

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

SECTION-BY-SECTION TABLE OF CONTENTS

TITLE I — COMMITTEE ON AGRICULTURE	4
Subtitle A — General Provisions.....	4
Subtitle B — Forestry	4
Subtitle C — Rural Development and Agricultural Credit and Outreach.....	7
Subtitle D — Research and Urban Agriculture.....	10
Subtitle E — Miscellaneous.....	11
Subtitle F — Conservation.....	13
TITLE II — COMMITTEE ON EDUCATION AND LABOR.....	14
Subtitle A — Education Matters.....	14
Subtitle B — Labor Matters.....	16
Subtitle C — Workforce Development Matters	18
Subtitle D — Child Care and Universal Preschool.....	23
Subtitle E — Child Nutrition and Related Programs	24
Subtitle F — Human Services and Community Supports.....	25
Subtitle G — National Service and Workforce Development in Support of Climate Resilience and Mitigation.....	26
Subtitle H — Prescription Drug Coverage Provisions.....	28
TITLE III — COMMITTEE ON ENERGY AND COMMERCE	29
Subtitle A — Clean Air.....	29
Subtitle B — Hazardous Materials	32
Subtitle C — Drinking Water	32
Subtitle D — Energy.....	36
Subtitle E — Affordable Health Care Coverage.....	39
Subtitle F — Medicaid.....	40
Subtitle G — Children’s Health Insurance Program.....	44
Subtitle H — Medicare Coverage of Hearing Services	44
Subtitle I — Public Health.....	45
Subtitle J — Next Generation 9-1-1	52
Subtitle K — Other Matters Related to Connectivity	53
Subtitle L — Distance Learning	54
Subtitle M — Manufacturing Supply Chain and Tourism.....	54
Subtitle N — FTC Privacy Enforcement.....	54
Subtitle O — Department of Commerce Inspector General	55

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE IV — COMMITTEE ON FINANCIAL SERVICES	56
Subtitle A — Creating and Preserving Affordable, Equitable and Accessible Housing for the 21 st Century.....	56
Subtitle B — 21 st Century Sustainable and Equitable Communities	58
Subtitle C — Homeownership Investments.....	59
Subtitle D — HUD Administration, Capacity Building, Technical Assistance, and Agency Oversight	59
Subtitle E — Economic Development	60
TITLE V — COMMITTEE ON HOMELAND SECURITY	61
TITLE VI — COMMITTEE ON THE JUDICIARY.....	64
Subtitle A — Immigration Provisions	64
Subtitle B — Community Violence Prevention.....	66
Subtitle C — Antitrust	67
Subtitle D — Revenue Matters	67
TITLE VII — COMMITTEE ON NATURAL RESOURCES	68
Subtitle A — Native American and Native Hawaiian Affairs	68
Subtitle B — National Oceanic and Atmospheric Administration	70
Subtitle C — United States Fish and Wildlife Service	72
Subtitle D — Water Resources Research and Technology Institutes	73
Subtitle E — Council on Environmental Quality	73
Subtitle F — Department of the Interior Efficient and Effective Reviews.....	74
Subtitle G — Public Lands	74
Subtitle H — Drought Response and Preparedness.....	76
Subtitle I — Insular Affairs	77
Subtitle J — Offshore Wind	77
Subtitle K — Preventing Damage From Mining	78
Subtitle L — Arctic National Wildlife Refuge	78
Subtitle M — Outer Continental Shelf Oil and Gas Leasing.....	78
Subtitle N — Fossil Fuel Resources	78
Subtitle O — United States Geological Survey	80
TITLE VIII — COMMITTEE ON OVERSIGHT AND REFORM	81
TITLE IX — COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY	83
TITLE X — COMMITTEE ON SMALL BUSINESS	86
Subtitle A — Increasing Federal Contracting Opportunities for Small Businesses	86

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

Subtitle B — Empowering Small Business Creation and Expansion in Underrepresented Communities	86
Subtitle C — Encouraging Small Businesses to Fully Engage in the Innovation Economy	87
Subtitle D — Increasing Equity Opportunities	87
Subtitle E — Increasing Access to Lending and Investment Capital	87
Subtitle F — Supporting Entrepreneurial Second Chances	88
Subtitle G — Administrative and Oversight Funding.....	89
TITLE XI — COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE	90
TITLE XII — COMMITTEE ON VETERANS’ AFFAIRS.....	94
TITLE XIII — COMMITTEE ON WAYS AND MEANS	95
Subtitle A — Paid Family and Medical Leave	95
Subtitle B — Registered Nurse Staffing	108
Subtitle C — Trade Adjustment Assistance	109
Subtitle D — Career Pathways and Social Services	118
Subtitle E — Infrastructure Financing and Community Development.....	124
Subtitle F — Green Energy.....	128
Subtitle G — Social Safety Net	153
Subtitle H — Responsibility Funding Our Priorities	159
Subtitle I — Drug Pricing	176
Subtitle J — Supplemental Security Income for the Territories	179

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE I — COMMITTEE ON AGRICULTURE

SUBTITLE A — GENERAL PROVISIONS

Section 10001. Definitions.

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

SUBTITLE B — FORESTRY

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

This section also appropriates \$150 million for the State Fire Assistance and Volunteer Fire Assistance programs established under the Cooperative Forestry Assistance Act of 1978 to be distributed at the discretion of the Secretary; and \$150 million for the implementation of State-wide forest resource strategies under section 2A of the Cooperative Forestry Assistance Act of 1978.

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 11003. State and Private Forestry Conservation Programs.

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

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

Section 11004. Limitation.

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

Section 11005. Appropriations.

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

SUBTITLE C — RURAL DEVELOPMENT AND AGRICULTURAL CREDIT AND OUTREACH

PART 1 – RURAL DEVELOPMENT

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 12002. USDA Rural Water Grants for Lead Remediation.

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

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

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

Section 12004. Rural Energy Savings Program.

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

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

Section 12005. Rural Energy for America Program.

Section 12005 provides a total of \$2,025,450,000 billion to the Secretary for the Rural Energy for America Program established under section 9007 of the Farm Security and Rural Investment Act of 2002, \$303,817,500 million of which will be for financial assistance for underutilized renewable energy technologies and program technical assistance. This section also reduces the match requirement for grants awarded using funds provided under this section, from 75 percent to 50 percent.

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

Section 12006. Biofuel Infrastructure and Agriculture Product Market Expansion.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

Section 12007. USDA Assistance for Rural Electric Cooperatives.

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

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

Section 12008. Rural Partnership Program.

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Section 12009. Additional USDA Rural Development Administrative Funds.

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

PART 2 – AGRICULTURAL CREDIT AND OUTREACH

Section 12101. Assistance for Certain Farm Loan Borrowers.

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

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

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

SUBTITLE D — RESEARCH AND URBAN AGRICULTURE

Section 13001. Department of Agriculture Research Funding.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

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

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

Section 13002. Limitation.

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

SUBTITLE E — MISCELLANEOUS

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

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

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

SUBTITLE F — CONSERVATION

Section 15001. Soil Conservation Assistance.

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

Section 15002. Additional Agricultural Conservation Investments.

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

Section 15003. Conservation Technical Assistance.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE II — COMMITTEE ON EDUCATION AND LABOR

SUBTITLE A — EDUCATION MATTERS

PART 1 — ELEMENTARY AND SECONDARY EDUCATION

Section 20001. Grow Your Own Programs.

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

Section 20002. Teacher Residencies.

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

Section 20003. Support School Principals.

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

Section 20004. Hawkins.

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 20006. Grants for Native American Language Teachers And Educators

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

PART 2 — HIGHER EDUCATION

Section 20021. Increasing the Maximum Federal Pell Grant.

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

Section 20022. Expanding Federal Student Aid Eligibility.

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

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

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

Section 20024. Retention and Completion Grants.

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

Section 20025. Institutional Aid.

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

Section 20026. Research and Development Infrastructure Competitive Grant Program.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

SUBTITLE B — LABOR MATTERS

Section 21001. Department of Labor.

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 21002. National Labor Relations Board.

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

Section 21003. Equal Employment Opportunity Commission.

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

Section 21004. Adjustment of Civil Monetary Penalties.

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

Section 21005. Civil Monetary Penalties for Parity Violations.

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

Section 21006. Penalties Under the National Labor Relations Act.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE C — WORKFORCE DEVELOPMENT MATTERS

Provides \$20,000,000,000 to carry out workforce development activities, including \$13,600,000,000 to the Department of Labor and \$6,400,000,000 to the Department of Education.

PART 1 — DEPARTMENT OF LABOR

Section 22001. Dislocated Worker Employment and Training Activities.

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

Section 22002. Adult Worker Employment and Training Activities.

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

Section 22003. Youth Workforce Investments Activities.

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

Section 22004. Employment Service.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 22005. Reentry Employment Opportunities.

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

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

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

Section 22007. Industry or Sector Partnership Grants.

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

Section 22008. Job Corps.

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

Section 22009. Native American Programs.

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

Section 22010. Migrant and Seasonal Farmworker Programs.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Section 22011. YouthBuild Program.

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

Section 22012. Senior Community Service Employment Program.

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

Section 22013. Provision of Information

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

Section 22014. Definitions.

Defines terms used in Part 1 of this Subtitle, including eligible partnership, evidence-based, Registered Apprenticeship program, Secretary as the Secretary of Labor, and WIOA definitions.

PART 2 — DEPARTMENT OF EDUCATION WORKFORCE DEVELOPMENT APPROPRIATIONS

Section 22101. Adult Education and Literacy.

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

Section 22102. Career and Technical Education.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 22103. Community College and Industry Partnership Grants.

Provides \$5,000,000,000 over a five-year period through September 30, 2026 for competitive grants, contracts or cooperative agreements to community colleges that are part of or in the process of establishing industry or sector partnerships to expand workforce development programs in high-skill, high-wage, or in-demand industry sectors or occupations, including providing supportive services, career services and job placement assistance to individuals with barriers to employment, and of the funds made available, \$100 million is appropriated for outreach, administrative costs, and evaluation.

PART 3 — COMPETITIVE INTEGRATED EMPLOYMENT TRANSFORMATION GRANT PROGRAM

Section 22201. Competitive Integrated Employment Transformation Grant Program.

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

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

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

Section 22203. Technical Assistance.

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

Section 22204. Supplement and Not Supplant.

Requires that funds made available under this part shall supplement and not supplant and Federal, State, or local funds expended to assist employers with transforming their business and

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

program models to supporting people with disabilities in competitive integrated employment or supporting the employment of people with disabilities in competitive integrated employment.

Section 22205. Definitions.

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

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

Section 22301. Definitions.

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

Section 22302. Grants to Support the Direct Care Workforce.

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

PART 5 — DEPARTMENT OF LABOR INSPECTOR GENERAL AND PROGRAM ADMINISTRATION

Section 22401. Department of Labor Inspector General.

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

Section 22402. Department of Labor Program Administration.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE D — CHILD CARE AND UNIVERSAL PRESCHOOL

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

Provides over \$100 billion to support high quality child care during the first three years and such sums in the following three years via a new child care and early learning entitlement program to provide high-quality, affordable child care for children ages birth to five, increase wages for the early childhood workforce, and invest in child care quality and supply (including facilities).

Caps families' child care copayments to ensure that no eligible family pays more than 7 percent of their income on child care by creating a sliding scale fee system. Eligible families earning under 75 percent of State Median Income (SMI) would pay nothing toward child care. After a three-year phase in period, families earning no more than 250 percent of SMI and with a parent or parents engaging in an eligible activity would be eligible for, and entitled to, child care assistance through a child care subsidy or grant-funded child care slot. Program ends at year six.

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 23002. Universal Preschool.

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

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

SUBTITLE E — CHILD NUTRITION AND RELATED PROGRAMS

Section 24001. Expanding Community Eligibility.

Invests in free school meals by allowing nearly 9 million more children to access meals through the Community Eligibility Provision (CEP). This section: (1) increases the CEP multiplier, which is used to determine the rate of federal reimbursement to schools, from 1.6 to 2.5; and (2) lowers the participation threshold for schools to elect CEP from 40 percent to 25 percent of identified students. Additionally, it allows for statewide election of CEP. These changes are in effect through FY27.

Section 24003. Summer Electronic Benefit Transfer for Children Program.

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

Section 24004. School Kitchen Equipment Grants.

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

Section 24005. Healthy Food Incentives Demonstration.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

SUBTITLE F — HUMAN SERVICES AND COMMUNITY SUPPORTS

Section 25001. Assistive Technology.

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

Section 25002. Family Violence Prevention and Services Funding.

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

Section 25003. Pregnancy Assistance Fund.

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

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

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

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

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

Provides \$20,000,000 to fund a national technical assistance center through HHS' Administration for Community Living which will develop and disseminate evidence-based strategies for recruitment, education and training, retention, and career advancement of direct

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

care workers and provide recommendations for activities to further support paid and unpaid family caregivers.

Section 25006. Funding to Support Unpaid Caregivers.

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

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

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

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

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

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

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

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

- \$3,200,000 over a five-year period for AmeriCorps State and National Programs to increase funding for existing grant awards or make new awards to raise living allowances and improve benefits for participants in these national service programs. Grantee match requirements shall be waived, in whole or part, for organizations that serve underserved or low-income communities, and a significant percentage of participants in such program are low-income individuals;
- \$400,000,000 over a five-year period to make adjustments to existing awards and make new awards to support State Commissions on National and Community Service. Match waivers shall be provided to State Commissions if need is demonstrated;
- \$80,000,000 over an eight-year period for the National Civilian Community Corps (NCCC) to increase the living allowance and improve benefits of participants; \$600,000,000 over a eight-year period for the Volunteers in Service to America (VISTA) program, including to increase the subsistence allowances and improve benefits of participants in VISTA;
- \$6,915,000,000 for national service programs to carry out projects related to climate resilience and mitigation, available over a five-year period for AmeriCorps State and National, and over an eight-year period for VISTA and NCCC. Requires: grants be made to entities that serve and have representation from low-income communities or

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

communities experiencing adverse health and environmental conditions; programs utilize culturally competent and multilingual strategies; projects are carried out with community input and implemented by diverse participants from communities being served; and programs provide participants with workforce development opportunities; and provides match waivers, increased living and subsistence allowances, and benefits adjustments as described above;

- \$1,010,400,000 over an eight-year period for administrative costs at the Corporation for National and Community Service for carrying out this section and actions to address recommendations arising from audits of the financial statements, the development of fraud prevention and detection controls and risk-based anti-fraud monitoring for grants and other financial assistance funded under this section, and coordination of efforts and activities with the Departments of Labor and Education;
- \$79,800,000 for Fiscal Year 2030 for administrative expenses to carry out programs and activities funded under this section;
- \$300,000 until expended to develop and implement a project, operations, and management plan, in collaboration with the DOL, for the funds made available under this section;
- \$49,500,000 over a nine-year period for outreach to and recruitment of members from communities traditionally underrepresented in national service programs and members of a community experiencing a significant dislocation of workers, including energy transition communities;
- \$75,000,000 over a nine-year period for the CNCS Office of Inspector General (OIG) for oversight and audits of programs under this section;
- \$1,150,000,000 for the National Service Trust to provide AmeriCorps Education Awards (Segal Awards) for program participants in national service programs that support climate resilience and mitigation through fiscal year 2030; and
- \$1,660,000,000 for the National Service Trust for supplemental AmeriCorps Education Awards for all national service program participants through fiscal year 2029 which are equal to a 50% increase over the Segal award, in effect at the time of award.

