not exceed the amount of such voucher which
18 is for expenses described in subparagraphs (A) through
19 (E) of section 1899C(d)(4) of the Social Security Act, re-
20 duced by any amount of such voucher with respect to
21 which credit was allowed under this section for any prior
22 taxable year.

23 “(e) REGULATIONS.—The Secretary shall issue such
24 regulations or other guidance as are necessary or appro-
25 priate to carry out the purposes of this section.”.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 6211(b)(4)(A), as amended by the
3 preceding provisions of this Act, is amended by in-
4 serting “36G,” after “36F,”.

5 (2) Paragraph (2) of section 1324(b) of title
6 31, United States Code, as amended by the pre-
7 ceding provisions of this Act, is amended by insert-
8 ing “36G,” after “36F,”.

9 (3) The table of sections for subpart C of part
10 IV of subchapter A of chapter 1 of the Internal Rev-
11 enue Code of 1986, and amended by the preceding
12 provisions of this Act, is amended by inserting after
13 the item relating to section 36F the following new
14 item:

“Sec. 36G. Pathway to Practice medical scholarship voucher credit.”.

15 (c) INFORMATION SHARING.—The Secretary of
16 Health and Human Services shall annually provide the
17 Secretary of the Treasury such information regarding the
18 program under section 1899C of the Social Security Act
19 as the Secretary of the Treasury may require to admin-
20 ister the tax credits determined under section 36G of the
21 Internal Revenue Code of 1986, including information to
22 identify qualifying students and the qualified educational
23 institutions at which such students are enrolled and the
24 amount of the annual award of the Pathway to Practice
25 medical scholarship voucher awarded to each such student

1 with respect to such institution. Terms used in this sub-
2 paragraph shall have the same meaning as when used in
3 such section 36G.

4 (d) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years ending after the
6 date of the enactment of this Act.

7 **SEC. 137404. ESTABLISHING RURAL AND UNDERSERVED**
8 **PATHWAY TO PRACTICE TRAINING PRO-**
9 **GRAMS FOR MEDICAL RESIDENTS.**

10 Section 1886 of the Social Security Act (42 U.S.C.
11 1395ww) is amended—

12 (1) in subsection (d)(5)(B)(v), by inserting
13 “(h)(4)(H)(vii),” after “The provisions of sub-
14 sections (h)(4)(H)(vi),”; and

15 (2) in subsection (h)(4)(H), by adding at the
16 end the following new clause:

17 “(vii) EXCLUSION FROM FULL-TIME
18 EQUIVALENT LIMITATION FOR HOSPITALS
19 IMPLEMENTING RURAL AND UNDERSERVED
20 PATHWAY TO PRACTICE PROGRAM MEDICAL
21 RESIDENCY TRAINING PROGRAM.—

22 “(I) IN GENERAL.—For cost re-
23 porting periods beginning on or after
24 October 1, 2026, during which a
25 qualifying resident (as defined in sub-

1 clause (II)) trains in an applicable
2 hospital or hospitals (as defined in
3 subclause (III)) in an approved Rural
4 and Underserved Pathway to Practice
5 Medical Residency Training Program
6 (as defined in subclause (V)), the Sec-
7 retary shall, for such cost reporting
8 period by the number of full-time
9 equivalent residents so trained under
10 such program during such period, ex-
11 clude from the limitation under sub-
12 paragraph (F).

13 “(II) QUALIFYING RESIDENT.—
14 For purposes of this clause, the term
15 ‘qualifying resident’ means a full-time
16 equivalent resident who—

17 “(aa) was a qualifying stu-
18 dent awarded a Pathway to Prac-
19 tice medical scholarship voucher
20 under section 1899C; and

21 “(bb) graduated from a
22 qualifying medical school.

23 “(III) APPLICABLE HOSPITAL OR
24 HOSPITALS DEFINED.—For purposes
25 of this clause, the term ‘applicable

1 hospital or hospitals’ means any hos-
2 pital that—

3 “(aa) has established an ap-
4 proved Rural and Underserved
5 Pathway to Practice Medical
6 Residency Training Program;

7 “(bb) agrees to provide data
8 to the Secretary with respect to
9 where such residents practice
10 medicine or participate in fellow-
11 ships following their residencies;
12 and

13 “(cc) agrees to promote
14 community-based training of resi-
15 dents under such program, as ap-
16 propriate.

17 “(IV) RURAL AND UNDER-
18 SERVED PATHWAY TO PRACTICE MED-
19 ICAL RESIDENCY TRAINING PROGRAM
20 DEFINED.—For purposes of this
21 clause, the term ‘Rural and Under-
22 served Pathway to Practice Medical
23 Residency Training Program’ means
24 an approved medical residency train-
25 ing program that has been recognized

1 by the Accreditation Council for Grad-
2 uate Medical Education as meeting
3 the following requirements:

4 “(aa) Such program pro-
5 vides mentorships for residents.

6 “(bb) Such program in-
7 cludes cultural or structural com-
8 petency as part of the training of
9 residents under such program.

10 “(cc) The program has a
11 demonstrated record of training
12 medical students in health pro-
13 fessional shortage areas (as de-
14 fined in section 332(a)(1)(A) of
15 the Public Health Service Act).

16 “(V) OTHER DEFINITIONS.—

17 “(aa) HEALTH PROFES-
18 SIONAL SHORTAGE AREA.—The
19 team ‘health professional short-
20 age area’ has the meaning given
21 such term in subparagraphs (A)
22 or (B) of section 332(a)(1) of the
23 Public Health Service Act.

24 “(bb) MEDICAL UNDER-
25 SERVED AREA.—The term ‘medi-

1 cally underserved area’ means an
2 area designated pursuant to sec-
3 tion 330(b)(3)(A) of the Public
4 Health Service Act.

5 “(cc) QUALIFYING MEDICAL
6 SCHOOL.—The term ‘qualifying
7 medical school’ has the meaning
8 given such term in section
9 1899C(e)(6).

10 “(dd) QUALIFYING MEDICAL
11 STUDENT.—The term ‘qualifying
12 medical student’ has the meaning
13 given such term in section
14 1899C(b).

15 “(ee) RURAL AREA.—The
16 term ‘rural area’ has the mean-
17 ing given such term in section
18 1886(d)(2)(D).”.

19 **PART 5—HIGHER EDUCATION**

20 **SEC. 137501. CREDIT FOR PUBLIC UNIVERSITY RESEARCH**
21 **INFRASTRUCTURE.**

22 (a) IN GENERAL.—Subpart D of part IV of sub-
23 chapter A of chapter 1, as amended by the preceding pro-
24 visions of this Act, is amended by adding at the end the
25 following new section:

1 **“SEC. 45AA. PUBLIC UNIVERSITY RESEARCH INFRASTRUC-**
2 **TURE CREDIT.**

3 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-
4 tion 38, the public university research infrastructure cred-
5 it determined under this section for a taxable year is an
6 amount equal to 40 percent of the qualified cash contribu-
7 tions made by a taxpayer during such taxable year.

8 “(b) QUALIFIED CASH CONTRIBUTION.—

9 “(1) IN GENERAL.—

10 “(A) DEFINED.—For purposes of sub-
11 section (a), the qualified cash contribution for
12 any taxable year is the aggregate amount con-
13 tributed in cash by a taxpayer during such tax-
14 able year to a certified educational institution
15 in connection with a qualifying project that, but
16 for this section, would be treated as a charitable
17 contribution for purposes of section 170(c).

18 “(B) QUALIFIED CASH CONTRIBUTIONS
19 TAKEN INTO ACCOUNT FOR PURPOSES OF
20 CHARITABLE CONTRIBUTION LIMITATIONS.—

21 Any qualified cash contributions made by a tax-
22 payer under this section shall be taken into ac-
23 count for purposes of determining the percent-
24 age limitations under section 170(b).

25 “(2) DESIGNATION REQUIRED.—A contribution
26 shall only be treated as a qualified cash contribution

1 to the extent that it is designated as such by a cer-
2 tified educational institution under subsection (d).

3 “(c) DEFINITIONS.—For purposes of this section—

4 “(1) QUALIFYING PROJECT.—The term ‘quali-
5 fying project’ means a project to purchase, con-
6 struct, or improve research infrastructure property.

7 “(2) RESEARCH INFRASTRUCTURE PROP-
8 erty.—The term ‘research infrastructure property’
9 means any portion of a property, building, or struc-
10 ture of an eligible educational institution, or any
11 land associated with such property, building, or
12 structure, that is used for research.

13 “(3) ELIGIBLE EDUCATIONAL INSTITUTION.—
14 The term ‘eligible educational institution’ means—

15 “(A) an institution of higher education (as
16 such term is defined in section 101 or 102(c)
17 of the Higher Education Act of 1965) that is
18 a college or university described in section
19 511(a)(2)(B), or

20 “(B) an organization described in section
21 170(b)(1)(A)(iv), section 170(b)(1)(A)(vi), or
22 section 509(a)(3) to which authority has been
23 delegated by an institution described in sub-
24 paragraph (A) for purposes of applying for or

1 administering credit amounts on behalf of such
2 institution.

3 “(4) CERTIFIED EDUCATIONAL INSTITUTION.—

4 The term ‘certified educational institution’ means an
5 eligible educational institution which has been allo-
6 cated a credit amount for a qualifying project and—

7 “(A) has received a certification for such
8 project under subsection (d)(2), and

9 “(B) designates credit amounts to tax-
10 payers for qualifying cash contributions toward
11 such project under subsection (d)(4).

12 “(d) QUALIFYING UNIVERSITY RESEARCH INFRA-
13 STRUCTURE PROGRAM.—

14 “(1) ESTABLISHMENT.—

15 “(A) IN GENERAL.—Not later than 180
16 days after the date of the enactment of this sec-
17 tion, the Secretary, after consultation with the
18 Secretary of Education, shall establish a pro-
19 gram to—

20 “(i) certify and allocate credit
21 amounts for qualifying projects to eligible
22 educational institutions, and

23 “(ii) allow certified educational insti-
24 tutions to designate cash contributions for
25 qualifying projects of such certified edu-

1 cational institutions as qualified cash con-
2 tributions.

3 “(B) LIMITATIONS.—

4 “(i) ALLOCATION LIMITATION PER IN-
5 STITUTION.—The credit amounts allocated
6 to a certified educational institution under
7 subparagraph (A)(i) for all projects shall
8 not exceed \$50,000,000 per calendar year.

9 “(ii) OVERALL ALLOCATION LIMITA-
10 TION.—

11 “(I) IN GENERAL.—The total
12 amount of qualifying project credit
13 amounts that may be allocated under
14 subparagraph (A)(i) shall not ex-
15 ceed—

16 “(aa) \$500,000,000 for each
17 of calendar years 2022, 2023,
18 2024, 2025, and 2026, and

19 “(bb) \$0 for each subse-
20 quent year.

21 “(II) ROLLOVER OF
22 UNALLOCATED CREDIT AMOUNTS.—
23 Any credit amounts described in sub-
24 clause (I) that are unallocated during
25 a calendar year shall be carried to the

1 succeeding calendar year and added to
2 the limitation allowable under such
3 subclause for such succeeding cal-
4 endar year.

5 “(iii) DESIGNATION LIMITATION.—
6 The aggregate amount of cash contribu-
7 tions which are designated by a certified
8 educational institution as qualifying cash
9 contributions with respect to any quali-
10 fying project shall not exceed 250 percent
11 of the credit amount allocated to such cer-
12 tified educational institution for a quali-
13 fying project under subparagraph (A)(i).

14 “(2) CERTIFICATION APPLICATION.—Each eligi-
15 ble educational institution which applies for certifi-
16 cation of a project under this paragraph shall sub-
17 mit an application in such time, form, and manner
18 as the Secretary may require.

19 “(3) SELECTION CRITERIA FOR ALLOCATIONS
20 TO ELIGIBLE EDUCATIONAL INSTITUTIONS.—The
21 Secretary, after consultation with the Secretary of
22 Education, shall select applications from eligible
23 educational institutions—

24 “(A) based on the extent of the expected
25 expansion of an eligible educational institution’s

1 targeted research within disciplines in science,
2 mathematics, engineering, and technology, and

3 “(B) in a manner that ensures consider-
4 ation is given to eligible educational institutions
5 with full-time student populations of less than
6 12,000.

7 “(4) DESIGNATION OF QUALIFIED CASH CON-
8 TRIBUTIONS TO TAXPAYERS.—The Secretary, after
9 consultation with the Secretary of Education, shall
10 establish a process by which certified educational in-
11 stitutions shall designate cash contributions to such
12 institutions as qualified cash contributions.

13 “(5) DISCLOSURE OF ALLOCATIONS AND DES-
14 IGNATIONS.—

15 “(A) ALLOCATIONS.—The Secretary shall,
16 upon allocating credit amounts to an applicant
17 under this subsection, publicly disclose the iden-
18 tity of the applicant and the credit amount allo-
19 cated to such applicant.

20 “(B) DESIGNATIONS.—Each certified edu-
21 cational institution shall, upon designating con-
22 tributions of a taxpayer as qualified cash con-
23 tributions under this subsection, publicly dis-
24 close the identity of the taxpayer and the
25 amount of contributions designated in such

1 time, form, and manner as the Secretary may
2 require.

3 “(e) REGULATIONS AND GUIDANCE.—The Secretary,
4 after consultation with the Secretary of Education when
5 applicable, shall prescribe such regulations and guidance
6 as may be necessary or appropriate to carry out the pur-
7 poses of this section, including regulations or other guid-
8 ance for—

9 “(1) prevention of abuse,

10 “(2) establishment of reporting requirements,

11 “(3) establishment of selection criteria for ap-
12 plications, and

13 “(4) disclosure of allocations.

14 “(f) PENALTY FOR NONCOMPLIANCE.—

15 “(1) IN GENERAL.—If at any time during the
16 5-year period beginning on the date of the allocation
17 of credit amounts to a certified educational institu-
18 tion under subsection (d)(1)(A)(i) there is a non-
19 compliance event with respect to such credit
20 amounts, then the following rules shall apply:

21 “(A) GENERAL RULE.—Any cash contribu-
22 tion designated as a qualifying cash contribu-
23 tion with respect to a qualifying project for
24 which such credit amounts were allocated under
25 subsection (d)(1)(A)(ii) shall be treated as un-

1 related business taxable income (as defined in
2 section 512) of such certified educational insti-
3 tution.

4 “(B) RULE FOR UNUSED CREDIT
5 AMOUNTS.—In the case of unused credit
6 amounts described under paragraph (2)(A) and
7 identified pursuant to subsection (g), the Sec-
8 retary shall reallocate any portion of such un-
9 used credit amounts to certified educational in-
10 stitutions in lieu of imposing the general rule
11 under subparagraph (A).

12 “(2) NONCOMPLIANCE EVENT.—For purposes
13 of this subsection, the term ‘noncompliance event’
14 means, with respect to a credit amount allocated to
15 a certified educational institution—

16 “(A) cash contributions equaling the
17 amount of such credit amount are not des-
18 ignated as qualifying cash contributions within
19 2 years after December 31 of the year such
20 credit amount is allocated,

21 “(B) a qualifying project with respect to
22 which such credit amount was allocated is not
23 placed in service within either—

24 “(i) 4 years after December 31 of the
25 year such credit amount is allocated, or

1 “(ii) a period of time that the Sec-
2 retary determines is appropriate, or

3 “(C) the research infrastructure property
4 placed in service as part of a qualifying project
5 with respect to which such credit amount was
6 allocated ceases to be used for research within
7 five years after such property is placed in serv-
8 ice.

9 “(g) REVIEW AND REALLOCATION OF CREDIT
10 AMOUNTS.—

11 “(1) REVIEW.—Not later than 5 years after the
12 date of enactment of this section, the Secretary shall
13 review the credit amounts allocated under this sec-
14 tion as of such date.

15 “(2) REALLOCATION.—

16 “(A) IN GENERAL.—The Secretary may re-
17 allocate credit amounts allocated under this sec-
18 tion if the Secretary determines, as of the date
19 of the review in paragraph (1), that such credit
20 amounts are subject to a noncompliance event.

21 “(B) ADDITIONAL PROGRAM.—If the Sec-
22 retary determines that credits under this sec-
23 tion are available for reallocation pursuant to
24 the requirements set forth in subparagraph (A),

1 the Secretary is authorized to conduct an addi-
2 tional program for applications for certification.

3 “(C) DEADLINE FOR REALLOCATION.—

4 The Secretary shall not certify any project, or
5 reallocate any credit amount, pursuant to this
6 paragraph after December 31, 2031.

7 “(h) DENIAL OF DOUBLE BENEFIT.—No credit or
8 deduction shall be allowed under any other provision of
9 this chapter for any qualified cash contribution for which
10 a credit is allowed under this section.

11 “(i) RULE FOR TRUSTS AND ESTATES.—For pur-
12 poses of this section, rules similar to the rules of sub-
13 section (d) of section 52 shall apply.

14 “(j) TERMINATION.—This section shall not apply to
15 qualified cash contributions made after December 31,
16 2033.”.

17 (b) CREDIT MADE PART OF GENERAL BUSINESS
18 CREDIT.—Subsection (b) of section 38, as amended by the
19 preceding provisions of this Act, is amended by striking
20 “plus” at the end of paragraph (41), by striking the period
21 at the end of paragraph (42) and inserting “, plus”, and
22 by adding at the end the following new paragraph:

23 “(43) the public university research infrastruc-
24 ture credit determined under section 45AA.”.

1 (c) CLERICAL AMENDMENT.—The table of sections
2 for subpart D of part IV of subchapter A of chapter 1,
3 as amended by the preceding provisions of this Act, is
4 amended by adding at the end the following new item:

“Sec. 45AA. Public university research infrastructure credit.”.

5 (d) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to qualified cash contributions
7 made after December 31, 2021.

8 **SEC. 137502. MODIFICATION OF EXCISE TAX ON INVEST-**
9 **MENT INCOME OF PRIVATE COLLEGES AND**
10 **UNIVERSITIES.**

11 (a) PHASEOUT OF INVESTMENT INCOME EXCISE TAX
12 FOR PRIVATE COLLEGES AND UNIVERSITIES PROVIDING
13 SUFFICIENT GRANTS AND SCHOLARSHIPS.—Section 4968
14 is amended by adding at the end the following new sub-
15 section:

16 “(e) PHASEOUT FOR INSTITUTIONS PROVIDING
17 QUALIFIED AID.—

18 “(1) IN GENERAL.—The amount of tax imposed
19 by subsection (a) (determined without regard to this
20 subsection) shall be reduced (but not below zero) by
21 the amount which bears the same ratio to such
22 amount of tax (as so determined) as—

23 “(A) the excess (if any) of—

24 “(i) the aggregate amount of qualified
25 aid awards provided by the institution to

1 its first-time, full-time undergraduate stu-
2 dents for academic periods beginning dur-
3 ing the taxable year, over

4 “(ii) an amount equal to 20 percent of
5 the aggregate undergraduate tuition and
6 fees received by the institution from first-
7 time, full-time undergraduate students for
8 such academic periods, bears to

9 “(B) an amount equal to 13 percent of
10 such aggregate undergraduate tuition and fees
11 so received.

12 “(2) INSTITUTION MUST MEET REPORTING RE-
13 QUIREMENT.—

14 “(A) IN GENERAL.—Paragraph (1) shall
15 not apply to an applicable educational institu-
16 tion for a taxable year unless such institution
17 furnishes to the Secretary, and makes widely
18 available, a statement detailing the average ag-
19 gregate amount of Federal student loans re-
20 ceived by a student for attendance at the insti-
21 tution, averaged among each of the following
22 groups of first-time, full-time undergraduate
23 students who during the taxable year completed
24 a course of study for which the institution
25 awarded a baccalaureate degree:

1 “(i) All such students.

2 “(ii) The students who have been
3 awarded a Federal Pell Grant under sub-
4 part 1 of part A of title IV of the Higher
5 Education Act of 1965 for attendance at
6 the institution.

7 “(iii) The students who received work-
8 study assistance under part C of title IV of
9 such Act for attendance at such institu-
10 tion.

11 “(iv) The students who were provided
12 such Federal student loans.

13 “(B) FORM AND MANNER FOR REPORT.—
14 Such statement shall be furnished at such time
15 and in such form and manner, and made widely
16 available, under such regulations or guidance as
17 the Secretary may prescribe.

18 “(C) FEDERAL STUDENT LOANS.—For
19 purposes of this paragraph, the term ‘Federal
20 student loans’ means a loan made under part D
21 of title IV of the Higher Education Act of
22 1965, except such term does not include a Fed-
23 eral Direct PLUS Loan made on behalf of a de-
24 pendent student.

1 “(3) OTHER DEFINITIONS.—For purposes of
2 this subsection—

3 “(A) FIRST-TIME, FULL-TIME UNDER-
4 GRADUATE STUDENT.—The term ‘first-time,
5 full-time undergraduate student’ shall have the
6 same meaning as when used in section 132 of
7 the Higher Education Act of 1965.

8 “(B) QUALIFIED AID AWARDS.—The term
9 ‘qualified aid awards’ means, with respect to
10 any applicable educational institution, grants
11 and scholarships to the extent used for under-
12 graduate tuition and fees.

13 “(C) UNDERGRADUATE TUITION AND
14 FEES.—The term ‘undergraduate tuition and
15 fees’ means, with respect to any institution, the
16 tuition and fees required for the enrollment or
17 attendance of a student as an undergraduate
18 student at the institution.”.

19 (b) INFLATION ADJUSTMENT TO PER STUDENT
20 ASSET THRESHOLD.—Section 4968(b) is amended by
21 adding at the end the following new paragraph:

22 “(3) INFLATION ADJUSTMENT.—In the case of
23 any taxable year beginning after 2022, the dollar
24 amount in paragraph (1)(D) shall be increased by
25 an amount equal to—

1 “(A) such dollar amount, multiplied by

2 “(B) the cost-of-living adjustment deter-
3 mined under section 1(f)(3) for the calendar
4 year in which the taxable year begins, deter-
5 mined by substituting ‘calendar year 2021’ for
6 ‘calendar year 2016’ in subparagraph (A)(ii)
7 thereof.

8 If any increase determined under this paragraph is
9 not a multiple of \$1,000, such increase shall be
10 rounded to the nearest multiple of \$1,000.”.

11 (c) CLARIFICATION OF 500 STUDENT THRESH-
12 OLD.—Section 4968(b)(1)(A) is amended by inserting
13 “below the graduate level” after “500 tuition-paying stu-
14 dents”.

15 (d) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to taxable years beginning after
17 December 31, 2021.

18 **SEC. 137503. TREATMENT OF FEDERAL PELL GRANTS FOR**
19 **INCOME TAX PURPOSES.**

20 (a) EXCLUSION FROM GROSS INCOME.—Section
21 117(b)(1) is amended by striking “received by an indi-
22 vidual” and all that follows and inserting “received by an
23 individual—

24 “(A) as a scholarship or fellowship grant
25 to the extent the individual establishes that, in

1 accordance with the conditions of the grant,
2 such amount was used for qualified tuition and
3 related expenses, or

4 “(B) as a Federal Pell Grant under section
5 401 of the Higher Education Act of 1965.”.

6 (b) TREATMENT FOR PURPOSES OF AMERICAN OP-
7 PORTUNITY TAX CREDIT AND LIFETIME LEARNING
8 CREDIT.—Section 25A(g)(2) is amended—

9 (1) in subparagraph (A), by inserting “de-
10 scribed in section 117(b)(1)(A)” after “a qualified
11 scholarship”, and

12 (2) in subparagraph (C), by inserting “or Fed-
13 eral Pell Grant under section 401 of the Higher
14 Education Act of 1965” after “within the meaning
15 of section 102(a)”.

16 (c) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to taxable years beginning after
18 December 31, 2021.

19 **SEC. 137504. REPEAL OF DENIAL OF AMERICAN OPPOR-**
20 **TUNITY TAX CREDIT ON BASIS OF FELONY**
21 **DRUG CONVICTION.**

22 (a) IN GENERAL.—Section 25A(b)(2) is amended by
23 striking subparagraph (D).

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2021.

4 **Subtitle G—Responsibly Funding**
5 **Our Priorities**

6 **SEC. 138001. AMENDMENT OF 1986 CODE.**

7 Except as otherwise expressly provided, whenever in
8 this subtitle an amendment or repeal is expressed in terms
9 of an amendment to, or repeal of, a section or other provi-
10 sion, the reference shall be considered to be made to a
11 section or other provision of the Internal Revenue Code
12 of 1986.

13 **PART 1—CORPORATE AND INTERNATIONAL TAX**
14 **REFORMS**

15 **Subpart A—Corporate Provisions**

16 **SEC. 138101. CORPORATE ALTERNATIVE MINIMUM TAX.**

17 (a) IMPOSITION OF TAX.—

18 (1) IN GENERAL.—Paragraph (2) of section
19 55(b) is amended to read as follows:

20 “(2) CORPORATIONS.—

21 “(A) APPLICABLE CORPORATIONS.—In the
22 case of an applicable corporation, the tentative
23 minimum tax for the taxable year shall be the
24 excess of—

1 “(i) 15 percent of the adjusted finan-
2 cial statement income for the taxable year
3 (as determined under section 56A), over

4 “(ii) the corporate AMT foreign tax
5 credit for the taxable year.

6 “(B) OTHER CORPORATIONS.—In the case
7 of any corporation which is not an applicable
8 corporation, the tentative minimum tax for the
9 taxable year shall be zero.”.

10 (2) APPLICABLE CORPORATION.—Section 59 is
11 amended by adding at the end the following new
12 subsection:

13 “(k) APPLICABLE CORPORATION.—For purposes of
14 this part—

15 “(1) APPLICABLE CORPORATION DEFINED.—

16 “(A) IN GENERAL.—The term ‘applicable
17 corporation’ means any corporation (other than
18 an S corporation, a regulated investment com-
19 pany, or a real estate investment trust) which,
20 for any applicable 3-taxable year period—

21 “(i) has the average annual adjusted
22 financial statement income which is great-
23 er than \$1,000,000,000, and

24 “(ii) in the case of a corporation de-
25 scribed in paragraph (2), has an average

1 annual adjusted financial statement income
2 (determined without regard to the applica-
3 tion of paragraph (2)) which is
4 \$100,000,000 or more.

5 “(B) APPLICABLE 3-TAXABLE YEAR PE-
6 RIOD.—For purposes of this paragraph, the
7 term ‘applicable 3-taxable-year period’ means,
8 with respect to any corporation for any taxable
9 year, any 3 consecutive taxable years of such
10 corporation occurring during the period ending
11 with the taxable year which precedes such tax-
12 able year. For purposes of the preceding sen-
13 tence, only taxable years ending after December
14 31, 2019, shall be taken into account.

