

116TH CONGRESS  
1ST SESSION

# S. 2595

To amend the Internal Revenue Code of 1986 to extend and update the new energy efficient home credit.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 15, 2019

Ms. HASSAN (for herself and Ms. COLLINS) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to extend  
and update the new energy efficient home credit.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “New Home Energy  
5 Efficiency Act”.

6 **SEC. 2. EXTENSION OF NEW ENERGY EFFICIENT HOME**  
7 **CREDIT.**

8 (a) IN GENERAL.—Subsection (g) of section 45L of  
9 the Internal Revenue Code of 1986 is amended by striking

1 “December 31, 2017” and inserting “December 31,  
2 2020”.

3 (b) **EFFECTIVE DATE.**—The amendments made by  
4 this section shall apply to qualified new energy efficient  
5 homes acquired after December 31, 2017.

6 **SEC. 3. UPDATING NEW ENERGY EFFICIENT HOME CREDIT.**

7 (a) **IN GENERAL.**—Section 45L of the Internal Rev-  
8 enue Code of 1986, as amended by section 2, is amend-  
9 ed—

10 (1) in subsection (a)(2)—

11 (A) in subparagraph (A), by striking  
12 “\$2,000” and inserting “\$2,500”; and

13 (B) in subparagraph (B), by inserting “or  
14 (4)” after “paragraph (3)”;

15 (2) in subsection (b)—

16 (A) in paragraph (2)(B), by striking “this  
17 section” and inserting “the New Home Energy  
18 Efficiency Act”; and

19 (B) by adding at the end the following:

20 “(5) 2018 IECC.—

21 “(A) **IN GENERAL.**—The term ‘2018  
22 IECC’ means the 2018 International Energy  
23 Conservation Code, as such Code (including  
24 supplements) is in effect on the date of the en-

1 actment of the New Home Energy Efficiency  
2 Act.

3 “(B) SPECIAL RULE.—For purposes of  
4 subsection (c)(1)(B)(i)(I), in determining  
5 whether a dwelling unit has been constructed in  
6 accordance with the standards of chapter 4 of  
7 the 2018 IECC by achieving a level of energy  
8 efficiency which meets Section R406.4  
9 (N1106.4) of such Code, such determination  
10 shall be made without accounting for on-site en-  
11 ergy generation.”;

12 (3) by striking subsection (c) and inserting the  
13 following:

14 “(c) ENERGY SAVING REQUIREMENTS.—A dwelling  
15 unit meets the energy saving requirements of this sub-  
16 section if such unit—

17 “(1)(A) is certified—

18 “(i) to have a level of annual heating and  
19 cooling energy consumption which is at least 60  
20 percent below the annual level of heating and  
21 cooling energy consumption of a comparable  
22 dwelling unit—

23 “(I) which is constructed in accord-  
24 ance with the standards of chapter 4 of the  
25 2006 International Energy Conservation

1 Code, as such Code (including supple-  
2 ments) is in effect on January 1, 2006,  
3 and

4 “(II) for which the heating and cool-  
5 ing equipment efficiencies correspond to  
6 the minimum allowed under the regula-  
7 tions established by the Department of En-  
8 ergy pursuant to the National Appliance  
9 Energy Conservation Act of 1987 and in  
10 effect at the time of completion of con-  
11 struction, and

12 “(ii) to have building envelope component  
13 improvements account for at least  $\frac{1}{5}$  of such  
14 60 percent, or

15 “(B) is certified—

16 “(i) to have a level of annual energy con-  
17 sumption which is at least 15 percent below the  
18 annual level of energy consumption of a com-  
19 parable dwelling unit—

20 “(I) which is constructed in accord-  
21 ance with the standards of chapter 4 of the  
22 2018 IECC, and

23 “(II) which meets the requirements  
24 described in subparagraph (A)(i)(II), and

1           “(ii) to have building envelope component  
2 improvements account for at least  $\frac{1}{5}$  of such  
3 15 percent,

4           “(2) is a manufactured home which—

5           “(A) conforms to Federal Manufactured  
6 Home Construction and Safety Standards (part  
7 3280 of title 24, Code of Federal Regulations),  
8 and

9           “(B) meets the requirements described in  
10 subparagraph (A) or (B) of paragraph (1),

11           “(3) meets the requirements established by the  
12 Administrator of the Environmental Protection  
13 Agency under the Energy Star Labeled Homes pro-  
14 gram, or

15           “(4) is a manufactured home which—

16           “(A) conforms to the standards described  
17 in paragraph (2)(A), and

18           “(B) meets the requirements described in  
19 paragraph (3).”; and

20           (4) in subsection (g), by striking “December  
21 31, 2020” and inserting “December 31, 2022”.

22           (b) EFFECTIVE DATE.—The amendments made by  
23 this section shall apply to qualified new energy efficient  
24 homes acquired after December 31, 2020.

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