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

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

- \$450,000,000 over a five-year period for the YouthBuild program authorized under the WIOA, including to improve or expand access to services, stipends, wages, and benefits for YouthBuild participants, and for high-quality employment and training opportunities;
- \$450,000,000 over a five-year period for the Job Corps program authorized under WIOA, for carrying out Job Corps activities, improving and expanding access to allowances and services for Job Corps participants, and for constructing, rehabilitating and acquiring Job Corps Centers;
- \$1,000,000,000 over a five-year period to create pre-apprenticeship programs that articulate to registered apprenticeship programs;

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Subtitle H — Prescription Drug Coverage Provisions

Section 26001. Requirements with Respect to Cost-Sharing for Certain Insulin Products.

Requires group health plans and issuers offering group health insurance coverage to cover at least one dosage form and type of insulin under the deductible and limit cost-sharing to the lesser of \$35 per month or 25 percent of the negotiated price under the plan.

Section 26002. Oversight of Pharmacy Benefit Manager Services.

Requires pharmacy benefit managers (PBMs) to provide reports in machine-readable format to sponsors of group health plans every six months. Reports required under this section must include information regarding the administration of prescription drug benefits by PBMs and detailed information regarding the rebates, fees, and other compensation paid to the PBMs.

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

TITLE III — COMMITTEE ON ENERGY AND COMMERCE

SUBTITLE A — CLEAN AIR

Section 30101. Clean Heavy-Duty Vehicles.

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

Section 30102. Grants to Reduce Air Pollution at Ports.

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

Section 30103. Greenhouse Gas Reduction Fund.

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

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

Section 30104. Collaborative Community Wildfire Air Grants.

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

Section 30105. Diesel Emissions Reductions.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 30106. Funding to Address Air Pollution.

This section provides \$280.5 million to EPA, of which \$230.5 million is for air quality monitoring via grants and other activities authorized under CAA sections 103(a)-(c) and 105, \$45 million is to carry out specified sections of the CAA with respect to greenhouse gases (GHG), and \$5 million is for grants to states to adopt and implement GHG and zero-emission standards for mobile sources pursuant to CAA section 177.

Section 30107. Funding to Address Air Pollution at Schools.

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

Section 30108. Low Emissions Electricity Program.

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

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 30112. Greenhouse Gas Corporate Reporting.

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

Section 30113. Environmental Product Declaration Assistance Program.

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

Section 30114. Methane Emissions Reduction Program.

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

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

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

Section 30116. Climate Pollution Reduction Grants.

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

SUBTITLE B — HAZARDOUS MATERIALS

Section 30201. Grants to Reduce Waste in Communities.

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

Section 30202. Environmental and Climate Justice Block Grants.

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

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

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

SUBTITLE C — DRINKING WATER

Section 30301. Lead Remediation Projects.

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

Sec. 30302. Funding for Water Assistance Program.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

This section provides the Department of Energy (DOE) with funding to institute guidelines and administer funding for state energy offices to provide rebates for whole-house energy saving retrofits. It appropriates \$360 million for contractor training grants to support home energy efficiency retrofits and \$5.89 billion for state energy offices to provide rebates for retrofits. Specifies rebate amounts for single-family and multifamily energy efficiency retrofits. Provides that home energy efficiency retrofit rebates for high-efficiency natural gas heating, ventilation, air conditioning and cooling (HVAC) systems and water heaters are eligible for six years after the date of enactment.

Section 30412. High-Efficiency Electric Home Rebate Program.

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

Section 30421. Critical Facility Modernization.

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

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

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

Section 30431. Zero-Emissions Vehicle Infrastructure Grants.

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Section 30442. Advanced Technology Vehicle Manufacturing.

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

Section 30443. Domestic Manufacturing Conversion Grants.

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

Section 30444. Energy Community Reinvestment Financing.

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

Section 30445. Tribal Energy Loan Guarantee Program.

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

Section 30451. Transmission Line and Intertie Incentives.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

Section 30453. Organized Wholesale Electricity Market Technical Assistance Grants.

This section appropriates \$40 million to DOE for the purpose of providing states with technical assistance and grants to evaluate forming, participating in, expanding, or improving organized wholesale electricity markets.

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

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

Section 30461. Department of Energy.

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

Section 30462. Federal Energy Regulatory Commission

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

Section 30471. Advanced Industrial Facilities Deployment Program

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

Section 30481. Oversight.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 30482. Energy Information Administration.

This section appropriates \$40 million to the Administrator of the Energy Information Administration for data collection, research, and analysis activities.

SUBTITLE D — ENERGY

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

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Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Section 30482. Energy Information Administration.

This section appropriates \$40 million to the Administrator of the Energy Information Administration for data collection, research, and analysis activities.

SUBTITLE E — AFFORDABLE HEALTH CARE COVERAGE

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

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

Section 30602. Establishing a Health Insurance Affordability Fund.

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 30604. Requirements with Respect to Cost-Sharing for Insulin Products.

This section ensures coverage of at least one of each type and dosage form of insulin under private insurance and ensures coverage of these insulin products before the application of any deductible and limits other cost sharing to no more than \$35.

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

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

Section 30606. Oversight of Pharmacy Benefit Manager Services.

This section requires that group health plan sponsors receive a semi-annual report on the costs, fees, and rebate information associated with their pharmacy benefit manager (PBM) contracts. These reports shall be generated by the entities providing pharmacy benefits management services and requires the inclusion of certain specific information to be disclosed to the group health plan sponsors. The Secretary of Health and Human Services (HHS) shall enforce the reporting requirements, in consultation with the Secretaries of Labor and Treasury.

Sec. 30607. Funding to Support State Applications for Section 1332 Waivers and Administration.

This section provides \$50 million to the Secretary of HHS to award grants to states for purposes of developing a new section 1332 application, an application for a waiver extension or amendment, or implementing a section 1332 state innovation waiver.

Sec. 30608. Adjustments to Uncompensated Care Pools and Disproportionate Share Hospital Payments.

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

Section 30609. Further Increase in FMAP for Medical Assistance for Newly Eligible Mandatory Individuals.

This section increases the Medicaid expansion Federal Medical Assistance Percentage (FMAP) to 93 percent through 2025.

SUBTITLE F — MEDICAID

PART 1 — INVESTMENTS IN HOME AND COMMUNITY-BASED SERVICES AND LONG-TERM CARE QUALITY AND WORKFORCE

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 30711. HCBS Improvement Planning Grants.

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

Section 30712. HCBS Improvement Program.

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

Section 30713. Funding for Federal Activities Related to HCBS.

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

Section 30714. Funding for HCBS Quality Measurement and Improvement.

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

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

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

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

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

Section 30717. Funding to Improve the Accuracy and Reliability of Certain Skilled Nursing Facility Data.

This section directly appropriates \$50 million to the Secretary of HHS to be made available in fiscal year (FY) 2022 through FY 2031, for the purposes of conducting data validation of nursing home quality data.

Section 30718. Ensuring Accurate Information on Cost Reports.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

This section appropriates \$250 million to the Secretary of HHS in FY 2022 for the purposes of auditing the Medicare cost reports Skilled Nursing Facilities (SNF) are required to submit, beginning in FY 2023 and ending in FY 2031.

Section 30719. Survey Improvements.

This section directly appropriates \$325 million for FY 2022, available until FY 2031, to the Secretary of HHS for the purposes of improving existing surveys and enforcement processes to improve compliance with the SNF conditions of participation.

Section 30720. Nurse Staffing Requirements.

This section appropriates \$50 million to the Secretary of HHS for FY 2022, available until 2031, for the purposes of conducting studies on the appropriateness of establishing minimum staff-to-resident ratios in SNFs.

PART 2 — EXPANDING ACCESS TO MATERNAL HEALTH

Section 30721. Extending Continuous Coverage for Pregnant and Postpartum Individuals.

This section requires that state Medicaid and CHIP programs provide 12 months of continuous eligibility to postpartum women.

Section 30722 State Option to Provide Coordinated Care Through a Maternal Health Home for Pregnant and Postpartum Individuals.

This section authorizes a new option for states to provide coordinated care for pregnant and postpartum women through a health home.

PART 3 — TERRITORIES

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

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

PART 4 — OTHER MEDICAID

Section 30741. Investments to Ensure Continued Access to Health Care for Children and Other Individuals.

This section makes several improvements to expand access and continuity of care to some of our most vulnerable citizens, including low-income children. It provides 12 months of continuous

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

eligibility to children enrolled in Medicaid and CHIP; and coverage to justice-involved individuals 30 days prior to their release. It also allows states to smoothly transition out of the coverage requirements put in place during the public health emergency. This section also permanently extends the state option to simplify children's enrollment in Medicaid and CHIP. It makes important investments to strengthen and expand access to behavioral health. It provides all states with incentives to cover Certified Community Behavioral Health Care Clinics. It also permanently extends the option for states to cover Community-Based Mobile Crisis Intervention Services to help individuals experiencing a crisis quickly get the treatment they need. This section extends for an additional two years the 100 percent FMAP for urban Indian organizations and Native Hawaiian Health Centers that was first authorized in the American Rescue Plan. Finally, this section ensures Medicaid accurately reimburses for prescription drugs.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

PART 5 — MAINTENANCE OF EFFORT

Section 30751. Encouraging Continued Access After the End of the Public Health Emergency.

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

SUBTITLE G — CHILDREN’S HEALTH INSURANCE PROGRAM

Section 30801. Investments to Strengthen CHIP.

This section makes comprehensive improvements to the Children’s Health Insurance Program (CHIP) for low-income children. It authorizes permanent funding for CHIP and provides permanent funding for several programs related to CHIP, including the pediatric quality measures program and the child enrollment contingency fund to provide states with additional funding in the event its CHIP allotment is insufficient. It also closes a longstanding loophole and ensures that all CHIP programs are able to receive low-cost prescription drugs. Finally, this section provides states with the option to increase CHIP income eligibility levels above the existing statutory ceiling.

SUBTITLE H — MEDICARE COVERAGE OF HEARING SERVICES

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

This section allows for qualified audiologists, beginning January 1, 2023, to deliver aural rehabilitation and treatment services in addition to the hearing and balance assessment services provided under current law. It also allows for qualified hearing aid professionals to deliver hearing assessment services, beginning January 1, 2023. This section defines qualified hearing aid professionals as state licensed or registered hearing aid dispensers, hearing aid specialists, hearing instrument dispensers, or related professionals who meet other requirements, as determined appropriate by the Secretary.

Beginning January 1, 2023, this section also provides for coverage of hearing aids under Medicare Part B for individuals with moderately severe, severe, or profound hearing loss in one or both ears, once every five years, and if furnished through a written order by a physician, qualified audiologist, qualified hearing aid professional, physician assistant, nurse practitioner, or clinical nurse specialist, qualified to write such order by the state.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE I — PUBLIC HEALTH

PART 1 — HEALTH CARE INFRASTRUCTURE AND WORKFORCE

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

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

Section 31002. Funding for Health Center Capital Grants.

This section provides \$2 billion in funding to award grants and enter into cooperative agreements for capital projects to health centers and federally qualified health centers, including health center facility alteration, renovation, improvement, construction, as well as the purchase, renovation, or maintenance of mobile clinics.

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

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

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

This section provides \$200 million in funding for the Children’s Hospital Graduate Medical Education program, which supports the training of pediatric primary care, specialty, and dental residents.

Section 31005. Funding for the National Health Service Corps.

This section provides \$2 billion in funding for the National Health Service Corps, which provides scholarships and loan repayment to qualified health care providers in exchange for their service in underserved areas across the country.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 31006. Funding for the Nurse Corps.

This section provides \$500 million in funding for the Nurse Corps, which provides scholarships and loan repayment assistance to registered nurses (RNs) and advanced practice registered nurses (APRNs), in return for a commitment to work at eligible health care facilities with a critical shortage of nurses or serve as nurse faculty in eligible schools of nursing.

Section 31007. Funding for Schools of Medicine in Underserved Areas.

This section provides \$500 million in funding for the establishment, improvement, or expansion of schools of medicine in particular in underserved communities and with priority given to minority-serving institutions.

Section 31008. Funding for Schools of Nursing in Underserved Areas.

This section provides \$500 million in funding to enhance and modernize nursing education programs and increase the number of faculty and students, particularly in underserved areas.

Section 31009. Funding for Palliative Care and Hospice Education and Training.

This section provides \$25 million in funding to support training of health professionals in palliative and hospice care, foster patient and family engagement, integration of palliative and hospice care with primary care and other appropriate specialties, and collaboration with community partners to address gaps in health care for individuals in need of palliative or hospice care.

Section 31010. Funding for Palliative Medicine Physician Training.

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

Section 31011. Funding for Palliative Care and Hospice Academic Career Awards.

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

Section 31012. Funding for Hospice Palliative Care Nursing.

This section provides \$20 million in funding to nursing schools, health care facilities, programs leading to certification, partnerships of such schools and facilities, and programs and initiatives

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

to develop and implement programs to train and educate individuals in palliative care in educational, hospital, hospice, home, or long-term care settings.

Section 31013. Funding for Dissemination of Palliative Care Information.

This section provides \$5 million in funding an awareness campaign to inform patients, families, and health professionals about the benefits of palliative care and the services that are available to support patients with serious or life-threatening illnesses.

PART 2 — PANDEMIC PREPAREDNESS

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

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

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

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

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

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

PART 3 — MATERNAL MORTALITY

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 31032. Funding for the Office of Minority Health.

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

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

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

Section 31034. Funding for Perinatal Quality Collaboratives.

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

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

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

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

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

Section 31048. Funding for Antidiscrimination and Bias Training.

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

PART 4 — OTHER PUBLIC HEALTH INVESTMENTS

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

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

Section 31052. Funding to Support Peer Recovery Specialists.

This section provides \$25 million to support SAMHSA's Recovery Community Services Program Statewide Network program, which seeks to strengthen recovery community organizations and their statewide network of recovery stakeholders. The program works to embed recovery stakeholders, including peers, into traditional substance use disorder treatment services; encourages states to allow for the reimbursement of peer billable recovery services; facilitates financial solvency for recovery services; and otherwise strengthens the delivery of peer recovery services nationwide.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 31053. Funding for Project AWARE.

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

Section 31054. National Suicide Prevention Lifeline.

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

Section 31055. Funding for Community Violence and Trauma Interventions.

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

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

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

Section 31057. Funding for HIV Health Care Services Programs.

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

Section 31058. Funding for Clinical Services Demonstration Project.

This section provides \$60 million in funding to support grants and contracts to public and private nonprofit clinics to carry out demonstration projects for the prevention and control of sexually transmitted diseases.

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

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

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

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

PART 5 — NATIVE HAWAIIAN PROVISIONS

Section 31071. Native Hawaiian Health Care Systems.

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

Section 31072. Native Hawaiian Health Improvement Grants.

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

Section 31073. Native Hawaiian Health Care Systems Liability Coverage.

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

SUBTITLE J — NEXT GENERATION 9-1-1

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

The section appropriates \$470 million to the National Telecommunications and Information Administration (NTIA) to make grants to eligible entities for deploying, operating, and

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

maintaining Next Generation 9-1-1. This section also appropriates \$20 million to the Assistant Secretary for administrative costs associated with carrying out the grant program.

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

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

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

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

Section 31104. Definitions.

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

SUBTITLE K — OTHER MATTERS RELATED TO CONNECTIVITY

Section 31201. Outreach.

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

Section 31202. Future of Telecommunications Council.

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

Section 31203. Affordability.

This section appropriates \$295 million to NTIA to establish a pilot program that will provide grants to public-private partnerships for projects that increase access to affordable broadband service in urban communities, including communities of color and to low- and middle-income consumers, through long-term solutions. It also appropriates \$5 million to the NTIA for an “Affordable Urban and Suburban Broadband Advisory Committee” to advise the NTIA, FCC, and Congress on ways to make broadband more affordable for urban and suburban subscribers through long-term solutions.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 31204. Access to Devices.