15 “(C) EXCEPTION.—Notwithstanding sub-
16 paragraph (A), the term ‘applicable corporation’
17 shall not include any corporation which other-
18 wise meets the requirements of subparagraph
19 (A) if—

20 “(i) such corporation—

21 “(I) has a change in ownership,

22 or

23 “(II) has a consistent reduction
24 in adjusted financial statement income
25 below the dollar amounts applicable to

1 such corporation under subparagraph
2 (A), and
3 “(ii) the Secretary determines that it
4 would not be appropriate to continue to
5 treat such corporation as an applicable cor-
6 poration.

7 The preceding sentence shall not apply to any
8 corporation if, after the Secretary makes the
9 determination described in clause (ii), such cor-
10 poration meets the requirements of subpara-
11 graph (A) for any applicable 3-taxable year pe-
12 riod beginning after the first taxable year for
13 which the determination applies.

14 “(D) SPECIAL RULES FOR DETERMINING
15 AVERAGE ANNUAL ADJUSTED FINANCIAL
16 STATEMENT INCOME.—Solely for purposes of
17 determining the average annual adjusted finan-
18 cial statement income of a corporation for any
19 period—

20 “(i) all persons treated as a single em-
21 ployer under subsection (a) or (b) of sec-
22 tion 52 shall be treated as 1 person, except
23 that in applying section 1563 for purposes
24 of section 52, the exceptions under sub-

1 paragraphs (C) and (D) of section
2 1563(b)(2) shall be disregarded,

3 “(ii) in the case of a foreign corpora-
4 tion, only income described in section
5 56A(c)(3) and income that is, or is treated
6 as, effectively connected with the conduct
7 of a trade or business in the United
8 States) shall be taken into account.

9 “(E) OTHER SPECIAL RULES.—

10 “(i) CORPORATIONS IN EXISTENCE
11 FOR LESS THAN 3 YEARS.—If the corpora-
12 tion was in existence for less than 3-tax-
13 able years, subparagraph (B) shall be ap-
14 plied by substituting the number of taxable
15 years for which the corporation was in ex-
16 istence for ‘3’.

17 “(ii) SHORT TAXABLE YEARS.—Ad-
18 justed financial statement income for any
19 taxable year of less than 12 months shall
20 be annualized by multiplying the adjusted
21 financial statement income for the short
22 period by 12 and dividing the result by the
23 number of months in the short period.

24 “(iii) TREATMENT OF PREDE-
25 CESSORS.—Any reference in this subpara-

1 graph to a corporation shall include a ref-
2 erence to any predecessor of such corpora-
3 tion.

4 “(2) SPECIAL RULE FOR FOREIGN-PARENTED
5 CORPORATIONS.—

6 “(A) IN GENERAL.—Solely for purposes of
7 determining whether a corporation is an appli-
8 cable corporation under paragraph (1), any cor-
9 poration which for any taxable year is a mem-
10 ber of an international financial reporting group
11 the common parent of which is a foreign cor-
12 poration shall include in the adjusted financial
13 statement income of such corporation for such
14 taxable year the adjusted financial statement
15 income of all foreign members of such group.

16 “(B) INTERNATIONAL FINANCIAL REPORT-
17 ING GROUP.—For purposes of this subpara-
18 graph (A), the term ‘international financial re-
19 porting group’ means, with respect to any re-
20 porting year, two or more entities if—

21 “(i) either—

22 “(I) at least one entity is a for-
23 eign corporation engaged in a trade or
24 business within the United States, or

1 “(II) at least one entity is a do-
2 mestic corporation and another entity
3 is a foreign corporation, and

4 “(ii) such entities are included in the
5 same applicable financial statement with
6 respect to such year.

7 “(3) REGULATIONS AND OTHER GUIDANCE.—
8 The Secretary shall provide regulations and other
9 guidance for the purposes of carrying out this sub-
10 section, including regulations or other guidance—

11 “(A) providing a simplified method for de-
12 termining whether a corporation meets the re-
13 quirements of paragraph (1), and

14 “(B) addressing the application of this
15 subsection to a corporation that experiences a
16 change in ownership.”.

17 (3) REDUCTION FOR BASE EROSION AND ANTI-
18 ABUSE TAX.—Section 55(a)(2) is amended by insert-
19 ing “plus, in the case of an applicable corporation
20 (as defined in subsection (b)(2)), the tax imposed by
21 section 59A” before the period at the end.

22 (4) CONFORMING AMENDMENTS.—

23 (A) Section 55(a) is amended by striking
24 “In the case of a taxpayer other than a cor-
25 poration, there” and inserting “There”.

1 (B)(i) Section 55(b)(1) is amended—

2 (I) by striking so much as precedes
3 subparagraph (A) and inserting the fol-
4 lowing:

5 “(1) NONCORPORATE TAXPAYERS.—In the case
6 of a taxpayer other than a corporation—”, and

7 (II) by adding at the end the fol-
8 lowing new subparagraph:

9 “(D) ALTERNATIVE MINIMUM TAXABLE IN-
10 COME.—The term ‘alternative minimum taxable
11 income’ means the taxable income of the tax-
12 payer for the taxable year—

13 “(i) determined with the adjustments
14 provided in section 56 and section 58, and

15 “(ii) increased by the amount of the
16 items of tax preference described in section
17 57.

18 If a taxpayer is subject to the regular tax, such
19 taxpayer shall be subject to the tax imposed by
20 this section (and, if the regular tax is deter-
21 mined by reference to an amount other than
22 taxable income, such amount shall be treated as
23 the taxable income of such taxpayer for pur-
24 poses of the preceding sentence).”.

1 (ii) Section 860E(a)(4) is amended by
2 striking “55(b)(2)” and inserting
3 “55(b)(1)(D)”.

4 (iii) Section 897(a)(2)(A)(i) is amended by
5 striking “55(b)(2)” and inserting
6 “55(b)(1)(D)”.

7 (C) Section 11(d) is amended by striking
8 “the tax imposed by subsection (a)” and insert-
9 ing “the taxes imposed by subsection (a) and
10 section 55”.

11 (D) Section 12 is amended by adding at
12 the end the following new paragraph:

13 “(5) For alternative minimum tax, see section
14 55.”.

15 (E) Section 882(a)(1) is amended by in-
16 serting “, 55,” after “section 11”.

17 (F) Section 6425(c)(1)(A) is amended to
18 read as follows:

19 “(A) the sum of—

20 “(i) the tax imposed by section 11 or
21 subchapter L of chapter 1, whichever is
22 applicable, plus

23 “(ii) the tax imposed by section 55,
24 plus

1 “(iii) the tax imposed by section 59A,
2 over”.

3 (G) Section 6655(e)(2) is amended by in-
4 serting “, adjusted financial statement income
5 (as defined in section 56A),” before “and modi-
6 fied taxable income” each place it appears in
7 subparagraphs (A)(i) and (B)(i).

8 (H) Section 6655(g)(1)(A) is amended by
9 redesignating clauses (ii) and (iii) as clauses
10 (iii) and (iv), respectively, and by inserting
11 after clause (i) the following new clause:

12 “(ii) the tax imposed by section 55,”.

13 (b) ADJUSTED FINANCIAL STATEMENT INCOME.—

14 (1) IN GENERAL.—Part VI of subchapter A of
15 chapter 1 is amended by inserting after section 56
16 the following new section:

17 **“SEC. 56A. ADJUSTED FINANCIAL STATEMENT INCOME.**

18 “(a) IN GENERAL.—For purposes of this part, the
19 term ‘adjusted financial statement income’ means, with re-
20 spect to any corporation for any taxable year, the net in-
21 come or loss of the taxpayer set forth on the taxpayer’s
22 applicable financial statement for such taxable year, ad-
23 justed as provided in this section.

24 “(b) APPLICABLE FINANCIAL STATEMENT.—For
25 purposes of this section, the term ‘applicable financial

1 statement' means, with respect to any taxable year, an ap-
2 plicable financial statement (as defined in section
3 451(b)(3)) which covers such taxable year.

4 “(c) GENERAL ADJUSTMENTS.—

5 “(1) STATEMENTS COVERING DIFFERENT TAX-
6 ABLE YEARS.—Appropriate adjustments shall be
7 made in adjusted financial statement income in any
8 case in which an applicable financial statement cov-
9 ers a period other than the taxable year.

10 “(2) SPECIAL RULES FOR RELATED CORPORA-
11 TIONS.—

12 “(A) CONSOLIDATED FINANCIAL STATE-
13 MENTS.—If the financial results of a taxpayer
14 are reported on the applicable financial state-
15 ment for a group of entities, such statement
16 shall be treated as the applicable financial
17 statement of the taxpayer.

18 “(B) CONSOLIDATED RETURNS.—If the
19 taxpayer files a consolidated return for any tax-
20 able year, adjusted financial statement income
21 for such taxable year shall take into account
22 items on the taxpayer's applicable financial
23 statement which are properly allocable to mem-
24 bers of such group included on such return.

1 “(C) TREATMENT OF DIVIDENDS AND
2 OTHER AMOUNTS.—In the case of any corpora-
3 tion which is not included on a consolidated re-
4 turn with the taxpayer, adjusted financial state-
5 ment income shall take into account the earn-
6 ings of such other corporation only to the ex-
7 tent of the sum of the dividends received from
8 such other corporation and other amounts re-
9 quired to be included in gross income under this
10 chapter (other than amounts required to be in-
11 cluded under sections 951 and 951A) in respect
12 of the earnings of such other corporation.

13 “(3) ADJUSTMENTS TO TAKE INTO ACCOUNT
14 CERTAIN ITEMS OF FOREIGN INCOME.—

15 “(A) CONTROLLED FOREIGN CORPORA-
16 TIONS.—

17 “(i) IN GENERAL.—If, for any taxable
18 year, a taxpayer is a United States share-
19 holder of one or more controlled foreign
20 corporations, the adjusted financial state-
21 ment income of such taxpayer shall be ad-
22 justed to take into account such taxpayer’s
23 pro rata share (determined under rules
24 similar to the rules under section
25 951(a)(2)) of items taken into account in

1 computing the net income or loss set forth
2 on the applicable financial statement of
3 each such controlled foreign corporation
4 with respect to which such taxpayer is a
5 United States shareholder.

6 “(ii) NEGATIVE ADJUSTMENTS.—In
7 any case in which the adjustment deter-
8 mined under clause (i) would result in a
9 negative adjustment for such taxable
10 year—

11 “(I) no adjustment shall be made
12 under this subparagraph for such tax-
13 able year, and

14 “(II) the amount of the adjust-
15 ment determined under this subpara-
16 graph for the succeeding taxable year
17 (determined without regard to this
18 subparagraph) shall be reduced by an
19 amount equal to the negative adjust-
20 ment for such taxable year.

21 “(B) DISREGARDED ENTITIES.—Adjusted
22 financial statement income shall be adjusted to
23 take into account any adjusted financial state-
24 ment income of a disregarded entity owned by

1 the taxpayer that is not otherwise included on
2 the applicable financial statement.

3 “(4) ADJUSTMENTS FOR CERTAIN TAXES.—Ad-
4 justed financial statement income shall be appro-
5 priately adjusted to disregard any Federal income
6 taxes, or income, war profits, or excess profits taxes
7 (within the meaning of section 901) imposed by any
8 foreign country or possession of the United States,
9 which are directly or indirectly taken into account on
10 the taxpayer’s applicable financial statement. The
11 preceding sentence shall not apply to any such taxes
12 imposed by a foreign country or possession of the
13 United States if the taxpayer does not choose to
14 take, to any extent, the benefits of section 901.

15 “(5) SPECIAL RULE FOR COOPERATIVES.—In
16 the case of a cooperative to which section 1381 ap-
17 plies, the adjusted financial statement income (deter-
18 mined without regard to this paragraph) shall be re-
19 duced by the amounts referred to in section 1382(b)
20 (relating to patronage dividends and per-unit retain
21 allocations) to the extent such amounts were not
22 otherwise taken into account in determining ad-
23 justed financial statement income.

1 “(6) RULES FOR ALASKA NATIVE CORPORA-
2 TIONS.—Adjusted financial statement income shall
3 be appropriately adjusted to allow—

4 “(A) cost recovery and depletion attrib-
5 utable to property the basis of which is deter-
6 mined under section 21(c) of the Alaska Native
7 Claims Settlement Act (43 U.S.C. 1620(c)),
8 and

9 “(B) deductions for amounts payable made
10 pursuant to section 7(i) or section 7(j) of such
11 Act (43 U.S.C. 1606(i) and 1606(j)) only at
12 such time as the deductions are allowed for tax
13 purposes.

14 “(7) AMOUNTS ATTRIBUTABLE TO ELECTIONS
15 FOR DIRECT PAYMENT OF CERTAIN CREDITS.—Ad-
16 justed financial statement income shall be appro-
17 priately adjusted to disregard any amount received
18 as a refund of taxes which is attributable to an elec-
19 tion under section 6417.

20 “(8) CONSISTENT TREATMENT OF REASONABLE
21 MORTGAGE SERVICING INCOME OF A TAXPAYER
22 OTHER THAN A REGULATED INVESTMENT COM-
23 PANY.—Adjusted financial statement income shall be
24 appropriately adjusted to provide that reasonable
25 compensation (as determined by the Secretary) rec-

1 ognized in connection with a mortgage servicing con-
2 tract shall not be taken into account earlier than
3 when such income is taken into account under sec-
4 tion 451.

5 “(9) SECRETARIAL AUTHORITY TO ADJUST
6 ITEMS.—The Secretary shall issue regulations and
7 other guidance to provide for such adjustments to
8 adjusted financial statement income as the Secretary
9 determines necessary to carry out the purposes of
10 this section, including adjustments—

11 “(A) to prevent the omission or duplication
12 of any item, and

13 “(B) to carry out the principles of part II
14 of subchapter C of this chapter (relating to cor-
15 porate liquidations) and part III of subchapter
16 C of this chapter (relating to corporate organi-
17 zations and reorganizations).

18 “(d) DEDUCTION FOR FINANCIAL STATEMENT NET
19 OPERATING LOSS.—

20 “(1) IN GENERAL.—Adjusted financial state-
21 ment income (determined after application of sub-
22 section (c) and without regard to this subsection)
23 shall be reduced by an amount equal to the lesser
24 of—

1 “(A) the aggregate amount of financial
2 statement net operating loss carryovers to the
3 taxable year, or

4 “(B) 80 percent of adjusted financial
5 statement income computed without regard to
6 the deduction allowable under this subsection.

7 “(2) FINANCIAL STATEMENT NET OPERATING
8 LOSS CARRYOVER.—A financial statement net oper-
9 ating loss for any taxable year shall be a financial
10 statement net operating loss carryover to each tax-
11 able year following the taxable year of the loss. The
12 portion of such loss which shall be carried to subse-
13 quent taxable years shall be the excess, if any, of the
14 amount of such loss over the amount of such loss re-
15 maining after the application of paragraph (1).

16 “(3) FINANCIAL STATEMENT NET OPERATING
17 LOSS DEFINED.—For purposes of this subsection,
18 the term ‘financial statement net operating loss’
19 means the amount of the net loss (if any) set forth
20 on the corporation’s applicable financial statement
21 (determined after application of subsection (c) and
22 without regard to this subsection) for taxable years
23 ending after December 31, 2019.

24 “(e) REGULATIONS AND OTHER GUIDANCE.—The
25 Secretary shall provide for such regulations an other guid-

1 ance as necessary to carry out the purposes of this section,
2 including regulations and other guidance relating to the
3 effect of the rules of this section on partnerships with in-
4 come taken into account by an applicable corporation.”.

5 (2) CLERICAL AMENDMENT.—The table of sec-
6 tions for part VI of subchapter A of chapter 1 is
7 amended by inserting after the item relating to sec-
8 tion 56 the following new item:

 “Sec. 56A. Adjusted financial statement income.”.

9 (c) CORPORATE AMT FOREIGN TAX CREDIT.—Sec-
10 tion 59, as amended by this section, is amended by adding
11 at the end the following new subsection:

12 “(1) CORPORATE AMT FOREIGN TAX CREDIT.—

13 “(1) IN GENERAL.—For purposes of this part,
14 if an applicable corporation chooses to have the ben-
15 efits of subpart A of part III of subchapter N for
16 any taxable year, the AMT foreign tax credit for the
17 taxable year of the applicable corporation is an
18 amount equal to sum of—

19 “(A) the lesser of—

20 “(i) the aggregate of the applicable
21 corporation’s pro rata share (as deter-
22 mined under section 56A(c)(3)(A)) of the
23 amount of income, war profits, and excess
24 profits taxes (within the meaning of sec-
25 tion 901) imposed by any foreign country

1 or possession of the United States which
2 are—

3 “(I) directly or indirectly taken
4 into account on the taxpayer’s appli-
5 cable financial statement, and

6 “(II) paid or accrued (for Fed-
7 eral income tax purposes) by each
8 controlled foreign corporation with re-
9 spect to which the applicable corpora-
10 tion is a United States shareholder, or

11 “(ii) the product of the amount of the
12 adjustment under section 56A(c)(3) and
13 the percentage specified in section
14 55(b)(2)(A)(i), and

15 “(B) the amount of income, war profits,
16 and excess profits taxes (within the meaning of
17 section 901) imposed by any foreign country or
18 possession of the United States to the extent
19 such taxes are—

20 “(i) directly or indirectly taken into
21 account on the applicable corporation’s ap-
22 plicable financial statement, and

23 “(ii) paid or accrued (for Federal in-
24 come tax purposes) by the applicable cor-
25 poration.

1 “(2) CARRYOVER OF EXCESS TAX PAID.—For
2 any taxable year for which an applicable corporation
3 chooses to have the benefits of subpart A of part III
4 of subchapter N, the excess of the amount described
5 in paragraph (1)(A)(i) over the amount described in
6 paragraph (1)(A)(ii) shall increase the amount de-
7 scribed in paragraph (1)(A)(i) in any of the first 5
8 succeeding taxable years to the extent not taken into
9 account in a prior taxable year.

10 “(3) REGULATIONS AND OTHER GUIDANCE.—
11 The Secretary shall provide for such regulations and
12 other guidance as necessary to carry out the pur-
13 poses of this subsection.”.

14 (d) TREATMENT OF GENERAL BUSINESS CREDIT.—
15 Section 38(c)(6)(E) is amended to read as follows:

16 “(E) CORPORATIONS.—In the case of a
17 corporation—

18 “(i) the first sentence of paragraph
19 (1) shall be applied by substituting ‘25
20 percent of the taxpayer’s net income tax as
21 exceeds \$25,000’ for ‘the greater of’ and
22 all that follows,

23 “(ii) paragraph (2)(A) shall be applied
24 without regard to clause (ii)(I) thereof,
25 and

1 “(iii) paragraph (4)(A) shall be ap-
2 plied without regard to clause (ii)(I) there-
3 of.”.

4 (e) CREDIT FOR PRIOR YEAR MINIMUM TAX LIABIL-
5 ITY.—

6 (1) IN GENERAL.—Section 53(e) is amended to
7 read as follows:

8 “(e) APPLICATION TO APPLICABLE CORPORA-
9 TIONS.—In the case of an applicable corporation—

10 “(1) subsection (b)(1) shall be applied by sub-
11 stituting ‘the net minimum tax for all prior taxable
12 years beginning after 2022’ for ‘the adjusted net
13 minimum tax imposed for all prior taxable years be-
14 ginning after 1986’, and

15 “(2) the amount determined under subsection
16 (c)(1) shall be increased by the amount of tax im-
17 posed under section 59A for the taxable year.”.

18 (2) CONFORMING AMENDMENTS.—Section
19 53(d) is amended—

20 (A) in paragraph (2), by inserting “(other
21 than an applicable corporation” after “corpora-
22 tion”, and

23 (B) by striking paragraph (3).

1 (f) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2022.

4 **SEC. 138102. EXCISE TAX ON REPURCHASE OF CORPORATE**
5 **STOCK.**

6 (a) IN GENERAL.—Subtitle D is amended by insert-
7 ing after chapter 36 the following new chapter:

8 **“CHAPTER 37—REPURCHASE OF**
9 **CORPORATE STOCK**

“Sec. 4501. Repurchase of corporate stock.

10 **“SEC. 4501. REPURCHASE OF CORPORATE STOCK.**

11 “(a) GENERAL RULE.—There is hereby imposed on
12 each covered corporation a tax equal to 1 percent of the
13 fair market value of any stock of the corporation which
14 is repurchased by such corporation during the taxable
15 year.

16 “(b) COVERED CORPORATION.—For purposes of this
17 section, the term ‘covered corporation’ means any domes-
18 tic corporation the stock of which is traded on an estab-
19 lished securities market (within the meaning of section
20 7704(b)(1)).

21 “(c) REPURCHASE.—For purposes of this section—

22 “(1) IN GENERAL.—The term ‘repurchase’
23 means—

1 “(A) a redemption within the meaning of
2 section 317(b) with regard to the stock of a
3 covered corporation, and

4 “(B) any transaction determined by the
5 Secretary to be economically similar to a trans-
6 action described in subparagraph (A).

7 “(2) TREATMENT OF PURCHASES BY SPECIFIED
8 AFFILIATES.—

9 “(A) IN GENERAL.—The acquisition of
10 stock of a covered corporation by a specified af-
11 filiate of such covered corporation, from a per-
12 son who is not the covered corporation or a
13 specified affiliate of such covered corporation,
14 shall be treated as a repurchase of the stock of
15 the covered corporation by such covered cor-
16 poration.

17 “(B) SPECIFIED AFFILIATE.—For pur-
18 poses of this section, the term ‘specified affil-
19 iate’ means, with respect to any corporation—

20 “(i) any corporation more than 50
21 percent of the stock of which is owned (by
22 vote or by value), directly or indirectly, by
23 such corporation, and

24 “(ii) any partnership more than 50
25 percent of the capital interests or profits

1 interests of which is held, directly or indi-
2 rectly, by such corporation.

3 “(3) ADJUSTMENT.—The amount taken into
4 account under subsection (a) with respect to any
5 stock repurchased by a covered corporation shall be
6 reduced by the fair market value of any stock issued
7 by the covered corporation during the taxable year,
8 including the fair market value of any stock issued
9 to employees of such covered corporation or a speci-
10 fied affiliate of such covered corporation during the
11 taxable year, whether or not such stock is issued in
12 response to the exercise of an option to purchase
13 such stock.

14 “(d) SPECIAL RULES FOR FOREIGN-PARENTED DO-
15 MESTIC CORPORATIONS.—

16 “(1) IN GENERAL.—In the case of an acquisi-
17 tion of stock of an applicable foreign corporation by
18 a specified affiliate of such corporation (other than
19 a foreign corporation or a foreign partnership (un-
20 less such partnership has a domestic entity as a di-
21 rect or indirect partner)) from a person who is not
22 the applicable foreign corporation or a specified affil-
23 iate of such applicable foreign corporation, for pur-
24 poses of this section—

1 “(A) such specified affiliate shall be treat-
2 ed as a covered corporation with respect to such
3 acquisition,

4 “(B) such acquisition shall be treated as a
5 repurchase of stock of a covered corporation by
6 such covered corporation, and

7 “(C) the adjustment under subsection
8 (c)(3) shall be determined only with respect to
9 stock issued by such specified affiliate to em-
10 ployees of the specified affiliate.

11 “(2) SURROGATE FOREIGN CORPORATIONS.—In
12 the case of a repurchase of stock of a covered surro-
13 gate foreign corporation by such covered surrogate
14 foreign corporation, or an acquisition of stock of a
15 covered surrogate foreign corporation by a specified
16 affiliate of such corporation, for purposes of this sec-
17 tion—

18 “(A) the expatriated entity with respect to
19 such covered surrogate foreign corporation shall
20 be treated as a covered corporation with respect
21 to such repurchase or acquisition,

22 “(B) such repurchase or acquisition shall
23 be treated as a repurchase of stock of a covered
24 corporation by such covered corporation, and

1 “(C) the adjustment under subsection
2 (c)(3) shall be determined only with respect to
3 stock issued by such expatriated entity to em-
4 ployees of the expatriated entity.

5 “(3) DEFINITIONS.—For purposes of this sub-
6 section—

7 “(A) APPLICABLE FOREIGN CORPORA-
8 TION.—The term ‘applicable foreign corpora-
9 tion’ means any foreign corporation the stock of
10 which is traded on an established securities
11 market (within the meaning of section
12 7704(b)(1)).

13 “(B) COVERED SURROGATE FOREIGN COR-
14 PORATION.—The term ‘covered surrogate for-
15 eign corporation’ means any surrogate foreign
16 corporation (as determined under section
17 7874(a)(2)(B) by substituting ‘September 20,
18 2021’ for ‘March 4, 2003’ each place it ap-
19 pears) the stock of which is traded on an estab-
20 lished securities market (within the meaning of
21 section 7704(b)(1)), but only with respect to
22 taxable years which include any portion of the
23 applicable period with respect to such corpora-
24 tion under section 7874(d)(1).

1 “(C) EXPATRIATED ENTITY.—The term
2 ‘expatriated entity’ has the meaning given such
3 term by section 7874(a)(2)(A).

4 “(e) EXCEPTIONS.—Subsection (a) shall not apply—
5 “(1) to the extent that the repurchase is part
6 of a reorganization (within the meaning of section
7 368(a)) and no gain or loss is recognized on such re-
8 purchase by the shareholder under chapter 1 by rea-
9 son of such reorganization,

10 “(2) in any case in which the stock repurchased
11 is, or an amount of stock equal to the value of the
12 stock repurchased is, contributed to an employer-
13 sponsored retirement plan, employee stock ownership
14 plan, or similar plan,

15 “(3) in any case in which the total value of the
16 stock repurchased during the taxable year does not
17 exceed \$1,000,000,

18 “(4) under regulations prescribed by the Sec-
19 retary, in cases in which the repurchase is by a deal-
20 er in securities in the ordinary course of business,

21 “(5) to repurchases by a regulated investment
22 company (as defined in section 851) or a real estate
23 investment trust, or

24 “(6) to the extent that the repurchase is treated
25 as a dividend for purposes of this title.

1 “(f) REGULATIONS AND GUIDANCE.—The Secretary
2 shall prescribe such regulations and other guidance as are
3 necessary or appropriate to administer and to prevent the
4 avoidance of the purposes of this section, including regula-
5 tions and other guidance—

6 “(1) to prevent the abuse of the exceptions pro-
7 vided by subsection (e),

8 “(2) to address special classes of stock and pre-
9 ferred stock, and

10 “(3) for the application of the rules under sub-
11 section (d).”.

