

112TH CONGRESS
2^D SESSION

H. R. 6275

To promote the domestic development and deployment of clean energy technologies required for the 21st century.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2012

Mr. FILNER (for himself, Mr. HINCHEY, Mr. KUCINICH, Mr. CICILLINE, Mr. QUIGLEY, Mr. CARNAHAN, Mr. CLAY, Ms. PINGREE of Maine, Mr. CARSON of Indiana, Mr. JOHNSON of Georgia, and Mr. ROTHMAN of New Jersey) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Science, Space, and Technology, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To promote the domestic development and deployment of clean energy technologies required for the 21st century.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS; FINDINGS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Clean Energy Victory Bond Act of 2012”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

- Sec. 1. Short title; table of contents; findings.
 Sec. 2. Findings.

TITLE I—REVENUE PROVISIONS

- Sec. 101. Extension and modification of energy investment tax credit.
 Sec. 102. Extension and modification of credit for electricity produced from certain renewable resources.
 Sec. 103. Extension and modification of grants for specified energy property in lieu of tax credits.
 Sec. 104. Modification of and increased allocation for qualifying advanced energy project credit.
 Sec. 105. Extension of credit for nonbusiness energy property.

TITLE II—GRANT PROGRAMS AND LOAN GUARANTEES

- Sec. 201. Plug-in electric vehicle grants in lieu of tax credits.
 Sec. 202. Plug-in hybrid electric vehicle charging station grant program.
 Sec. 203. Extension of renewable energy and electric power transmission loan guarantees.

TITLE III—CLEAN ENERGY VICTORY BONDS

- Sec. 301. Clean Energy Victory Bonds.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

3 (1) There is enormous potential for increasing
 4 renewable energy production and energy efficiency
 5 installation in the United States.

6 (2) A major barrier to rapid expansion of re-
 7 newable energy and energy efficiency is upfront cap-
 8 ital costs. Government tax incentives and other as-
 9 sistance programs have proven beneficial in encour-
 10 aging private sector development, manufacturing
 11 and installation of renewable energy and energy effi-
 12 ciency projects nationwide. However, these govern-
 13 ment incentives are not currently meeting demand
 14 from the private sector, and we are not taking full
 15 advantage of the potential for clean energy and

1 transportation, as well as energy efficiency in the
2 United States.

3 (3) Other nations, including China and Ger-
4 many are ahead of the United States in manufac-
5 turing and deploying various clean energy tech-
6 nologies, even though the United States invented
7 many of these technologies.

8 (4) Investments in renewable energy and energy
9 efficiency projects in the United States create green
10 jobs for U.S. citizens across the United States. Hun-
11 dreds of thousands of jobs could be created through
12 expanded government support for clean energy and
13 energy efficiency.

14 (5) As Americans choose energy efficiency and
15 clean energy and transportation, it reduces our de-
16 pendence on foreign oil and improves our energy se-
17 curity.

18 (6) Bonds are a low-cost method for encour-
19 aging clean energy, not requiring direct budget allo-
20 cations or expenditures. The projects supported
21 through Clean Energy Victory Bonds will create jobs
22 and business revenues that will increase Federal tax
23 revenues, while simultaneously reducing health and
24 environmental costs incurred by the Federal Govern-
25 ment nationwide.

1 (7) In World War II, over 80 percent of Amer-
2 ican households purchased Victory Bonds to support
3 the war effort, raising over \$185 billion, or over \$2
4 trillion in today’s dollars.

5 **TITLE I—REVENUE PROVISIONS**

6 **SEC. 101. EXTENSION AND MODIFICATION OF ENERGY IN-** 7 **VESTMENT TAX CREDIT.**

8 (a) EXTENSION.—

9 (1) SOLAR ENERGY.—Paragraphs (2)(A)(i)(II)
10 and (3)(A)(ii) of section 48(a) of the Internal Rev-
11 enue Code of 1986 are each amended by striking
12 “January 1, 2017” and inserting “January 1,
13 2023”.

14 (2) GEOTHERMAL HEAT PUMPS.—Clause (vii)
15 of section 48(a)(3)(A) of such Code is amended by
16 striking “January 1, 2017” and inserting “January
17 1, 2023”.

18 (3) FUEL CELL PROPERTY.—Subparagraph (D)
19 of section 48(c)(1) of such Code is amended by
20 striking “December 31, 2016” and inserting “De-
21 cember 31, 2022”.