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

SUBTITLE L — DISTANCE LEARNING

Section 31401. Additional Funds for Distance Learning.

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

SUBTITLE M — MANUFACTURING SUPPLY CHAIN AND TOURISM

Section 31401. Manufacturing Supply Chain Resilience.

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

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

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

SUBTITLE N — FTC PRIVACY ENFORCEMENT

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

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

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

SUBTITLE O — DEPARTMENT OF COMMERCE INSPECTOR GENERAL

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE IV — COMMITTEE ON FINANCIAL SERVICES

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

Section 40001. Public Housing Investments.

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

Section 40002. Investments in Affordable and Accessible Housing Production.

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

Section 40003. Housing Investment Fund.

This section provides \$750 million to a new fund called the Housing Investment Fund within the Community Development Financial Institutions (CDFI) Fund to provide competitive grants to CDFIs and non-profit developers.

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

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

Section 40005. Section 202 Supportive Housing for the Elderly.

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 40007. Revitalization of Distressed Multifamily Properties.

This section provides \$1.6 billion to preserve and improve safety conditions in properties receiving Section 8 project-based rental assistance (PBRA).

Section 40008. Investments in Rural Rental Housing.

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

Section 40009. Housing Vouchers.

This section provides \$24 billion to fund incremental Housing Choice Vouchers and supportive services. Of this funding, \$7.1 billion is provided for individuals and families experiencing or at risk of homelessness, and survivors of domestic violence, dating violence, sexual assault, stalking and human trafficking. \$300 million is provided for competitive grants for mobility-related services and \$230 million is provided for landlord incentives to participate in the program.

Section 40010. Project-Based Rental Assistance.

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

Section 40011. Investments in Native American Communities.

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

Section 40012. Increased Affordable Housing Program Investment.

This section requires the Federal Home Loan Banks (FHLBs) to increase their affordable housing investments to 15% of net income—to be no less than \$100,000,000 in aggregate total contribution among FHLBs.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE B — 21ST CENTURY SUSTAINABLE AND EQUITABLE COMMUNITIES

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

This section provides \$3.05 billion for the Community Development Block Grant program (CDBG). This section includes \$700 million and \$500 million to address the housing and community infrastructure needs of colonias and resident-owned manufactured housing communities, respectively.

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

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

Section 40103. Unlocking Possibilities Program.

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

Section 40104. Strengthening Resilience Under National Flood Insurance Program.

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

Section 40105. Community Restoration and Revitalization Fund.

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

Section 40106. Fair Housing Activities and Investigations.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 40107. Intergovernmental Fair Housing Activities and Investigations.

This section provides \$100 million for the Fair Housing Assistance Program, which supports intergovernmental enforcement of fair housing laws.

SUBTITLE C — HOMEOWNERSHIP INVESTMENTS

Section 40201. First-Generation Downpayment Assistance.

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

Section 40202. Home Loan Program.

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

Section 40203. HUD-Insured Small Dollar Mortgage Demonstration Program.

This section provides \$100 million for HUD to carry out a pilot program to expand small-dollar mortgage options to homebuyers seeking to purchase affordable homes priced at \$100,000 or less.

Section 40204. Investments in Rural Homeownership.

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

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

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

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

Section 40302. Community-Led Capacity Building.

This section provides \$100 million in competitive grants to nonprofit entities to provide technical assistance and capacity building to community development corporations, community housing

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

development organizations, community land trusts, and other mission-driven and nonprofit organizations.

SUBTITLE E — ECONOMIC DEVELOPMENT

Section 40401. Minority Business Development Agency.

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

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

This section provides \$500 million through the Defense Production Act of 1950 (DPA) to support the domestic industrial base to promote economic competitiveness in the United States.

Section 40403. Supporting Factory-Built Housing through SSBCI.

This section provides \$25 million through the State Small Business Credit Initiative (SSBCI) administered by the U.S. Department of the Treasury to provide legal, accounting and financial assistance, to existing and prospective business enterprises within the factory-built housing sector applying for SSBCI loans and investments.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE V — COMMITTEE ON HOMELAND SECURITY

Section 50001. Cybersecurity and Infrastructure Security Agency.

Section 50001(a) appropriates \$100,000,000 to CISA for fiscal year 2022 to be available for cybersecurity risk mitigation. This subsection was not in the Committee Print.

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

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

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

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

Section 50001(f) appropriates \$50,000,000 to CISA for the purpose of executing the secure cloud architecture activities, migration advisory services, and cloud threat hunting capabilities of

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

Section 50002. Cybersecurity Assistance.

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

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

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

Section 50003. Nonprofit Security Grant Program.

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Section 50004. Office of Chief Readiness Support Officer.

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

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

TITLE VI — COMMITTEE ON THE JUDICIARY

SUBTITLE A — IMMIGRATION PROVISIONS

Section 60001. Protections and Work Permits.

Section 60001(a)(1) provides an opportunity for certain individuals described in section 60001(b) to request and receive a grant of parole under section 212(d)(5) of the Immigration and Nationality Act (INA), if they: (1) file an application for parole; (2) pay an administrative fee to cover processing costs; and (3) complete background and security checks to the satisfaction of the Secretary of Homeland Security. If approved, parole shall be granted by the Secretary of Homeland Security for 5 years, but parole cannot be granted beyond September 30, 2031.

Section 60001(a)(2) directs the Secretary of Homeland Security to grant employment and travel authorization to individuals granted parole under this section, and to deem them eligible for a REAL ID compliant driver's license or state identification card.

Section 60001(b) allows individuals to request parole under this section if they entered the United States before January 1, 2011, have continuously resided in the United States since such entry, and are not inadmissible under paragraph (2), (3), (6)(E), (8), (10)(A), (10)(C), or (10)(D) of section 212(a) of the INA.

Section 60001(c) requires the Secretary of Homeland Security to extend parole until September 30, 2031, if the individual continues to qualify for parole based on the policies and implementing guidance that were in effect when the individual was initially granted parole.

Section 60001(d) prohibits the Secretary of Homeland Security from revoking parole unless the Secretary determines that the individual is ineligible for parole, based on the policies and implementing guidance that were in effect when the individual was initially granted parole.

Section 60001(e)(1) clarifies that individuals granted parole under this section shall not be counted for purposes of calculating the annual worldwide level of family-sponsored immigrants.

Section 60002(e)(2) clarifies that this section shall not be construed to limit the Secretary of Homeland Security's authority to provide relief to aliens on an individual or class-wide basis.

Section 60002(f) prohibits the Secretary of Homeland Security from disclosing information provided in an application for parole under this section to U.S. Customs and Border Protection or U.S. Immigration and Customs Enforcement for purposes of immigration enforcement.

Section 60002(g) requires the Secretary of Homeland Security to issue interim rules implementing this section not later than 90 days after the date of its enactment and begin accepting and adjudicating applications for parole under this section not later than 90 days after such rules are published.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 60002. Recapture of Unused Immigrant Visa Numbers.

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

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

Section 60003. Adjustment of Status.

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

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

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

- (A) is the beneficiary of an approved family-based visa petition that bears a priority date that is more than 2 years before the date the alien requests an exemption from the numerical limitations and pays a supplemental fee of \$2,500;
- (B) is the beneficiary of an employment-based first, second, or third preference visa petition that bears a priority date that is more than 2 years before the date the alien requests an exemption from the numerical limitations and pays a supplemental fee of \$5,000;
- (C) is the beneficiary of an employment-based fifth preference petition that bears a priority date that is more than 2 years before the date the alien requests an exemption from the numerical limitations and pays a supplemental fee of \$50,000.

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

Section 60004. Additional Supplemental Fees.

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

- \$100 for certain family-sponsored immigrant visa petitions (Form I-130)
- \$800 for each employment-based immigrant visa petition (Form I-140)

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

SUBTITLE B — COMMUNITY VIOLENCE PREVENTION

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

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE C — ANTITRUST

Section 62001 Antitrust Division.

Section 62001 provides \$500 million to the Department of Justice Antitrust Division for carrying out work related to competition or enforcement of the antitrust laws.

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

Section 62002 provides \$500 million to the Federal Trade Commission for work related to unfair methods of competition or enforcement of the antitrust laws.

SUBTITLE D — REVENUE MATTERS

Section 63001 Additional Appropriation for Enforcement Relating to Federal Income Tax Evasion.

Section 63001 provides \$498 million to the Department of Justice Tax Division to enforce federal laws against tax evasion, including by pursuing civil cases or prosecuting criminal violations.

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

TITLE VII — COMMITTEE ON NATURAL RESOURCES

SUBTITLE A — NATIVE AMERICAN AND NATIVE HAWAIIAN AFFAIRS

Section 70101. Tribal Climate Resilience.

(a) Tribal Climate Resilience and Adaptation

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

(b) Bureau of Indian Affairs Fish Hatcheries

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

(c) Administration

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

Section 70102. Native Hawaiian Climate Resilience.

(a) Native Hawaiian Climate Resilience

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

(b) Administration

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

Section 70103. Tribal Electrification Program.

(a) Tribal Electrification Program

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

(b) Administration

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

Section 70104. Emergency Drought Relief for Tribes

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

Section 70105. Native American Consultation Resource Center.

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

Section 70106. Indian Health Service.

(a) Maintenance and Improvement

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

(b) Mental Health and Substance Use Disorders

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

(c) Priority Health Care Facilities

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

(d) Small Ambulatory

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

(e) Urban Indian Organizations

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

(f) Epidemiology Centers

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

(g) Environmental Health and Facilities Support Activities

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

Section 70107. Tribal Public Safety.

(a) Public Safety and Justice

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

(b) Administration

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

Section 70108. Bureau of Indian Affairs and Tribal Roads.

(a) Roads

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

(b) Administration

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

SUBTITLE B — NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Section 70201. Investing in Coastal Communities and Climate Resilience.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 70202. Pacific Salmon Restoration and Conservation.

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

Section 70203. Marine Fisheries Infrastructure.

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

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

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

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

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

Section 70206. NOAA Efficient and Effective Reviews.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 70207. Seafood Import Monitoring Program.

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

SUBTITLE C — UNITED STATES FISH AND WILDLIFE SERVICE

Section 70301. Endangered Species Act Recovery Plans.

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

Section 70302. Island Plant Conservation.

Subsection (a) provides \$4,850,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of plants in the Hawaiian Islands administrative expenses.

Section 70303. Pollinator Conservation.

Subsection (a) provides \$4,850,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of pollinators in the United States. Subsection (b) provides \$150,000 for administrative expenses.

Section 70304. Mussel Conservation.

Subsection (a) provides \$4,850,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of freshwater mussels in the United States. Subsection (b) provides \$150,000 for administrative expenses.

Section 70305. Desert Fish Conservation.

Subsection (a) provides \$4,850,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to conserve endangered and threatened species of desert fish in the United States. Subsection (b) provides \$150,000 for administrative expenses.

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

Subsection (a) provides \$242,500,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to rebuild and restore infrastructure and habitats and control invasive species on U.S. Fish and Wildlife Service lands and state wildlife conservation areas. These projects should

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

increase the resilience of habitats and infrastructure to future climate change-induced impacts. Subsection (b) provides \$7,500,000 for administrative expenses.

Section 70307. Wildlife Corridor Conservation.

Subsection (a) provides \$9,700,000 to the U.S. Fish and Wildlife Service, to remain available until expended, to map and restore wildlife corridors, including corridors on private lands through the Partners for Fish and Wildlife Program, the Coastal Program, and the Migratory Bird Joint Ventures. Subsection (b) provides \$300,000 for administrative expenses.

Section 70308. Grassland Restoration.

Subsection (a) provides \$38,800,000 to the U.S. Fish and Wildlife Service, to remain available until expended, for direct expenditures, grants, and cooperative agreements for grassland restoration and conservation projects. Subsection (b) provides \$1,200,000 for administrative expenses.

SUBTITLE D — WATER RESOURCES RESEARCH AND TECHNOLOGY INSTITUTES

Section 70401. Water Resources Research and Technology Institutes.

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

SUBTITLE E — COUNCIL ON ENVIRONMENTAL QUALITY

Section 70501. Environmental and Climate Data Collection.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

SUBTITLE F — DEPARTMENT OF THE INTERIOR EFFICIENT AND EFFECTIVE REVIEWS

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

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

SUBTITLE G — PUBLIC LANDS

Section 70701. National Parks and Public Conservation and Resilience.

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

Section 70702. National Parks and Public Lands Conservation and Ecosystem Restoration.

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

Section 70703. Land Projects.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 70704. Wildfire Management.

This section provides \$500,000,000 to the Secretary of the Interior, to remain available until September 30, 2031, for wildland fire management by the Bureau of Land Management or the National Park Service, including improvement, relocation, renovation, or construction of firefighting facilities; reduction of wildfire hazards to communities through fuels projects within the wildland-urban interface, burned area rehabilitation, and rural fire assistance; wildfire-related information technology and geospatial analysis, deployment of remote sensing technologies; wildfire science and research, including firehazard mapping; salaries and expenses for wildland firefighters; and, through the Office of Aviation Services, purchase, lease or contract of fixed-wing aircraft; and assessment and deployment of technologies to limit disruptions to firefighting operations at night, in a degraded visual environment, and by unauthorized unmanned aircraft system, including the feasibility of optionally-piloted rotor-wing aircraft, and containerized retardant-delivery systems.

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

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

Section 70706. Urban Parks.

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

Section 70707. Historic Preservation.

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

Section 70708. National Heritage Areas.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Section 70709. Withdrawals.

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

SUBTITLE H — DROUGHT RESPONSE AND PREPAREDNESS

Section 70801. Bureau of Reclamation Domestic Water Supply Projects.

(a) Funding for Domestic Water Supply Projects

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

(b) Additional Funding

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

Section 70802. Large Scale Water Reuse.

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

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

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

Section 70804. Canal Repair and Improvement.

(a) Conveyance Repairs

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

(b) Solar Canal Integration

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

SUBTITLE I – INSULAR AFFAIRS

Section 70901. Insular Affairs Critical Infrastructure Funding

This section provides \$1,000,000,000 to the Department of the Interior’s Office of Insular Affairs, to remain available until September 30, 2026, for critical capital infrastructure in the U.S. Territories under its jurisdiction. Amounts made available under this section shall be divided between the territories.

Section 70902. Office of Insular Affairs Climate Change Technical Assistance

This section provides \$30,000,000 to the Office of Insular Affairs, to remain available until September 30, 2026, to offer technical assistance for climate change planning, mitigation, adaptation, and resilience to the U.S. Insular Areas.

SUBTITLE J – OFFSHORE WIND

Section 71001. Renewable Energy Leasing on the Outer Continental Shelf

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

Section 71002. Offshore Wind for the Territories

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE K – PREVENTING DAMAGE FROM MINING

Section 71101. Funding to Prevent Damage from Mining

This section provides \$3,000,000 to the Bureau of Land Management to revise rules and regulations prevent undue degradation of public lands due to hardrock mining activities.

SUBTITLE L – ARCTIC NATIONAL WILDLIFE REFUGE

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

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

SUBTITLE M – OUTER CONTINENTAL SHELF OIL AND GAS LEASING

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

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

SUBTITLE N – FOSSIL FUEL RESOURCES

Section 71401. Onshore Fossil Fuel Royalty Rates

This section raises the onshore royalty rates to 18.75 percent for all new oil and gas leases.