12 (b) TAX NOT DEDUCTIBLE.—Paragraph (6) of sec-
13 tion 275(a) is amended by inserting “37,” before “41”.

14 (c) CLERICAL AMENDMENT.—The table of chapters
15 for subtitle D is amended by inserting after the item relat-
16 ing to chapter 36 the following new item:

 “CHAPTER 37—REPURCHASE OF CORPORATE STOCK”.

17 (d) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to repurchases (within the meaning
19 of section 4501(c) of the Internal Revenue Code of 1986,
20 as added by this section) of stock after December 31,
21 2021.

1 **Subpart B—Limitations on Deduction for Interest**
2 **Expense**

3 **SEC. 138111. LIMITATIONS ON DEDUCTION FOR INTEREST**
4 **EXPENSE.**

5 (a) INTEREST EXPENSE OF CERTAIN MEMBERS OF
6 INTERNATIONAL FINANCIAL REPORTING GROUPS.—Sec-
7 tion 163 is amended by redesignating subsection (n) as
8 subsection (p) and by inserting after subsection (m) the
9 following new subsection:

10 “(n) LIMITATION ON DEDUCTION OF INTEREST BY
11 CERTAIN MEMBERS OF INTERNATIONAL FINANCIAL RE-
12 PORTING GROUPS.—

13 “(1) IN GENERAL.—In the case of any specified
14 domestic corporation which is a member of any
15 international financial reporting group, the deduc-
16 tion under this chapter for interest paid or accrued
17 during the taxable year in excess of the amount of
18 interest includible in the gross income of such cor-
19 poration shall not exceed the allowable percentage of
20 110 percent of such excess.

21 “(2) SPECIFIED DOMESTIC CORPORATION.—For
22 purposes of this subsection—

23 “(A) IN GENERAL.—The term ‘specified
24 domestic corporation’ means any domestic cor-
25 poration other than—

26 “(i) any corporation if the excess of—

1 “(I) the average amount of inter-
2 est paid or accrued by such corpora-
3 tion during the 3-taxable-year period
4 ending with the taxable year to which
5 paragraph (1) applies, over

6 “(II) the average amount of in-
7 terest includible in the gross income
8 of such corporation for such 3-tax-
9 able-year period,
10 does not exceed \$12,000,000,

11 “(ii) any corporation to which para-
12 graph (1) of section 163(j) does not apply
13 by reason of paragraph (3) thereof (relat-
14 ing to exemption for certain small busi-
15 nesses), and

16 “(iii) any S corporation, real estate
17 investment trust, or regulated investment
18 company.

19 “(B) AGGREGATION RULE.—For purposes
20 of clauses (i) and (ii) of subparagraph (A), all
21 domestic corporations which are members of the
22 same international financial reporting group
23 shall be treated as a single corporation.

24 “(C) FOREIGN CORPORATIONS ENGAGED
25 IN TRADE OR BUSINESS WITHIN THE UNITED

1 STATES.—For purposes of this subsection, if a
2 foreign corporation is engaged in a trade or
3 business within the United States, such foreign
4 corporation shall be treated as a domestic cor-
5 poration with respect to the items that are ef-
6 fectively connected with such trade or business.

7 “(3) INTERNATIONAL FINANCIAL REPORTING
8 GROUP.—For purposes of this subsection—

9 “(A) IN GENERAL.—The term ‘inter-
10 national financial reporting group’ means, with
11 respect to any reporting year, two or more enti-
12 ties if—

13 “(i) either—

14 “(I) at least one entity is a for-
15 eign corporation engaged in a trade or
16 business within the United States, or

17 “(II) at least one entity is a do-
18 mestic corporation and another entity
19 is a foreign corporation, and

20 “(ii) such entities are included in the
21 same applicable financial statement with
22 respect to such year.

23 “(B) ELECTION TO INCLUDE ELIGIBLE
24 CORPORATIONS IN GROUP.—

1 “(i) IN GENERAL.—To the extent pro-
2 vided by the Secretary in regulations or
3 other guidance, an international financial
4 reporting group may elect (at such time
5 and in such manner as the Secretary may
6 provide) to treat all eligible corporations
7 with respect to such group as members of
8 such group for purposes of this subsection.
9 As a condition of such election, all such eli-
10 gible corporations must maintain (and pro-
11 vide such group access to) such books and
12 records as the Secretary determines are
13 satisfactory to allow for the application of
14 this subsection with respect to such eligible
15 corporations. Such election may be revoked
16 only with the consent of the Secretary.

17 “(ii) ELIGIBLE CORPORATION.—The
18 term ‘eligible corporation’ means, with re-
19 spect to any international financial report-
20 ing group, any corporation if at least 20
21 percent of the stock of such corporation
22 (determined by vote and value) is held (di-
23 rectly or indirectly) by members of such
24 international financial reporting group (de-

1 terminated without regard to this subpara-
2 graph).

3 “(4) ALLOWABLE PERCENTAGE.—For purposes
4 of this subsection—

5 “(A) IN GENERAL.—The term ‘allowable
6 percentage’ means, with respect to any specified
7 domestic corporation for any taxable year, the
8 ratio (expressed as a percentage and not great-
9 er than 100 percent) of—

10 “(i) such corporation’s allocable share
11 of the international financial reporting
12 group’s reported net interest expense for
13 the reporting year of such group which
14 ends in or with such taxable year of such
15 corporation, over

16 “(ii) such corporation’s reported net
17 interest expense for such reporting year of
18 such group.

19 “(B) REPORTED NET INTEREST EX-
20 PENSE.—The term ‘reported net interest ex-
21 pense’ means—

22 “(i) with respect to any international
23 financial reporting group for any reporting
24 year, the excess of—

1 “(I) the aggregate amount of in-
2 terest expense reported in such
3 group’s applicable financial state-
4 ments for such taxable year, over

5 “(II) the aggregate amount of in-
6 terest income reported in such group’s
7 applicable financial statements for
8 such taxable year, and

9 “(ii) with respect to any specified do-
10 mestic corporation for any reporting year,
11 the excess of—

12 “(I) the amount of interest ex-
13 pense of such corporation reported in
14 the books and records of the inter-
15 national financial reporting group
16 which are used in preparing such
17 group’s applicable financial state-
18 ments for such taxable year, over

19 “(II) the amount of interest in-
20 come of such corporation reported in
21 such books and records.

22 “(C) ALLOCABLE SHARE OF REPORTED
23 NET INTEREST EXPENSE.—With respect to any
24 specified domestic corporation which is a mem-
25 ber of any international financial reporting

1 group, such corporation's allocable share of
2 such group's reported net interest expense for
3 any reporting year is the portion of such ex-
4 pense which bears the same ratio to such ex-
5 pense as—

6 “(i) the EBITDA of such corporation
7 for such reporting year, bears to

8 “(ii) the EBITDA of such group for
9 such reporting year.

10 “(D) EBITDA.—

11 “(i) IN GENERAL.—The term
12 ‘EBITDA’ means, with respect to any re-
13 porting year, earnings before interest in-
14 come and interest expense, taxes, deprecia-
15 tion, depletion, and amortization—

16 “(I) as determined in the inter-
17 national financial reporting group's
18 applicable financial statements for
19 such year, or

20 “(II) as determined in the books
21 and records of the international finan-
22 cial reporting group which are used in
23 preparing such statements if not de-
24 termined in such statements.

1 “(ii) TREATMENT OF INTRA-GROUP
2 DISTRIBUTIONS.—The EBITDA of any
3 specified domestic corporation shall be de-
4 termined without regard to any distribu-
5 tion received by such corporation from any
6 other member of the international financial
7 reporting group.

8 “(E) SPECIAL RULES FOR NON-POSITIVE
9 EBITDA.—

10 “(i) NON-POSITIVE GROUP EBITDA.—
11 In the case of any international financial
12 reporting group the EBITDA of which is
13 zero or less, paragraph (1) shall not apply
14 to any specified domestic corporation
15 which is a member of such group.

16 “(ii) NON-POSITIVE ENTITY
17 EBITDA.—In the case of any specified do-
18 mestic corporation the EBITDA of which
19 is zero or less, the allowable percentage
20 shall be 0 percent.

21 “(5) APPLICABLE FINANCIAL STATEMENT.—
22 For purposes of this subsection, the term ‘applicable
23 financial statement’ has the meaning given such
24 term in section 451(b)(3).

1 “(6) REPORTING YEAR.—For purposes of this
2 subsection, the term ‘reporting year’ means any year
3 for which an applicable financial statement is pre-
4 pared or required to be prepared.

5 “(7) REGULATIONS.—The Secretary may issue
6 such regulations or other guidance as are necessary
7 or appropriate to carry out the purposes of this sub-
8 section, including regulations or other guidance
9 which—

10 “(A) allows or requires the adjustment of
11 amounts reported on applicable financial state-
12 ments,

13 “(B) allows or requires any corporation to
14 be included or excluded as a member of any
15 international financial reporting group for pur-
16 poses of any determination or calculation under
17 this subsection,

18 “(C) treats subpart F income of a con-
19 trolled foreign corporation, and any interest ex-
20 pense of such corporation which is related to
21 such income, as income and interest expense,
22 respectively, of a specified domestic corporation
23 for purposes of this section,

1 “(D) prevents the omission, inclusion, or
2 duplication of any item or amount of interest
3 income or interest expense, and

4 “(E) provides rules for the application of
5 this subsection with respect to—

6 “(i) a domestic corporation that is a
7 partner (directly or indirectly) in a part-
8 nership,

9 “(ii) a domestic corporation that owns
10 (directly or indirectly) an interest in an en-
11 tity that is fiscally transparent in one or
12 more jurisdictions, and

13 “(iii) a foreign corporation to which
14 this subsection applies by reason of para-
15 graph (2)(C).”.

16 (b) MODIFICATION OF APPLICATION OF LIMITATION
17 ON BUSINESS INTEREST TO PARTNERSHIPS AND S COR-
18 PORATIONS.—Section 163(j)(4) is amended to read as fol-
19 lows:

20 “(4) APPLICATION TO PARTNERSHIPS AND S
21 CORPORATIONS.—

22 “(A) IN GENERAL.—Except as otherwise
23 provided in subparagraph (B), in the case of
24 any partnership or S corporation, this sub-

1 section shall be applied at the partner or share-
2 holder level, respectively.

3 “(B) APPLICATION OF EXEMPTION FOR
4 CERTAIN SMALL BUSINESSES.—

5 “(i) PARTNERSHIPS.—In the case of
6 any partner to which paragraph (3) applies
7 (determined without regard to this sub-
8 paragraph), paragraph (1) shall apply by
9 only taking into account such partner’s
10 distributive share of items from any part-
11 nership not described in paragraph (3).

12 “(ii) S CORPORATIONS.— In the case
13 of any S corporation shareholder to which
14 paragraph (3) applies (determined without
15 regard this subparagraph), paragraph (1)
16 shall apply with respect to such share-
17 holder under rules similar to the rules of
18 clause (i).

19 “(C) REGULATIONS.— The Secretary shall
20 prescribe such regulations or other guidance as
21 may be necessary or appropriate to carry out
22 the purposes of this section, including regula-
23 tions or other guidance—

1 “(i) for requiring or restricting the al-
2 location of items and business interest
3 under this subsection,

4 “(ii) to provide for such reporting re-
5 quirements as the Secretary determines
6 appropriate, and

7 “(iii) for the application of this sub-
8 section in the case of tiered structures or
9 trades or businesses described in para-
10 graph (2)(C).”.

11 (c) CARRYFORWARD OF DISALLOWED INTEREST.—

12 (1) IN GENERAL.—Section 163 is amended by
13 inserting after subsection (n), as added by sub-
14 section (a), the following new subsection:

15 “(o) CARRYFORWARD OF CERTAIN DISALLOWED IN-
16 TEREST.—The amount of any interest not allowed as a
17 deduction for any taxable year by reason of subsection (j)
18 or (n)(1) (whichever imposes the lower limitation with re-
19 spect to such taxable year) shall be treated as interest
20 (and as business interest for purposes of subsection (j)
21 to the extent such amount is properly attributable to a
22 trade or business as defined in subsection (j)(7)) paid or
23 accrued in the succeeding taxable year.”.

24 (2) CONFORMING AMENDMENTS.—

1 (A) Section 163(j)(2) is amended to read
2 as follows:

3 “(2) CARRYFORWARD CROSS-REFERENCE.—For
4 carryforward treatment, see subsection (o).”.

5 (B) Section 381(c)(20) is amended to read
6 as follows:

7 “(20) CARRYFORWARD OF DISALLOWED INTER-
8 EST.—The carryover of disallowed interest described
9 in section 163(o) to taxable years ending after the
10 date of distribution or transfer.”.

11 (C) Section 382(d)(3) is amended to read
12 as follows:

13 “(3) APPLICATION TO CARRYFORWARD OF DIS-
14 ALLOWED INTEREST.—The term ‘pre-change loss’
15 shall include any carryover of disallowed interest de-
16 scribed in section 163(o) under rules similar to the
17 rules of paragraph (1).”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2022.

21 (e) TRANSITION RULE.—In the case of a partner’s
22 first succeeding taxable year described in subclause (II)
23 of section 163(j)(4)(B)(ii) of the Internal Revenue Code
24 of 1986 (as in effect before the amendment made by sub-
25 section (b)) which begins after December 31, 2022, the

1 amount of excess business interest which would (but for
2 such amendment) be carried to such taxable year under
3 such subclause shall be treated as interest (and as busi-
4 ness interest for purposes of section 163(j) of such Code,
5 as amended by this section) paid or accrued in such tax-
6 able year. A rule similar to the rule in the preceding sen-
7 tence shall apply in the case of an S corporation and its
8 shareholders. For carryover of any such interest dis-
9 allowed for such taxable year, see section 163(o) of such
10 Code, as amended by this section.

11 **Subpart C—Outbound International Provisions**

12 **SEC. 138121. MODIFICATIONS TO DEDUCTION FOR FOR-**
13 **EIGN-DERIVED INTANGIBLE INCOME AND**
14 **GLOBAL INTANGIBLE LOW-TAXED INCOME.**

15 (a) IN GENERAL.—Section 250(a) is amended to
16 read as follows:

17 “(a) IN GENERAL.—In the case of a domestic cor-
18 poration for any taxable year, there shall be allowed as
19 a deduction an amount equal to the sum of—

20 “(1) 24.8 percent of the foreign-derived intan-
21 gible income of such domestic corporation for such
22 taxable year, plus

23 “(2) 28.5 percent of—

24 “(A) the global intangible low-taxed income
25 (if any) which is included in the gross income

1 of such domestic corporation under section
2 951A for such taxable year, and

3 “(B) the amount treated as a dividend re-
4 ceived by such corporation under section 78
5 which is attributable to the amount described in
6 subparagraph (A).”.

7 (b) DEDUCTION TAKEN INTO ACCOUNT IN DETER-
8 MINING NET OPERATING LOSS DEDUCTION.—Section
9 172(d) is amended by striking paragraph (9).

10 (c) CERTAIN OTHER MODIFICATIONS.—

11 (1) Section 250(b)(3) is amended—

12 (A) in subparagraph (A)(i)—

13 (i) by striking “and” at the end of
14 subclause (V),

15 (ii) by striking “over” at the end of
16 subclause (VI), and

17 (iii) by adding at the end the fol-
18 lowing new subclauses:

19 “(VII) any income described in
20 clause (i) or (ii) of section
21 904(d)(2)(B), determined without re-
22 gard to clause (iii)(II) thereof,

23 “(VIII) except as otherwise pro-
24 vided by the Secretary, gains from the
25 sale or other disposition of property

1 giving rise to rents or royalties de-
2 rived in the active conduct of a trade
3 or business, and

4 “(IX) any disqualified
5 extraterritorial income, over”, and

6 (B) by adding at the end the following new
7 subparagraph:

8 “(C) DISQUALIFIED EXTRATERRITORIAL
9 INCOME.—

10 “(i) IN GENERAL.—For purposes of
11 subparagraph (A)(i)(IX), the term ‘dis-
12 qualified extraterritorial income’ means
13 any amount included in the gross income
14 of the corporation with respect to any
15 transaction for any taxable year if any
16 amount could (determined after application
17 of clause (ii) but without regard to any
18 election under section 942(a)(3) as in ef-
19 fect before its repeal) be excluded from the
20 gross income of the corporation with re-
21 spect to such transaction for such taxable
22 year by reason of section 114 pursuant to
23 the application of subsection (d) or (f) of
24 section 101 of the American Jobs Creation
25 Act of 2004.

1 “(ii) ELECTION OUT OF
2 EXTRATERRITORIAL INCOME BENEFITS.—

3 “(I) IN GENERAL.—Except as
4 provided in subclause (II), the cor-
5 poration referred to in clause (i) may
6 make an irrevocable election (at such
7 time and in such form and manner as
8 the Secretary may provide) to have
9 subsections (d) and (f) of section 101
10 of the American Jobs Creation Act of
11 2004 not apply with respect to such
12 corporation for the taxable year for
13 which such election is made and all
14 succeeding taxable years (applicable
15 with respect to all transactions, in-
16 cluding transactions occurring before
17 such taxable year).

18 “(II) EXPANDED AFFILIATED
19 GROUPS.—In the case of any corpora-
20 tion which is a member of an ex-
21 panded affiliated group, the election
22 described in subclause (I) may be
23 made only by the common parent of
24 such group (or, in the case of a com-
25 mon parent which is not required to

1 file a return of tax under this chapter,
2 the delegate of such common parent)
3 and shall apply with respect to all
4 members of such group. For purposes
5 of the preceding sentence, the term
6 ‘expanded affiliated group’ means an
7 affiliated group as defined in section
8 1504(a), determined without regard to
9 section 1504(b)(3) and by sub-
10 stituting ‘more than 50 percent’ for
11 ‘at least 80 percent’ each place it ap-
12 pears.”.

13 (C) Section 250(b)(5)(E) is amended by
14 inserting “(other than paragraph
15 (3)(A)(i)(VIII))” after “For purposes of this
16 subsection”.

17 (2) Section 613A(d)(1) is amended by striking
18 “and” at the end of subparagraph (D), by striking
19 the period at the end of subparagraph (E) and in-
20 serting “, and”, and by inserting after subparagraph
21 (E) the following new subparagraph:

22 “(F) any deduction allowable under section
23 250.”.

24 (d) EFFECTIVE DATE.—

1 (1) IN GENERAL.—Except as provided in para-
2 graph (2), the amendments made by this section
3 shall apply to taxable years beginning after Decem-
4 ber 31, 2022.

5 (2) CERTAIN MODIFICATIONS.—The amend-
6 ments made by subsection (c) shall apply to taxable
7 years beginning after the date of the enactment of
8 this Act.

9 (e) NO INFERENCE REGARDING CERTAIN MODIFICA-
10 TIONS.—The amendments made by subsection (c) shall
11 not be construed to create any inference with respect to
12 the proper application of any provision of the Internal
13 Revenue Code of 1986 with respect to any taxable year
14 beginning before the taxable years to which such amend-
15 ments apply.

16 (f) TRANSITION RULE FOR ACCELERATED PERCENT-
17 AGE REDUCTION.—

18 (1) IN GENERAL.—In the case of any taxable
19 year which includes December 31, 2022 (other than
20 a taxable year with respect to which such date is the
21 last day of such taxable year)—

22 (A) the percentage in effect under section
23 250(a)(1)(A) of the Internal Revenue Code of
24 1986 shall be treated as being equal to the sum
25 of—

1 (i) the pre-effective date percentage of
2 37.5 percent, plus

3 (ii) the post-effective date percentage
4 of 24.8 percent, and

5 (B) the percentage in effect under section
6 250(a)(1)(B) of such Code shall be treated as
7 being equal to the sum of—

8 (i) the pre-effective date percentage of
9 50 percent, plus

10 (ii) the post-effective date percentage
11 of 28.5 percent.

12 (2) PRE- AND POST-EFFECTIVE DATE PER-
13 CENTAGES.—For purposes of this subsection, with
14 respect to any taxable year—

15 (A) the term “pre-effective date percent-
16 age” means the ratio that the number of days
17 in such taxable year which are before January
18 1, 2023, bears to the number of days in such
19 taxable year, and

20 (B) the term “post-effective date percent-
21 age” means the ratio that the number of days
22 in such taxable year which are after December
23 31, 2022, bears to the number of days in such
24 taxable year.

1 **SEC. 138122. REPEAL OF ELECTION FOR 1-MONTH DEFER-**
2 **RAL IN DETERMINATION OF TAXABLE YEAR**
3 **OF SPECIFIED FOREIGN CORPORATIONS.**

4 (a) IN GENERAL.—Section 898(c) is amended by
5 striking paragraph (2) and redesignating paragraph (3)
6 as paragraph (2).

7 (b) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to taxable years of specified foreign
9 corporations beginning after November 30, 2022.

10 (c) TRANSITION RULE.—In the case of a corporation
11 that is a specified foreign corporation as of November 30,
12 2022, such corporation's first taxable year beginning after
13 such date shall end at the same time as the first required
14 year (within the meaning of section 898(c)(1) of the Inter-
15 nal Revenue Code of 1986) ending after such date. If any
16 specified foreign corporation is required by this section (or
17 the amendments made by this section) to change its tax-
18 able year for its first taxable year beginning after Novem-
19 ber 30, 2022—

20 (1) such change shall be treated as initiated by
21 such corporation,

22 (2) such change shall be treated as having been
23 made with the consent of the Secretary, and

24 (3) the Secretary (including the Secretary's del-
25 egate in the case of any reference to the Secretary
26 in this paragraph) shall issue regulations or other

1 guidance for allocating foreign taxes that accrue in
2 such first taxable year between such taxable year
3 and the prior taxable year, including such adjust-
4 ments as the Secretary determines are necessary or
5 appropriate in applying sections 959, 960, and 961
6 of such Code in connection with the allocation of
7 such taxes, and providing for such other adjust-
8 ments as the Secretary determines necessary or ap-
9 propriate to carry out the purposes of this section.

10 **SEC. 138123. MODIFICATIONS OF FOREIGN TAX CREDIT**

11 **RULES APPLICABLE TO CERTAIN TAXPAYERS**

12 **RECEIVING SPECIFIC ECONOMIC BENEFITS.**

13 (a) IN GENERAL.—Section 901 is amended by redес-
14 ignating subsection (n) as subsection (o) and by inserting
15 after subsection (m) the following new subsection:

16 “(n) SPECIAL RULES RELATING TO DUAL CAPACITY
17 TAXPAYERS.—

18 “(1) GENERAL RULE.—Notwithstanding any
19 other provision of this chapter, any amount paid or
20 accrued by a dual capacity taxpayer to a foreign
21 country or possession of the United States for any
22 period shall not be considered a tax—

23 “(A) if, for such period, the foreign coun-
24 try or possession does not impose a generally
25 applicable income tax, or

1 “(B) to the extent such amount exceeds
2 the amount which would be paid or accrued by
3 such dual capacity taxpayer under the generally
4 applicable income tax imposed by such country
5 or possession if such taxpayer were not a dual
6 capacity taxpayer.

7 Nothing in this paragraph shall be construed to
8 imply the proper treatment of any such amount
9 not in excess of the amount determined under
10 subparagraph (B).

11 “(2) DUAL CAPACITY TAXPAYER.—For pur-
12 poses of this subsection, the term ‘dual capacity tax-
13 payer’ means, with respect to any foreign country or
14 possession of the United States, a person who—

15 “(A) is subject to a levy of such country or
16 possession, and

17 “(B) receives (or will receive) directly or
18 indirectly a specific economic benefit from such
19 country or possession (or any political subdivi-
20 sion, agency, or instrumentality thereof).

21 “(3) GENERALLY APPLICABLE INCOME TAX.—
22 For purposes of this subsection, the term ‘generally
23 applicable income tax’ means an income tax (or a se-
24 ries of income taxes) which is generally imposed
25 under the laws of a foreign country or possession of

1 the United States on residents of such foreign coun-
2 try or possession that are not dual capacity tax-
3 payers.”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to amounts paid or accrued after
6 December 31, 2021.

7 **SEC. 138124. MODIFICATIONS TO FOREIGN TAX CREDIT**
8 **LIMITATIONS.**

9 (a) COUNTRY-BY-COUNTRY APPLICATION OF LIMITA-
10 TION ON FOREIGN TAX CREDIT BASED ON TAXABLE
11 UNITS.—

12 (1) IN GENERAL.—Section 904 is amended by
13 inserting after subsection (d) the following new sub-
14 section:

15 “(e) COUNTRY-BY-COUNTRY APPLICATION BASED ON
16 TAXABLE UNITS.—

17 “(1) IN GENERAL.—Subsection (d) (and the
18 provisions of this title referred to in paragraph (1)
19 of such subsection) shall be applied separately with
20 respect to each country by taking into account the
21 aggregate income properly attributable or otherwise
22 allocable to a taxable unit of the taxpayer which is
23 a tax resident of (or, in the case of a branch, is lo-
24 cated in) such country.

25 “(2) TAXABLE UNITS.—

1 “(A) IN GENERAL.—Except as otherwise
2 provided by the Secretary, each item shall be
3 attributable or otherwise allocable to exactly
4 one taxable unit of the taxpayer.

5 “(B) DETERMINATION OF TAXABLE
6 UNITS.—Except as otherwise provided by the
7 Secretary, the taxable units of a taxpayer are
8 as follows:

9 “(i) GENERAL TAXABLE UNIT.—The
10 person that is the taxpayer and that is not
11 otherwise described in a separate clause of
12 this subparagraph.

13 “(ii) CERTAIN FOREIGN CORPORA-
14 TIONS.—Each foreign corporation with re-
15 spect to which the taxpayer is a United
16 States shareholder.

17 “(iii) INTERESTS IN PASS-THROUGH
18 ENTITIES.—Each interest held (directly or
19 indirectly) by the taxpayer or any con-
20 trolled foreign corporation referred to in
21 clause (ii) in a pass-through entity if such
22 pass-through entity is a tax resident of a
23 country other than the country with re-
24 spect to which such taxpayer or controlled

1 foreign corporation (as the case may be) is
2 a tax resident.

3 “(iv) BRANCHES.—Each branch (or
4 portion thereof) the activities of which are
5 directly or indirectly carried on by the tax-
6 payer or any controlled foreign corporation
7 referred to in clause (ii) and which give
8 rise to a taxable presence in a country
9 other than the country with respect to
10 which such taxpayer or controlled foreign
11 corporation (as the case may be) is a tax
12 resident.