22 (4) MICROTURBINE PROPERTY.—Subparagraph
23 (D) of section 48(c)(2) of such Code is amended by
24 striking “December 31, 2016” and inserting “De-
25 cember 31, 2022”.

1 (5) COMBINED HEAT AND POWER.—Clause (iv)
2 of section 48(c)(3) of such Code is amended by
3 striking “January 1, 2017” and inserting “January
4 1, 2023”.

5 (6) SMALL WIND.—Subparagraph (C) of section
6 48(c)(4) of such Code is amended by striking “De-
7 cember 31, 2016” and inserting “December 31,
8 2022”.

9 (7) OFFSHORE WIND.—

10 (A) IN GENERAL.—Clause (i) of section
11 48(a)(5)(C) of such Code is amended—

12 (i) by striking “is placed in service in”
13 in clause (i) and inserting the following:
14 “is—

15 “(I) except as provided in sub-
16 clause (II), placed in service in”,

17 (ii) by striking the period at the end
18 and inserting “, and”, and

19 (iii) by adding at the end the fol-
20 lowing new subclause:

21 “(II) in the case of an offshore
22 wind facility, placed in service after
23 December 31, 2008, and before Janu-
24 ary 1, 2021.”.

1 (B) OFFSHORE WIND FACILITY.—Subpara-
2 graph (C) of section 48(a)(5) of such Code is
3 amended by adding at the end the following
4 new clause:

5 “(iii) OFFSHORE WIND FACILITY.—
6 The term ‘offshore wind facility’ means
7 any qualified facility described in section
8 45(d)(1) and located in the inland navi-
9 gable waters of the United States, includ-
10 ing the Great Lakes, or in the coastal
11 waters of the United States, including the
12 territorial seas of the United States, the
13 exclusive economic zone of United States,
14 and the outer Continental Shelf of the
15 United States.”.

16 (b) MODIFICATION OF FUEL CELL PROPERTY.—
17 Paragraph (1) of section 48(c) of such Code is amended
18 by redesignating subparagraph (D) as subparagraph (E)
19 and by inserting after subparagraph (C) the following new
20 subparagraph:

21 “(D) EXCEPTION FOR FUEL DERIVED
22 FROM FOSSIL FUELS.—The term ‘qualified fuel
23 cell powerplant’ shall not include any fuel cell
24 powerplant the fuel of which is derived from, or
25 is produced by using, any fossil fuel.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on the date of the enactment
3 of this Act.

4 **SEC. 102. EXTENSION AND MODIFICATION OF CREDIT FOR**
5 **ELECTRICITY PRODUCED FROM CERTAIN RE-**
6 **NEWABLE RESOURCES.**

7 (a) EXTENSION.—Subsection (d) of section 45 of the
8 Internal Revenue Code of 1986 is amended—

9 (1) by striking “January 1, 2013” in paragraph
10 (1) and inserting “January 1, 2023”,

11 (2) by striking “January 1, 2014” each place
12 it appears in paragraphs (4), (9), and (11) and in-
13 serting “January 1, 2023”, and

14 (3) by striking “January 1, 2006” in paragraph
15 (4) and inserting “January 1, 2023”.

16 (b) MODIFICATION OF BIOFUEL AS QUALIFIED EN-
17 ERGY RESOURCE.—

18 (1) IN GENERAL.—Paragraph (1) of section
19 45(c) of such Code is amended by striking “and” at
20 the end of subparagraph (H), by striking the period
21 at the end of subparagraph (I) and inserting “,
22 and”, and by adding at the end the following new
23 subparagraph:

24 “(J) second generation biomass.”.

1 (2) SECOND GENERATION BIOMASS DEFINED.—
2 Subsection (c) of section 45 of such Code is amend-
3 ed by adding at the end the following new para-
4 graph:

5 “(11) SECOND GENERATION BIOMASS.—The
6 term ‘second generation biomass’ means any bio-
7 mass which is composed of lignocellulosic or
8 hemicellulosic matter that is available on a renew-
9 able or recurring basis (other than any fuel de-
10 scribed in section 40(b)(6)(E)(iii)).”.

11 (3) QUALIFIED FACILITY.—Subsection (d) of
12 section 45 of such Code is amended by adding at the
13 end the following new paragraph:

14 “(12) SECOND GENERATION BIOMASS.—In the
15 case of a facility producing electricity from second
16 generation biomass, the term ‘qualified facility’
17 means any facility owned by the taxpayer which is
18 originally placed in service on or after the date of
19 the enactment of this paragraph and before January
20 1, 2023.”.