Section 71402. Offshore Oil and Gas Royalty Rate

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

Section 71403. Oil and Gas Minimum Bid

This section raises the current onshore oil and gas minimum bid from \$2 to \$10 and requires it to be indexed to inflation.

Section 71404. Deferred Coal Bonus Payments

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 71405. Fossil Fuel Rental Rates

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

Section 71406. Fossil Fuel Lease Term Length

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

Section 71407. Expression of Interest Fee

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

Section 71408. Elimination of Noncompetitive Leasing

This section prohibits noncompetitive oil and gas leasing on public lands.

Section 71409. Oil and Gas Bonding Requirements

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

Section 71410. Per-Acre Lease Fees

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

Section 71411. Offshore Oil and Gas Inspection Fees

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

Section 71412. Onshore Oil and Gas Inspection Fees

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 71413. Severance Fees

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

Section 71414. Idled Well Fees

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

Section 71415. Annual Pipeline Owners Fee

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

Section 71416. Royalties on All Extracted Methane

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

Section 71417. Elimination of Royalty Relief

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

SUBTITLE O – UNITED STATES GEOLOGICAL SURVEY

Section 71501. United States Geological Survey 3D Elevation Program

This section provides \$47,000,000 to the United States Geological Survey, to remain available until September 30, 2031, for its Digital High-Resolution Elevation Collection (3DEP) Program.

Section 71502. Climate Adaptation Science Centers

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE VIII — COMMITTEE ON OVERSIGHT AND REFORM

Section 80001. General Services Administration Clean Fleets.

This section would provide the General Services Administration (GSA) \$2.995 billion, to remain available until September 30, 2026, for the procurement of electric vehicles and related costs.

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

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

Section 80003. United States Postal Service Clean Fleets.

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

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

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

Section 80005. Government Accountability Office Oversight.

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

Section 80006. Office of Management and Budget Oversight.

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

Section 80007. General Services Administration Emerging Technologies.

This section would provide GSA \$975 million, to remain available until September 30, 2026, for GSA's environmental sustainability programs.

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

Section 80008. General Services Administration Procurement and Technology.

This section would provide GSA \$3.25 billion, to remain available until September 30, 2026, for the purchase of goods, services, and systems to improve energy efficiency, promote the purchase of lower-carbon materials, and reduce the carbon footprint.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE IX — COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

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

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

Section 90002. Availability of High-Assay Low-Enriched Uranium.

Provides \$500,000,000 to DOE to support the availability of high-assay low-enriched uranium for research, development, demonstration, and deployment activities.

Section 90003. Air Quality and Climate Research.

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

Section 90004. PFAS Replacement Assistance to Firefighter Grants.

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

Section 90005. National Aeronautics and Space Administration Infrastructure.

Provides \$748 million to NASA for repair, recapitalization, modification, modernization, and construction of physical infrastructure and facilities.

Section 90006. National Aeronautics and Space Administration Climate Research and Development.

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

Section 90007. National Aeronautics and Space Administration Office of Inspector General.

Provides to NASA \$2,000,000 for the Office of Inspector General to provide oversight over the management of funds appropriated under sections 90005 and 90006.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 90008. National Institute of Standards and Technology Research.

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

Section 90009. National Institute of Standards and Technology Hollings Manufacturing Extension Partnership.

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

Section 90010. National Institute of Standards and Technology Manufacturing.

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

Section 90011. National Institute of Standards and Technology Research Infrastructure.

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

Section 90012. Oceanic and Atmospheric Research and Forecasting for Weather and Climate.

Provides \$200 million to NOAA to accelerate advancements in research, observations, modeling and dissemination related to weather, coasts, oceans, and climate; provides \$100 million to NOAA for competitive climate research grants; and provides \$100 million to NOAA for development and dissemination of climate science information products and services, and for education and training, in support of climate adaptation activities; provides \$100,000,000 to NOAA for research infrastructure and procurement.

Section 90013. Climate Education.

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

Section 90014. Computing Capacity and Research for Weather, Oceans, And Climate.

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

Section 90015. Acquisition of Hurricane Forecasting Aircraft.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 90016. National Science Foundation Core Research.

Provides \$668 million to NSF for research awards, traineeships, scholarships, and fellowships across all STEM disciplines; provides \$25 million for activities to ensure broad demographic representation in NSF activities; and provides \$500 million for research related to climate change.

Section 90017. National Science Foundation Technology, Innovation, and Partnerships Directorate.

Provides \$1.52 billion to NSF to fund and administer the Directorate for Technology, Innovation, and Partnerships to accelerate use-inspired and translational research in technologies and innovations of national importance; provides \$25 million for research security activities; provides \$200 million for research capacity building at minority serving institutions; and provides \$55 million for cybersecurity education and training.

Section 90018. National Science Foundation Research Infrastructure.

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

Section 90019. National Science Foundation Oversight.

Provides \$7 million to NSF for oversight of projects funded under the Title.

Build Back Better Act — Rules Committee Print 117-18
Section-By-Section

TITLE X — COMMITTEE ON SMALL BUSINESS

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

Section 100101. Veteran Federal Procurement Entrepreneurship Training Program.

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

Section 100102. Expanding surety bond program.

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

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

Section 100201. Funding for Uplift Incubators.

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

Section 100202. Office of Native American Affairs.

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

Section 100203. Office of Rural Affairs.

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

Section 100204. Office of Emerging Markets.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 100205. State Trade Expansion Program.

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

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

Section 100301. Growth Accelerator Competition.

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

SUBTITLE D — INCREASING EQUITY OPPORTUNITIES

Section 100401. Increasing Equity Investment in the SBIC Program.

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

Section 100402. Microcap Small Business Investment Company License.

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

Section 100403. Funding for SBIC Outreach and Education.

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

SUBTITLE E — INCREASING ACCESS TO LENDING AND INVESTMENT CAPITAL

Section 100501. Funding for Community Advantage Loan Program.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

Section 100503. Extension of Temporary Fee Reductions.

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

Section 100504. Funding for Cooperatives.

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

SUBTITLE F — SUPPORTING ENTREPRENEURIAL SECOND CHANCES

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE G — ADMINISTRATIVE AND OVERSIGHT FUNDING

Section 100701. Administrative Funding.

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

Section 100702. SBA Office of Inspector General Funding.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE XI — COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Section 110001. Affordable Housing Access Program.

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

Section 110002. Community Climate Incentive Grant Program.

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

Section 110003. Neighborhood Access and Equity Grant Program.

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

Section 110004. Territorial Highway Program Funding.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 110005. Traffic Safety Clearinghouse.

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

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

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

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

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

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

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

Section 110009. Economic Development Administration.

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

Section 110010. Assistance for Federal Buildings.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 110011. Climate Resilient Coast Guard Infrastructure.

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

Section 110012. Great Lakes Icebreaker Acquisition.

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

Section 110013. Port Infrastructure and Supply Chain Resilience.

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

Section 110014. Alternative Water Source Project Grants.

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

Section 110015. Sewer Overflow and Stormwater Reuse Municipal Grants.

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

Section 110016. Individual Household Decentralized Wastewater Treatment System Grants.

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

Section 110017. Disaster Relief.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 110018. Environmental Review Implementation.

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

Section 110019. Low-Carbon Transportation Materials Grants.

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

Section 110020. Southwest Border Regional Commission.

This section provides \$33 million for the Southwest Border Regional Commission.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE XII — COMMITTEE ON VETERANS' AFFAIRS

Section 120001. Department of Veterans Affairs infrastructure improvements.

Section 120001 provides \$2.3 billion to address immediate and long-term infrastructure needs of the Department of Veterans Affairs (VA).

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

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

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

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

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

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

Section 120005. Veteran records scanning.

Section 120005 provides \$150 million to enable VA to scan veteran service records held at National Archives and Records Administration (NARA) for living or recently deceased veterans to prevent claims processing delays due to the inability to access information currently in paper form.

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

TITLE XIII — COMMITTEE ON WAYS AND MEANS

SUBTITLE A — PAID FAMILY AND MEDICAL LEAVE

Section 130001. Comprehensive Paid Leave.

This section amends the Social Security Act to create a new “***Title XXII—Comprehensive Paid Leave Benefits.***” Subsections referred to below refer to the sections in the new Title XXII of the Social Security Act.

Section 2201. Table of Contents.

This section provides a table of contents for the new Title XXII.

Section 2202. Entitlement to Comprehensive Paid Leave Benefits.

Subsection (a). Entitlement

Individuals are entitled to a federal comprehensive paid leave benefit if they: (1) have filed an application under section 2204; (2) have (or anticipate having) 4 or more hours of qualified caregiving (defined in subsection (c)) during a week, in the 90-day period prior to submitting the application (if the application is filed after caregiving begins), or up to 90 days after submitting the application (in advance of an anticipated need for comprehensive paid leave); (3) have any wages or self-employment income at any time during the period beginning with the most recent calendar quarter that ends at least 4 months prior to the start of the individual’s benefit period and ending with the month before the benefit period begins; and (4) have at least \$2,000 in wages during the most recent 8-quarter period that ends at least 4 months prior to the start of the individual’s benefit period. (For years after 2024, this dollar amount will be indexed by the Social Security Average Wage Index.)

All types of workers are covered for benefits: full-time and part-time workers including gig workers and other self-employed workers, in both the private and public sector (including federal, state, and local government employees), and without regard to employer size. Workers are covered without regard to tenure on their current job, so long as they meet eligibility criteria under section 2202(a).

Workers will be covered either through a federal benefit, or through a qualifying “legacy state” or a comprehensive employer-sponsored plan for which the state or employer is reimbursed by the federal government, as described in sections 2208 and 2209. Individuals whose employment is covered by such a state or employer-sponsored benefit are not eligible for federal benefits for leave from that job.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Subsection (b). Benefit Period

The benefit period is the 12 months that begin with the month in which ends the first week in which the individual has at least 4 hours of qualified caregiving. In the case of retroactive benefits, the benefit period begins with the later of the month in which ends the first week in which the individual has at least 4 hours of qualified caregiving, or the first month that begins during the 90 days before the application is filed. No benefit period may begin prior to January 2024.

Subsection (c). Caregiving Hours

A “caregiving hour” is a 1-hour period in which an individual engaged in qualified caregiving.

“Qualified caregiving” is an activity performed in lieu of work (during the hours that constitute the individual’s regular workweek, as defined in section 2203(d)), other than for monetary compensation, and for a qualifying reason. “Qualifying reason” is defined in section 2210 as reasons that would qualify for unpaid leave under the Family and Medical Leave Act (FMLA): to address a serious personal or family health issue or to care for a newborn, newly adopted child, or new foster child. However, the definition expands the types of family relationships which allow individuals to seek caregiving leave, to include the following: a spouse (or domestic partner as recognized by a state) and a spouse’s parent; a child and a child’s spouse; a parent and a parent’s spouse; a sibling and a sibling’s spouse; a grandparent, grandchild, or spouse of a grandparent or grandchild; and any other association by blood or affinity that is equivalent to a family relationship. The limitations in section 101 of the FMLA with regard to eligible employees (including job tenure) and employers (including size) are not applied to the comprehensive paid leave benefits program. For leave due to the worker’s own serious health condition, the individual must be unable to satisfy the requirements needed to continue receiving their current wages or self-employment income (or if recently unemployed, to resume receiving their recent wages or self-employment income), required for eligibility in subsection (a).

If an employee receives wages, self-employment income, or other compensation (such as paid sick leave, paid vacation, or other paid time off) while performing caregiving, such time generally does not constitute qualified caregiving. However, an employee may receive compensation (such as any paid time off or any paid family and medical leave benefits sponsored by the employer) from their employer to supplement (or “top up”) their weekly federal benefit amount, so long as the employer compensation plus the federal paid leave benefit combined do not exceed the worker’s regular rate of pay.

In addition, leave for caregiving from employment covered under an employer-sponsored comprehensive paid leave plan under section 2209 or under the law of a legacy state under section 2208 does not constitute qualified caregiving for purposes of the federal benefit. Individuals who are no longer employed but recently had covered employment under the law of

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

a legacy state for all or some of their regular workweek (as defined in section 2203(d)) shall be treated as taking leave from legacy state covered employment for the corresponding share of their regular workweek.

The restrictions above (on receipt of compensation and on leave from employment covered by legacy state or employer-sponsored programs) apply only to the specific hour of qualified caregiving for which paid leave is sought. Such restrictions do not prevent workers with multiple jobs covered by different programs (i.e., the federal benefits program, a legacy state program under section 2208, or an employer-sponsored program under section 2209) from taking leave in lieu of work and receiving benefits from the program that covers each job. Similarly, such restrictions do not prevent a worker from receiving benefits for the qualified caregiving leave they take from one job, while they continue to work a second job during other hours of the day.

Subsection (d). No Caregiving Hours in Individual's Week of Death

No caregiving hours may be credited to a week in which the individual who was receiving comprehensive paid leave benefits dies.

Subsection (e). Disqualification

Individuals are ineligible for comprehensive paid leave benefits for five years after any finding that they used false statements to secure such benefits.

Section 2203. Benefit Amount.

Subsection (a). In General

An eligible worker's benefit amount for a month is equal to the sum of the weekly benefit amounts for each week that ends in that month. The weekly benefit amount for a week is based on the worker's weekly benefit rate (as calculated in subsection (b) below, based on a worker's past earnings), prorated for partial leave-taking.

If a worker takes partial leave in a week, the benefit amount they are due for that week is prorated to reflect the fraction of their regular workweek for which they took caregiving leave. Specifically, the individual's weekly benefit rate is multiplied by a fraction that compares the individual's number of caregiving hours credited to that week, to their regular workweek hours (as defined in subsection (d) below).

Subsection (b). Weekly Benefit Rate

A worker's weekly benefit rate is calculated based on their past earnings. The Commissioner first calculates the worker's average weekly earnings, which are based on their earnings and self-

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

employment income (or unemployment compensation) during the most recent 8 quarters of wage data, ending with the quarter that ends at least 4 months prior to the start of the individual's benefit period. This amount is determined based on data from the National Directory of New Hires (NDNH) and self-employment income data from tax returns, except that the Commissioner shall also consider any additional evidence of wages or self-employment income voluntarily submitted by the individual. (As noted above, in section 2202(a) an individual is ineligible for benefits if they did not earn at least \$2,000 in total over these 8 quarters, with that amount wage-indexed in future years.)

Using this average weekly earnings amount, a progressive benefit formula is then applied that replaces a greater share of wages for lower-earning workers. Specifically, with respect to benefits payable starting January 2024, the weekly benefit rate is 90.138 percent of the first \$290 of average weekly earnings (\$15,080 on an annualized basis), plus 73.171 percent of average weekly earnings between \$290 and \$659 (\$34,248 annualized), plus 53.023 percent of average weekly earnings between \$659 and \$1,192 (\$62,000 annualized). (All percentages in the benefit formula would be slightly reduced by sequestration under current law.) For years after 2024, all dollar amounts in the benefit formula will be indexed by the Social Security Average Wage Index so that replacement rates are maintained over time. This computation determines the weekly benefit rate, which is the amount that is paid to a worker who takes a full week of caregiving leave.

Subsection (c). Crediting of caregiving hours to a week.

Hours of qualified caregiving are credited to a week (i.e., will count towards a worker's benefit amount for that week), subject to the following specifications. A worker is eligible to receive up to 4 weeks of leave during the 1-year benefit period (or, for those taking partial weeks, the equivalent of 4 full weeks). The minimum number of hours that can be credited to a week is 4 hours. A worker cannot be paid for more caregiving hours than their regular workweek (defined in subsection (d)). In addition, the worker must complete a one-week waiting period before benefits can start (defined as having at least 4 hours of qualified caregiving in that week); they may use employer-provided leave benefits (including sick days, vacation, or other paid time off) during this waiting period.