13 “(3) DEFINITIONS AND SPECIAL RULES.—For
14 purposes of this subsection—

15 “(A) TAX RESIDENT.—Except as otherwise
16 provided by the Secretary, the term ‘tax resi-
17 dent’ means a person or entity subject to tax
18 under the tax law of a country as a resident. If
19 an entity is organized under the law of a coun-
20 try, or resident in a country, that does not im-
21 pose an income tax with respect to such enti-
22 ties, such entity shall, except as provided by the
23 Secretary, be treated as subject to tax under
24 the tax law of such country for the purposes of
25 the preceding sentence.

1 “(B) PASS-THROUGH ENTITY.—Except as
2 otherwise provided by the Secretary, the term
3 ‘pass-through entity’ includes any partnership
4 or other entity to the extent that income, gain,
5 deduction, or loss of the entity is taken into ac-
6 count in determining the income or loss of a
7 person that owns (directly or indirectly) an in-
8 terest in such entity.

9 “(C) BRANCH.—Except as otherwise pro-
10 vided by the Secretary, the term ‘branch’ means
11 a taxable presence of a tax resident in a coun-
12 try other than its country of residence as deter-
13 mined under such other country’s tax law. The
14 Secretary shall provide regulations or other
15 guidance applying such term to activities in a
16 country that do not give rise to a taxable pres-
17 ence.

18 “(D) TREATMENT OF FISCALLY AUTONO-
19 MOUS JURISDICTIONS.—Any fiscally autono-
20 mous jurisdiction shall be treated as a separate
21 country. Any possession of the United States
22 shall also be treated as a separate country.

23 “(E) POSSESSION OF THE UNITED
24 STATES.—The term ‘possession of the United
25 States’ means each of American Samoa, the

1 Commonwealth of the Northern Mariana Is-
2 lands, the Commonwealth of Puerto Rico,
3 Guam, and the Virgin Islands.

4 “(4) REGULATIONS.—The Secretary shall issue
5 such regulations or other guidance as may be nec-
6 essary or appropriate to carry out, or prevent avoid-
7 ance of, the purposes of this subsection, including
8 regulations or other guidance—

9 “(A) providing for the application of this
10 subsection to an entity or arrangement that is
11 considered a tax resident of more than one
12 country or of no country,

13 “(B) providing for the application of this
14 subsection to hybrid entities or hybrid trans-
15 actions (as such terms are used for purposes of
16 section 267A), pass-through entities, passive
17 foreign investment companies, trusts, and other
18 entities or arrangements not otherwise de-
19 scribed in this subsection, and

20 “(C) providing for the assignment of any
21 item (including foreign taxes and deductions) to
22 taxable units, including in the case of amounts
23 not otherwise taken into account in determining
24 taxable income under this chapter.”.

1 (2) APPLICATION OF RECAPTURE OF OVERALL
2 FOREIGN LOSS.—Section 904(f)(5)(E)(i) is amended
3 by inserting “applied separately with respect to each
4 country (within the meaning of subsection (e)) as
5 provided in subsection (e)” before the period at the
6 end.

7 (3) APPLICATION OF SEPARATE LIMITATION
8 LOSSES WITH RESPECT TO GLOBAL INTANGIBLE
9 LOW-TAXED INCOME.—

10 (A) IN GENERAL.—Section 904(f)(5)(B) is
11 amended to read as follows:

12 “(B) ALLOCATION OF LOSSES.—Except as
13 otherwise provided in this subparagraph, the
14 separate limitation losses for any taxable year
15 (to the extent such losses do not exceed the sep-
16 arate limitation incomes for such year) shall be
17 allocated among (and operate to reduce) such
18 incomes on a proportionate basis. In the case of
19 a separate limitation loss for any taxable year
20 in any category other than subparagraph
21 (d)(1)(A), the amount of such separate limita-
22 tion loss shall be allocated among (and operate
23 to reduce) separate limitation income in any
24 category other than income described in sub-
25 paragraph (d)(1)(A) on a proportionate basis

1 (without regard to income described in subpara-
2 graph (d)(1)(A)), and only to the extent the ag-
3 gregate amount of such losses exceeds the ag-
4 gregate amount of separate limitation incomes
5 (other than income described in subparagraph
6 (d)(1)(A)) for such taxable year, shall any
7 amount of separate limitation losses reduce sep-
8 arate limitation income described in subpara-
9 graph (d)(1)(A).”.

10 (B) SEPARATE LIMITATION LOSS.—Section
11 904(f)(5)(E)(iii) is amended to read as follows:

12 “(iii) SEPARATE LIMITATION LOSS.—
13 The term ‘separate limitation loss’ means,
14 with respect to any income category, the
15 amount by which the gross income from
16 sources outside the United States is ex-
17 ceeded by the sum of the deductions prop-
18 erly allocated and apportioned thereto.”.

19 (b) REPEAL OF SEPARATE APPLICATION TO FOR-
20 EIGN BRANCH INCOME.—

21 (1) IN GENERAL.—Section 904(d)(1) is amend-
22 ed by striking subparagraph (B) and redesignating
23 subparagraphs (C) and (D) as subparagraph (B)
24 and (C).

1 (2) COORDINATION WITH DEDUCTION FOR FOR-
2 EIGN-DERIVED INTANGIBLE INCOME.—Section
3 250(b)(3)(A) is amended—

4 (A) by striking subclause (VI) of clause (i)
5 and inserting the following new subclause:

6 “(VI) the income which is attrib-
7 utable to 1 or more branches (within
8 the meaning of section 904(e)(3)(C))
9 or pass-through entities (within the
10 meaning of section 904(e)(3)(B)) in 1
11 or more foreign countries, over”, and

12 (B) by adding at the end the following
13 flush sentence:

14 “For purposes of clause (i)(VI), the amount of
15 income attributable to a branch or pass-through
16 entity shall be determined under rules estab-
17 lished by the Secretary.”.

18 (3) AMENDMENTS.—

19 (A) Section 904(d)(2)(A)(ii) is amended by
20 striking “, foreign branch income,”.

21 (B) Section 904(d)(2)(H) is amended to
22 read as follows:

23 “(H) TREATMENT OF INCOME TAX BASE
24 DIFFERENCES.—The Secretary shall issue regu-
25 lations or other guidance assigning to the prop-

1 er category of income any tax imposed under
2 the law of a foreign country or possession of the
3 United States on an amount which does not
4 constitute income under United States tax prin-
5 ciples.”.

6 (C) Section 904(d)(2) is amended by strik-
7 ing subparagraph (J).

8 (e) MODIFICATION OF FOREIGN TAX CREDIT
9 CARRYBACK AND CARRYFORWARD.—

10 (1) REPEAL OF CARRYBACK.—Section 904(c) is
11 amended—

12 (A) by striking “in the first preceding tax-
13 able year, and”,

14 (B) by striking “preceding or” each place
15 it appears, and

16 (C) by striking “CARRYBACK AND” in the
17 heading thereof.

18 (2) APPLICATION TO LIMITATION ON FOREIGN
19 OIL AND GAS TAXES.—Section 907(f)(1) is amended
20 by striking “in the first preceding taxable year and”.

21 (3) APPLICATION OF CARRYFORWARD TO TAXES
22 ON GLOBAL INTANGIBLE LOW-TAXED INCOME.—

23 (A) IN GENERAL.—Section 904(c) is
24 amended by striking the last sentence.

1 (B) TEMPORARY LIMITATION OF
2 CARRYFORWARD TO 5 TAXABLE YEARS.—Sec-
3 tion 904(c), as amended by the preceding provi-
4 sions of this Act, is amended—

5 (i) by striking “Any amount by which
6 all taxes” and all that precedes it and in-
7 serting the following:

8 “(c) CARRYBACK AND CARRYOVER OF EXCESS TAX
9 PAID.—

10 “(1) IN GENERAL.—Any amount by which all
11 taxes”, and

12 (ii) by adding at the end the following
13 new paragraph:

14 “(2) TEMPORARY LIMITATION ON
15 CARRYFORWARD OF TAXES ON GLOBAL INTANGIBLE
16 LOW-TAXED INCOME.—In the case of taxes paid or
17 accrued during any taxable year beginning after De-
18 cember 31, 2022, and before January 1, 2031, and
19 with respect to amounts described in subsection
20 (d)(1)(A), paragraph (1) shall be applied by sub-
21 stituting ‘5 succeeding taxable years’ for ‘10 suc-
22 ceeding taxable years.’”.

23 (d) TREATMENT OF CERTAIN TAX-EXEMPT DIVI-
24 DENDS.—

1 (1) CERTAIN TAX-EXEMPT DIVIDENDS TAKEN
2 INTO ACCOUNT IN APPLYING LIMITATIONS ON FOR-
3 EIGN TAX CREDITS.—Section 904(b) is amended by
4 striking paragraph (4).

5 (2) CERTAIN TAX-EXEMPT DIVIDENDS NOT
6 TAKEN INTO ACCOUNT IN ALLOCATING INTEREST
7 EXPENSE.—Section 864(e)(3) is amended by strik-
8 ing “or 245(a)” and inserting “, 245(a), or 245A”.

9 (e) RULES FOR ALLOCATION OF CERTAIN DEDUC-
10 TIONS TO FOREIGN SOURCE GLOBAL INTANGIBLE LOW-
11 TAXED INCOME FOR PURPOSES OF FOREIGN TAX CREDIT
12 LIMITATION.—Section 904(b), as amended by the pre-
13 ceding provisions of this Act, is amended by adding at the
14 end the following new paragraph:

15 “(4) DEDUCTIONS TREATED AS ALLOCABLE TO
16 FOREIGN SOURCE GLOBAL INTANGIBLE LOW-TAXED
17 INCOME.—In the case of a domestic corporation and
18 solely for purposes of the application of subsection
19 (a) with respect to amounts described in subsection
20 (d)(1)(A), the taxpayer’s taxable income from
21 sources without the United States shall be deter-
22 mined—

23 “(A) by allocating and apportioning any
24 deduction allowed under section 250(a)(1)(B)
25 (and any deduction allowed under section

1 164(a)(3) for taxes imposed on amounts de-
2 scribed in section 250(a)(1)(B)) to such income,
3 and

4 “(B) by allocating and apportioning any
5 other deduction to such income only if the Sec-
6 retary determines that such deduction is di-
7 rectly allocable to such income.

8 Any deduction which would (but for subparagraph
9 (B)) have been allocated or apportioned to such in-
10 come shall only be allocated or apportioned to in-
11 come which is from sources within the United
12 States.”.

13 (f) TREATMENT OF CERTAIN ASSET DISPOSI-
14 TIONS.—Section 904(b), as amended by the preceding pro-
15 visions of this Act, is amended by adding at the end the
16 following new paragraph:

17 “(5) TREATMENT OF CERTAIN ASSET DISPOSI-
18 TIONS.—

19 “(A) IN GENERAL.—Except as otherwise
20 provided by the Secretary, in the case of any
21 covered asset disposition, the principles of sec-
22 tion 338(h)(16) shall apply in determining the
23 source and character of any item for purposes
24 of this part.

1 “(B) COVERED ASSET DISPOSITION.—For
2 purposes of this paragraph, the term ‘covered
3 asset disposition’ means any transaction
4 which—

5 “(i) is treated as a disposition of as-
6 sets for purposes of subchapter N of this
7 chapter, and

8 “(ii) is treated as a disposition of
9 stock of a corporation (or is disregarded)
10 for purposes of the tax laws of a relevant
11 foreign country or possession of the United
12 States.

13 “(C) REGULATIONS.—The Secretary shall
14 issue such regulations or other guidance as is
15 necessary or appropriate to carry out, or to pre-
16 vent the avoidance of, the purposes of this
17 paragraph.”.

18 (g) REDETERMINATION OF FOREIGN TAXES AND RE-
19 LATED CLAIMS.—

20 (1) IN GENERAL.—Section 905(c) is amended—

21 (A) in paragraph (1), by striking “or” at
22 the end of subparagraph (B) and by inserting
23 after subparagraph (C) the following new sub-
24 paragraphs:

1 “(D) the taxpayer makes a timely change
2 in its choice to claim a credit or deduction for
3 taxes paid or accrued, or

4 “(E) there is any other change in the
5 amount, or treatment, of taxes, which affects
6 the taxpayer’s tax liability under this chapter,”,

7 (B) in paragraph (2)(B), by striking “Any
8 such taxes” and inserting “Except as otherwise
9 provided by the Secretary, any such taxes”,

10 (C) in paragraph (2)(B)(i), by striking
11 “for the taxable year to which such taxes re-
12 late” and inserting “for the taxable year in
13 which paid”, and

14 (D) by striking “ACCRUED” in the heading
15 thereof.

16 (2) MODIFICATION TO TIME FOR CLAIMING
17 CREDIT OR DEDUCTION.—Section 901(a) is amended
18 by striking the second sentence and inserting the fol-
19 lowing: “ Such choice for any taxable year may be
20 made or changed at any time before the expiration
21 of the applicable period prescribed by section 6511
22 for making a claim for credit or refund of an over-
23 payment of the tax imposed by this chapter for such
24 taxable year that is attributable to such amounts.”.

1 (3) MODIFICATION TO SPECIAL PERIOD OF LIM-
2 ITATION.—Section 6511(d)(3) is amended—

3 (A) in subparagraph (A)—

4 (i) by inserting “change in the liabil-
5 ity for” before “any taxes paid or ac-
6 crued”,

7 (ii) by striking “actually paid” and in-
8 serting “paid (or deemed paid under sec-
9 tion 960)”, and

10 (iii) by inserting “CHANGE IN THE LI-
11 ABILITY FOR” before “FOREIGN TAXES” in
12 the heading thereof, and

13 (B) in subparagraph (B), by inserting “an
14 additional credit by reason of the change in li-
15 ability for taxes” after “the allowance of”.

16 (h) EFFECTIVE DATES.—

17 (1) IN GENERAL.—Except as otherwise pro-
18 vided in this subsection, the amendments made by
19 this section shall apply to taxable years beginning
20 after December 31, 2022.

21 (2) MODIFICATION OF FOREIGN TAX CREDIT
22 CARRYBACK AND CARRYFORWARD.—The amend-
23 ments made by subsection (c) shall apply to taxes
24 paid or accrued in taxable years beginning after De-
25 cember 31, 2022.

1 (3) TREATMENT OF CERTAIN ASSET DISPOSI-
2 TIONS.—The amendment made by subsection (f)
3 shall apply to transactions after the date of the en-
4 actment of this Act.

5 (4) REDETERMINATION OF FOREIGN TAXES
6 AND RELATED CLAIMS.—

7 (A) IN GENERAL.—Except as provided in
8 subparagraph (B), the amendments made by
9 subsection (g) shall take effect on the date
10 which is 60 days after the date of the enact-
11 ment of this Act.

12 (B) CERTAIN CHANGES.—The amendments
13 made by subsection (g)(1)(A) shall apply to
14 changes that occur on or after the date which
15 is 60 days after the date of the enactment of
16 this Act.

17 (i) REGULATIONS.—The Secretary shall prescribe
18 rules providing for the application of subsection (e) of sec-
19 tion 904 of the Internal Revenue Code of 1986 (as added
20 by this section), and subsections (f) and (g) of such sec-
21 tion, to any amounts carried over under subsection (e) of
22 such section from a taxable year with respect to which
23 such subsection (e) did not apply to a taxable year with
24 respect to which such subsection (e) does apply.

1 **SEC. 138125. FOREIGN OIL AND GAS EXTRACTION INCOME**
2 **AND FOREIGN OIL RELATED INCOME TO IN-**
3 **CLUDE OIL SHALE AND TAR SANDS.**

4 (a) **IN GENERAL.**—Paragraphs (1)(A) and (2)(A) of
5 section 907(c) are each amended by inserting “(or oil
6 shale or tar sands)” after “oil or gas wells”.

7 (b) **EFFECTIVE DATE.**—The amendments made by
8 this section shall apply to taxable years beginning after
9 December 31, 2021.

10 **SEC. 138126. MODIFICATIONS TO INCLUSION OF GLOBAL IN-**
11 **TANGIBLE LOW-TAXED INCOME.**

12 (a) **COUNTRY-BY-COUNTRY APPLICATION OF SEC-**
13 **TION BASED ON CFC TAXABLE UNITS.**—Section 951A is
14 amended by adding at the end the following new sub-
15 section:

16 “(g) **COUNTRY-BY-COUNTRY APPLICATION OF SEC-**
17 **TION BASED ON CFC TAXABLE UNITS.**—

18 “(1) **IN GENERAL.**—If any CFC taxable unit of
19 a United States shareholder is a tax resident of (or,
20 in the case of a branch, is located in) a country
21 which is different from the country with respect to
22 which any other CFC taxable unit of such United
23 States shareholder is a tax resident (or, in the case
24 of a branch, is located in)—

25 “(A) such shareholder’s global intangible
26 low-taxed income for purposes of subsection (a)

1 shall be the sum of the amounts of global intan-
2 gible low-taxed income determined separately
3 with respect to each such country, and

4 “(B) for purposes of determining such sep-
5 arate amounts of global intangible low-taxed in-
6 come—

7 “(i) any reference in subsection (b),
8 (c), or (d) to a controlled foreign corpora-
9 tion of such shareholder shall be treated as
10 reference to a CFC taxable unit of such
11 shareholder, and

12 “(ii) net CFC tested income, net
13 deemed tangible income return, qualified
14 business asset investment, interest expense
15 described in subsection (b)(2)(B), and such
16 other items and amounts as the Secretary
17 may provide, shall be determined sepa-
18 rately with respect to each such country by
19 determining such amounts with respect to
20 each CFC taxable unit of such shareholder
21 which is a tax resident of such country.

22 “(2) DEFINITIONS.—For purposes of this sub-
23 section—

24 “(A) CFC TAXABLE UNIT.—The term
25 ‘CFC taxable unit’ means any taxable unit de-

1 scribed in clause (ii), (iii), or (iv) of section
2 904(e)(2)(B), determined—

3 “(i) by substituting ‘Each controlled
4 foreign corporation’ for ‘Each foreign cor-
5 poration’ in clause (ii) of such section, and

6 “(ii) without regard to the references
7 to the taxpayer in clauses (iii) and (iv) of
8 such section.

9 “(B) APPLICATION OF OTHER DEFINI-
10 TIONS.—Terms used in this subsection which
11 are also used in section 904(e) shall have the
12 same meaning as when used in section 904(e).

13 “(3) SPECIAL RULES.—For purposes of this
14 subsection—

15 “(A) APPLICATION OF CERTAIN RULES.—
16 Except as otherwise provided by the Secretary,
17 rules similar to the rules of section 904(e) shall
18 apply.

19 “(B) ALLOCATION OF GLOBAL INTANGIBLE
20 LOW-TAXED INCOME TO CONTROLLED FOREIGN
21 CORPORATIONS.—Except as otherwise provided
22 by the Secretary, subsection (f)(2) shall be ap-
23 plied separately with respect to each CFC tax-
24 able unit.”.

25 (b) REGULATORY AUTHORITY.—

1 (1) IN GENERAL.—Section 951A, as amended
2 by subsection (a), is amended by adding at the end
3 the following new subsection:

4 “(h) REGULATIONS.—The Secretary shall issue such
5 regulations or other guidance as may be necessary or ap-
6 propriate to carry out, or prevent the avoidance of, the
7 purposes of this section, including regulations or guidance
8 which provide for—

9 “(1) the treatment of property if such property
10 is transferred, or held, temporarily,

11 “(2) appropriate adjustments to the basis of
12 stock and other ownership interests, and to earnings
13 and profits, to reflect tested losses (whether or not
14 taken into account in determining global intangible
15 low-taxed income),

16 “(3) rules similar to the rules provided under
17 the regulations or guidance issued under section
18 904(e)(4),

19 “(4) other appropriate basis adjustments, and

20 “(5) appropriate adjustments to be made, and
21 appropriate tax attributes and records to be main-
22 tained, separately with respect to CFC taxable
23 units.”.

24 (2) CONFORMING AMENDMENT.—Section
25 951A(d) is amended—

1 (A) by striking paragraph (4), and
2 (B) by redesignating the second paragraph
3 (3) (relating to partnership property) as para-
4 graph (4).

5 (c) CARRYOVER OF NET CFC TESTED LOSS.—

6 (1) IN GENERAL.—Section 951A(c) is amended
7 by adding at the end the following new paragraph:

8 “(3) CARRYOVER OF NET CFC TESTED LOSS.—

9 “(A) IN GENERAL.—If the amount de-
10 scribed in paragraph (1)(B) with respect to any
11 United States shareholder for any taxable year
12 of such United States shareholder (determined
13 after the application of this paragraph with re-
14 spect to amounts arising in preceding taxable
15 years) exceeds the amount described in para-
16 graph (1)(A) with respect to such shareholder
17 of such taxable year, the amount otherwise de-
18 scribed in paragraph (1)(B) with respect to
19 such shareholder for the succeeding taxable
20 year shall be increased by the amount of such
21 excess.

22 “(B) PROPER ADJUSTMENT IN ALLOCA-
23 TIONS OF GLOBAL INTANGIBLE LOW-TAXED IN-
24 COME TO CONTROLLED FOREIGN CORPORA-
25 TIONS.—Proper adjustments shall be made in

1 the application of subsection (f)(2)(B) to take
2 into account any decrease in global intangible
3 low-taxed income by reason of the application of
4 subparagraph (A).”.

5 (2) COORDINATION WITH COUNTRY-BY-COUN-
6 TRY APPLICATION.—Section 951A(g)(1)(B)(ii), as
7 added by subsection (a), is amended by inserting
8 “any increase determined under subsection
9 (c)(3)(A),” after “interest expense described in sub-
10 section (b)(2)(B),”.

11 (3) APPLICATION OF RULES WITH RESPECT TO
12 OWNERSHIP CHANGES.—Section 382(d) is amended
13 by adding at the end the following new paragraph:

14 “(4) APPLICATION TO CARRYOVER OF NET CFC
15 TESTED LOSS.—The term ‘pre-change loss’ shall in-
16 clude any excess carried over under section
17 951A(c)(3) under rules similar to the rules of para-
18 graph (1).”.

19 (d) REDUCTION IN NET DEEMED TANGIBLE INCOME
20 RETURN FOR PURPOSES OF DETERMINING GLOBAL IN-
21 TANGIBLE LOW-TAXED INCOME.—

22 (1) IN GENERAL.—Section 951A(b)(2)(A) is
23 amended by striking “10 percent” and inserting “5
24 percent”.

1 (2) APPLICATION TO ASSETS LOCATED IN POS-
2 SESSIONS OF THE UNITED STATES.—Section
3 951A(b) is amended by adding at the end the fol-
4 lowing new paragraph:

5 “(3) APPLICATION TO ASSETS LOCATED IN POS-
6 SESSIONS OF THE UNITED STATES.—In the case of
7 any specified tangible property located in a posses-
8 sion of the United States, paragraph (2)(A) and
9 subsection (d) shall be applied by substituting ‘10
10 percent’ for ‘5 percent’ in paragraph (2)(A).”.

11 (e) INCLUSION OF FOREIGN OIL AND GAS EXTRAC-
12 TION INCOME IN DETERMINING TESTED INCOME AND
13 LOSS.—Section 951A(c)(2)(A) is amended by inserting
14 “and” at the end of subclause (III), by striking “and”
15 at the end of subclause (IV) and inserting “over”, and
16 by striking subclause (V).

17 (f) COORDINATION WITH OTHER PROVISIONS.—Sec-
18 tion 951A(f)(1) is amended by adding at the end the fol-
19 lowing new subparagraph:

20 “(C) TREATMENT OF CERTAIN REF-
21 ERENCES.—Except as otherwise provided by the
22 Secretary, references to section 951 or section
23 951(a) in sections 959, 961, 962, and such
24 other provisions as the Secretary may identify

1 shall include references to section 951A or sec-
2 tion 951A(a), respectively.”.

3 (g) EFFECTIVE DATE.—

4 (1) IN GENERAL.—Except as otherwise pro-
5 vided in this subsection, the amendments made by
6 this section shall apply to taxable years of foreign
7 corporations beginning after December 31, 2022,
8 and to taxable years of United States shareholders
9 in which or with which such taxable years of foreign
10 corporations end.

11 (2) REGULATORY AUTHORITY AND COORDINA-
12 TION WITH OTHER PROVISIONS.—The amendments
13 made by subsections (b) and (f) shall apply to tax-
14 able years of foreign corporations beginning after
15 the date of the enactment of this Act, and to taxable
16 years of United States shareholders in which or with
17 which such taxable years of foreign corporations
18 end.

19 (h) NO INFERENCE REGARDING CERTAIN MODIFICA-
20 TIONS.—The amendments made by subsections (b) and (f)
21 shall not be construed to create any inference with respect
22 to the proper application of any provision of the Internal
23 Revenue Code of 1986 with respect to any taxable year
24 beginning before the taxable years to which such amend-
25 ments apply.

1 **SEC. 138127. MODIFICATIONS TO DETERMINATION OF**
2 **DEEMED PAID CREDIT FOR TAXES PROPERLY**
3 **ATTRIBUTABLE TO TESTED INCOME.**

4 (a) INCREASE IN DEEMED PAID CREDIT.—Section
5 960(d)(1) is amended by striking “80 percent” and insert-
6 ing “95 percent (100 percent in the case of tested foreign
7 income taxes paid or accrued to a possession of the United
8 States)”.

9 (b) INCLUSION OF TAXES PROPERLY ATTRIBUTABLE
10 TO TESTED LOSS.—

11 (1) IN GENERAL.—Section 960(d)(3) is amend-
12 ed to read as follows:

13 “(3) TESTED FOREIGN INCOME TAXES.—For
14 purposes of paragraph (1), the term ‘tested foreign
15 income taxes’ means, with respect to any domestic
16 corporation which is a United States shareholder of
17 a controlled foreign corporation—

18 “(A) the foreign income taxes paid or ac-
19 crued by such foreign corporation which are
20 properly attributable to the tested income or
21 tested loss of such foreign corporation taken
22 into account by such domestic corporation
23 under section 951A, and

24 “(B) solely to the extent provided in regu-
25 lations prescribed by the Secretary, the foreign
26 income taxes (as so defined) paid or accrued by

1 a foreign corporation (other than a controlled
2 foreign corporation) which owns, directly or in-
3 directly, 80 percent or more (by vote or value)
4 of the stock in such domestic corporation but
5 only if—

6 “(i) such foreign income taxes are
7 properly attributable to amounts of such
8 controlled foreign corporation taken into
9 account in determining tested income or
10 tested loss under section 951A(c)(2), and

11 “(ii) no credit is allowed, in whole or
12 in part, for such foreign taxes in any for-
13 eign jurisdiction.”.

14 (2) CONFORMING AMENDMENT.—Section
15 960(d)(2)(B) is amended by striking “the aggregate
16 amount described in section 951A(c)(1)(A)” and in-
17 serting “the net CFC tested income (as defined in
18 section 951A(c)(1))”.