21 (4) CONFORMING AMENDMENTS.—

22 (A) Subsection (d) of section 45 of such
23 Code is amended by striking “January 1,
24 2014” each place it appears in paragraphs
25 (2)(A)(i), (3), (6), and (7) and inserting “the

1 date of the enactment of the Clean Energy Vic-
2 tory Bond Act of 2012”.

3 (B) Clause (ii) of section 45(d)(2)(A) of
4 such Code is amended by striking “January 1,
5 2014,” and inserting “the date of the enact-
6 ment of the Clean Energy Victory Bond Act of
7 2012”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to property placed in service after
10 the date of the enactment of this Act.

11 **SEC. 103. EXTENSION AND MODIFICATION OF GRANTS FOR**
12 **SPECIFIED ENERGY PROPERTY IN LIEU OF**
13 **TAX CREDITS.**

14 (a) IN GENERAL.—Subsection (a) of section 1603 of
15 division B of the American Recovery and Reinvestment
16 Act of 2009 is amended—

17 (1) in paragraph (1), by striking “2009, 2010,
18 or 2011” and inserting “2009, 2010, 2011, 2012,
19 2013, or 2014”, and

20 (2) in paragraph (2)—

21 (A) by striking “after 2011” and inserting
22 “after 2014”, and

23 (B) by striking “2009, 2010, or 2011” and
24 inserting “2009, 2010, 2011, 2012, 2013, or
25 2014”.

1 (b) MODIFICATION RELATING TO BIOMASS.—Para-
2 graph (1) of section 1603(d) of division B of such Act
3 is amended by striking “or (11)” and inserting “(11), or
4 (12)”.

5 (c) CONFORMING AMENDMENT.—Subsection (j) of
6 section 1603 of division B of such Act is amended by strik-
7 ing “2012” and inserting “2015”.

8 **SEC. 104. MODIFICATION OF AND INCREASED ALLOCATION**
9 **FOR QUALIFYING ADVANCED ENERGY**
10 **PROJECT CREDIT.**

11 (a) INCREASED ALLOCATION.—Subparagraph (B) of
12 section 48C(d) of the Internal Revenue Code of 1986 is
13 amended by striking “\$2,300,000,000” and inserting
14 “\$7,300,000,000”.

15 (b) EXTENSION OF APPLICATION DEADLINE.—Sub-
16 paragraph (A) of section 48C(d)(2) of such Code is
17 amended by adding at the end the following new sentence:
18 “The application referred to in the preceding sentence
19 shall be treated as timely made if submitted not later than
20 24 months after the date of the enactment of this Act.”.

21 (c) ELIMINATION OF CARBON DIOXIDE SEQUESTRA-
22 TION.—Clause (i) of section 48C(c)(1)(A) of such Code
23 is amended by striking subclause (IV) and by redesign-
24 ating subclauses (V), (VI), and (VII) as subclauses (IV),
25 (V), and (VI), respectively.

1 (d) MODIFICATION OF SELECTION CRITERIA FOR
2 RENEWABLE FUEL PROJECTS.—Subparagraph (B) of
3 section 48C(d)(3) is amended by striking “and” at the end
4 of clause (iv), by striking the period at the end of clause
5 (v) and inserting “, and”, and by adding at the end the
6 following new clause:

7 “(vi) in the case of a project with re-
8 spect to property designed to refine or
9 blend renewable fuels, do not produce a net
10 increase in carbon dioxide emissions and
11 do not use inputs which displace food
12 crops.”.

13 (e) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to credits allocated after the date
15 of the enactment of this Act.

16 **SEC. 105. EXTENSION OF CREDIT FOR NONBUSINESS EN-**
17 **ERGY PROPERTY.**

18 Paragraph (2) of section 25C(g) of the Internal Rev-
19 enue Code of 1986 is amended by striking “December 31,
20 2011” and inserting “December 31, 2022”.

1 **TITLE II—GRANT PROGRAMS**
2 **AND LOAN GUARANTEES**

3 **SEC. 201. PLUG-IN ELECTRIC VEHICLE GRANTS IN LIEU OF**
4 **TAX CREDITS.**

5 (a) IN GENERAL.—The Secretary of Energy, in con-
6 sultation with the Secretary of the Treasury, shall estab-
7 lish a voluntary program through which the Secretary of
8 Energy shall—

9 (1) authorize the issuance of an electronic
10 voucher to offset the purchase price of a qualified
11 plug-in electric vehicle or a new qualified plug-in
12 electric drive motor vehicle purchased from a dealer
13 participating in the program;

14 (2) register dealers for participation in the pro-
15 gram and require that all dealers so registered ac-
16 cept such vouchers as partial payment or down pay-
17 ment for the purchase of any such vehicle offered for
18 sale by such dealer;

19 (3) make electronic payments to dealers for eli-
20 gible transactions by such dealers; and

21 (4) in consultation with the Inspector General
22 of the Department of Transportation establish and
23 provide for the enforcement of measures to prevent
24 and penalize fraud under the program.