Subsection (d). Number of Hours in a Regular Workweek

An individual's regular workweek is the number of hours they regularly work in a week for all employers or as a self-employed individual, including employment covered by the federal program under section 2202, a legacy state law under section 2208, or an employer-sponsored program under section 2209. The regular workweek is generally determined based on the month prior to the start of the individual's benefit period. However, in the case of an individual who is no longer working or whose total weekly hours of work have been reduced, it may be determined for prior to such month, if applicable.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Subsection (e). Submission of Required Information

An application for paid leave, a periodic benefit claim report, an appeal, and related or supporting information may be submitted by any person including the individual, their representative, their employer, or the relevant authority who must certify the need for caregiving for a qualified purpose.

Section 2204. Benefit Determination and Payment.

Subsection (a). In General

To receive benefits, a worker must file an application containing at least the information described in subsection (b). The information in the application or periodic benefit claim report shall be presumed to be true and accurate unless the Commissioner demonstrates by a preponderance of evidence that the information is false, except that the Commissioner shall mandate procedures to validate the identity of the applicant.

Subsection (b). Required Contents of Initial Application

The application must include: (1) an attestation that the individual has, or anticipates having, at least 4 caregiving hours in a week ending at any time during the period beginning 90 days prior to and ending 90 days after the application date; (2) at the option of the Commissioner, a certification of the need for leave, issued by a relevant authority, which shall be no more than is required for reasonable documentation (with that term defined in section 2210 as the information required under the FMLA); (3) an attestation that the worker's employer was provided with notice of the need to be absent from work for qualified caregiving, not later than 7 days after such need arises, except in case of hardship or extenuating circumstances or if the individual is self-employed; (4) pay stubs or other evidence of recent wages that the individual may choose to provide to demonstrate recent work (as required for entitlement), except that the Commissioner may waive this requirement where such evidence is otherwise available to the Commissioner; and (5) an attestation of the number of hours in the individual's regular workweek.

An individual who applies to the Commissioner in advance of taking leave may provide the certification of their need for leave, their attestations of employer notification and of the number of hours in their regular workweek, and any wage evidence after their caregiving hours begin.

Subsection (c). Periodic Benefit Claim Report

For each month within their 12-month benefit period, the individual must file a periodic benefit claim report specifying their caregiving hours during each week that ends in that month. The individual must file the report not later than 60 days after the end of a month (with exceptions for

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

good cause). However, an individual who is applying for retroactive benefits may report on their prior caregiving hours as part of their initial application and the 60-day time limit does not apply. No periodic benefit claim report is required for any week in which fewer than 4 caregiving hours occurred, since no benefits are due.

Subsection (d). Determinations

On the basis of the initial application, the Commissioner shall determine the individual's initial entitlement, benefit period, weekly benefit rate, average weekly earnings, and regular workweek hours. On the basis of each periodic benefit claim report, the Commissioner shall determine the number of caregiving hours credited to each week ending in a month. If more than one type of circumstance gives rise to the need for caregiving hours during the benefit period, such hours shall be credited to the weeks within the benefit period regardless of circumstance.

Subsection (e). Certification of Payment

Not later than 15 days after making a determination based on a periodic benefit claim report, the Commissioner must certify payment and the Secretary of the Treasury must pay benefits.

Subsection (f). Regulations and Procedures

The Commissioner shall have full power and authority to make rules and regulation, including interim final regulations, and to establish procedures, necessary and appropriate to carry out this title.

Section 2205. Appeals.

Subsection (a). In General

An individual has the right to appeal to the Commissioner any determination of federal comprehensive paid leave benefits under section 2202 (including with regard to initial determinations of eligibility, weekly benefit rates, the number of caregiving hours credited to a week, and other determinations) or any determination of employer-sponsored plan under section 2209 (if the plan's internal appeal process results in a determination that is unfavorable to the individual). An individual has the right to have their appeal heard in a timely manner by a decisionmaker who is different from the initial decisionmaker and who will review any additional evidence submitted.

Subsection (b). Treatment of Determinations on Appeal

Any determination by the Commissioner on an appeal under this section shall be a final determination.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 2206. Accurate Payment.

Subsection (a). Underpayments and Overpayments

If more or less than the correct amount of comprehensive paid leave benefits has been paid, the Commissioner shall promptly pay any underpayment and shall collect any overpayment. The Commissioner shall promptly notify the individual of the incorrect payment and the right to appeal the determination of incorrect payment under section 2205. The Commissioner shall collect an overpayment by reducing an individual's comprehensive paid leave benefits; however, overpayment collection cannot reduce the individual's weekly benefit amount below \$315 (for a full week of leave; this amount is prorated for an individual who takes a partial week of leave). This amount is wage-indexed beginning in 2025. The Commissioner shall waive an overpayment if the individual was without fault and recovering the overpayment would cause financial hardship or cost more than the amount of the overpayment.

Subsection (b). Civil Monetary Penalty

Any person who knowingly makes a false statement, misrepresents a fact, or omits material information in connection with an application for benefits or a periodic benefit claim report submitted to the Commissioner shall be subject to a civil monetary penalty similar to those imposed in other SSA-administered programs.

Subsection (c). Exclusion from Participation

A third party who knowingly makes false statements or representations of fact in an application or appeal (or so conspires), who conceals or fails to disclose information with fraudulent intent (or so conspires), or who knowingly and willfully converts comprehensive paid leave benefits to a use other than for the benefit of the applicant will be excluded from representing an individual or submitting evidence in support of an individual's benefit application, periodic benefit claim report, or appeal.

Subsection (d). Redetermination of Entitlement

The Commissioner shall redetermine entitlement promptly (which could result in already-paid benefits being considered overpayments) if there is reason to believe fraud or similar fault was involved in an application for family and medical leave benefits.

Section 2207. Funding for Benefit Payments, Grants, and Program Administration.

Subsection (a). Funding for benefit payments and grants.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

All funding necessary to pay the comprehensive paid leave benefits under section 2202, the grants to legacy states under section 2208, and the grants to eligible employers under section 2209 is directly appropriated for all years when benefits are available. No additional action by Congress is needed.

Subsection (b). Funding for program administration.

In addition to the funding provided to pay benefits and grants, the following amounts are directly appropriated to pay the cost of establishing and administering paid leave benefits: \$1,500,000,000 for fiscal year 2022, and \$1,590,700,000 for fiscal years 2023 through 2024, with amounts indexed to grow with the Social Security Average Wage Index starting in fiscal year 2025.

The Commissioner may use this funding for timely and accurate administration of the comprehensive paid leave benefits program, including for: costs related to necessary customer service; staffing; technology; training; data sharing; identity validation; technical assistance to legacy states under section 2208 and to employers or employer-designated third party administrators under section 2209; public education and outreach to potential beneficiaries; and research for the purpose of ensuring full and equitable access to comprehensive paid leave benefits paid by the Commissioner under section 2202, by legacy states under section 2208, and by employers or employer-designated third party administrators under section 2209.

No funds appropriated for administration of title II may be used to carry out the comprehensive paid leave benefits program under this title.

Subsection (c). Appropriation.

An additional \$2,000,000,000, directly appropriated in fiscal year 2022 but to remain available until expended, is provided for overall administrative expenses of the Social Security Administration (SSA), including expenses not directly related to comprehensive paid leave. These funds are in addition to funds that are annually appropriated to SSA.

Subsection (d). Availability of emergency funding.

An additional \$500,000,000 emergency fund, directly appropriated in fiscal year 2022 and available until expended, is provided to cover additional costs of administering comprehensive paid leave benefits in any year in which the number of applications filed during the fiscal year for paid leave benefits will exceed the number that were anticipated to be filed during the fiscal year by 20 percent or more.

Section 2208. State Administration Option for Legacy States.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Subsection (a). In general.

Legacy states (as defined below) with already-enacted paid family and medical leave laws have the option to continue operating their programs and be reimbursed by the Commissioner. They can receive an annual grant from the Commissioner that is equal to the lesser of the following: (1) the total amount of federal comprehensive paid leave benefits (including administrative costs, which for the purposes of this subsection are capped at 7 percent of federal benefits paid) that would otherwise have been paid to individuals who received benefits under a state program, as estimated by the Commissioner; or (2) the total cost of the state's paid family and medical leave law (including administrative costs, capped at 7 percent of benefits paid by the state).

In determining the annual grant for a state, the Commissioner will include the beneficiaries and benefits paid directly by the state as well as any that may be provided by an employer (whether directly, under a contract with an insurer, or provided through a multiemployer plan) in lieu of the state, if permitted under the state law (as described in subsection (d) below). However, the Commissioner's calculations will not include workers whose employment is not covered by the state's paid family and medical leave law.

Grants are issued annually for the prior calendar year, although the Commissioner may issue estimated advance payments during the year. Grants begin in 2025 for benefits paid in calendar year 2024 (when benefits start under the federal comprehensive paid leave program).

Subsection (b). Legacy state.

A legacy state is a state that: (1) had enacted a law providing paid family and medical leave benefits as of the date of enactment of this bill; (2) for any year prior to the calendar year that starts at least three years after the date of enactment (the transition period), certifies to the Commissioner that it intends to remain a legacy state at least through the calendar year that starts at least three years after enactment; and (3) beginning with the first calendar year that starts at least three years after enactment, has in effect a comprehensive paid leave program that covers all workers in the state who would be covered under the federal benefits program (except as noted below), for all types of caregiving leave covered under the federal benefits program, and provides at least 4 weeks of benefits per year, in amounts providing a wage replacement rate that is at least equivalent to that of the federal program.

The comprehensive paid leave programs operated by legacy states after the transition period must cover state and local government employees (they are not required to cover federal employees, who all are fully covered by the federal program under section 2202 unless a state voluntarily chooses to cover them). A state ceases to be a "legacy state" as defined here — meaning it stops receiving legacy state grants and its workers become eligible for federal benefits under section 2202 — in two cases: (1) if, during the transition period, the state notifies the Commissioner that it does not intend to remain a legacy state through at least the first year after

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

the transition period ends; or (2) if, after the transition period ends, it fails to meet the comprehensive federal paid leave standards outlined above.

Subsection (c). Covered employment under the law of a legacy state.

“Covered employment under the law of a legacy State” means employment (or self-employment) with respect to which an individual would be eligible to receive paid family and medical leave benefits under the state’s law during any period during which the state is a legacy state.

Subsection (d). Employer-provided benefits in a legacy state.

If a legacy state law permits paid family and medical leave benefits to be provided by employers (directly, through an insurer, or through a multiemployer plan) in lieu of the state, the employer-provided benefits are considered to have been paid under such state law, such employment is considered to be covered employment under such state law, and the state may distribute an appropriate share of its federal grant to those state-authorized employers.

Subsection (e). Data sharing. As a condition of the grants, legacy states must enter into data-sharing agreements with the Commissioner to provide the necessary data on: (1) individuals receiving benefits under the state’s paid family and medical leave law (including any employer-provided benefits as described in subsection (d)); (2) the total cost of the state’s paid family and medical leave program (including any employer-provided benefits as described in subsection (d)); and (3) other information necessary to carry out this bill.

Subsection (f). Greater benefits permitted. Nothing in section 2208 is intended to prohibit legacy states (or employers permitted by legacy states to provide benefits in lieu of legacy states) from providing benefits that exceed the requirements for a grant under the section.

Section 2209. Reimbursement Option for Employer-Sponsored Comprehensive Paid Leave Benefits.

Subsection (a). In general. Beginning in calendar year 2024, the Commissioner shall make grants to eligible employers for each calendar year, with the amount determined under one of two different payment mechanisms for different kinds of employer-sponsored programs; the amounts are prorated if a plan is in effect for less than the full calendar year. (Eligible employers are defined in subsection (b), and the requirements the plans must meet are described in subsection (c), including coverage and benefits that are at least as good as the federal plan.)

Employers who sponsor a plan that pays family and medical leave benefits through an insurer or a multiemployer plan are reimbursed at a rate equal to the lesser of the following: (1) 90 percent of the projected national average cost per individual of the federal comprehensive paid leave program (including administrative costs, which for the purposes of this subsection are capped at

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

7 percent of federal benefits paid), multiplied by the number of employees (prorated for part-time employees) covered by the plan; or (2) 90 percent of the total premiums paid to the insurer (or contributions paid to the multiemployer plan) by the eligible employer for the coverage of eligible employees. A grant may not exceed an employer's actual expenditures.

Employers who self-insure and pay family and medical leave benefits directly, whether or not they use a third-party administrator to manage the plan, will be reimbursed for 90 percent of the cost of up to 4 weeks of qualified paid leave benefits for eligible employees, or if lesser, the national average weekly benefit paid in the federal comprehensive paid leave program multiplied by the number of weeks (up to 4 per person) of benefits provided to eligible employees. Such employers must hold a surety bond to ensure that full benefits will be paid.

Employer-provided benefits under the law of a legacy state (as described above in section 2208(d)) are not encompassed by section 2209; such benefits, and the employees covered by them, will not be included in the calculations to determine the annual grant amount for an employer, or for any other purpose under this section. (Those workers are considered to be covered by the legacy state program.)

Subsection (b). Eligibility. To be eligible for a grant, employers must meet several conditions. First, they must have at least one employee who is not in covered employment under the law of a legacy state. Legacy states (and their political subdivisions) and the federal government cannot be eligible employers. Employers are only eligible for reimbursement once the Commissioner determines that their application and their plan's benefits meet all the requirements of the section.

As a condition of the grant, the employer must agree to guarantee reinstatement to the worker's current job or an equivalent job after leave; continue any employer-sponsored group health insurance; allow the employee to appeal adverse decisions internally, and, if denied benefits at that level, to the Commissioner; and not impose any fee on employees to receive coverage or benefits. Employers must also not penalize, discriminate against, or retaliate against employees who exercise their right to paid leave. (These are conditions of the employer grant in this section even if the employee's leave is not covered by the FMLA.)

Employers must also notify the Commissioner of their intent to seek a grant, certify that they will have in effect a plan that meets all the requirements, provide all documentation by the deadlines specified, and pay an initial application fee (\$500 for an employer with 50 or fewer employees, \$1,000 for an employer with more than 50 but fewer than 500 employees, and \$2,000 for an employer with 500 or more employees) or a renewal application fee of \$200 each calendar year, and provide annual notice to all covered employees. (Such fees will be available to the Commissioner, in addition to other administrative funding, for use in administering this section and appeals under section 2205 regarding employer plans.) The application must include an attestation that the plan will be in effect for the full year (or in the case of a plan started mid-

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

year, for the rest of the year) and must include all information needed by the Commissioner to identify the employees (and the hours of any part-time workers, to pro-rate grant payments). Applications must be filed at least 90 days in advance of benefits being provided under a reimbursable plan, and all required documentation in support of an application must be submitted at least 45 days in advance. Employers must retain all records relating to the comprehensive paid leave program for at least 3 years.

An employer seeking reimbursement for a self-insured plan must have at least 50 employees who are not covered under a legacy state law and hold a surety bond to guarantee payment. The eligibility requirements for employers under this section do not preempt, supersede, limit, or waive any provision of state or local law that authorizes the provision of leave benefits (including similar comprehensive paid leave benefits) or establishes other leave rights for employees.

Subsection (c). Employer program requirements. To be reimbursed, an employer-sponsored plan must have all aspects of the plan be part of a written employer policy and be provided via one or more employee benefit plans. The plans may be administered by an employer, an insurer, a multiemployer plan, or a third-party administrator.