19 (c) APPLICATION OF FOREIGN TAX CREDIT LIMITA-
20 TION TO AMOUNTS INCLUDED UNDER SECTION 78.—

21 (1) Section 904(d)(2) is amended by redesignig-
22 nating subparagraph (K) as subparagraph (L) and
23 by inserting after subparagraph (J) the following
24 new subparagraph:

1 “(K) AMOUNTS INCLUDIBLE UNDER SEC-
2 TION 78.—Any amount includible in gross in-
3 come under section 78 shall be treated as in-
4 come in the same separate category as the re-
5 lated foreign taxes deemed paid.”.

6 (2) Section 904(d)(3)(G) is amended by strik-
7 ing the second sentence and inserting the following:
8 “Any amount included in gross income under section
9 78 shall not be treated as a dividend.”.

10 (d) DISALLOWANCE OF FOREIGN TAX CREDIT AND
11 DEDUCTION WITH RESPECT TO DISTRIBUTIONS OF PRE-
12 VIOUSLY TAXED GLOBAL INTANGIBLE LOW-TAXED IN-
13 COME.—Section 960(d) is amended by adding at the end
14 the following new paragraph:

15 “(4) DISALLOWANCE OF FOREIGN TAX CREDIT
16 AND DEDUCTION WITH RESPECT TO DISTRIBUTIONS
17 OF PREVIOUSLY TAXED GLOBAL INTANGIBLE LOW-
18 TAXED INCOME.—No credit shall be allowed under
19 section 901 for 5 percent of any foreign income
20 taxes paid or accrued (or treated as paid or accrued)
21 with respect to any amount excluded from gross in-
22 come under section 959(a) by reason of an inclusion
23 in gross income under section 951A(a).”.

24 (e) EFFECTIVE DATE.—

1 (1) IN GENERAL.—Except as otherwise pro-
2 vided in this subsection, the amendments made by
3 this section shall apply to taxable years of foreign
4 corporations beginning after December 31, 2022,
5 and to taxable years of United States shareholders
6 in which or with which such taxable years of foreign
7 corporations end.

8 (2) SUBSECTIONS (c) AND (d).—The amend-
9 ments made by subsections (c) and (d) shall apply
10 to taxable years of foreign corporations beginning
11 after the date of the enactment of this Act, and to
12 taxable years of United States shareholders in which
13 or with which such taxable years of foreign corpora-
14 tions end.

15 (f) NO INFERENCE REGARDING CERTAIN MODIFICA-
16 TIONS.—The amendments made by subsections (c) and
17 (d) shall not be construed to create any inference with re-
18 spect to the proper application of any provision of the In-
19 ternal Revenue Code of 1986 with respect to any taxable
20 year beginning before the taxable years to which such
21 amendments apply.

22 **SEC. 138128. DEDUCTION FOR FOREIGN SOURCE PORTION**
23 **OF DIVIDENDS LIMITED TO CONTROLLED**
24 **FOREIGN CORPORATIONS, ETC.**

25 (a) IN GENERAL.—Section 245A is amended—

1 (1) in subsections (a), (c)(1), and (c)(2), by
2 striking “specified 10-percent owned foreign cor-
3 poration” each place it appears and inserting “con-
4 trolled foreign corporation”, and

5 (2) by striking subsection (b).

6 (b) MODIFICATIONS RELATED TO DETERMINATION
7 OF STATUS AS A CONTROLLED FOREIGN CORPORA-
8 TION.—

9 (1) Subpart F of part III of subchapter N of
10 chapter 1 is amended by inserting after section
11 951A the following new section:

12 **“SEC. 951B. AMOUNTS INCLUDED IN GROSS INCOME OF**
13 **FOREIGN CONTROLLED UNITED STATES**
14 **SHAREHOLDERS.**

15 “(a) IN GENERAL.—In the case of any foreign con-
16 trolled United States shareholder of a foreign controlled
17 foreign corporation—

18 “(1) this subpart (other than sections 951A,
19 951(b), 957, and 965) shall be applied with respect
20 to such shareholder (separately from, and in addi-
21 tion to, the application of this subpart without re-
22 gard to this section)—

23 “(A) by substituting ‘foreign controlled
24 United States shareholder’ for ‘United States
25 shareholder’ each place it appears therein, and

1 “(B) by substituting ‘foreign controlled
2 foreign corporation’ for ‘controlled foreign cor-
3 poration’ each place it appears therein, and

4 “(2) sections 951A and 965 shall be applied
5 with respect to such shareholder —

6 “(A) by treating each reference to ‘United
7 States shareholder’ in such sections as includ-
8 ing a reference to such shareholder, and

9 “(B) by treating each reference to ‘con-
10 trolled foreign corporation’ in such sections as
11 including a reference to such foreign controlled
12 foreign corporation.

13 “(b) FOREIGN CONTROLLED UNITED STATES
14 SHAREHOLDER.—For purposes of this section, the term
15 ‘foreign controlled United States shareholder’ means, with
16 respect to any foreign corporation, any United States per-
17 son which would be a United States shareholder with re-
18 spect to such foreign corporation if—

19 “(1) section 951(b) were applied by substituting
20 ‘more than 50 percent’ for ‘10 percent or more’, and

21 “(2) section 958(b) were applied without regard
22 to paragraph (4) thereof.

23 “(c) FOREIGN CONTROLLED FOREIGN CORPORA-
24 TION.—For purposes of this section, the term ‘foreign con-
25 trolled foreign corporation’ means a foreign corporation,

1 other than a controlled foreign corporation, which would
2 be a controlled foreign corporation if section 957(a)(1)
3 were applied—

4 “(1) by substituting ‘foreign controlled United
5 States shareholders’ for ‘United States share-
6 holders’, and

7 “(2) by substituting ‘section 958(b) (other than
8 paragraph (4) thereof)’ for ‘section 958(b)’.

9 “(d) REGULATIONS.—The Secretary shall prescribe
10 such regulations or other guidance as may be necessary
11 or appropriate to carry out the purposes of this section,
12 including regulations or other guidance—

13 “(1) to treat a foreign controlled United States
14 shareholder or a foreign controlled foreign corpora-
15 tion as a United States shareholder or as a con-
16 trolled foreign corporation, respectively, for purposes
17 of provisions of this title other than this subpart,
18 and

19 “(2) to prevent the avoidance of the purposes of
20 this section.”.

21 (2) Section 957(a) is amended to read as fol-
22 lows:

23 “(a) CONTROLLED FOREIGN CORPORATION.—For
24 purposes of this title—

1 “(1) IN GENERAL.—The term ‘controlled for-
2 foreign corporation’ means any foreign corporation if
3 more than 50 percent of—

4 “(A) the total combined voting power of all
5 classes of stock of such corporation entitled to
6 vote, or

7 “(B) the total value of the stock of such
8 corporation,
9 is owned (within the meaning of section 958(a)), or
10 is considered as owned by applying the rules of own-
11 ership of section 958(b), by United States share-
12 holders on any day during the taxable year of such
13 foreign corporation.

14 “(2) ELECTION TO TREAT A FOREIGN COR-
15 PORATION AS A CONTROLLED FOREIGN CORPORA-
16 TION FOR CERTAIN PURPOSES.—

17 “(A) IN GENERAL.—In the case of a for-
18 eign corporation with respect to which an elec-
19 tion is in effect under this paragraph, such for-
20 eign corporation shall be treated as a controlled
21 foreign corporation for purposes of this title.

22 “(B) EXCEPTIONS.—Notwithstanding any
23 other provision of this paragraph—

24 “(i) COORDINATION WITH RULES FOR
25 FOREIGN CONTROLLED UNITED STATES

1 SHAREHOLDERS OF FOREIGN CONTROLLED
2 FOREIGN CORPORATIONS.—

3 “(I) IN GENERAL.—Except as
4 provided in subclause (II), a foreign
5 corporation shall not be treated as a
6 controlled foreign corporation by rea-
7 son of this paragraph for purposes of
8 section 951B(c).

9 “(II) EXCEPTION FOR UNITED
10 STATES SHAREHOLDERS.—Subclause
11 (I) shall not apply with respect to any
12 United States shareholder of such for-
13 eign corporation.

14 “(ii) SECRETARIAL AUTHORITY.—A
15 foreign corporation shall not be treated as
16 a controlled foreign corporation by reason
17 of this paragraph for purposes of any pro-
18 vision of this title if the Secretary deter-
19 mines that treatment of such foreign cor-
20 poration as a controlled foreign corporation
21 for purposes of such provision would be in-
22 consistent with the purposes of this sub-
23 chapter.

24 “(C) ELECTION.—

1 “(i) BY WHOM.—An election under
2 subparagraph (A) shall be effective only if
3 made by the foreign corporation and by all
4 United States shareholders of such foreign
5 corporation (determined as of the time of
6 such election by such foreign corporation).

7 “(ii) WITH RESPECT TO WHOM.—Any
8 election under this paragraph, once effec-
9 tive, shall apply to such foreign corporation
10 and to all United States shareholders of
11 such foreign corporation (including any
12 person who becomes a United States
13 shareholder of such foreign corporation
14 after such election takes effect).

15 “(iii) TIME, MANNER, ETC.—The elec-
16 tion under this paragraph shall be made at
17 such time and in such manner as the Sec-
18 retary may provide and, once effective,
19 may be revoked only with the consent of
20 the Secretary.

21 “(D) REGULATIONS.—The Secretary shall
22 issue such regulations or other guidance as may
23 be necessary or appropriate to carry out the
24 purposes of this paragraph, including regula-
25 tions or other guidance for the application of

1 this paragraph to an acquisition described in
2 section 381(a) with respect to any corporation
3 to which an election under this paragraph ap-
4 plies.”.

5 (3) Section 958(b) is amended—

6 (A) by inserting after paragraph (3) the
7 following:

8 “(4) Subparagraphs (A), (B), and (C) of sec-
9 tion 318(a)(3) shall not be applied so as to consider
10 a United States person as owning stock which is
11 owned by a person who is not a United States per-
12 son.”, and

13 (B) by striking “Paragraph (1)” in the
14 last sentence and inserting “Paragraphs (1)
15 and (4)”.

16 (4) Section 959(b) is amended—

17 (A) by striking “the earnings and profits
18 of a controlled foreign corporation” and insert-
19 ing “the earnings and profits of a foreign cor-
20 poration”,

21 (B) by striking “another controlled foreign
22 corporation” and inserting “a controlled foreign
23 corporation”,

1 (C) by striking “such other controlled for-
2 eign corporation” and inserting “such con-
3 trolled foreign corporation”, and

4 (D) by striking “of such United States
5 shareholder in the controlled foreign corpora-
6 tion” and inserting “of such United States
7 shareholder in the foreign corporation”.

8 (5) The table of sections for subpart F of part
9 III of subchapter N of chapter 1 is amended by in-
10 sserting after the item relating to section 951A the
11 following new item:

“Sec. 951B. Amounts included in gross income of foreign controlled United
States shareholders.”.

12 (e) CERTAIN OTHER MODIFICATIONS.—

13 (1) Section 245A(e)(4) is amended by striking
14 “an amount received” and all that follows through
15 “for which the controlled foreign corporation re-
16 ceived a deduction” and inserting “any dividend re-
17 ceived from a controlled foreign corporation for
18 which such controlled foreign corporation received a
19 deduction”.

20 (2) Section 245A(g) is amended to read as fol-
21 lows:

22 “(g) REGULATIONS.—The Secretary shall prescribe
23 such regulations or other guidance as may be necessary

1 or appropriate to carry out the purposes of this section,
2 including regulations or other guidance for—

3 “(1) the treatment of United States share-
4 holders owning stock of a controlled foreign corpora-
5 tion through a partnership, and

6 “(2) the denial of all or a portion of the deduc-
7 tion under this section with respect to dividends re-
8 ceived from foreign corporations in situations in
9 which—

10 “(A) any portion of the dividend is out of
11 earnings and profits arising from transactions
12 with related parties which—

13 “(i) do not occur in the ordinary
14 course of a trade or business, and

15 “(ii) occur on or after January 1,
16 2018, and during a taxable year to which
17 section 951A did not apply, or

18 “(B) a transfer or issuance of stock on or
19 after January 1, 2018, results in a reduction in
20 a United States shareholder’s pro rata share of
21 a controlled foreign corporation’s subpart F in-
22 come or tested income (as defined in section
23 951A).”.

24 (d) CONFORMING AMENDMENTS.—

25 (1) Section 91 is amended—

1 (A) in subsection (a), by striking “specified
2 10-percent owned foreign corporation (as de-
3 fined in section 245A)” and inserting “con-
4 trolled foreign corporation”, and

5 (B) in subsection (e), by striking “specified
6 10-percent owned foreign corporation” and in-
7 serting “controlled foreign corporation”.

8 (2)(A) The heading of section 245A is amended
9 by striking “**SPECIFIED 10-PERCENT OWNED**
10 **FOREIGN CORPORATIONS**” and inserting “**CON-**
11 **TROLLED FOREIGN CORPORATIONS**”.

12 (B) The item relating to section 245A in the
13 table of sections for part VIII of subchapter B of
14 chapter 1 is amended by striking “specified 10-per-
15 cent owned foreign corporations” and inserting
16 “controlled foreign corporations”.

17 (3) Section 246(c)(5) is amended—

18 (A) in subparagraph (B), by striking
19 “specified 10-percent owned foreign corpora-
20 tion” each place it appears and inserting “con-
21 trolled foreign corporation”, and

22 (B) by striking “**SPECIFIED 10-PERCENT**
23 **OWNED FOREIGN CORPORATION**” in the heading
24 and inserting “**CONTROLLED FOREIGN COR-**
25 **PORATION**”.

1 (4) Section 904 is amended—

2 (A) in subsection (b)(4), by striking “spec-

3 ified 10-percent owned foreign corporation”

4 both places it appears and inserting “controlled

5 foreign corporation”, and

6 (B) in subsection (d)(2)(E)—

7 (i) in clause (i)(I), by striking “(as

8 defined in section 245A(b))”, and

9 (ii) by redesignating clause (ii) as

10 clause (iii) and by inserting after clause (i)

11 the following new clause:

12 “(ii) SPECIFIED 10-PERCENT OWNED

13 FOREIGN CORPORATION.—For purposes of

14 this subparagraph—

15 “(I) IN GENERAL.—The term

16 ‘specified 10-percent owned foreign

17 corporation’ means any foreign cor-

18 poration with respect to which any do-

19 mestic corporation is a United States

20 shareholder with respect to such cor-

21 poration.

22 “(II) EXCLUSION OF PASSIVE

23 FOREIGN INVESTMENT COMPANIES.—

24 Such term shall not include any cor-

25 poration which is a passive foreign in-

1 vestment company (as defined in sec-
2 tion 1297) with respect to the share-
3 holder and which is not a controlled
4 foreign corporation.”.

5 (5) Section 909(b) is amended by striking “(as
6 defined in section 245A(b) without regard to para-
7 graph (2) thereof)” and inserting “(as defined in
8 section 904(d)(2)(E)(ii) without regard to subclause
9 (II) thereof)”.

10 (6) Section 961(d) is amended—

11 (A) by striking “specified 10-percent
12 owned foreign corporation (as defined in section
13 245A)” and inserting “controlled foreign cor-
14 poration”, and

15 (B) by striking “SPECIFIED 10-PERCENT
16 OWNED FOREIGN CORPORATION” in the head-
17 ing and inserting “CONTROLLED FOREIGN
18 CORPORATION”.

19 (e) EFFECTIVE DATES.—

20 (1) IN GENERAL.—Except as otherwise pro-
21 vided in this subsection, the amendments made by
22 this section shall apply to distributions made after
23 the date of the enactment of this Act.

24 (2) MODIFICATIONS RELATED TO DETERMINA-
25 TION OF STATUS AS A CONTROLLED FOREIGN COR-

1 “(i) a taxable unit which is a tax resi-
2 dent of (or, in the case of a branch, is lo-
3 cated in) the United States, or

4 “(ii) is subject to tax under this chap-
5 ter by reason of such person’s activities in
6 the United States.

7 “(B) REGULATIONS.—The Secretary shall
8 issue such regulations or other guidance as may
9 be necessary or appropriate to carry out the
10 purposes of this subsection (and subsection (e)),
11 including—

12 “(i) regulations or other guidance pro-
13 viding for the proper application of sub-
14 paragraph (A) in the case of a transaction
15 (or series of transactions) in which a per-
16 son described in subparagraph (A) is a
17 party, and

18 “(ii) regulations or other guidance
19 providing that, for purposes of determining
20 foreign base company sales income in situ-
21 ations in which any activity (including a
22 transaction) or the legal status of a pass-
23 through entity or branch held directly or
24 indirectly by a controlled foreign corpora-
25 tion and that is located outside the country

1 in which the controlled foreign corporation
2 is a tax resident, the pass-through entity
3 or branch shall be treated as a wholly
4 owned subsidiary of the controlled foreign
5 corporation.

6 “(C) CERTAIN TERMS.—Any term used in
7 this paragraph which is also used in section
8 904(e) shall have the same meaning as when
9 used in such section.”.

10 (b) FOREIGN BASE COMPANY SERVICES INCOME.—
11 Section 954(e)(1)(A) is amended by striking “subsection
12 (d)(3)” and inserting “subsection (d)”.

13 (c) CERTAIN OTHER MODIFICATIONS.—

14 (1) Section 78 is amended by striking “, (b),”.

15 (2)(A) Section 951(a) is amended to read as
16 follows:

17 “(a) AMOUNTS INCLUDED.—

18 “(1) IN GENERAL.—If a foreign corporation is
19 a controlled foreign corporation for any taxable year,
20 every person who is a United States shareholder of
21 such corporation, and who owns (within the meaning
22 of section 958(a)) stock in such corporation at any
23 time during such taxable year of such corporation,
24 shall include in such shareholder’s gross income for

1 such shareholder's taxable year in which or with
2 which such taxable year of such corporation ends—

3 “(A) his pro rata share (determined under
4 paragraph (2)) of the corporation's subpart F
5 income for such year, and

6 “(B) if such shareholder owns (within the
7 meaning of section 958(a)) stock of such for-
8 eign corporation as of the close of the last rel-
9 evant day of such foreign corporation's taxable
10 year, the amount determined under section 956
11 with respect to such shareholder for such year
12 (but only to the extent not excluded from gross
13 income under section 959(a)(2)).

14 “(2) PRO RATA SHARE OF SUBPART F IN-
15 COME.—In the case of any United States share-
16 holder with respect to a foreign corporation, the pro
17 rata share referred to in paragraph (1)(A) is the
18 sum of—

19 “(A) if such shareholder owns (within the
20 meaning of section 958(a)) stock of such for-
21 eign corporation as of the close of the last rel-
22 evant day of such foreign corporation's taxable
23 year, such shareholder's general pro rata share
24 determined under paragraph (3), plus

1 “(B) if such shareholder owns (within the
2 meaning of section 958(a)) stock of such for-
3 eign corporation during such taxable year but
4 does not own (within the meaning of section
5 958(a)) such stock as of the close of such last
6 relevant day, such shareholder’s nontaxed cur-
7 rent dividend share determined under para-
8 graph (4).

9 “(3) GENERAL PRO RATA SHARE.—

10 “(A) IN GENERAL.—In the case of any
11 United States shareholder with respect to a for-
12 eign corporation, the general pro rata share de-
13 termined under this paragraph is the excess (if
14 any) of—

15 “(i) the pro rata current earnings per-
16 centage of the amount which bears the
17 same ratio to such corporation’s subpart F
18 income for the taxable year (reduced by
19 the aggregate nontaxed current dividend
20 shares determined under paragraph (4)
21 with respect to such shareholder or any
22 other United States shareholder) as the
23 part of such year during which such cor-
24 poration is a controlled foreign corporation
25 bears to the entire year, over

1 “(ii) the lesser of—

2 “(I) the amount of any pre-hold-
3 ing period dividends with respect to
4 stock of such foreign corporation
5 which such shareholder owns (within
6 the meaning of section 958(a)) as of
7 the close of the last relevant day of
8 such foreign corporation’s taxable
9 year, or

10 “(II) the amount which bears the
11 same ratio to the subpart F income of
12 such corporation for the taxable year
13 (reduced by the aggregate nontaxed
14 current dividend shares determined
15 under paragraph (4) with respect to
16 such shareholder or any other United
17 States shareholder) as the part of
18 such year during which such share-
19 holder did not own (within the mean-
20 ing of section 958(a)) such stock
21 bears to the entire year.

22 “(B) PRO RATA CURRENT EARNINGS PER-
23 CENTAGE.—For purposes of subparagraph
24 (A)(i), the term ‘pro rata current earnings per-
25 centage’ means, in the case of any United

1 States shareholder with respect to a foreign cor-
2 poration for any taxable year of such foreign
3 corporation, the ratio (expressed as a percent-
4 age) of—

5 “(i) the amount which would have
6 been distributed with respect to the stock
7 which such shareholder owns (within the
8 meaning of section 958(a)) in such cor-
9 poration if on the last relevant day of such
10 taxable year it had distributed its earnings
11 and profits for such taxable year (com-
12 puted as of the close of such taxable year
13 without diminution by reason of any dis-
14 tributions made during such taxable year),
15 divided by

16 “(ii) such corporation’s earnings and
17 profits for such taxable year (as so com-
18 puted).

19 “(C) PRE-HOLDING PERIOD DIVIDENDS.—
20 For purposes of subparagraph (A)(ii)(I), the
21 term ‘pre-holding period dividends’ means, in
22 the case of any United States shareholder with
23 respect to a foreign corporation for any taxable
24 year of such foreign corporation, dividends
25 which are—

1 “(i) made out of such corporation’s
2 earnings and profits for the taxable year
3 (other than nontaxed current dividends as
4 defined in paragraph (4)(C)), and

5 “(ii) received—

6 “(I) by any other United States
7 person with respect to stock of such
8 foreign corporation which such share-
9 holder owns (within the meaning of
10 section 958(a)) as of the close of the
11 last relevant day of such foreign cor-
12 poration’s taxable year, and

13 “(II) while such foreign corpora-
14 tion was a controlled foreign corpora-
15 tion and before such shareholder
16 owned (within the meaning of section
17 958(a)) such stock.

18 “(4) NONTAXED CURRENT DIVIDEND SHARE.—

19 “(A) IN GENERAL.—In the case of any
20 United States shareholder with respect to a for-
21 eign corporation, the nontaxed current dividend
22 share determined under this paragraph is the
23 nontaxed current dividend percentage of the
24 subpart F income of such foreign corporation
25 for the taxable year.

1 “(B) NONTAXED CURRENT DIVIDEND PER-
2 CENTAGE.—For purposes of this paragraph, the
3 term ‘nontaxed current dividend percentage’
4 means, in the case of any United States share-
5 holder with respect to a foreign corporation for
6 any taxable year of such foreign corporation,
7 the ratio (expressed as a percentage) of—

8 “(i) the amount of nontaxed current
9 dividends with respect to such taxable year
10 received with respect to the stock of such
11 foreign corporation which such shareholder
12 owns (within the meaning of section
13 958(a)) at the time of the dividend on a
14 day in which such corporation is a con-
15 trolled foreign corporation, divided by

16 “(ii) such foreign corporation’s earn-
17 ings and profits for such taxable year
18 (computed as of the close of such taxable
19 year without diminution by reason of any
20 distributions made during such taxable
21 year).

22 “(C) NONTAXED CURRENT DIVIDENDS.—
23 For purposes of this paragraph, the term
24 ‘nontaxed current dividends’ means the portion
25 of any amount received with respect to stock to

1 the extent such amount (without regard to
2 amounts included in the gross income of a
3 United States shareholder for the taxable year
4 by reason of this subpart)—

5 “(i) would result in a dividend out of
6 the corporation’s earnings and profits for
7 the taxable year (including a dividend
8 under section 1248 attributable to earn-
9 ings and profits for the taxable year), and

10 “(ii) either—

11 “(I) would give rise to a deduc-
12 tion under section 245A(a), or

13 “(II) in the case of a dividend
14 paid directly or indirectly to a con-
15 trolled foreign corporation with re-
16 spect to stock owned by the share-
17 holder within the meaning of section
18 958(a)(2), would not result in subpart
19 F income with respect to such con-
20 trolled foreign corporation by reason
21 of subsection (b)(4), (c)(3), or (c)(6)
22 of section 954.

23 “(5) LAST RELEVANT DAY OF TAXABLE YEAR
24 OF A CONTROLLED FOREIGN CORPORATION.—For
25 purposes of this subsection, the term ‘last relevant

1 day' means, with respect to any taxable year of a
2 foreign corporation, the last day of such taxable year
3 on which such corporation is a controlled foreign
4 corporation.

5 “(6) REGULATIONS.—The Secretary may pre-
6 scribe such regulations or other guidance as may be
7 necessary or appropriate to carry out the purposes
8 of this subsection, including regulations or other
9 guidance—

10 “(A) to treat a partnership as an aggre-
11 gate of its partners,

12 “(B) to provide rules allowing a foreign
13 corporation to close its taxable year upon a
14 change in ownership, and

15 “(C) to treat a distribution followed by an
16 issuance of stock to a shareholder not subject
17 to tax under this chapter in the same manner
18 as an acquisition of stock.”.

19 (B) Section 951A(a) is amended to read as fol-
20 lows:

21 “(a) IN GENERAL.—If a foreign corporation is a con-
22 trolled foreign corporation for any taxable year, every per-
23 son who is a United States shareholder of such corpora-
24 tion, and who owns (within the meaning of section 958(a))
25 stock in such corporation at any time during such taxable

1 year of such corporation, shall include in such share-
2 holder's gross income for such shareholder's taxable year
3 in which or with which such taxable year of such corpora-
4 tion ends, such shareholder's global intangible low-taxed
5 income for such taxable year.”.

6 (C) Section 951A(e) is amended to read as fol-
7 lows:

8 “(e) DETERMINATION OF PRO RATA SHARES.—For
9 purposes of this section, the pro rata shares referred to
10 in subsections (b), (c)(1)(A), and (c)(1)(B), respectively,
11 shall be determined under rules similar to the rules of sec-
12 tion 951(a)(2) and shall be taken into account in the tax-
13 able year of the United States shareholder in which or
14 with which the taxable year of the controlled foreign cor-
15 poration ends.”.

16 (D) Section 953(c)(5)(A)(i) is amended—

17 (i) in subclause (I), by adding “and” at
18 the end,

19 (ii) in subclause (II)—

20 (I) by striking “on the last day of the
21 taxable year” and inserting “during the
22 taxable year”, and

23 (II) by striking “and” at the end and
24 inserting “or”, and

25 (iii) by striking subclause (III).