1 (b) VOUCHER LIMITATIONS.—A voucher issued
2 under the program shall have a value that may be applied
3 to offset the purchase price of a vehicle by—

4 (1) in the case of a qualified plug-in electric ve-
5 hicle, \$2,500; or

6 (2) in the case of a new qualified plug-in elec-
7 tric drive motor vehicle, \$2,500 plus an amount de-
8 termined with respect to the vehicle under section
9 30D(b)(3) of the Internal Revenue Code of 1986.

10 (c) TREATED AS ADVANCE PAYMENT OF CREDIT.—

11 Use of a voucher under the program to offset the purchase
12 price of a vehicle shall, for purposes of the Internal Rev-
13 enue Code of 1986, be treated as advance payment of the
14 credit allowed under section 30 or 30D of such Code, as
15 the case may be, and the amount of credit which would
16 (but for this paragraph) be allowable with respect to such
17 vehicle under either such section shall be reduced (but not
18 below zero) by the amount of the voucher so used.

19 (d) DEFINITIONS AND SPECIAL RULES.—For pur-
20 poses of this section—

21 (1) QUALIFIED PLUG-IN ELECTRIC VEHICLE.—

22 The term “qualified plug-in electric vehicle” shall
23 have the meaning given such term by section 30(d)
24 of the Internal Revenue Code of 1986.

1 (2) NEW QUALIFIED PLUG-IN ELECTRIC DRIVE
2 MOTOR VEHICLE.—The term “new qualified plug-in
3 electric drive motor vehicle” shall have the meaning
4 given such term by section 30D(d) of such Code.

5 (3) NO COMBINATION OF VOUCHERS.—Only 1
6 voucher issued under the program may be applied
7 toward the purchase of a single vehicle.

8 (4) COMBINATION WITH OTHER INCENTIVES
9 PERMITTED.—The availability or use of a Federal,
10 State, or local incentive or a State-issued voucher
11 for the purchase of any vehicle shall not limit the
12 value or issuance of a voucher under the program to
13 any person otherwise eligible to receive such a
14 voucher.

15 (5) NO ADDITIONAL FEES.—A dealer partici-
16 pating in the program may not charge a person pur-
17 chasing a vehicle any additional fees associated with
18 the use of a voucher under the program.

19 (6) APPLICATION OF CERTAIN RULES.—Rules
20 similar to the rules of paragraphs (1), (2), (3), (4),
21 and (5) of section 30(e) of such Code shall apply for
22 purposes of this section.

23 (e) TERMINATION AND PHASEOUT.—

24 (1) TERMINATION FOR QUALIFIED PLUG-IN
25 ELECTRIC VEHICLES.—This section shall not apply

1 to any qualified plug-in electric vehicle acquired
2 after December 31, 2015.

3 (2) PHASEOUT FOR NEW QUALIFIED PLUG-IN
4 ELECTRIC DRIVE MOTOR VEHICLE.—The amount of
5 any voucher with respect to any new qualified plug-
6 in electric drive motor vehicle shall be reduced as
7 provided in section 30D(e) of the Internal Revenue
8 Code of 1986.

9 (f) REGULATIONS.—The Secretary of Energy, in con-
10 sultation with the Secretary of the Treasury, shall pre-
11 scribe such regulations as may be necessary or appropriate
12 to carry out the purposes of this section.

13 **SEC. 202. PLUG-IN HYBRID ELECTRIC VEHICLE CHARGING**
14 **STATION GRANT PROGRAM.**

15 (a) AVAILABILITY OF FUNDS.—From amounts raised
16 through the sale of Clean Energy Victory Bonds, the Sec-
17 retary of the Treasury shall provide funding to the Sec-
18 retary of Energy to establish the plug-in hybrid electric
19 vehicle charging station grant program under subsection
20 (b) and the new battery technology research and develop-
21 ment program under subsection (c).