The plans must provide benefits to all employees who are not covered under a legacy state law, regardless of length of service, job type, membership in a labor organization, seniority status, or any other classification, and must meet all of the conditions in subsection (b). The plan must provide paid family and medical leave benefits in addition to any paid vacation, paid sick leave, or paid consolidated leave (a single amount of time off for employees to use for vacation, sickness, or personal business) otherwise provided. The plan must meet or exceed the public plan level by: providing equal or higher wage replacement at all income levels; providing at least 4 weeks of benefits; allowing leave for all federal qualifying reasons, without any preexisting condition restrictions; providing for intermittent leave; not imposing fees or costs for coverage or receipt of benefits; paying benefits at least monthly or more frequently; and operating under a presumption that information provided by applicants is true unless demonstrated otherwise.

By October 1 of each year, the Commissioner shall determine and publish the projected national average cost used to calculate reimbursement for insured plans in the following year. This amount is the total cost for the year of the federal comprehensive paid leave program under section 2202 (including benefits and related administrative costs, which for the purposes of this subsection are capped at 7 percent of the benefits paid), divided by the number of individuals who had wages or self-employment income (as defined in section 2210) and who were not covered by a legacy state law under section 2208 or by a comprehensive employer-sponsored program under section 2209.

Subsection (d). Timing of payment; penalty for late filing. Payments for eligible employers with insured plans or employers contributing to multiemployer plans are made within 30 days of the

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

start of each calendar year. Payments for eligible employers with self-insured plans are made by March 31 of the year after the benefits were paid. If application or required documentation is late, payment is made 45 days after all requirements are met, and the amount of the grant is reduced by 2 percent for each week by which it is late.

Subsection (e). Information submission. As a condition of the grant, employers must provide to the Commissioner information about individuals who received a comprehensive paid leave benefit under the employer's plan, and other information needed to pay grants and coordinate benefits with the federal program.

Subsection (f). Enforcement. The Commissioner must periodically review employers receiving grants, and entities administering programs, under this section. If an employer or administering entity has violated any grant requirement, the Commissioner may withdraw approval to participate on a temporary or permanent basis and may require the employer to repay the grant. The Commissioner may also penalize employers or administering entities if a pattern of inappropriate benefit denial is found. Entities administering a plan on behalf of an employer must notify the employer if the plan is penalized by the Commissioner. Employers and administering entities subject to penalties may appeal the penalty within 60 days of the decision.

Subsection (g). Covered employment under an employer-sponsored program. "Covered employment under an employer-sponsored program" means employment with an eligible employer that receives a grant for a comprehensive paid leave program under this section. It does not include any employment that is covered under the law of a legacy state under section 2208, even if such legacy state benefits are provided by an employer as permitted under state law (as described in section 2208(d)).

Subsection (h). Greater benefits permitted. Nothing in section 2209 is intended to prohibit employers from providing benefits in excess of the amount of benefit that is reimbursable under the section.

Section 2210. Definitions.

As used in Title XXII, "Commissioner" means the Commissioner of Social Security. "Eligible" for benefits under section 2202 means that an individual would be entitled to such benefits upon filing an application. "Group health plan" is defined as in the Internal Revenue Code. "Multiemployer plan" is defined as in the Employee Retirement Income Security Act of 1974. "National average wage index" is defined as in the Social Security Act. "Qualifying reason" is defined as: a reason that would qualify for unpaid leave under the Family and Medical Leave Act of 1993 to care for a newborn, newly adopted child, or new foster child; to address a serious personal health issue; or to address a family member's serious health issue, with the types of family relationships including a spouse (or domestic partner as recognized by a state) and a spouse's parent, a child and a child's spouse, a parent and a parent's spouse, a sibling and a

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

sibling's spouse, a grandparent, grandchild, or spouse of a grandparent or grandchild, and any other association by blood or affinity that is equivalent to a family relationship. "Reasonable documentation" is defined as the information that is required to be stated under subsection (b) of section 103 of the Family and Medical Leave Act of 1993. "Self-employment income" is defined as in the Internal Revenue Code, and the Commissioner shall determine rules for crediting annual self-employment income to calendar quarters. "State" includes the states, the District of Columbia, and any territory or possession of the U.S. "Wages" is defined as in the Internal Revenue Code to include: all wages covered for purposes of the Medicare Hospital Insurance (HI) program, plus wages from governmental employment that is not covered for the HI program; railroad compensation; and unemployment compensation. "Week" is defined to begin on Sundays.

Section 130002. Access to Wage Information from the National Directory of New Hires for the Purpose of Administering Comprehensive Paid leave.

This section amends the Social Security Act by adding a new paragraph in subsection 453(j), authorizing the Commissioner to access data from the National Directory of New Hires for the purpose of administering the comprehensive paid leave program. The Commissioner shall reimburse the Secretary of Health and Human Services for the costs of this information sharing.

Section 130003. Access to Self-Employment income information for paid leave administration.

This section amends the Internal Revenue Code by adding a new paragraph in subsection 6103(l), authorizing the Secretary of the Treasury to provide the Commissioner with self-employment income information for the purpose of administering paid leave benefits under Title XXII. It also applies the necessary safeguards on such disclosures.

Section 130004. Certain Comprehensive Paid Leave Benefits Excluded from Gross Income.

This section amends the Internal Revenue Code to exempt comprehensive paid leave benefits received under section 2202 of Title XXII from being considered part of gross income for tax purposes.

SUBTITLE B — REGISTERED NURSE STAFFING

Section 132000. Registered Professional Nurses.

This section amends sections 1819(b)(4)(C)(i) and 1919(b)(4)(C)(i)(II) of the Social Security Act to require that on or after October 1, 2024, skilled nursing facilities and nursing facilities use the services of a Registered Nurse (RN) 24 hours a day, seven days a week, subject to existing statutory waivers relating to RN services.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 132001. Permanent Extension of the Independence at Home Medical Practice Demonstration Program.

This section amends Section 1866E of the Social Security Act to make permanent the Independence at Home Demonstration. It appropriates \$60 million in fiscal year (FY) 2022, available until September 30, 2031, to the Centers for Medicare & Medicaid Services Program Management Account to administer the program.

SUBTITLE C — TRADE ADJUSTMENT ASSISTANCE

Section 133001. Short Title.

This section provides the short title.

Section 133002. Application of Provisions Relating to Trade Adjustment Assistance.

This section provides that the effective date of this legislation will be the date of enactment and repeals the provision in existing law that cuts benefits in the program's last year.

PART 1 – TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Section 133101. Filing Petitions.

This section allows one or more trade-impacted workers from the same firm to petition for TAA benefits. Current TAA law requires three or more workers in the same firm to file a petition. This section also clarifies that workforce intermediaries may file petitions on behalf of workers.

Section 133102. Group Eligibility Requirements.

The current TAA program unnecessarily restricts eligibility for the program to select workers facing import competition. Moreover, those workers facing import competition face an unnecessarily high hurdle to demonstrate eligibility.

This section eases requirements for workers affected by imports by removing the requirement under current law that imports contributed “importantly” to their job loss, which can be difficult to demonstrate. Further, this section ensures that workers can successfully apply for TAA when a layoff has been announced but production has not yet decreased and clarifies that eligible workers include teleworkers and workers employed by other firms under the operational control of the firm subject to the petition.

Finally, this section ensures that TAA is available to all workers who lose their job due to trade by expanding eligibility to workers who lose their job because a firm has decreased exports.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 133103. Application of Determinations of Eligibility to Workers Employed by Successors-In-Interest.

This section clarifies that trade-impacted workers at firms that undergo mergers, acquisitions, or name changes remain eligible for TAA benefits.

Section 133104. Provision of Benefit Information to Workers.

This section expands outreach regarding benefits available from the U.S. Department of Labor (DOL). It also requires DOL to make every effort to reach out to workers in their native languages.

Additionally, this section modernizes TAA outreach and provides states with new tools to reach TAA-certified workers. Specifically, states may utilize TAA funding to collect email addresses and telephone numbers of workers from employers, partner with union representatives, hire peer support workers within a certified group to perform outreach, and use advertising methods and public information campaigns.

Section 133105. Qualifying Requirements for Workers.

This section removes the requirement that a worker be employed for one year prior to losing the worker's job in order to receive income support under TAA.

Further, this section restores previous flexibility in the program for workers that are unable to enroll in training because the worker is recalled to the worker's previous employment and the worker is within two years of retirement and expects to receive retirement benefits.

Section 133106. Modification to Trade Readjustment Allowances.

This section would enhance Trade Readjustment Allowances (TRA) by providing workers with up to 130 weeks of income support if they are enrolled in a qualified training program. Workers enrolled in prerequisite education or remedial education, such as English language courses, may receive an additional 26 weeks of TRA benefits. This section also removes the restriction on workers receiving TRA during work-based learning or training.

Section 133107. Automatic Extension of Trade Readjustment Allowances.

This section automatically extends income support for six months to workers who complete training but are unable to find suitable employment because of poor economic conditions. Specifically, this provision provides that the period during which trade readjustment allowances

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

are payable to an adversely affected worker can be automatically extended for 26 weeks if the worker has completed training and cannot find a job during a period of heightened unemployment.

Section 133108. Employment and Case Management Services.

This section requires DOL, through the states, to provide workers with information about registered apprenticeships, on-the-job training, and information related to direct job placement. It also requires DOL to conduct sustained outreach to groups of workers that are potentially eligible for TAA.

Section 133109. Training.

This section places a new emphasis on ensuring that training providers which DOL approves have a demonstrated ability to place workers into jobs upon the completion of training. Further, this section adds pre-apprenticeships to the category of authorized training programs for workers and requires DOL to reimburse workers for out-of-pocket expenses related to an approved training program.

Section 133110. Job Search, Relocation, and Child Care Allowances.

This section updates the funding levels for the existing job search and relocation allowances provided to workers. This change increases the limit to \$2,000 per worker from \$1,250 and ensures that 100% (instead of just 90%) of these costs can be covered under the limit.

Additionally, this section establishes a childcare allowance of up to \$2,000 for workers in TAA. Childcare accessibility and costs are often highlighted as a key barrier to workers being able to successfully take advantage of the training benefits under TAA.

Finally, this section requires states to provide these allowances. States currently have discretion to do so. It also ties the limit of each allowance to inflation, so that the allowance automatically rises and new legislation is not required every time an adjustment is warranted.

Section 133111. Agreements with States.

This section requires that each state shall consider when approving a training program whether training providers have a proven track record in placing workers into good jobs after completing training. It also calls for states to work with training providers that have a proven track record in serving underserved communities.

This section also requires states to adopt an aggressive outreach model to workers who are potentially eligible for TAA. It requires states to complete proactive searches for potential

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

eligible workers and to then conduct outreach to such workers. This provision is based on an existing model developed in several states that have demonstrated a record of higher participation rates and successful outcomes in TAA.

This section requires states to perform outreach to workers from underserved communities and develop plans to address common barriers those diverse communities face in accessing services.

Lastly, this section rescinds a Trump Administration regulation which removed a decades-old requirement that TAA be administered by merit-based staff at the state level. This provision reinstates this requirement.

Section 133112. Reemployment Trade Adjustment Assistance Program.

This section provides increased access to Reemployment Trade Adjustment Assistance (RTAA), which is a wage insurance program available to workers over 50 who obtain a new job but at a lower wage. Current TAA law limits this program to workers making less than \$50,000 and limits the benefit to a maximum of \$10,000. This section makes the program available to workers making \$70,000 and increases the maximum benefit to \$20,000. To ensure that these figures do not become stagnant, this section also requires these figures to rise with inflation.

Section 133113. Extension of Trade Adjustment Assistance to Public Agency Workers.

This section ensures that public sector workers are also eligible for TAA. This provision would apply when public sector services have been outsourced by a state or the federal government to an offshore service provider (e.g., a call center).

Section 133114. Definitions.

This section extends eligibility to TAA for Workers to territories including Guam, the Virgin Islands of the United States, American Samoa, and the Commonwealth of the Northern Mariana Islands.

This section also defines an ‘underserved community’ as a group of people who have been systematically denied the full opportunity to participate in aspects of economic, social, and civic life. Underserved communities include Black, Latino, Indigenous and Native American persons, Asian American and Pacific Islanders, other persons of color, members of other minority communities, persons with disabilities, person who live in rural areas, and other populations affected by persistent poverty or inequality.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 133115. Requirements for Certain Territories.

This section provides DOL with the flexibility to provide services to Guam, American Samoa, and the Northern Mariana Islands.

Section 133116. Subpoena Power.

The current TAA statute provides DOL with explicit authority to subpoena firms to produce evidence necessary to certify a group of workers for TAA benefits. This section confers this authority to states and allows states to seek compliance with a subpoena under state law and by petitioning a federal court.

PART 2 – TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

Section 133201. Petitions and Determinations.

Similar to the TAA for Workers program, TAA for Firms also has unnecessarily restrictive eligibility requirements. This section removes the requirement that imports contributed “importantly” to lost sales or employment at a firm and expands eligibility to firms that have suffered because of a decrease in exports. Further, this section provides that a firm is eligible for the program if it has seen a decrease in employment or sales (either of which must be caused by trade), instead of requiring both. This change will ensure that firms can get into the program before they have to fire workers.

Further, this section also tightens the U.S. Department of Commerce’s (DOC) timeline for approving petitions. In FY 2019, firms had to wait 110 days on average between filing the petition and being certified, even though the statute requires certifications to be made within 40 days. To avoid non-compliance with the statute, DOC waits on average almost three months before accepting a petition. This lengthy certification process is particularly difficult for firms that are already struggling and need assistance as soon as possible to keep the business operating.

This section rectifies the problem by requiring that DOC accept a petition within 15 days of receipt and deems a petition approved if DOC has not approved or denied it within 55-days. This will ensure that all petitions are approved or denied within 70 days.

Section 133202. Approval of Adjustment Proposals.

This section requires firms to assess the potential employment outcomes of their adjustment proposal to ensure that a proposal does not lead to decreased employment at the firm. This section also clarifies that a firm may receive up to \$300,000 in support under the program, subject to the firm matching the funds contributed by DOC. This funding level will automatically rise with inflation to ensure it does not remain stagnant.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 133203. Technical Assistance.

This section clarifies that assistance provided to a firm may be used to provide skills training programs to employees of the firm.

Section 133204. Definitions.

This section provides the definition for the term underserved community.

Section 133205. Plan for Sustained Outreach to Potentially-Eligible Firms.

This section requires DOC to develop a plan and submit it Congress regarding outreach to potentially eligible firms, including:

- Outreach to the U.S. International Trade Commission (ITC) and firms in the industries with increased imports identified in an annual ITC report;
- Outreach to firms in the service sector and small businesses;
- Outreach to firms that are minority or women-owned; and
- Outreach to firms that employ a majority or substantial percentage of workers from underserved communities.

PART 3 – TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES AND COMMUNITY COLLEGES

Section 133301. Trade Adjustment Assistance for Communities.

This section establishes the TAA for Communities program. This section will describe the program based on the sections of the program as established in the legislation.

Section 271. Definitions.

This section provides the definitions for agricultural commodity producer, community, eligible community, eligible entity, Secretary, and underserved community.

Section 272. Establishment of Trade Adjustment Assistance for Communities Program.

This section provides DOC, acting through the Economic Development Administration, with 180 days to establish the TAA for Communities program.

Section 273. Eligibility; Notification of Eligibility.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

This section provides that communities impacted by trade are eligible for the program. It further defines “impacted by trade” as a community (1) in which a certification has been made under the TAA for Workers, Firms, or Farmers programs, and (2) a community that (a) has a per capita income of 80% or less of the national average, (b) is historically economically distressed, or (c) is significantly affected by the threat or the loss of jobs associated with a TAA certification. This section also requires the federal government to proactively reach out to a potentially eligible community to notify it of benefits potentially available under the program.