1 (3) Section 959 is amended by adding at the
2 end the following:

3 “(g) REGULATIONS.—The Secretary shall issue such
4 regulations or other guidance as may be necessary or ap-
5 propriate to carry out the purposes of this section.”.

6 (4) Section 961(b) is amended by inserting
7 after the first sentence the following: “The Secretary
8 shall prescribe such other reductions to basis as are
9 necessary or appropriate to carry out the purposes
10 of this section.”.

11 (5) Section 961(c) is amended—

12 (A) by striking “BASIS ADJUSTMENTS IN”
13 in the heading of such subsection and inserting
14 “APPLICATION OF RULES TO”, and

15 (B) by striking “then adjustments similar
16 to” and all that follows in such subsection and
17 inserting “then rules similar to the rules of sub-
18 sections (a) and (b) shall apply to—

19 “(1) such stock,

20 “(2) stock in any other controlled foreign cor-
21 poration by reason of which the United States share-
22 holder is considered under section 958(a)(2) as own-
23 ing the stock described in paragraph (1), and

1 “(3) property by reason of which the United
2 States shareholder is considered as owning stock de-
3 scribed in paragraph (1) or (2),
4 but only for purposes of determining the amount included
5 under section 951 in the gross income of such United
6 States shareholder (or any other United States share-
7 holder who acquires from any person any portion of the
8 interest of such United States shareholder by reason of
9 which such shareholder was treated as owning such stock,
10 but only to the extent of such portion, and subject to such
11 proof of identity of such interest as the Secretary may pre-
12 scribe by regulations). The preceding sentence shall not
13 apply with respect to any stock or property to which sub-
14 section (a) or (b) applies.”.

15 (d) EFFECTIVE DATES.—The amendments made by
16 this section shall apply to taxable years of foreign corpora-
17 tions beginning after December 31, 2021, and to taxable
18 years of United States shareholders in which or with which
19 such taxable years of foreign corporations end.

20 (e) NO INFERENCE REGARDING CERTAIN MODIFICA-
21 TIONS.—The amendments made by paragraphs (1) and
22 (2) of subsection (c) shall not be construed to create any
23 inference with respect to the proper application of any pro-
24 vision of the Internal Revenue Code of 1986 with respect

1 to any taxable year beginning before the taxable years to
2 which such amendments apply.

3 **Subpart D—Inbound International Provisions**

4 **SEC. 138131. MODIFICATIONS TO BASE EROSION AND ANTI-**
5 **ABUSE TAX.**

6 (a) MODIFICATIONS TO BASE EROSION MINIMUM
7 TAX AMOUNT.—

8 (1) MODIFICATION OF RATES.—Section
9 59A(b)(1)(A) is amended by striking “10 percent (5
10 percent in the case of taxable years beginning in cal-
11 endar year 2018)” and inserting “the applicable per-
12 centage”.

13 (2) BASE EROSION MINIMUM TAX AMOUNT DE-
14 TERMINED WITHOUT REGARD TO CREDITS.—Section
15 59A(b)(1)(B) is amended to read as follows:

16 “(B) an amount equal to the regular tax li-
17 ability (as defined in section 26(b)) of the tax-
18 payer for the taxable year.”.

19 (3) APPLICABLE PERCENTAGE.—Section
20 59A(b)(2) is amended to read as follows:

21 “(2) APPLICABLE PERCENTAGE.—For purposes
22 of this section, the term ‘applicable percentage’
23 means—

1 “(A) in the case of any taxable year begin-
2 ning after December 31, 2021, and before Jan-
3 uary 1, 2023, 10 percent,

4 “(B) in the case of any taxable year begin-
5 ning after December 31, 2022, and before Jan-
6 uary 1, 2024, 12.5 percent,

7 “(C) in the case of any taxable year begin-
8 ning after December 31, 2023, 15 percent, and

9 “(D) in the case of any taxable year begin-
10 ning after December 31, 2024, 18 percent.”.

11 (4) TAXPAYERS SUBJECT TO RULES FOR BANKS
12 AND SECURITIES DEALERS.—Section 59A(b)(3)(B)
13 is amended to read as follows:

14 “(B) TAXPAYER DESCRIBED.—A taxpayer
15 is described in this subparagraph if such tax-
16 payer is—

17 “(i) a bank (as defined in section
18 585(a)(2)),

19 “(ii) a securities dealer registered
20 under section 15(a) of the Securities Ex-
21 change Act of 1934, or

22 “(iii) a member of an affiliated group
23 (as defined in section 1504(a)(1), deter-
24 mined without regard to section

1 1504(b)(3)) which includes any person de-
2 scribed in clause (i) or (ii).”.

3 (5) TERMINATION OF INCREASED RATE FOR
4 BANKS AND SECURITIES DEALERS.—Section
5 59A(b)(3) is amended by adding at the end the fol-
6 lowing new subparagraph:

7 “(C) TERMINATION.—Subparagraph (A)
8 shall not apply to any taxable year beginning
9 after December 31, 2024.”.

10 (6) GENERAL BUSINESS CREDIT ALLOWED
11 AGAINST BASE EROSION AND ANTI-ABUSE TAX.—
12 Section 38(c)(1) is amended by striking “the tax im-
13 posed by section 55” and inserting “the taxes im-
14 posed by sections 55 and 59A”.

15 (7) CONFORMING AMENDMENTS.—

16 (A) Section 59A(b)(3)(A) is amended by
17 striking “paragraphs (1)(A) and (2)(A) shall
18 each” and inserting “paragraph (2) shall”.

19 (B) Section 59A(b) is amended by striking
20 paragraph (4).

21 (b) MODIFICATION OF RULES FOR DETERMINING
22 MODIFIED TAXABLE INCOME.—

23 (1) IN GENERAL.—Section 59A(c) is amended
24 to read as follows:

1 “(c) MODIFIED TAXABLE INCOME.—For purposes of
2 this section—

3 “(1) IN GENERAL.—The term ‘modified taxable
4 income’ means the taxable income of the taxpayer
5 computed under this chapter for the taxable year
6 with the following adjustments:

7 “(A) BASE EROSION PAYMENTS.—Taxable
8 income shall be determined without regard to
9 any base erosion tax benefit, including for pur-
10 poses of determining the adjusted basis of prop-
11 erty described in subsection (d)(2).

12 “(B) ADJUSTMENTS WITH RESPECT TO
13 COST OF GOODS SOLD.—Cost of goods sold
14 shall be determined without regard to any base
15 erosion payment described in subparagraph (A)
16 or (B) of subsection (d)(5).

17 “(C) NET OPERATING LOSSES.—The net
18 operating loss deduction for the taxable year
19 under section 172 shall be determined—

20 “(i) by substituting ‘modified taxable
21 income (as determined under section
22 59A(c)(1) without regard to subparagraph
23 (C) thereof)’ for ‘taxable income’ in section
24 172(a)(2)(B)(ii)(I),

1 “(ii) by determining any net operating
2 loss arising in any taxable year beginning
3 after December 31, 2021, without regard
4 to any base erosion tax benefit (determined
5 with respect to each such taxable year),
6 and

7 “(iii) by making appropriate adjust-
8 ments in the application of section
9 172(b)(2) to take into account clauses (i)
10 and (ii) of this subparagraph.

11 “(D) APPLICATION OF CERTAIN OTHER
12 ADJUSTMENTS.—Except as otherwise provided
13 by the Secretary, rules similar to the rules of
14 subsections (g) and (h) of section 59 shall
15 apply.

16 “(2) BASE EROSION TAX BENEFIT.—The term
17 ‘base erosion tax benefit’ means—

18 “(A) any deduction allowed under this
19 chapter for the taxable year with respect to any
20 base erosion payment described in subsection
21 (d)(1),

22 “(B) in the case of a base erosion payment
23 described in subsection (d)(2), any deduction al-
24 lowed under this chapter for the taxable year
25 for depreciation (or amortization in lieu of de-

1 preciation) with respect to the property ac-
2 quired with such payment,

3 “(C) in the case of a base erosion payment
4 described in subsection (d)(3)—

5 “(i) any reduction under section
6 803(a)(1)(B) in the gross amount of pre-
7 miums and other consideration on insur-
8 ance and annuity contracts for premiums
9 and other consideration arising out of in-
10 demnity insurance, and

11 “(ii) any deduction under section
12 832(b)(4)(A) from the amount of gross
13 premiums written on insurance contracts
14 during the taxable year for premiums paid
15 for reinsurance, and

16 “(D) in the case of a base erosion payment
17 described in subsection (d)(4), any reduction in
18 gross receipts with respect to such payment in
19 computing gross income of the taxpayer for the
20 taxable year for purposes of this chapter.”.

21 (2) CERTAIN PAYMENTS WITH RESPECT TO IN-
22 VENTORY TREATED AS BASE EROSION PAYMENTS.—
23 Section 59A(d) is amended by redesignating para-
24 graph (5) as paragraph (6) and by inserting after
25 paragraph (4) the following new paragraph:

1 “(5) CERTAIN PAYMENTS WITH RESPECT TO IN-
2 VENTORY.—

3 “(A) INDIRECT COSTS INCLUDED IN IN-
4 VENTORY UNDER SECTION 263A.—Such term
5 shall also include any amount paid or incurred
6 by the taxpayer to a foreign person which is a
7 related party of the taxpayer if such amount is
8 described in paragraph (2)(B) of section
9 263A(a) and required to be included in inven-
10 tory costs of the taxpayer under paragraph
11 (1)(A) of such section.

12 “(B) CERTAIN COSTS OF FOREIGN RE-
13 LATED PARTIES.—Such term shall also include
14 so much of any amount paid or incurred by the
15 taxpayer to a foreign person which is a related
16 party of the taxpayer in connection with the ac-
17 quisition by the taxpayer from such foreign per-
18 son of property which is inventory in the hands
19 of the taxpayer as exceeds the sum of—

20 “(i) the direct costs of such property
21 in the hands of such foreign person, plus

22 “(ii) so much of the costs described in
23 section 263A(a)(2)(B) with respect to such
24 property in the hands of such foreign per-
25 son as the taxpayer demonstrates to the

1 satisfaction of the Secretary are attrib-
2 utable to amounts—

3 “(I) paid or incurred by such for-
4 eign person to a United States person
5 or a person which is not a related
6 party of the taxpayer, or

7 “(II) otherwise subject to the tax
8 imposed by this chapter.

9 “(C) APPLICATION TO RELATED-PARTY
10 TRANSACTIONS.—In the case of direct costs
11 otherwise described in clause (i) of subpara-
12 graph (B) which are paid or incurred by the
13 foreign person referred to in such clause to an-
14 other foreign person which is a related party of
15 the taxpayer, such costs shall be taken into ac-
16 count under such clause only to the extent that
17 the taxpayer demonstrates to the satisfaction of
18 the Secretary that such costs are attributable to
19 amounts—

20 “(i) paid or incurred (directly or indi-
21 rectly) to a United States person or a per-
22 son which is not a related party of the tax-
23 payer, or

24 “(ii) otherwise subject to the tax im-
25 posed by this chapter.

1 “(D) SAFE HARBOR WITH RESPECT INDI-
2 RECT COSTS OF FOREIGN RELATED PARTIES.—
3 In the case of a taxpayer which elects the appli-
4 cation of this subparagraph (at such time, in
5 such manner, and with respect to such inven-
6 tory property, as the Secretary may provide),
7 the amount described in subparagraph (B)(ii)
8 with respect to such property shall be treated
9 for purposes of this section as being equal to 20
10 percent of the amount paid or incurred by the
11 taxpayer to the related party of the taxpayer in
12 connection with the acquisition of such prop-
13 erty.

14 “(E) APPLICATION OF CERTAIN RULES.—
15 Rules similar to the rules of subparagraphs (B)
16 and (C) of subsection (i)(1) shall apply for pur-
17 poses of determining whether any amount is
18 treated as subject to the tax imposed by this
19 chapter for purposes of subparagraph (B) or
20 (C) of this paragraph.”.

21 (3) EXPANSION AND CONSOLIDATION OF RULES
22 TO EXEMPT CERTAIN PAYMENTS FROM TREATMENT
23 AS BASE EROSION PAYMENTS.—

24 (A) IN GENERAL.—Section 59A is amend-
25 ed by redesignating subsection (i) as subsection

1 (j) and by inserting after subsection (h) the fol-
2 lowing new subsection:

3 “(i) CERTAIN PAYMENT NOT TREATED AS BASE
4 EROSION PAYMENTS.—

5 “(1) EXCEPTION FOR PAYMENTS ON WHICH
6 TAX IS IMPOSED.—

7 “(A) IN GENERAL.—An amount shall not
8 be treated as a base erosion payment if tax is
9 imposed by this chapter with respect to such
10 amount (other than by this section).

11 “(B) TREATMENT OF CERTAIN DEDUC-
12 TIONS.—For purposes of subparagraph (A), tax
13 shall be treated as imposed by this chapter
14 without regard to any deduction allowed under
15 part VIII of subchapter B.

16 “(C) APPLICATION OF CERTAIN RULES.—
17 The amount not treated as a base erosion pay-
18 ment by reason of this paragraph shall be de-
19 termined under rules similar to the rules of sec-
20 tion 163(j)(5) (as in effect before the date of
21 the enactment of Public Law 115-97).

22 “(2) EXCEPTION FOR CERTAIN PAYMENTS SUB-
23 JECT TO SUFFICIENT FOREIGN TAX.—

24 “(A) IN GENERAL.—An amount shall not
25 be treated as a base erosion payment if the tax-

1 payer establishes to the satisfaction of the Sec-
2 retary that such amount was not made to a for-
3 eign person which is a related party of the tax-
4 payer that is subject to an effective rate of for-
5 eign income tax (as defined in section
6 904(d)(2)(F)) which is not less than the lesser
7 of—

8 “(i) 15 percent, or

9 “(ii) the applicable percentage in ef-
10 fect under subsection (b)(2) (determined
11 without regard to subsection (b)(3)) for
12 the taxable year in which such amount is
13 paid or accrued.

14 “(B) CERTAIN PAYMENTS TO RELATED
15 PARTIES.—To the extent provided by the Sec-
16 retary in regulations, an amount paid to a for-
17 eign person which is a related party of the tax-
18 payer shall be treated as paid to another for-
19 eign person which is a related party of the tax-
20 payer if such second foreign person is subject to
21 an effective rate of foreign income tax (as de-
22 fined in section 904(d)(2)(F)) which is less
23 than the lesser of 15 percent or the percentage
24 described in subparagraph (A)(ii), to the extent

1 the amount so paid directly or indirectly funds
2 a payment to such second foreign person.

3 “(C) DETERMINATION ON BASIS OF APPLI-
4 CABLE FINANCIAL STATEMENTS.—Except as
5 otherwise provided by the Secretary under sub-
6 paragraph (D), the effective rate of foreign in-
7 come tax with respect to any amount may be
8 established on the basis of applicable financial
9 statements (as defined in section 451(b)(3)).

10 “(D) REGULATIONS.—The Secretary shall
11 issue such regulations or other guidance as may
12 be necessary or appropriate to carry out the
13 purposes of this paragraph, including regula-
14 tions or other guidance providing procedures for
15 determining the effective rate of foreign income
16 tax to which any amount is subject. Such proce-
17 dures may require that any transaction or se-
18 ries of transactions among multiple parties be
19 recharacterized as one or more transactions di-
20 rectly among any 2 or more of such parties
21 where the Secretary determines that such re-
22 characterization is appropriate to carry out, or
23 prevent avoidance of, the purposes of this sec-
24 tion.

1 “(3) EXCEPTION FOR CERTAIN AMOUNTS WITH
2 RESPECT TO SERVICES.—Subsections (d)(1) and
3 (d)(5)(A) shall not apply to so much of any amount
4 paid or accrued by a taxpayer for services as does
5 not exceed the total services cost of such services.
6 The preceding sentence shall not apply unless such
7 services meet the requirements for eligibility for use
8 of the services cost method under section 482 (deter-
9 mined without regard to the requirement that the
10 services not contribute significantly to fundamental
11 risks of business success or failure).”.

12 (B) CONFORMING AMENDMENT.—Section
13 59A(d), as amended by paragraph (2), is
14 amended by striking paragraph (6).

15 (c) TERMINATION OF EXEMPTION FROM BASE ERO-
16 SION AND ANTI-ABUSE TAX FOR TAXPAYERS WITH LOW
17 BASE EROSION PERCENTAGE.—Section 59A(e)(1)(C) is
18 amended by striking “the base erosion percentage (as de-
19 termined under subsection (c)(4))” and inserting “in the
20 case of any taxable year beginning before January 1,
21 2024, the base erosion percentage (as determined under
22 subsection (c)(4) as in effect before the date of the enact-
23 ment of the Act enacted during the 117th Congress which
24 is entitled ‘An Act to provide for reconciliation pursuant
25 to title II of S. Con. Res. 14.’)”.

1 (d) TREATMENT OF APPLICABLE TAXPAYERS.—Sec-
2 tion 59A(e) is amended by adding at the end the following
3 new paragraph:

4 “(4) CONTINUATION OF TREATMENT AS APPLI-
5 CABLE TAXPAYER.—If a taxpayer is an applicable
6 taxpayer with respect to any taxable year beginning
7 after December 31, 2021 (other than by reason of
8 this paragraph), such taxpayer (and any successor of
9 such taxpayer) shall be an applicable taxpayer with
10 respect to each of the 10 succeeding taxable years.”.

11 (e) OTHER MODIFICATIONS.—

12 (1) Section 59A(b)(1) is amended by striking
13 “Except as provided in paragraphs (2) and (3), the”
14 and inserting “The”.

15 (2) Section 59A(h)(2)(B) is amended by strik-
16 ing “section 6038B(b)(2)” and inserting “section
17 6038A(b)(2)”.

18 (3) Section 59A(j)(2), as redesignated by sub-
19 section (b), is amended by striking “subsection
20 (g)(3)” and inserting “subsection (h)(3)”.

21 (f) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2021.

1 **Subpart E—Other Business Tax Provisions**

2 **SEC. 138141. CREDIT FOR CLINICAL TESTING OF ORPHAN**
3 **DRUGS LIMITED TO FIRST USE OR INDICA-**
4 **TION.**

5 (a) IN GENERAL.—Section 45C(b)(2)(B) is amended
6 to read as follows:

7 “(B) TESTING MUST BE RELATED TO
8 FIRST USE OR INDICATION FOR RARE DISEASE
9 OR CONDITION.—Human clinical testing may be
10 taken into account under subparagraph (A)
11 only to the extent such testing is related to the
12 first use or indication with respect to which a
13 drug for a rare disease or condition is des-
14 ignated under section 526 of the Federal Food,
15 Drug, and Cosmetic Act.”.

16 (b) ELIGIBLE TESTING MUST BE CONDUCTED BE-
17 FORE APPROVAL FOR ANY USE OR INDICATION.—Section
18 45C(b)(2)(A)(ii)(II) is amended to read as follows:

19 “(II) before the first date on
20 which an application (with respect to
21 any use or indication with respect to
22 any disease or condition) with respect
23 to such drug is approved under sec-
24 tion 505(c) of such Act or, if the drug
25 is a biological product, before the first
26 date on which a license (with respect

1 to any use or indication with respect
2 to any disease or condition) for such
3 drug is issued under section 351(a) of
4 the Public Health Service Act, and”.

5 (c) ELIGIBILITY OF BIOLOGICAL PRODUCTS.—

6 (1) IN GENERAL.—Section 45C(b)(2)(A)(i) is
7 amended by inserting “or, if the drug is a biological
8 product, section 351(a)(3) of the Public Health
9 Service Act” before the comma at the end.

10 (2) CONFORMING AMENDMENT.—Section
11 45C(b)(2)(A)(ii)(I) is amended by striking “such
12 Act” and inserting “the Federal Food, Drug, and
13 Cosmetic Act”.

14 (d) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to taxable years beginning after
16 December 31, 2021.

17 **SEC. 138142. MODIFICATIONS TO TREATMENT OF CERTAIN**
18 **LOSSES.**

19 (a) LOSSES FROM CERTAIN CAPITAL ASSETS WHICH
20 BECOME WORTHLESS.—

21 (1) WHEN TREATED AS LOSS.—Section
22 165(g)(1) is amended by striking “on the last day
23 of the taxable year” and inserting “at the time of
24 the identifiable event establishing worthlessness”.

1 (2) TREATMENT OF PARTNERSHIP INDEBTED-
2 NESS.—Section 165(g)(2)(C) is amended by insert-
3 ing “, by a partnership,” after “by a corporation”.

4 (3) TREATMENT OF ABANDONMENT.—Section
5 165(g) is amended by adding at the end the fol-
6 lowing new paragraph:

7 “(4) TREATMENT OF ABANDONMENT.—For
8 purposes of this subsection and subsection (m),
9 abandonment shall be treated as an identifiable
10 event establishing worthlessness.”.

11 (4) TREATMENT OF PARTNERSHIP INTEREST.—
12 Section 165 is amended by redesignating subsection
13 (m) as subsection (n) and by inserting after sub-
14 section (l) the following new subsection:

15 “(m) WORTHLESS PARTNERSHIP INTEREST.—If any
16 interest in a partnership becomes worthless during the
17 taxable year, the loss resulting therefrom shall, for pur-
18 poses of this subtitle, be treated as a loss from the sale
19 or exchange of the interest in the partnership at the time
20 of the identifiable event establishing worthlessness.”.

21 (b) DEFERRAL OF LOSSES IN CERTAIN CONTROLLED
22 GROUP CORPORATE LIQUIDATIONS.—Section 267 is
23 amended by adding at the end the following new sub-
24 section:

1 “(h) DEFERRAL OF LOSSES IN CERTAIN CON-
2 TROLLED GROUP LIQUIDATIONS.—

3 “(1) IN GENERAL.—In the case of any specified
4 controlled group liquidation, no loss shall be recog-
5 nized by any member of the controlled group on any
6 stock or security of the liquidating corporation until
7 all members of the controlled group which received
8 property in connection with such liquidation have
9 transferred such property to one or more persons
10 who are not related (within the meaning of sub-
11 section (b)(3) or section 707(b)(1)) to the member
12 which received such property.

13 “(2) SPECIFIED CONTROLLED GROUP LIQUIDA-
14 TION.—For purposes this subsection, the term ‘spec-
15 ified controlled group liquidation’ means, with re-
16 spect to any corporation which is member of a con-
17 trolled group, one or more distributions in complete
18 liquidation (within the meaning of section 346) of
19 such corporation or any other transfer (including
20 any series of transfers) of property of such corpora-
21 tion if any stock or security of such corporation be-
22 comes worthless in connection with such transfer.

23 “(3) REGULATIONS.—The Secretary shall issue
24 such regulations or other guidance as may be nec-
25 essary or appropriate to carry out the purposes of

1 this subsection, including to apply the principles of
2 this subsection to liquidating corporation stock or
3 securities owned by a corporation indirectly through
4 1 or more partnerships.”.

5 (c) CROSS REFERENCE.—Section 331(c) is amend-
6 ed—

7 (1) by striking “CROSS REFERENCE” and all
8 that follows through “For general rule” and insert-
9 ing the following: “CROSS REFERENCE.—

10 “(1) For general rule”, and

11 (2) by adding at the end the following new
12 paragraph:

13 “(2) For losses in controlled group liquidations,
14 see section 267(h).”.

15 (d) EFFECTIVE DATE.—

16 (1) SUBSECTION (a).—The amendments made
17 by this section shall apply to losses arising in taxable
18 years beginning after December 31, 2021.

19 (2) SUBSECTION (b).—The amendment made
20 by subsection (b) shall apply to liquidations on or
21 after the date of the enactment of this Act.

22 **SEC. 138143. ADJUSTED BASIS LIMITATION FOR DIVISIVE**
23 **REORGANIZATION.**

24 (a) IN GENERAL.—Section 361 is amended by adding
25 at the end the following new subsections:

1 “(d) ADJUSTED BASIS LIMITATION FOR DIVISIVE
2 REORGANIZATIONS.—

3 “(1) IN GENERAL.—Except as provided in para-
4 graph (2), in the case of a reorganization described
5 in section 368(a)(1)(D) with respect to which stock
6 or securities of the controlled corporation (within the
7 meaning of section 355) are distributed by the dis-
8 tributing corporation (within the meaning of such
9 section) in a transaction which qualifies under such
10 section—

11 “(A) subsection (b)(3) shall not apply to so
12 much of the amount described in clause (i)(II)
13 as does not exceed the excess (if any) of—

14 “(i) the sum of—

15 “(I) the total amount of the li-
16 abilities assumed (within the meaning
17 of section 357(c)) by the controlled
18 corporation, and

19 “(II) the total amount of money
20 and the fair market value of other
21 property transferred to the creditors,
22 over

23 “(ii) the total adjusted bases of the
24 assets transferred by the distributing cor-
25 poration to the controlled corporation, and

1 “(B) subsection (c)(3) shall not apply to so
2 much of the amount described in clause (i)(II)
3 as does not exceed the excess (if any) of—

4 “(i) the sum of—

5 “(I) the total amount of the li-
6 abilities assumed (within the meaning
7 of section 357(c)) by the controlled
8 corporation, and

9 “(II) the fair market value of the
10 stock described in section
11 354(a)(2)(C) and the total principal
12 amount of obligations of the con-
13 trolled corporation described in sub-
14 section (c)(2)(B) which are qualified
15 property (as defined in subsection
16 (c)(2)(B)) transferred to the creditors,
17 over

18 “(ii) the total adjusted bases of the
19 assets transferred by the distributing cor-
20 poration to the controlled corporation.

21 “(2) EXCEPTION REGARDING CERTAIN STOCK
22 OR RIGHTS TO ACQUIRE STOCK.—Paragraph (1)
23 shall not apply to any stock (or right to acquire
24 stock) described in subsection (c)(2)(B).

1 “(3) REGULATIONS.—The Secretary shall issue
2 such regulations or other guidance as may be nec-
3 essary or appropriate to carry out the purposes of
4 this subsection and to prevent avoidance of tax
5 through abuse or circumvention of subsection (b)(3),
6 subsection (c)(3), or this subsection, including to de-
7 termine whether a disposition of property or any
8 other transaction is in connection with the reorga-
9 nization or pursuant to the plan of reorganization.

10 “(e) CROSS-REFERENCES.—For provisions providing
11 for the inclusion of income or recognition of gain in certain
12 distributions, see subsections (d), (e), (f), (g), and (h) of
13 section 355.”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 361(b)(3) is amended—

16 (A) in the first sentence, by inserting “,
17 and except as provided in subsection (d)” after
18 “paragraph (1)”, and

19 (B) by striking the second and third sen-
20 tences.