22 (b) PLUG-IN HYBRID ELECTRIC VEHICLE CHARGING
23 STATION GRANT PROGRAM.—To the extent that funding
24 is available pursuant to subsection (a), the Secretary of
25 Energy shall provide up to a total of \$500,000,000 in

1 grants to State, local, and tribal governments for the in-
 2 stallation and operation of public charging stations for
 3 plug-in hybrid electric vehicles.

4 (c) BATTERY TECHNOLOGY DEVELOPMENT.—To the
 5 extent that funding is available pursuant to subsection (a),
 6 the Secretary of Energy shall provide up to a total of
 7 \$500,000,000 through a competitive grant program for re-
 8 search and development on batteries for plug-in hybrid
 9 electric vehicles.

10 **SEC. 203. EXTENSION OF RENEWABLE ENERGY AND ELEC-**
 11 **TRIC POWER TRANSMISSION LOAN GUARAN-**
 12 **TEES.**

13 Section 1705 of the Energy Policy Act of 2005 (42
 14 U.S.C. 16516) is amended—

15 (1) in subsection (a), by striking “September
 16 30, 2011” and inserting “September 30, 2022”; and

17 (2) in subsection (e), by striking “September
 18 30, 2011” and inserting “September 30, 2022”.

19 **TITLE III—CLEAN ENERGY**
 20 **VICTORY BONDS**

21 **SEC. 301. CLEAN ENERGY VICTORY BONDS.**

22 (a) INITIAL CAPITALIZATION.—The Secretary of the
 23 Treasury shall issue Clean Energy Victory Bonds in an
 24 amount not to exceed \$7,500,000,000 on the credit of the
 25 United States for purposes of raising revenue for the ex-

1 tension of certain energy-related tax benefits extended by
2 this Act.

3 (b) DENOMINATIONS AND MATURITY.—Clean Energy
4 Victory Bonds shall be in the form of United States Sav-
5 ings Bonds of Series EE or as administered by the Bureau
6 of the Public Debt of the Department of the Treasury in
7 denominations of \$25, and shall mature within such peri-
8 ods as determined by the Secretary of the Treasury.

9 (c) INTEREST.—Clean Energy Victory Bonds shall
10 bear interest at the rate the Secretary of the Treasury
11 sets for Savings Bonds of Series EE and Series I, plus
12 a rate of return determined by the Secretary of the Treas-
13 ury which is based on the valuation of carbon mitigated
14 or energy saved through funded projects funded from the
15 proceeds of such bonds.

16 (d) PROMOTION.—

17 (1) IN GENERAL.—The Secretary of the Treas-
18 ury shall take such actions, independently and in
19 conjunction with financial institutions offering Clean
20 Energy Victory Bonds, to promote the purchase of
21 Clean Energy Victory Bonds, including campaigns
22 describing the financial and social benefits of pur-
23 chasing Clean Energy Victory Bonds.

1 (2) PROMOTIONAL ACTIVITIES.—Such pro-
2 motional activities may include advertisements, pam-
3 phlets, or other promotional materials—

4 (A) in periodicals;

5 (B) on billboards and other outdoor
6 venues;

7 (C) on television;

8 (D) on radio;

9 (E) on the Internet;

10 (F) within financial institutions that offer
11 Clean Energy Victory Bonds; or

12 (G) any other venues or outlets the Sec-
13 retary of the Treasury may identify.

14 (3) LIMITATION.—There are authorized to be
15 appropriated for such promotional activities not
16 more than—

17 (A) \$10,000,000 in the first year after the
18 date of the enactment of this Act, and

19 (B) \$2,000,000 in each year thereafter.

20 (e) FUTURE CAPITALIZATION.—

21 (1) IN GENERAL.—After the initial capitaliza-
22 tion limit is reached under subsection (a), the Sec-
23 retary of the Treasury may issue additional Clean
24 Energy Victory Bonds on the credit of the United
25 States.

1 (2) SINGLE ISSUE LIMITATION.—No such addi-
2 tional issue may exceed \$7,500,000,000.

3 (3) AGGREGATE LIMITATIONS.—The aggregate
4 of any such additional issues during the 4-year pe-
5 riod beginning on the day after the initial capitaliza-
6 tion limit is reached under subsection (a) may not
7 exceed \$50,000,000,000. The aggregate of any such
8 additional issues after the expiration of such 4-year
9 period may not exceed \$50,000,000,000.

10 (f) LAWFUL INVESTMENTS.—Clean Energy Victory
11 Bonds shall be lawful investments, and may be accepted
12 as security for all fiduciary, trust, and public funds, the
13 investment or deposit of which shall be under the author-
14 ity or control of the United States or any officer or officers
15 thereof.

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