Section 274. Grants to Eligible Communities.

This section requires DOC to provide grant funding to eligible communities that apply for assistance (described in the next section). This section requires that entities that receive assistance under the TAA for Community Colleges program coordinate with eligible communities in section, if applicable.

This section provides DOC with flexibility to administer revolving loan fund grants and construction grants, similar to flexibilities provided in other programs the agency administers.

This section limits the maximum award to a community to \$25,000,000. It also requires DOC to prioritize historically distressed communities and ensure that grants are provided to geographically diverse communities. Finally, it requires DOC to assist communities in accessing technical assistance.

Section 275. Strategic Plans.

This section requires communities to develop a strategic plan to adjust to the impact that trade has had on it. In developing this plan, the community is required to consult with local officials, labor organizations, and organizations representing underserved communities, among others.

A community’s strategic plan is required to describe the capacity of the community to adjust to trade, evaluate economic opportunities, including for young workers, describe economic adjustment projects, assess the impact on underserved communities, and training programs available to workers, among other things. This section also requires DOC to provide individualized technical assistance to communities in developing its strategic plan.

Section 276. General Provisions.

This section provides DOC with the authority to issue regulations to carry out the program and to consult with the Committee on Ways and Means and the Senate Finance Committee regarding such regulations. It also requires DOC to rely on existing regulations to the maximum extent possible to carry out this program and to use expertise from its existing work.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 133302. Trade Adjustment Assistance for Community Colleges and Career Training.

This section makes key improvements to the Trade Adjustment Assistance for Community Colleges program. It updates the funding levels for grants distributed to community colleges and requires DOL to develop a plan to ensure that the program effectively serves populations from underserved communities. Finally, this section ensures that a portion of grant funding can be used to support the needs of students taking courses at community colleges.

PART 4 – TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Section 133401. Definitions.

This section provides the definition for the term underserved community.

Section 133402. Group Eligibility Requirements.

Similar to the TAA for Workers and Firms programs, TAA for Farmers includes unnecessarily strict eligibility criteria in order for a farmer to be eligible to receive benefits under the program. Farmers have described how difficult it was to demonstrate eligibility under this program.

In response to these concerns, this section removes the requirement that imports contribute “importantly” to decreased sales. This section requires only a decrease in sales and production, instead of requiring a 15% decrease, and expands eligibility to farmers who lost export sales.

Section 133403. Benefit Information to Agricultural Commodity Producers.

This section requires USDA to develop an outreach plan to producers from underserved communities that could benefit under the program.

Section 133404. Qualifying Requirements and Benefits for Agricultural Commodity Producers.

This section increases the benefits available to farmers under the program, responding to criticism that the program has not provided enough benefit support to justify the time and resources required to demonstrate eligibility for the program. Further, these funding levels have not been increased since the program’s inception more than a decade ago. Thus, this section increases maximum available funding to a farmer from \$12,000 to \$36,000. Funding levels will automatically rise with inflation to ensure they do not remain stagnant.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

PART 5 – APPROPRIATIONS AND OTHER MATTERS

Section 133501. Extension of and Appropriations for Trade Adjustment Assistance Program.

This section program extends the TAA for Workers, Firms, and Farmers programs for four years. This section appropriates \$1,000,000,000 for TAA for Workers per year for training funds and appropriates \$50,000,000 per year to the Firms program and \$10,000,000 to the Farmers programs.

It also provides \$300,000,000 per year in appropriations to the TAA for Communities program for four years. Finally, it provides \$300,000,000 per year in appropriations to the TAA for Community Colleges program for four years.

Section 133502. Applicability of Trade Adjustment Assistance Provisions.

This section streamlines the TAA for Workers program. Currently, DOL and the states are required to administer five different versions of the program depending on when a worker was certified as eligible for the program. This also means that workers under older versions of the program would be unable to benefit from the improvements made in this legislation.

To satisfy these administrative and equity issues, this provision provides that all TAA workers will be moved into the current version of TAA (including the changes made in this legislation). This would remove the incredible administrative and paperwork burdens on DOL and the states, as well as ensure that all workers receive the modern benefits provided in this legislation.

This section requires DOL and DOC to review petitions for eligibility to the TAA for Workers and Firms programs, respectively, that have been denied since January 1, 2021. This will ensure that any petitions denied because of the limited eligibility provisions under reversion have another opportunity to become eligible for the TAA programs. It also provides a window for recently denied petitions to be certified under the expanded eligibility criteria in this legislation.

Lastly, this section makes numerous conforming amendments to the underlying TAA legislation.

Section 133503. Sunset Provisions.

This section provides that the program will sunset at the end of the four-year extension provided in this legislation. At the end of this period, the program will enter into a sunset period (which is the same as the sunset period in current law) that will last for one year before the program expires altogether on July 1, 2026.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE D — CAREER PATHWAYS AND SOCIAL SERVICES

PART 1 — PROVISIONS RELATING TO PATHWAYS TO HEALTH CAREERS

Section 134101. Pathways to Health Careers.

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

Subsection (a). Application requirements.

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

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

Subsection (b). Additional Application Element.

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

Subsection (c). Grants.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Subsection (d). Use of Grant.

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

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

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

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

Subsection (e). Technical Assistance.

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

Subsection (f). Evaluation of Dedicated Career Pathways.

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

Subsection (g). Reports.

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

Subsection (h). Maternal Mortality Career Pathway.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Subsection (i). Second Chance Career Pathway.

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

Subsection (j). Definitions.

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

Subsection (k). Funding.

Directly appropriates the following amounts to this Section:

- \$318,750,000 for fiscal year 2022 and \$338,108,438 for each of fiscal years 2023 through 2026 for competitive HPOG awards in the states,
- \$17,000,000 for fiscal year 2022 and \$18,027,650 for each of fiscal years 2023 through 2026 for Tribal HPOG awards,
- \$21,250,000 for fiscal year 2022 and \$22,534,563 for each of fiscal years 2023 through 2026 for Territory HPOG awards,
- \$27,041,475 for HPOG awards for the Maternal Mortality Career Pathway and the Second Chance Career Pathway for each of fiscal years 2023 through 2026,
- \$25,500,000 for fiscal year 2022 and \$27,041,475 for each of fiscal years 2023 through 2026 for providing technical assistance and for administration of HPOG awards,

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

- \$17,000,000 for fiscal year 2022 and \$18,027,650 for each of fiscal years 2023 through 2026 for evaluating HPOG awards including the dedicated career pathways.

PART 2 — PROVISIONS RELATING TO ELDER JUSTICE

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

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

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

Section 2041. Nursing home worker training grants.

Subsection (a). Appropriation.

This section directly appropriates \$415,696,400 for states for each of FY2023 through 2026 and \$8,483,600 for Indian tribes and tribal organizations for FY2023 through FY2026 to invest in state worker recruitment and retention. It provides direct appropriations for grants to states to support workers providing aid, nursing, and social work services in post-acute and long-term care (LTC) settings.

Subsection (b). Grants.

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

Subsection (c). Use of funds.

The funds must be used to:

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

The funds may be used to:

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

Subsection (d). Administration.

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

Subsection (e). Definitions.

This subsection defines the following terms:

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

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

This subsection revises Section 2042 of the SSA to authorize and directly appropriate funding for adult protective services. This subsection provides \$8,483,600 for Department of Health and Human Services administrative costs for each of FYs 2023 through 2025.

This subsection also funds two existing grant programs. The first awards grants to enhance state and local APS services. For each of FYs 2023 through 2025, this provision directly appropriates \$415,696,400 for purposes of grants to states and the District of Columbia and \$8,483,600 for grants to Indian tribes and tribal organizations (which are to be spent through a consultation with Indian tribes and tribal organizations). The second grant program awards funds to states to conduct APS demonstration programs. For each of FYs 2023 through 2025, this provision directly appropriates \$79,533,750 for APS demonstration grants.

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

This subsection reauthorizes and revises Section 2043 and directly appropriates \$23,860,125 for FY 2023 and \$31,813,500 for each of fiscal years 2024 and 2025 for grants to states for long-term care (LTC) ombudsman programs. Grants may be used to increase the capacity of state LTC ombudsman programs to respond to and resolve abuse and neglect complaints as well as to conduct and support pilot programs with state or local LTC ombudsman offices.

The revised Section 2043 also requires the Secretary to establish programs that provide and improve ombudsman training for national organizations and state LTC ombudsman programs,

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

with a focus on elder abuse, neglect, and exploitation. This provision directly appropriates an additional \$31,813,500 for each of FYs 2023 through 2025 for this purpose.

Subsection (d).

Incentives for developing and sustaining structural competency in providing health and human services.

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

Subsection (a).

Grants to states to support linkages to legal services and medical-legal partnerships. This section directly appropriates \$530,225,000 to be outlaid by the end of FY 2028 to establish a grant program for states to support the adoption of evidence-based approaches to establish, improve, or maintain linkages between health and social services and supports for vulnerable older adults. States must use the funds to develop medical-legal partnerships (MLPs) – multidisciplinary teams that combine clinical staff with social workers and lawyers at a single site of care to ensure patients’ social needs (e.g., housing, food, education, and access to care) are met. Grants will also fund the development and expansion of legal assistance hotlines to help facilitate the identification of older adults who could benefit from linkages to available services.

Subsection (b).

Grants and training to support community-based organizations in addressing social isolation. This subsection directly appropriates \$265,112,500 to be outlaid by the end of FY 2028 to make grants to eligible Area Agencies on Aging (AAAs) or other community-based organizations to conduct outreach to individuals at risk for social isolation or loneliness, develop community-based interventions to mitigate loneliness and social isolation, connect at-risk individuals with social and clinical supports, and evaluate the effect of the programs developed and implemented in this section.

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

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

Subsection (c). Definitions.

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

- Area agency on aging: an area agency on aging designated under section 305 of the Older Americans Act of 1965.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

- Social isolation: objectively being alone, or having few relationships or infrequent social contact.
- Loneliness: subjectively feeling alone, or the discrepancy between one’s desired level of social connection and one’s actual level of social connection.
- Social connection: the variety of ways one can connect to others socially, through physical, behavioral, social-cognitive, and emotional channels.
- Community-based organization: a non-profit community-based organization, a consortium of nonprofit community-based organizations, a national nonprofit organization acting as an intermediary for a community-based organization, or a community-based organization that has a fiscal sponsor that allows the organization to function as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code.

Subsection (e). Technical Amendment.

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

Section 134202. Appropriation for Assessments.

This provision directly appropriates \$5,302,250 for each of FYs 2023 through 2026 to carry out assessments of the programs funded under the Elder Justice Act. This provision requires the Secretary to submit a Report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the programs, coordinating bodies, registries, and activities under the Elder Justice Act. Reports, issued at the mid-point of the funding and after all funding in this title has been disbursed, must assess the extent to which such programs have improved access to and quality of resources for aging Americans and their caregivers to ultimately prevent, detect, and treat abuse, neglect, and exploitation.

SUBTITLE E — INFRASTRUCTURE FINANCING AND COMMUNITY DEVELOPMENT

PART 1 – LOW INCOME HOUSING CREDIT

Section 135101. Increases in State allocations.

The provision increases the 9% housing credit and the small state minimum for calendar years 2022-2025 as follows:

Calendar Year	9% Credit	Small State Minimum
2022	\$3.14	\$3,629,096
2023	\$3.54	\$4,081,825
2024	\$3.97	\$4,582,053
2025	\$2.65	\$3,120,000

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

The 9% credit and small state minimum revert to current law in calendar year 2025. For subsequent years, the amounts are pegged to calendar year 2025 and adjusted for inflation. The provision is effective for calendar years after December 31, 2021.

Section 135102. Tax-exempt bond financing requirement.

This provision temporarily reduces the 50% requirement to 25%, to enable housing credit deals to unlock more 4% credits. The provision is effective for buildings financed by the proceeds of certain tax-exempt bonds issued in calendar years 2022 through 2026.

Section 135103. Buildings designated to serve extremely low-income households.

The provision provides a 50% basis boost for LIHTC buildings that designate at least 20% of their occupied units for extremely low-income tenants and limit rent to no more than 30% of the greater of: 30% of area median income or the federal poverty line. In order to utilize this provision, buildings may not use the average income test to qualify as a qualified low-income housing project. 8% of a state's housing credit allocation must go to buildings designated to serve extremely low-income households. These buildings may be eligible to receive a 50 percent basis boost, subject to certain limitations. For purposes of the 9% credit, a housing credit agency may not allocate more than 13 percent of the portion of the state's housing credit ceiling amount to such buildings. Furthermore, for purposes of the 4% credit, a state may not issue more than 8% of its private activity bond volume cap to such buildings. The provision is effective for allocations of housing credit dollar amount after December 31, 2021 obligations of 4% credit that are part of an issue after December 31, 2021.

Section 135104. Repeal of qualified contract option.

The provision eliminates the qualified contract exception for buildings receiving allocations after January 1, 2022. Specifically, the provision limits the use of the exception to (1) buildings that received housing credit allocations before January 1, 2022, or (2) with respect to buildings financed with tax-exempt bonds, buildings that received before January 1, 2022 a determination from the issuer of the tax-exempt bonds or the housing credit agency that the building has satisfied the QAP requirements and the financial feasibility determination. In addition, for buildings that may still make use of the qualified contract exception, the proposal modifies the specified statutory price. The price for any non-low income portion remains the fair market value. The price for the low-income portion is the fair market value, determined by the housing credit agency taking into account the rent restrictions required to continue to satisfy the minimum set aside requirements. The Secretary is directed to prescribe regulations necessary or appropriate to the determination of the specified statutory price.

Section 135105. Modification and Clarification of Rights Relating to Building Purchase.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

The provision changes the right of first refusal safe harbor into an option safe harbor. For existing agreements, the provision clarifies, for purposes of the safe harbor, that the right to acquire the building includes the right to acquire all of the partnership interests relating to the building. It also clarifies that the right to acquire the building includes the right to acquire assets held for the development, operation, or maintenance of the building. Thus, agreements which provide for the right to acquire these partnership interests or building assets do not fail to satisfy the safe harbor. For existing agreements, the provision also clarifies that the right of first refusal safe harbor may be satisfied by the grant of an option. A right of first refusal may be exercised in response to an offer by a related party; a bona fide third-party offer is not needed. A right of first refusal may be exercised without the approval of any owner of a credit project. Thus, agreements with these terms do not fail to satisfy the safe harbor. Finally, the provision amends the minimum purchase price to exclude exit taxes. Thus, agreements that do not include exit taxes as part of the minimum purchase price do not fail to satisfy the safe harbor. The provision clarifies that the option safe harbor shall apply to S corporations and other pass-through entities in the same manner as it applies to partnerships.

PART 2 – NEIGHBORHOOD HOMES INVESTMENT ACT

Section 135201. Neighborhood Homes Credit.

This provision establishes a new federal tax credit to encourage the rehabilitation of deteriorated homes in distressed neighborhoods. States would receive Neighborhood Homes Investment Act (NHIA) tax credit authority and administer and allocate credits on a competitive basis. NHIA tax credits would be used to cover the gap between development costs and sales prices, up to 35 percent of eligible development costs. Rehabilitated homes must be owner-occupied for investors to receive the credits. Homeowners must be below certain income limitations, sales prices are capped, and qualifying neighborhoods must have elevated poverty rates, lower incomes, and modest home values. Special rules apply to rehabilitations that occur when homes are already owner-occupied prior to and during such rehabilitation. This provision applies to taxable years beginning after December 31, 2021 and tax credits are provided to states through calendar year 2025. In general, the tax credit ceiling for a State for each calendar year is the product of \$3 (\$6 in the case of calendar year 2025) multiplied by the state population, or \$4 million (\$8 million in the case of calendar year 2025), whichever is greater.