21 (2) Section 361(c) is amended—

22 (A) in paragraph (3), by inserting “, and
23 except as provided in subsection (d)” after “this
24 subsection”, and

25 (B) by striking paragraph (5).

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to reorganizations occurring on or
3 after the date of the enactment of this Act.

4 (d) TRANSITION RULE.—The amendments made by
5 this section shall not apply to any exchange pursuant to
6 a transaction which is—

7 (1) made pursuant to a written agreement
8 which was binding on the date of the enactment of
9 this Act, and at all times thereafter,

10 (2) described in a ruling request submitted to
11 the Internal Revenue Service on or before such date,
12 or

13 (3) described on or before such date in a public
14 announcement or in a filing with the Securities and
15 Exchange Commission.

16 **SEC. 138144. RENTS FROM PRISON FACILITIES NOT TREAT-**
17 **ED AS QUALIFIED INCOME FOR PURPOSES OF**
18 **REIT INCOME TESTS.**

19 (a) IN GENERAL.—Section 856(d)(2) is amended by
20 striking “and” at the end of subparagraph (B), by striking
21 the period at the end of subparagraph (C) and inserting
22 “, and”, and by adding at the end the following new sub-
23 paragraph:

24 “(D) any amount received or accrued, di-
25 rectly or indirectly, with respect to any real or

1 personal property which is primarily used in
2 connection with any correctional, detention, or
3 penal facility.”.

4 (b) **EFFECTIVE DATE.**—The amendments made by
5 this section shall apply to taxable years beginning after
6 December 31, 2021.

7 **SEC. 138145. MODIFICATIONS TO EXEMPTION FOR PORT-**
8 **FOLIO INTEREST.**

9 (a) **IN GENERAL.**—Section 871(h)(3)(B)(i) is amend-
10 ed to read as follows:

11 “(i) in the case of an obligation issued
12 by a corporation—

13 “(I) any person who owns 10
14 percent or more of the total combined
15 voting power of all classes of stock of
16 such corporation entitled to vote, or

17 “(II) any person who owns 10
18 percent or more of the total value of
19 the stock of such corporation, and”.

20 (b) **EFFECTIVE DATE.**—The amendment made by
21 this section shall apply to obligations issued after the date
22 of the enactment of this Act.

1 **SEC. 138146. CERTAIN PARTNERSHIP INTEREST DERIVA-**
2 **TIVES.**

3 (a) IN GENERAL.—Section 871(m) is amended by
4 adding at the end the following new paragraph:

5 “(8) SPECIFIED PARTNERSHIP INTEREST IN-
6 COME EQUIVALENT PAYMENTS.—

7 “(A) IN GENERAL.—For purposes of this
8 subsection, any payment made pursuant to a
9 specified notional principal contract that is de-
10 termined by reference to any income or gain in
11 respect of an interest in a specified partnership
12 (or any other payment the Secretary determines
13 to be substantially similar) shall be treated as
14 a dividend equivalent. For purposes of the pre-
15 ceding sentence, income or gain includes any in-
16 come or gain from the deemed disposition of
17 such interest as a result of the termination of
18 such contract (determined in the same manner
19 as under section 864(c)(8)).

20 “(B) SPECIFIED PARTNERSHIP.—For pur-
21 poses of this paragraph, the term ‘specified
22 partnership’ means—

23 “(i) any publicly traded partnership
24 (as defined in section 7704(b)) which is
25 not treated as a corporation under such
26 section, or

1 “(ii) any other partnership as the Sec-
2 retary may by regulation prescribe.

3 “(C) EXCEPTIONS.—

4 “(i) CERTAIN PAYMENTS.—Subpara-
5 graph (A) shall not apply to any payment
6 the Secretary determines does not have the
7 potential for tax avoidance.

8 “(ii) CERTAIN INCOME.—Under such
9 regulations as the Secretary shall pre-
10 scribe, there shall not be taken into ac-
11 count under subparagraph (A) any pay-
12 ment to the extent determined by reference
13 to income or gain in respect of an interest
14 in a specified partnership which would be,
15 if earned by a nonresident alien indi-
16 vidual—

17 “(I) exempt from tax under this
18 chapter, or

19 “(II) from sources without the
20 United States and not effectively con-
21 nected with the conduct of a trade or
22 business within the United States.

23 “(D) TREATMENT OF DEFINITIONS AND
24 SPECIAL RULES WITH RESPECT TO PARTNER-
25 SHIPS.—For purposes of this paragraph, rules

1 similar to the rules and definitions in para-
2 graphs (3), (4), (5), (6), and (7) shall apply to
3 an interest in a specified partnership in a man-
4 ner similar to an underlying security, and to in-
5 come or gain in respect of an interest in a spec-
6 ified partnership in a manner similar to a divi-
7 dend.

8 “(E) REGULATIONS.—The Secretary shall
9 issue such regulations or other guidance as the
10 Secretary determines is necessary or appro-
11 priate to carry out the purposes of this para-
12 graph, including to apply this paragraph to
13 payments determined under sale-repurchase
14 agreements or securities lending transactions
15 with respect to interests in specified partner-
16 ships, to determine the amount of a distribution
17 by a specified partnership that is income or
18 gain of the partnership (including the portion
19 thereof that is excepted under subparagraph
20 (C)) in a manner consistent with section
21 1441(g), and to require the provision of infor-
22 mation by specified partnerships necessary to
23 determine such amount.”.

24 (b) WITHHOLDING OF TAX ON NONRESIDENT
25 ALIENS.—Section 1441 is amended by redesignating sub-

1 section (g) as subsection (h) and by inserting after sub-
2 section (f) the following new subsection:

3 “(g) DIVIDEND EQUIVALENTS IN CASE OF CERTAIN
4 SPECIFIED PARTNERSHIPS.—The Secretary may pre-
5 scribe regulations, under rules similar to the rules of sec-
6 tion 1446, to determine the amount of a payment in re-
7 spect of income and gain of a specified partnership (as
8 defined in 871(m)(8)) which is a dividend equivalent.”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply to payments made after December
11 31, 2022.

12 **SEC. 138147. ADJUSTMENTS TO EARNINGS AND PROFITS OF**
13 **CONTROLLED FOREIGN CORPORATIONS.**

14 (a) IN GENERAL.—Section 312(n) is amended by
15 adding at the end the following new paragraph:

16 “(9) SPECIAL RULES FOR CONTROLLED FOR-
17 EIGN CORPORATIONS.—Earnings and profits of any
18 controlled foreign corporation shall be determined
19 without regard to paragraphs (4), (5), and (6).”.

20 (b) CONFORMING AMENDMENT.—Section 952(e) is
21 amended by striking paragraph (3).

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to taxable years of foreign corpora-
24 tions ending after the date of the enactment of this Act,
25 and to taxable years of United States shareholders in

1 “(i) were earned during any period
2 that such corporation was not a controlled
3 foreign corporation, or

4 “(ii) are attributable to disqualified
5 CFC dividends received by such controlled
6 foreign corporation from another controlled
7 foreign corporation.

8 “(B) APPLICATION TO CORPORATIONS NOT
9 WHOLLY OWNED BY UNITED STATES SHARE-
10 HOLDERS.—If not all of the stock of any con-
11 trolled foreign corporation is owned (within the
12 meaning of section 958(a)) by one or more
13 United States shareholders at the time that any
14 earning and profits referred to in subparagraph
15 (A) are earned, the portion of such earnings
16 and profits which is properly attributable to
17 stock not so owned by United States share-
18 holder shall be treated for purposes of subpara-
19 graph (A) as earned during a period that such
20 corporation was not a controlled foreign cor-
21 poration.

22 “(C) SPECIAL RULE RELATED TO CON-
23 STRUCTIVE OWNERSHIP.—In the case of the
24 last taxable year of a foreign corporation begin-
25 ning before January 1, 2018, and each subse-

1 quent taxable year of such foreign corporation
2 which begins before the date of the enactment
3 of this subsection, if such foreign corporation
4 would not have been a controlled foreign cor-
5 poration for any such taxable year if section
6 958(b)(4) (as applicable to taxable years begin-
7 ning after the date of the enactment of this
8 subsection) had applied to such taxable year,
9 such corporation shall not be treated as a con-
10 trolled foreign corporation for such taxable year
11 for purposes of this subsection.”.

12 (b) REGULATIONS.—Section 1059(h), as redesignig-
13 nated by subsection (a), is amended—

14 (1) by striking “regulations” both places it ap-
15 pears and inserting “regulations or other guidance”,
16 and

17 (2) by striking “and” at the end of paragraph
18 (1), by striking the period at the end of paragraph
19 (2) and inserting “, and”, and by adding at the end
20 the following new paragraph:

21 “(3) providing for the coordination of sub-
22 section (g) with the other provisions of this chapter,
23 including section 1248.”.

24 (c) EFFECTIVE DATE.—The amendments made by
25 this section shall apply to dividends paid (or amounts

1 treated as dividends) after the date of the enactment of
2 this Act.

3 **SEC. 138149. LIMITATION ON CERTAIN SPECIAL RULES FOR**
4 **SECTION 1202 GAINS.**

5 (a) IN GENERAL.—Section 1202(a) is amended by
6 adding at the end the following new paragraph:

7 “(5) LIMITATION ON CERTAIN SPECIAL
8 RULES.—In the case of the sale or exchange of
9 qualified small business stock after September 13,
10 2021, paragraphs (3) and (4) shall not apply to any
11 taxpayer if—

12 “(A) the adjusted gross income of such
13 taxpayer (determined without regard to this
14 section and sections 911, 931, and 933) equals
15 or exceeds \$400,000, or

16 “(B) such taxpayer is a trust or estate.”.

17 (b) EFFECTIVE DATE.—Except as provided in sub-
18 section (c), the amendment made by this section shall
19 apply to sales and exchanges after September 13, 2021.

20 (c) BINDING CONTRACT EXCEPTION.—The amend-
21 ment made by this section shall not apply to any sale or
22 exchange which is made pursuant to written binding con-
23 tract which was in effect on September 13, 2021, and is
24 not modified in any material respect thereafter.

1 **SEC. 138150. CONSTRUCTIVE SALES.**

2 (a) APPLICATION TO APPRECIATED DIGITAL AS-
3 SETS.—

4 (1) IN GENERAL.—Section 1259(b)(1) is
5 amended by inserting “digital asset,” after “debt in-
6 strument,”.

7 (2) EXCEPTION FOR SALES OF NONPUBLICLY
8 TRADED PROPERTY.—Section 1259(c)(2) is amended
9 by adding at the end the following: “A similar rule
10 shall apply in the case of a contract for sale of any
11 digital asset.”.

12 (3) DIGITAL ASSET.—Section 1259(d) is
13 amended by adding at the end the following new
14 paragraph:

15 “(3) DIGITAL ASSET.—Except as otherwise pro-
16 vided by the Secretary, the term ‘digital asset’
17 means any digital representation of value which is
18 recorded on a cryptographically secured distributed
19 ledger or any similar technology as specified by the
20 Secretary.”.

21 (b) TREATMENT OF CERTAIN CONTRACTS.—Section
22 1259(c)(1)(D) is amended by inserting “or enters into a
23 contract to acquire” after “acquires”.

24 (c) EFFECTIVE DATE.—

25 (1) IN GENERAL.—The amendments made by
26 subsection (a) shall apply to constructive sales (de-

1 terminated after the application of the amendment
2 made by subsection (b)) after the date of the enact-
3 ment of this Act.

4 (2) TREATMENT OF CERTAIN CONTRACTS.—

5 The amendment made by subsection (b) shall apply
6 to contracts entered into after the date of the enact-
7 ment of this Act.

8 **SEC. 138151. RULES RELATING TO COMMON CONTROL.**

9 (a) CLARIFICATION OF TRADE OR BUSINESS.—Sec-
10 tion 52(b) is amended by adding at the end the following
11 new sentence: “For purposes of this subsection, the term
12 ‘trade or business’ includes any activity treated as a trade
13 or business under paragraph (5) or (6) of section 469(c)
14 (determined without regard to the phrase ‘To the extent
15 provided in regulations’ in such paragraph (6)).”

16 (b) EFFECTIVE DATE.—The amendment made by
17 this section shall apply to taxable years beginning after
18 December 31, 2021.

19 **SEC. 138152. MODIFICATION OF WASH SALE RULES.**

20 (a) IN GENERAL.—Section 1091 is amended to read
21 as follows:

22 **“SEC. 1091. LOSS FROM WASH SALES OF SPECIFIED ASSETS.**

23 “(a) DISALLOWANCE OF LOSS DEDUCTION.—In the
24 case of any loss claimed to have been sustained from any
25 sale, disposition, or termination of specified assets where

1 it appears that, within a period beginning 30 days before
2 the date of such sale or disposition and ending 30 days
3 after such date, the taxpayer (or related party) has ac-
4 quired (by purchase or by an exchange on which the entire
5 amount of gain or loss was recognized by law), or has en-
6 tered into, or has entered into a contract or option so to
7 acquire or a long principal contract in respect of, substan-
8 tially identical specified assets, then no deduction shall be
9 allowed under section 165 unless the taxpayer is a dealer
10 in specified assets and the loss is sustained in a trans-
11 action made in the ordinary course of such business.

12 “(b) AMOUNT OF SPECIFIED ASSETS DIFFERENT
13 FROM AMOUNT OF SPECIFIED ASSETS SOLD.—If the
14 amount of specified assets acquired (or covered by the con-
15 tract or option to acquire or long notional principal con-
16 tract in respect of) is different from the amount of speci-
17 fied assets sold or otherwise disposed of, then the par-
18 ticular specified assets the acquisition of which (or the
19 contract or option to acquire or long notional principal
20 contract which) resulted in the nondeductibility of the loss
21 shall be determined under regulations prescribed by the
22 Secretary.

23 “(c) ADJUSTMENT TO BASIS IN CASE OF WASH
24 SALE.—If the taxpayer (or the taxpayer’s spouse) ac-

1 quires or enters into substantially identical specified assets
2 during the period which—

3 “(1) begins 30 days before the disposition with
4 respect to which a deduction was disallowed under
5 subsection (a), and

6 “(2) ends with the close of the taxpayer’s first
7 taxable year which begins after such disposition,
8 the basis of such specified assets shall be increased by the
9 amount of the deduction so disallowed (reduced by any
10 amount of such deduction taken into account under this
11 subsection to increase the basis of specified assets pre-
12 viously acquired).

13 “(d) CERTAIN SHORT SALES OF SPECIFIED ASSETS
14 AND CONTRACTS TO SELL.—Rules similar to the rules of
15 subsection (a) shall apply to any loss realized on the clos-
16 ing of a short sale of (or the sale, exchange, or termination
17 of a contract to sell or a short notional principal contract
18 in respect of) specified assets if, within a period beginning
19 30 days before the date of such closing and ending 30
20 days after such date—

21 “(1) substantially identical specified assets were
22 sold or terminated by the taxpayer (or a related
23 party), or

24 “(2) another short sale of (or contract to sell or
25 short notional principal contract in respect of) sub-

1 stantially identical specified assets was entered into
2 by the taxpayer (or related party).

3 “(e) CASH SETTLEMENT.—This section shall not fail
4 to apply to a contract or option to acquire or sell specified
5 assets solely by reason of the fact that the contract or
6 option settles in (or could be settled in) cash or property
7 other than such specified assets.

8 “(f) RELATED PARTY.—For purposes of this sec-
9 tion—

10 “(1) IN GENERAL.—The term ‘related party’
11 means—

12 “(A) the taxpayer’s spouse,

13 “(B) any dependent of the taxpayer and
14 any other taxpayer with respect to whom the
15 taxpayer is a dependent,

16 “(C) any individual, corporation, partner-
17 ship, trust, or estate which controls, or is con-
18 trolled by, (within the meaning of section
19 954(d)(3)) the taxpayer or any individual de-
20 scribed in subparagraph (A) or (B) with respect
21 to the taxpayer (or any combination thereof),

22 “(D) any individual retirement plan, Ar-
23 cher MSA (as defined in section 220(d)), or
24 health savings account (as defined in section
25 223(d)), of the taxpayer or of any individual de-

1 scribed in subparagraph (A) or (B) with respect
2 to the taxpayer,

3 “(E) any account under a qualified tuition
4 program described in section 529 or a Coverdell
5 education savings account (as defined in section
6 530(b)) if the taxpayer, or any individual de-
7 scribed in subparagraph (A) or (B) with respect
8 to the taxpayer, is the designated beneficiary of
9 such account or has the right to make any deci-
10 sion with respect to the investment of any
11 amount in such account, and

12 “(F) any account under—

13 “(i) a plan described in section
14 401(a),

15 “(ii) an annuity plan described in sec-
16 tion 403(a),

17 “(iii) an annuity contract described in
18 section 403(b), or

19 “(iv) an eligible deferred compensa-
20 tion plan described in section 457(b) and
21 maintained by an employer described in
22 section 457(e)(1)(A),

23 if the taxpayer or any individual described in
24 subparagraph (A) or (B) with respect to the
25 taxpayer has the right to make any decision

1 with respect to the investment of any amount in
2 such account.

3 “(2) RULES FOR DETERMINING STATUS.—

4 “(A) RELATIONSHIPS DETERMINED AT
5 TIME OF ACQUISITION.—Determinations under
6 paragraph (1) shall be made as of the time of
7 the purchase or exchange (or entering into a
8 contract, option, or notional principal contract)
9 referred to in subsection (a) except that deter-
10 minations under subparagraphs (A) and (B) of
11 paragraph (1) shall be made for the taxable
12 year which includes such purchase or exchange
13 (or entering into).

14 “(B) DETERMINATION OF MARITAL STA-
15 TUS.—

16 “(i) IN GENERAL.—Except as pro-
17 vided in clause (ii), marital status shall be
18 determined under section 7703.

19 “(ii) SPECIAL RULE FOR MARRIED IN-
20 DIVIDUALS FILING SEPARATELY AND LIV-
21 ING APART.—A husband and wife who—

22 “(I) file separate returns for any
23 taxable year, and

24 “(II) live apart at all times dur-
25 ing such taxable year,

1 shall not be treated as married individuals.

2 “(3) REGULATIONS.—The Secretary shall issue
3 such regulations or other guidance as may be nec-
4 essary to prevent the avoidance of the purposes of
5 this subsection, including regulations which treat
6 persons as related parties if such persons are formed
7 or availed of to avoid the purposes of this sub-
8 section.

9 “(g) SPECIFIED ASSET.—For purposes of this sec-
10 tion, the term ‘specified asset’ means any of the following:

11 “(1) Any security described in subparagraph
12 (A), (B), (C), (D), or (E) of section 475(e)(2).

13 “(2) Any foreign currency.

14 “(3) Any commodity described in subparagraph
15 (A), (B), or (C) of section 475(e)(2).

16 “(4) Except as otherwise provided by the Sec-
17 retary, any digital representation of value which is
18 recorded on a cryptographically secured distributed
19 ledger or any similar technology as specified by the
20 Secretary.

21 Such term shall, except as provided in regulations, include
22 contracts or options to acquire or sell any specified assets.

23 “(h) EXCEPTION FOR BUSINESS NEEDS AND HEDG-
24 ING TRANSACTIONS.—Except as provided in regulations

1 prescribed by the Secretary, subsection (a) shall not apply
2 in the case of any sale or other disposition—

3 “(1) of a foreign currency or commodity de-
4 scribed in subsection (h), and

5 “(2) which—

6 “(A) is directly related to the business
7 needs of a trade or business of the taxpayer
8 (other than the trade or business of trading for-
9 eign currencies or commodities described in
10 subsection (h)), or

11 “(B) is part of a hedging transaction (as
12 defined in section 1221(b)(2)).”.

13 (b) CLERICAL AMENDMENT.—The table of sections
14 for part VII of subchapter O of chapter 1 is amended by
15 striking the item relation to section 1091 and inserting
16 the following new item:

“Sec. 1091. Loss from wash sales of specified assets.”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to sales, dispositions, and termi-
19 nations after December 31, 2021.

20 (d) NO INFERENCE.—Nothing in this section or the
21 amendments made by this section shall be construed to
22 create any inference with respect to the proper treatment
23 of related parties under section 1091 of the Internal Rev-
24 enue Code of 1986 with respect to sales, dispositions, and
25 terminations before January 1, 2022.

1 **SEC. 138153. RESEARCH AND EXPERIMENTAL EXPENDI-**
2 **TURES.**

3 (a) IN GENERAL.—Section 13206 of Public Law
4 115–97 is amended—

5 (1) in subsection (b)(3), by striking “2021”
6 and inserting “2025”, and

7 (2) in subsection (e), by striking “2021” and
8 inserting “2025”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall take effect on the date of the enactment
11 of this Act.

12 **PART 2—TAX INCREASES FOR HIGH-INCOME**
13 **INDIVIDUALS**

14 **SEC. 138201. APPLICATION OF NET INVESTMENT INCOME**
15 **TAX TO TRADE OR BUSINESS INCOME OF**
16 **CERTAIN HIGH INCOME INDIVIDUALS.**

17 (a) IN GENERAL.—Section 1411 is amended by add-
18 ing at the end the following new subsection:

19 “(f) APPLICATION TO CERTAIN HIGH INCOME INDI-
20 VIDUALS.—

21 “(1) IN GENERAL.—In the case of any indi-
22 vidual whose modified adjusted gross income for the
23 taxable year exceeds the high income threshold
24 amount, subsection (a)(1) shall be applied by sub-
25 stituting ‘the greater of specified net income or net

1 investment income' for 'net investment income' in
2 subparagraph (A) thereof.

3 “(2) PHASE-IN OF INCREASE.—The increase in
4 the tax imposed under subsection (a)(1) by reason of
5 the application of paragraph (1) of this subsection
6 shall not exceed the amount which bears the same
7 ratio to the amount of such increase (determined
8 without regard to this paragraph) as—

9 “(A) the excess described in paragraph (1),
10 bears to

11 “(B) \$100,000 ($\frac{1}{2}$ such amount in the
12 case of a married taxpayer (as defined in sec-
13 tion 7703) filing a separate return).

14 “(3) HIGH INCOME THRESHOLD AMOUNT.—For
15 purposes of this subsection, the term ‘high income
16 threshold amount’ means—

17 “(A) except as provided in subparagraph
18 (B) or (C), \$400,000,

19 “(B) in the case of a taxpayer making a
20 joint return under section 6013 or a surviving
21 spouse (as defined in section 2(a)), \$500,000,
22 and

23 “(C) in the case of a married taxpayer (as
24 defined in section 7703) filing a separate re-

1 turn, 1/2 of the dollar amount determined under
2 subparagraph (B).

3 “(4) SPECIFIED NET INCOME.—For purposes of
4 this section, the term ‘specified net income’ means
5 net investment income determined—

6 “(A) without regard to the phrase ‘other
7 than such income which is derived in the ordi-
8 nary course of a trade or business not described
9 in paragraph (2),’ in subsection (c)(1)(A)(i),

10 “(B) without regard to the phrase ‘de-
11 scribed in paragraph (2)’ in subsection
12 (c)(1)(A)(ii),

13 “(C) without regard to the phrase ‘other
14 than property held in a trade or business not
15 described in paragraph (2)’ in subsection
16 (c)(1)(A)(iii),

17 “(D) without regard to paragraphs (2),
18 (3), and (4) of subsection (c), and

19 “(E) by treating paragraphs (5) and (6) of
20 section 469(c) as applying for purposes of sub-
21 section (c) of this section.”.

22 (b) APPLICATION TO TRUSTS AND ESTATES.—Sec-
23 tion 1411(a)(2)(A) is amended by striking “undistributed
24 net investment income” and inserting “the greater of un-

1 distributed specified net income or undistributed net in-
2 vestment income”.

3 (c) CLARIFICATIONS WITH RESPECT TO DETER-
4 MINATION OF NET INVESTMENT INCOME.—

5 (1) WAGES SUBJECT TO FICA OR RRTA NOT
6 TAKEN INTO ACCOUNT.—Section 1411(c)(6) is
7 amended by inserting “or wages received with re-
8 spect to employment on which a tax is imposed
9 under section 3101(b) or 3201(a)” before the period
10 at the end.

11 (2) NET OPERATING LOSSES NOT TAKEN INTO
12 ACCOUNT.—Section 1411(c)(1)(B) is amended by in-
13 sserting “(other than section 172)” after “this sub-
14 title”.

15 (3) INCLUSION OF CERTAIN FOREIGN IN-
16 COME.—

17 (A) IN GENERAL.—Section 1411(c)(1)(A)
18 is amended by striking “and” at the end of
19 clause (ii), by striking “over” at the end of
20 clause (iii) and inserting “and”, and by adding
21 at the end the following new clause:

22 “(iv) any amount includible in gross
23 income under section 951, 951A, 1293, or
24 1296, over”.

1 (B) PROPER TREATMENT OF CERTAIN
2 PREVIOUSLY TAXED INCOME.—Section 1411(c)
3 is amended by adding at the end the following
4 new paragraph:

5 “(7) CERTAIN PREVIOUSLY TAXED INCOME.—
6 The Secretary shall issue regulations or other guid-
7 ance providing for the treatment of distributions of
8 amounts previously included in gross income for pur-
9 poses of chapter 1 but not previously subject to tax
10 under this section.”.

11 (d) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to taxable years beginning after
13 December 31, 2021.

14 (e) TRANSITION RULE.—The regulations or other
15 guidance issued by the Secretary under section 1411(c)(7)
16 of the Internal Revenue Code of 1986 (as added by this
17 section) shall include provisions which provide for the
18 proper coordination and application of clauses (i) and (iv)
19 of section 1411(c)(1)(A) with respect to—

20 (1) taxable years beginning on or before De-
21 cember 31, 2021, and

22 (2) taxable years beginning after such date.

23 **SEC. 138202. LIMITATIONS ON EXCESS BUSINESS LOSSES**
24 **OF NONCORPORATE TAXPAYERS.**

25 (a) LIMITATION MADE PERMANENT.—

1 (1) IN GENERAL.—Section 461(l)(1) is amend-
2 ed to read as follows:

3 “(1) LIMITATION.—In the case of any taxpayer
4 other than a corporation, any excess business loss of
5 the taxpayer for the taxable year shall not be al-
6 lowed.”.

7 (2) CONFORMING AMENDMENT.—Section 461 is
8 amended by striking subsection (j).

9 (b) MODIFICATION OF CARRYOVER OF DISALLOWED
10 LOSSES.—Section 461(l)(2) is amended to read as follows:

11 “(2) DISALLOWED LOSS CARRYOVER.—Any loss
12 which is disallowed under paragraph (1) for any tax-
13 able year shall be treated (solely for purposes of this
14 chapter) as a deduction described in paragraph
15 (3)(A)(i) for the next taxable year.”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply to taxable years beginning after
18 December 31, 2020.

19 **SEC. 138203. SURCHARGE ON HIGH INCOME INDIVIDUALS,**
20 **ESTATES, AND TRUSTS.**

21 (a) IN GENERAL.—Part I of subchapter A of chapter
22 1 is amended by inserting after section 1 the following
23 new section:

1 **“SEC. 1A. SURCHARGE ON HIGH INCOME INDIVIDUALS, ES-**
2 **TATES, AND TRUSTS.**

3 “(a) GENERAL RULE.—In the case of a taxpayer
4 other than a corporation, there is hereby imposed (in addi-
5 tion to any other tax imposed by this subtitle) a tax equal
6 to the sum of—

7 “(1) 5 percent of so much of the modified ad-
8 justed gross income of the taxpayer as exceeds—

9 “(A) \$10,000,000, in the case of any tax-
10 payer not described in subparagraph (B) or
11 (C),

12 “(B) \$5,000,000, in the case of a married
13 individual filing a separate return, and

14 “(C) \$200,000, in the case of an estate or
15 trust, plus

16 “(2) 3 percent of so much of the modified ad-
17 justed gross income of the taxpayer as exceeds—

18 “(A) \$25,000,000, in the case of any tax-
19 payer not described in subparagraph (B) or
20 (C),

21 “(B) \$12,500,000, in the case of a married
22 individual filing a separate return, and

23 “(C) \$500,000, in the case of an estate or
24 trust.

25 “(b) MODIFIED ADJUSTED GROSS INCOME.—For
26 purposes of this section, the term ‘modified adjusted gross

1 income' means adjusted gross income reduced by any de-
2 duction (not taken into account in determining adjusted
3 gross income) allowed for investment interest (as defined
4 in section 163(d)). In the case of an estate or trust, ad-
5 justed gross income shall be determined as provided in sec-
6 tion 67(e).

7 “(c) SPECIAL RULES.—

8 “(1) NONRESIDENT ALIEN.—In the case of a
9 nonresident alien individual, only amounts taken
10 into account in connection with the tax imposed
11 under section 871(b) shall be taken into account
12 under this section.

13 “(2) CITIZENS AND RESIDENTS LIVING
14 ABROAD.—The dollar amount applicable to any tax-
15 payer under paragraph (1), (2), or (3) of subsection
16 (a) (as the case may be) shall be decreased (but not
17 below zero) by the excess (if any) of—

18 “(A) the amounts excluded from the tax-
19 payer's gross income under section 911, over

20 “(B) the amounts of any deductions or ex-
21 clusions disallowed under section 911(d)(6)
22 with respect to the amounts described in sub-
23 paragraph (A).

24 “(3) CHARITABLE TRUSTS.—Subsection (a)
25 shall not apply to a trust all the unexpired interests

1 in which are devoted to one or more of the purposes
2 described in section 170(c)(2)(B).

3 “(4) NOT TREATED AS TAX IMPOSED BY THIS
4 CHAPTER FOR CERTAIN PURPOSES.—The tax im-
5 posed under this section shall not be treated as tax
6 imposed by this chapter for purposes of determining
7 the amount of any credit under this chapter or for
8 purposes of section 55.”.

9 (b) CLERICAL AMENDMENT.—The table of sections
10 for part I of subchapter A of chapter 1 is amended by
11 inserting after the item relating to section 1 the following
12 new item:

“Sec. 1A. Surcharge on high income individuals.”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to taxable years beginning after
15 December 31, 2021.

16 **PART 3—FUNDING THE INTERNAL REVENUE**
17 **SERVICE AND IMPROVING TAXPAYER COM-**
18 **PLIANCE**

19 **SEC. 138301. ENHANCEMENT OF INTERNAL REVENUE SERV-**
20 **ICE RESOURCES.**

21 (a) APPROPRIATIONS.—

22 (1) IN GENERAL.—The following sums are ap-
23 propriated, out of any money in the Treasury not
24 otherwise appropriated, for the fiscal year ending
25 September 30, 2022:

1 (A) INTERNAL REVENUE SERVICE.—

2 (i) IN GENERAL.—

3 (I) TAXPAYER SERVICES.—For
4 necessary expenses of the Internal
5 Revenue Service to provide taxpayer
6 services, including pre-filing assistance
7 and education, filing and account
8 services, taxpayer advocacy services,
9 and other services as authorized by 5
10 U.S.C. 3109, at such rates as may be
11 determined by the Commissioner,
12 \$1,931,500,000, to remain available
13 until September 30, 2031: *Provided*,
14 That these amounts shall be in addi-
15 tion to any other funds made available
16 for this purpose.

17 (II) ENFORCEMENT.—For nec-
18 essary expenses for tax enforcement
19 activities of the Internal Revenue
20 Service to determine and collect owed
21 taxes, to provide legal and litigation
22 support, to conduct criminal investiga-
23 tions (including investigative tech-
24 nology), to provide cryptocurrency
25 monitoring and compliance activities,

1 to enforce criminal statutes related to
2 violations of internal revenue laws and
3 other financial crimes, to purchase
4 and hire passenger motor vehicles (31
5 U.S.C. 1343(b)), and to provide other
6 services as authorized by 5 U.S.C.
7 3109, at such rates as may be deter-
8 mined by the Commissioner,
9 \$44,887,500,000, to remain available
10 until September 30, 2031: *Provided*,
11 That these amounts shall be in addi-
12 tion to any other funds made available
13 for this purpose.

14 (III) OPERATIONS SUPPORT.—

15 For necessary expenses of the Inter-
16 nal Revenue Service to support tax-
17 payer services and enforcement pro-
18 grams, including rent payments; fa-
19 cilities services; printing; postage;
20 physical security; headquarters and
21 other IRS-wide administration activi-
22 ties; research and statistics of income;
23 telecommunications; information tech-
24 nology development, enhancement, op-
25 erations, maintenance, and security;

1 the hire of passenger motor vehicles
2 (31 U.S.C. 1343(b)); the operations of
3 the Internal Revenue Service Over-
4 sight Board; and other services as au-
5 thorized by 5 U.S.C. 3109, at such
6 rates as may be determined by the
7 Commissioner, \$27,376,300,000, to
8 remain available until September 30,
9 2031: *Provided*, That these amounts
10 shall be in addition to any other funds
11 made available for this purpose.

12 (IV) BUSINESS SYSTEMS MOD-
13 ERNIZATION.—For necessary expenses
14 of the Internal Revenue Service’s
15 business systems modernization pro-
16 gram, including development of call-
17 back technology and other technology
18 to provide a more personalized cus-
19 tomer service but not including the
20 operation and maintenance of legacy
21 systems, \$4,750,700,000, to remain
22 available until September 30, 2031:
23 *Provided*, That these amounts shall be
24 in addition to any other funds made
25 available for this purpose.

1 (ii) TASK FORCE TO DESIGN AN IRS-
2 RUN FREE “DIRECT EFILE” TAX RETURN
3 SYSTEM.—For necessary expenses of the
4 Internal Revenue Service to deliver to Con-
5 gress a report on (I) the cost (including
6 options for differential coverage based on
7 taxpayer adjusted gross income and return
8 complexity) of developing and running a
9 free direct efile tax return system, includ-
10 ing costs to build and administer each re-
11 lease, with a focus on multi-lingual and
12 mobile-friendly features and safeguards for
13 taxpayer data; (II) taxpayer opinions, ex-
14 pectations, and level of trust, based on sur-
15 veys, for such a free direct efile system;
16 and (III) the opinions of an independent
17 third-party on the overall feasibility, ap-
18 proach, schedule, cost, organizational de-
19 sign, and Internal Revenue Service capac-
20 ity to deliver such a direct efile tax return
21 system, \$15,000,000, to remain available
22 until September 30, 2023: *Provided*, That
23 these amounts shall be in addition to any
24 other funds made available for this pur-
25 pose.

1 (B) TREASURY INSPECTOR GENERAL FOR
2 TAX ADMINISTRATION.—For necessary expenses
3 of the Treasury Inspector General for Tax Ad-
4 ministration in carrying out the Inspector Gen-
5 eral Act of 1978, as amended, including pur-
6 chase and hire of passenger motor vehicles (31
7 U.S.C. 1343(b)); and services authorized by 5
8 U.S.C. 3109, at such rates as may be deter-
9 mined by the Inspector General for Tax Admin-
10 istration, \$403,000,000, to remain available
11 until September 30, 2031: *Provided*, That these
12 amounts shall be in addition to any other funds
13 made available for this purpose.

14 (C) OFFICE OF TAX POLICY.—For nec-
15 essary expenses of the Office of Tax policy of
16 the Department of the Treasury to carry out
17 functions related to promulgating regulations
18 under the Internal Revenue Code of 1986,
19 \$104,533,803, to remain available until Sep-
20 tember 30, 2031: *Provided*, That these amounts
21 shall be in addition to any other funds made
22 available for this purpose.

23 (D) UNITED STATES TAX COURT.—For
24 necessary expenses, including contract reporting
25 and other services as authorized by 5 U.S.C.

1 3109, and not to exceed \$3,000 for official re-
2 ception and representation expenses;
3 \$153,000,000, to remain available until Sep-
4 tember 30, 2031: *Provided*, That these amounts
5 shall be in addition to any other funds made
6 available for this purpose.

7 (2) MULTI-YEAR OPERATIONAL PLAN.—

8 (A) IN GENERAL.—Not later than 6
9 months after the date of the enactment of this
10 Act, the Commissioner of Internal Revenue
11 shall submit to Congress a plan detailing how
12 the funds appropriated under paragraph
13 (1)(A)(i) will be spent over the ten-year period
14 ending with fiscal year 2031.

15 (B) QUARTERLY UPDATES.—

16 (i) IN GENERAL.—Not later than the
17 last day of each calendar quarter beginning
18 during the applicable period, the Commis-
19 sioner of Internal Revenue shall submit to
20 Congress a report on the plan established
21 under subparagraph (A), including—

22 (I) any updates to the plan;

23 (II) progress made in imple-
24 menting the plan; and

1 (III) any changes in cir-
2 cumstances or challenges in imple-
3 menting the plan.

4 (ii) APPLICABLE PERIOD.—For pur-
5 poses of clause (i), the applicable period is
6 the period beginning 1 year after the date
7 the report under subparagraph (A) is due
8 and ending on September 30, 2031.

9 (C) REDUCTION IN APPROPRIATION.—

10 (i) IN GENERAL.—In the case of any
11 failure to submit a plan required under
12 subparagraph (A) or a report required
13 under subparagraph (B) by the required
14 date, the amounts made available under
15 paragraph (1)(A)(i) shall be reduced by
16 \$100,000 for each day after such required
17 date that report has not been submitted to
18 Congress.

19 (ii) REQUIRED DATE.—For purposes
20 of clause (i), the required date is the date
21 that is 60 days after the date the plan or
22 report is required to be submitted under
23 subparagraph (A) or (B), as the case may
24 be.

1 (3) NO TAX INCREASES ON CERTAIN TAX-
2 PAYERS.—Nothing in this subsection is intended to
3 increase taxes on any taxpayer with a taxable in-
4 come below \$400,000.

5 (b) PERSONNEL FLEXIBILITIES.—The Secretary of
6 the Treasury (or the Secretary’s delegate) may use the
7 funds made available under subsection (a)(1)(A), subject
8 to such policies as the Secretary (or the Secretary’s dele-
9 gate) may establish, to take such personnel actions as the
10 Secretary (or the Secretary’s delegate) determines nec-
11 essary to administer the Internal Revenue Code of 1986,
12 including—

13 (1) utilizing direct hire authority to recruit and
14 appoint qualified applicants, without regard to any
15 notice or preference requirements, directly to posi-
16 tions in the competitive service;

17 (2) in addition to the authority under section
18 7812(1) of the Internal Revenue Code of 1986, ap-
19 pointing not more than 200 individuals to positions
20 in the Internal Revenue Service under streamlined
21 critical pay authority, except that—

22 (A) the authority to offer streamlined crit-
23 ical pay under this paragraph shall expire on
24 September 30, 2031; and

1 (B) the positions for which streamlined
2 critical pay is authorized under this paragraph
3 may include positions critical to the purposes
4 described in subclauses (I), (II), and (III) of
5 subsection (a)(1)(A)(i); and

6 (3) appointing, without approval of the Office
7 of Personnel Management, not more than 300 indi-
8 viduals to critical pay positions in the Internal Rev-
9 enue Service for which—

10 (A) the rate of basic pay may not exceed
11 the salary set in accordance with section 104 of
12 title 3, United States Code; and

13 (B) the total annual compensation paid to
14 an employee in such a position, including allow-
15 ances, differentials, bonuses, awards, and simi-
16 lar cash payments, may not exceed the max-
17 imum amount of total annual compensation
18 payable at the salary set in accordance with
19 section 104 of title 3, United States Code.

20 **SEC. 138302. APPLICATION OF BACKUP WITHHOLDING**
21 **WITH RESPECT TO THIRD PARTY NETWORK**
22 **TRANSACTIONS.**

23 (a) IN GENERAL.—Section 3406(b) is amended by
24 adding at the end the following new paragraph:

1 “(8) OTHER REPORTABLE PAYMENTS INCLUDE
2 PAYMENTS IN SETTLEMENT OF THIRD PARTY NET-
3 WORK TRANSACTIONS ONLY WHERE AGGREGATE FOR
4 CALENDAR YEAR IS \$600 OR MORE.—Any payment in
5 settlement of a third party network transaction re-
6 quired to be shown on a return required under sec-
7 tion 6050W which is made during any calendar year
8 shall be treated as a reportable payment only if—

9 “(A) the aggregate amount of such pay-
10 ment and all previous such payments made by
11 the third party settlement organization to the
12 participating payee during such calendar year
13 equals or exceeds \$600, or

14 “(B) the third party settlement organiza-
15 tion was required under section 6050W to file
16 a return for the preceding calendar year with
17 respect to payments to the participating
18 payee.”.

19 (b) CONFORMING AMENDMENT.—Section 6050W(e)
20 is amended by inserting “equal or” before “exceed \$600”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to calendar years beginning after
23 December 31, 2021.

24 (d) TRANSITIONAL RULE FOR 2022.—In the case of
25 payments made during calendar year 2022, section

1 3406(b)(8)(A) of the Internal Revenue Code of 1986 (as
2 added by this section) shall be applied by inserting “and
3 the aggregate number of third party network transactions
4 settled by the third party settlement organization with re-
5 spect to the participating payee during such calendar year
6 exceeds 200” before the comma at the end.

7 **SEC. 138303. MODIFICATION OF PROCEDURAL REQUIRE-**
8 **MENTS RELATING TO ASSESSMENT OF PEN-**
9 **ALTIES.**

10 (a) **REPEAL OF APPROVAL REQUIREMENT.**—Section
11 6751, as amended by the preceding provision of this Act,
12 is amended by striking subsection (b).

13 (b) **QUARTERLY CERTIFICATIONS OF COMPLIANCE**
14 **WITH PROCEDURAL REQUIREMENTS.**—Section 6751, as
15 amended by subsection (a) of this section, is amended by
16 inserting after subsection (a) the following new subsection:

17 “(b) **QUARTERLY CERTIFICATIONS OF COMPLI-**
18 **ANCE.**—Each appropriate supervisor of employees of the
19 Internal Revenue Service shall certify quarterly by letter
20 to the Commissioner of Internal Revenue whether or not
21 the requirements of subsection (a) have been met with re-
22 spect to notices of penalty issued by such employees.”.

23 (c) **EFFECTIVE DATES.**—

24 (1) **REPEAL OF APPROVAL REQUIREMENT.**—

25 The amendment made by subsection (a) shall take

1 effect as if included in section 3306 of the Internal
2 Revenue Service Restructuring and Reform Act of
3 1998.

4 (2) QUARTERLY CERTIFICATIONS OF COMPLI-
5 ANCE WITH PROCEDURAL REQUIREMENTS.—The
6 amendment made by subsection (b) shall apply to
7 notices of penalty issued after the date of the enact-
8 ment of this Act.

9 **PART 4—OTHER PROVISIONS**

10 **SEC. 138401. MODIFICATIONS TO LIMITATION ON DEDUC-** 11 **TION OF EXCESSIVE EMPLOYEE REMUNERA-** 12 **TION.**

13 (a) IN GENERAL.—Section 162(m) is amended by
14 adding at the end the following new paragraph:

15 “(7) SPECIAL RULES RELATED TO LIMITATION
16 ON DEDUCTION OF EXCESSIVE EMPLOYEE REMU-
17 NERATION.—

18 “(A) AGGREGATION RULE.—A rule similar
19 to the rule of paragraph (6)(C)(ii) shall apply
20 for purposes of paragraph (1).

21 “(B) REGULATIONS.—The Secretary shall
22 prescribe such regulations or other guidance as
23 may be necessary or appropriate to carry out
24 the purposes of paragraph (1), including regula-
25 tions or other guidance to prevent the avoidance

1 of such purposes, including through the per-
2 formance of services other than as an employee
3 or by providing compensation through a pass-
4 through or other entity.”.

5 (b) **APPLICABLE EMPLOYEE REMUNERATION.**—Sec-
6 tion 162(m)(4)(A) is amended—

7 (1) by inserting “(including performance-based
8 compensation, commissions, post-termination com-
9 pensation, and beneficiary payments)” after “remu-
10 neration for services”, and

11 (2) by inserting “and whether or not such re-
12 munerations are paid directly by the publicly held cor-
13 poration” after “whether or not during the taxable
14 year”.

15 (c) **EFFECTIVE DATE.**—The amendments made by
16 this section shall apply to taxable years beginning after
17 December 31, 2021.

18 **SEC. 138402. EXTENSION OF TAX TO FUND BLACK LUNG**
19 **DISABILITY TRUST FUND.**

20 (a) **IN GENERAL.**—Section 4121(e)(2)(A) is amended
21 by striking “December 31, 2021” and inserting “Decem-
22 ber 31, 2025”.

23 (b) **EFFECTIVE DATE.**—The amendment made by
24 this section shall apply to sales after December 31, 2021.

1 **SEC. 138403. PROHIBITED TRANSACTIONS RELATING TO**
2 **HOLDING DISC OR FSC IN INDIVIDUAL RE-**
3 **TIREMENT ACCOUNT.**

4 (a) IN GENERAL.—Section 4975(c)(1) is amended by
5 striking “or” at the end of subparagraph (E), by striking
6 the period at the end of subparagraph (F) and inserting
7 “; or”, and by adding at the end the following new sub-
8 paragraph:

9 “(G) investment, at the direction of a dis-
10 qualified person, by an individual retirement ac-
11 count in an interest in a DISC or FSC that re-
12 ceives any commission, or other payment, from
13 an entity any stock or interest in which is
14 owned by the individual for whose benefit the
15 account is maintained.”.

16 (b) SPECIAL RULES OF APPLICATION.—Section
17 4975(c) is amended by adding at the end the following
18 new paragraph:

19 “(8) SPECIAL RULES OF APPLICATION FOR
20 DISC AND FSC INVESTMENTS.—

21 “(A) INDIRECT HOLDING OF DISC OR
22 FSC.—For purposes of paragraph (1)(G), in-
23 vestment by an individual retirement account in
24 an interest in an entity that owns (directly or
25 indirectly) an interest in a DISC or FSC shall

1 be treated as investment by such account in an
2 interest in such DISC or FSC.

3 “(B) CONSTRUCTIVE OWNERSHIP.—For
4 purposes of determining ownership of stock (or
5 any other interest) in an entity under para-
6 graph (1)(G) and ownership of an interest in a
7 DISC or FSC under subparagraph (A), the
8 rules prescribed by section 318 for determining
9 ownership shall apply, except that such section
10 shall be applied by substituting ‘10 percent’ for
11 ‘50 percent’ each place it appears.

12 “(C) DISC AND FSC.—For purposes of
13 this subsection, the terms ‘DISC’ and ‘FSC’
14 shall have the respective meanings given such
15 terms by section 992(a)(1)) and section 922(a)
16 (as in effect before its repeal by the FSC Re-
17 peal and Extraterritorial Income Exclusion Act
18 of 2000).”.

19 (c) APPLICATION OF TAX TO TERMINATED INDI-
20 VIDUAL RETIREMENT ACCOUNTS.—Section 4975(c)(3) is
21 amended by adding at the end the following: “The pre-
22 ceding sentence shall not apply in the case of a prohibited
23 transaction described in paragraph (1)(G).”.

24 (d) RELATED RULES FOR INDIVIDUAL RETIREMENT
25 ACCOUNTS.—

1 (1) IN GENERAL.—Section 408(a) is amended
2 by inserting after paragraph (6) the following new
3 paragraph:

4 “(7) No part of the trust funds will be invested
5 in any interest in a DISC or a FSC that receives
6 any commission, or other payment, from an entity
7 any stock or interest in which is owned by the indi-
8 vidual for whose benefit the trust is maintained. For
9 purposes of the preceding sentence, the definitions
10 and rules of section 4975(c)(8) shall apply.”.

11 (e) LOSS OF EXEMPTION OF ACCOUNT.—Section
12 408(e)(2) is amended—

13 (1) by striking “established” each place it ap-
14 pears in subparagraph (A) and inserting “main-
15 tained”,

16 (2) by redesignating subparagraph (B) as sub-
17 paragraph (C),

18 (3) by inserting after subparagraph (A) the fol-
19 lowing new subparagraph:

20 “(B) PROHIBITED INVESTMENT.—If, dur-
21 ing any taxable year of the individual for whose
22 benefit any individual retirement account is
23 maintained, the investment of any part of the
24 funds of such individual retirement account
25 does not comply with subsection (a)(7), such

1 account ceases to be an individual retirement
2 account as of the first day of such taxable year.
3 Rules similar to the rules of clauses (i) and (ii)
4 of subparagraph (A) shall apply for purposes of
5 this subparagraph.”,

6 (4) by striking “WHERE EMPLOYEE ENGAGES
7 IN PROHIBITED TRANSACTION” in the heading and
8 inserting “IN CASE OF CERTAIN PROHIBITED TRANS-
9 ACTIONS AND INVESTMENTS”,

10 (5) by striking “IN GENERAL” in the heading of
11 subparagraph (A) and inserting “EMPLOYEE EN-
12 GAGING IN PROHIBITED TRANSACTION”, and

13 (6) by striking “(A)” in subparagraph (C), as
14 so redesignated, and inserting “(A) or (B)”.

15 (f) CONFORMING AMENDMENTS.—

16 (1) Section 408(c)(1) is amended by striking
17 “(1) through (6)” and inserting “(1) through (7)”.

18 (2) Section 4975(c)(3) is amended—

19 (A) striking “established” and inserting
20 “maintained”,

21 (B) by striking “transaction” both places
22 it appears and inserting “transaction or invest-
23 ment”, and

1 (C) by striking “section 408(e)(2)(A)” and
2 inserting “subparagraph (A) or (B) of section
3 408(e)(2)”.

4 (g) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to stock and other interests ac-
6 quired or held on or after December 31, 2021.

7 **SEC. 138404. CLARIFICATION OF TREATMENT OF DISC**
8 **GAINS AND DISTRIBUTIONS OF CERTAIN**
9 **FOREIGN SHAREHOLDERS.**

10 (a) IN GENERAL.—Section 996(g) of the Internal
11 Revenue Code of 1986 is amended by striking “of such
12 shareholder” and inserting “deemed to be had by such
13 shareholder”.

14 (b) EFFECTIVE DATE.—The amendments made by
15 subsection (a) shall apply to gains and distributions after
16 December 31, 2021.

17 (c) APPLICATION TO FOREIGN SALES CORPORA-
18 TIONS.—In the case of any distribution after December
19 31, 2021, section 926(b)(1) of the Internal Revenue Code
20 of 1986 (prior to its repeal by the FSC Repeal and
21 Extraterritorial Income Exclusion Act of 2000) shall be
22 applied by substituting “deemed to be had by such share-
23 holder” for “of such shareholder”.

1 **Subtitle H—Supplemental Security**
2 **Income for the Territories**

3 **SECTION 131001. EXTENSION OF THE SUPPLEMENTAL SE-**
4 **CURITY INCOME PROGRAM TO PUERTO RICO,**
5 **THE UNITED STATES VIRGIN ISLANDS, GUAM,**
6 **AND AMERICAN SAMOA.**

7 (a) IN GENERAL.—Section 303 of the Social Security
8 Amendments of 1972 (86 Stat. 1484) is amended by strik-
9 ing subsection (b).

10 (b) CONFORMING AMENDMENTS.—

11 (1) DEFINITION OF STATE.—Section
12 1101(a)(1) of the Social Security Act (42 U.S.C.
13 1301(a)(1)) is amended by striking the 5th sentence
14 and inserting the following: “Such term when used
15 in title XVI includes Puerto Rico, the United States
16 Virgin Islands, Guam, and American Samoa.”.

17 (2) ELIMINATION OF LIMIT ON TOTAL PAY-
18 MENTS TO THE TERRITORIES.—Section 1108 of
19 such Act (42 U.S.C. 1308) is amended—

20 (A) in the section heading, by striking “;
21 **LIMITATION ON TOTAL PAYMENTS**”;

22 (B) by striking subsection (a); and

23 (C) in subsection (c), by striking para-
24 graphs (2) and (4) and redesignating para-

1 graphs (3) and (5) as paragraphs (2) and (3),
2 respectively.

3 (3) UNITED STATES NATIONALS TREATED THE
4 SAME AS CITIZENS.—Section 1614(a)(1)(B) of such
5 Act (42 U.S.C. 1382c(a)(1)(B)) is amended—

6 (A) in clause (i)(I), by inserting “or na-
7 tional of the United States,” after “citizen”;

8 (B) in clause (i)(II), by adding “; or” at
9 the end; and

10 (C) in clause (ii), by inserting “or na-
11 tional” after “citizen”.

12 (4) TERRITORIES INCLUDED IN GEOGRAPHIC
13 MEANING OF UNITED STATES.—Section 1614(e) of
14 such Act (42 U.S.C. 1382c(e)) is amended by strik-
15 ing “and the District of Columbia” and inserting “,
16 the District of Columbia, Puerto Rico, the United
17 States Virgin Islands, Guam, and American
18 Samoa”.

19 (c) WAIVER AUTHORITY.—The Commissioner of So-
20 cial Security may waive or modify any statutory require-
21 ment relating to the provision of benefits under the Sup-
22 plemental Security Income Program under title XVI of the
23 Social Security Act in Puerto Rico, the United States Vir-
24 gin Islands, Guam, or American Samoa, to the extent that

1 the Commissioner deems it necessary in order to adapt
2 the program to the needs of the territory involved.

3 (d) EFFECTIVE DATE.—This section and the amend-
4 ments made by this section shall take effect on January
5 1, 2024.