PART 3 – INVESTMENTS IN TRIBAL INFRASTRUCTURE

Section 135301. Treatment of Indian Tribes as States with Respect to bond issuance.

This provision amends rules related to the issuance of tax-exempt debt by Indian tribal governments. There is no volume cap for governmental bonds issued by an Indian tribal government. For private activity bonds, it instructs the Secretary to establish and allocate a national bond volume cap for such governments. Indian tribal governments are defined to include governing bodies of tribes, including agencies, subdivisions, instrumentalities, and

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

certain intertribal consortiums or other organizations that are authorized by Indian tribal governments.

Section 135302. New Markets Tax credit for Tribal Statistical Areas.

This provision creates a new, annual \$175 million New Markets Tax Credit allocation for calendar years 2022-2025 for low-income communities in tribal areas and for projects that serve or employ tribe members.

Section 135303. Inclusion of Indian areas as difficult development areas for purposes of certain buildings.

The provision modifies the definition of a Difficult Development Area (DDA) to automatically include certain projects located in an Indian area, making these projects eligible for the 30 percent basis boost. This provision would allow these projects to receive more housing credit equity than would otherwise be available to them. The provision applies to buildings placed in service after December 31, 2021.

PART 4 – OTHER PROVISIONS

Section 135401. Possessions economic activity credit.

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

Section 135402. Tax treatment of certain assistance to farmers, etc.

This provision addresses the tax treatment of certain payments made to farmers and others under section 1005(b) and section 1006(e) of American Rescue Plan Act of 2021 as amended by prior sections. Such payment will not be included in the gross income to the payee, and any otherwise-allowable deductions continue to be deductible notwithstanding the tax-free treatment of the payment.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 135403. Exclusion of Amounts Received from State-based catastrophe loss mitigation programs.

The provision excludes from gross income certain state-based grants made to homeowners that support mitigation efforts for earthquakes, fires, windstorms, and other disasters.

SUBTITLE F — GREEN ENERGY

Overview

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

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

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

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

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

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

In the event a taxpayer fails to satisfy these requirements, the taxpayer may cure the discrepancy by paying a penalty to the Treasury equal to \$50 multiplied by the total labor hours for which the

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

requirements are not satisfied. This penalty is increased to \$500 per hour in the event the Secretary determines that such discrepancy was the product of intentional disregard.

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

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

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

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

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

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

For offshore wind facilities, the adjusted percentage is 20% for projects that begins construction before 2025, 27.5% for projects that begin construction in 2025, 35% for projects that begin construction in 2026, and 45% for projects that begin construction in 2027, and 55% for projects that begin construction thereafter.

PART 1 - RENEWABLE ELECTRICITY AND REDUCING CARBON EMISSIONS

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

- landfill gas (municipal solid waste),
- trash (municipal solid waste),
- qualified hydropower,
- marine and hydrokinetic renewable energy facilities, and
- geothermal.

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

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

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

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

For qualified facility that is placed in service within an energy community, the credit is increased by 10 percent of the amount otherwise in effect. Energy community means a census tract or any directly adjoining census tract in which 1.) after December 31, 1999, a coal mine has closed, or 2.) after December 31, 2009, a coal-fired electric generating unit has been retired.

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

Section 136102. Extension and Modification of Energy Credit

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

Geothermal: The ITC for geothermal energy property is extended, providing a base credit rate of 6% or a bonus credit rate of 30% through the end of 2026.

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

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

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

The ITC for geothermal heat pumps, combined heat and power property, and waste energy recovery property is extended to provide a 6% base credit rate or a 30% bonus credit rate through the end of 2031. The base credit rate phases down to 5.2% for facilities that commence construction in 2032 and 4.4% for facilities that commence construction in 2033. The bonus credit rate phases down to 26% in 2032 and 22% in 2033. No credit is allowed for facilities which begin construction in 2034 and thereafter.

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

For any energy property that is placed in service within an energy community, the credit percentage is increased by 2 percentage points (or 10 percentage points, if taxpayer meets the

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

prevailing wage and apprenticeship requirements). Energy community means a census tract or any adjacent census tract in which 1) after December 31, 1999, a coal mine has closed, or 2) after December 31, 2009, a coal-fired electric generating unit has been retired.

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

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

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

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

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

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

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

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

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

Such projects receiving an allocation of environmental justice solar capacity limitation receive an additional 10% credit if located in a low-income community (as defined within the New Markets

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Tax Credit program under section 45D) or on Indian land or an additional 20% credit if such project is a qualifying low-income residential building project or a low-income economic benefit project.

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

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

This section shall take effect on January 1, 2022.

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

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

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

This provision does not apply to mirror-code jurisdictions.

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

Section 136105. Investment credit for electric transmission property.

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

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

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

- An electric transmission line which has a transmission capacity of not less than 500 megawatts and is (i) capable of transmitting electricity at a voltage of not less than 275 kilowatts or (ii) a superconducting line; or

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

- Related transmission property.

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

Upgrades of an existing electric transmission line are treated as a replacement line. In the case of a qualifying electric transmission line which replaces an existing line, the 500 megawatt capacity requirement shall be increased by the transmission capacity of such existing electric transmission line, and the basis attributable to such existing transmission line is not eligible for the credit. No credit shall be allowed with respect to any property that is selected for cost allocation in a regional transmission plan approved by a transmission planning region that was approved by the Federal Energy Regulatory Commission prior to January 1, 2022 or any property if construction begins before January 1, 2022 or construction of any portion of the qualifying electric transmission line to which such property relates begins before such date. Construction of property begins when the taxpayer has begun on-site physical work of a significant nature.

In the case of a facility financed using tax exempt bonds which begins construction after December 31, 2021, rules similar to the rules of section 45(b)(3) shall apply.

This credit is effective for property placed in service after December 31, 2021, and before January 1, 2032.

Section 136106. Extension of credit for carbon oxide sequestration.

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

In order to claim this credit at the bonus credit rate, taxpayers must satisfy 1) the prevailing wage requirement during the construction of the project and for each year during the twelve-year credit period, the alteration or repair, and 2) the apprenticeship requirement during the construction of the project.

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

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

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

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

Section 136107. Green energy publicly traded partnerships.

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 136108. Zero-emission nuclear power production credit.

The provision provides a credit for the production of electricity from a qualified nuclear power facility. The provision provides a base credit rate of 0.3 cents/kilowatt hour and a bonus credit rate of 1.5 cents/kilowatt hour for electricity produced by the taxpayer and sold to an unrelated person during the taxable year. The credit is reduced as the sale price of such electricity increases. Under the credit reduction formula, the credit with respect to any qualified nuclear power facility for any taxable year is reduced (but not below zero) by 16 percent of the excess of the gross receipts (excluding certain State and local zero-emissions grants) from any electricity produced and sold by such facility over the product of 2.5 cents times the amount of electricity sold during the taxable year.

In order to claim the PTC at the bonus credit rate, taxpayers must satisfy prevailing wage requirement for the alteration or repair of the facility for the taxable year.

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

This provision terminates on December 31, 2027.

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

PART 2 – RENEWABLE FUELS

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

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

The provision extends the \$0.10-per-gallon small agri-biodiesel producer credit through the end of 2026.

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

Section 136202. Extension of Second-Generation Biofuel Incentives.

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

Section 136203. Sustainable aviation fuel credit.

Beginning in 2023, this provision provides a refundable blenders tax credit for each gallon of sustainable aviation fuel sold as part of a qualified fuel mixture. The value of the credit is determined on a sliding scale, equal to \$1.25 plus an additional \$.01 for each percentage point by

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

which the lifecycle emissions reduction of such fuel exceeds 50%. Taxpayers may elect to claim this credit as an excise tax credit against section 4041 excise tax liability.

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

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

Section 136204. Clean Hydrogen.

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

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

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

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

- For hydrogen produced through a process in a facility placed into service before 2027 that results in achieving a lifecycle greenhouse gas emissions rate of not greater than 6 kg of CO₂e per kg of hydrogen and not less than 4 kg of CO₂e per kg of hydrogen, the applicable percentage is 15%.
- For hydrogen produced through a process that result in achieving a lifecycle greenhouse gas emissions rate of less than 4 kg of CO₂ per kg of hydrogen and not less than 2.25 kg of CO₂ per kg of hydrogen, the applicable percentage is 20%.
- For hydrogen achieving a lifecycle greenhouse gas emissions rate of less than 2.5 kg of CO₂e per kg of hydrogen and not less than 1.5 kg of CO₂e per kg of hydrogen, the applicable percentage is 25%.
- For hydrogen achieving a lifecycle greenhouse gas emissions rate of less than 1.5 kg of CO₂e per kg of hydrogen and not less than 0.45 kg of CO₂e per kg of hydrogen, the applicable percentage is 33.4%.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

- For hydrogen achieving a lifecycle greenhouse gas emissions rate of less than 0.45 kg of CO₂e per kg of hydrogen, the applicable percentage is 100%.

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

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

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

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

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

PART 3 – GREEN ENERGY AND ENERGY EFFICIENCY INCENTIVES FOR INDIVIDUALS

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

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

- increasing the percentage of the credit for installing qualified energy efficiency improvements from 10% of the cost to 30%,
- replacing the lifetime cap on credits with a \$1,200 annual credit limitation and a \$600 limitation per-item of property. These limitations exclude expenditures for geothermal and air source heat pumps, electric heat pump water heaters, and biomass stoves.
- updating various standards and associated limits to reflect advances in energy efficiency and removing eligibility of roofs, advanced main air circulating fans, and certain windows, and

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

- requiring that manufacturers and taxpayers comply with reporting the identification number of certain property placed into service in order to access the credit, and
- expanding the credit to cover the costs of home energy audits, allowing a credit of 30% of such costs up to a maximum credit of \$150.

Section 136302. Residential energy efficient property.

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

This credit is made refundable starting in 2024.

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

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

Section 136303. Energy efficient commercial buildings deduction.

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

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

This provision allows taxpayers to elect to take an alternative, parallel deduction for energy efficient lighting, HVAC, and building envelope costs placed into service in connection with a qualified retrofit plan. The value of the base deduction is determined by the reduction in a building's energy usage intensity (EUI) upon completion of the retrofit, equal \$.50 per square foot, increased by \$.02 per square foot for every percentage point by which the reduction in

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

EUI exceed 25%, not to exceed \$1.00 per square foot. The value of the bonus deduction is \$2.50 per square foot, increased by \$.10 per square foot for every percentage point by the reduction in EUI exceed 25% against the reference standard, not to exceed \$5.00 per square foot.

In order to claim the bonus deduction amount, taxpayers must satisfy prevailing wage and apprenticeship requirements for the duration of the construction of the project.

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

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

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

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

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

Section 136305. Modifications to income exclusion for conservation subsidies.

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

Section 135306. Credit for qualified wildfire mitigation expenditures.

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

PART 4 – GREENING THE FLEET AND ALTERNATIVE VEHICLES

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

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

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

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

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

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

A qualified manufacturer means any manufacturer which enters into written agreement with the Secretary to ensure each vehicle manufactured meets the requirements of this provision and is labeled with a unique vehicle identification number, and that such manufacture will periodically provide such vehicle identification numbers to the secretary in such a manner as the Secretary may prescribe.

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

- Vans: \$80,000
- SUVs: \$80,000
- Pick Up Trucks: \$80,000
- For any other vehicle: \$55,000

The credit is phased out by \$200 for each \$1,000 of the taxpayer's modified adjusted gross income as exceeds \$500,000 for married filing jointly, \$375,000 for head of household, and \$250,000 in any other case. For a given taxable year, the taxpayer may use modified adjusted gross income for that year or the immediately preceding year, whichever is lower.

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

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

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

Section 136402. Credit for previously-owned qualified plug-in electric drive motor vehicles.

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

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

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

The credit may be transferred to the seller of the previously-owned electric vehicle to allow the purchaser to access the value of the credit at the time of sale.

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

Section 136403. Credit for qualified commercial electric vehicles.

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

The amount of credit allowed by this provision with respect to a qualified commercial electric vehicle is equal to 30% of the cost of such vehicle, or 15% in the case of hybrid vehicles. A leasing company may elect to determine the credit using the structure of the individual credit

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

under section 36C if the vehicle is leased to an individual. Tax-exempt entities have the option of electing to receive direct payments.

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

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

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

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

Section 136404. Qualified fuel cell motor vehicles.

This provision extends the credit for the purchase of a qualified fuel cell motor vehicle through 2031, but only with respect to vehicles not of a character subject to depreciation. Beginning on January 1, 2022, commercial fuel cell vehicles otherwise eligible for this credit will be eligible for the new section 45Y credit for qualified commercial electric vehicles.

Section 136405. Alternative fuel refueling property credit.

The provision extends the alternative fuel vehicle refueling property credit through 2031. Beginning in 2022, the provision expands the credit for zero-emissions charging and refueling infrastructure of a nature subject to depreciation by providing a base credit of 6% for expenses up to \$100,000 and 4% for allowable expenses in excess of such limitation (i.e., it allows a credit for expenses beyond the limit if certain requirements are met). The provision provides an alternative bonus credit level of 30% for expenses up to \$100,000 and 20% thereafter.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

To qualify for the credit for expenses in excess of the \$100,000 limitation, the property must: 1) be intended for general public use and either accept credit cards as a form of payment or not charge a fee, or 2) be intended for exclusive use by government or commercial vehicle fleets. In order to claim the bonus credit amount with respect to eligible property, taxpayers must satisfy prevailing wage requirements for the duration of the construction of such property.

This provision also clarifies that bidirectional charging equipment is eligible property and expands the list of eligible property to include electric charging stations for electric 2- and 3-wheeled motor vehicles manufactured for use on public street, roads, and highways, but only if such stations are 1) intended for general public use and either accept credit cards as a form of payment or not charge a fee, or 2) intended for exclusive use by government or commercial vehicles.

Section 136406. Reinstatement and expansion of employer provided fringe benefits for bicycle commuting.

This provision eliminates the temporary suspension of the exclusion for qualified bicycle commuting benefits and increases the maximum benefit from \$20 per month to \$81 per month.

This provision expands the definition of qualified benefit to include the direct or indirect provision of qualified commuting property by an employer and employer reimbursement of expenses incurred for the purchase, financing, lease, rental (including bikeshare), improvement, or storage of qualified commuting property if the employee regularly uses such property for travel between the employee's residence and place of employment or mass transit facility connecting an employee to place of employment.

Qualified community property includes bicycles, electric bicycles (within the meaning of Section 30E as established by this legislation), 2- or 3-wheeled scooters (other than scooters equipped with motors), and any 2- or 3-wheeled scooter propelled by an electric motor if such motor does not provide assistance in excess of 20 miles per hour.

Section 136407. Credit for certain new electric bicycles.

This provision provides for a 30% refundable tax credit for qualified electric bicycles placed into service before January 1, 2026.

Beginning in 2022, taxpayers may claim a credit of up to \$900 for electric bicycles placed into service by the taxpayer for use within the United States. A taxpayer may claim the credit for one electric bicycle per taxable year (two for joint filers). The credit phases out starting at \$75,000 of modified adjusted gross income (\$112,500 for heads of household and \$150,000 for married filing jointly) at a rate of \$200 per \$1,000 of additional income. For a given taxable year, the taxpayer may use modified adjusted gross income for that year or the immediately preceding year, whichever is lower.

A qualified electric bicycle is defined as a bicycle which is equipped with fully operable pedals, a saddle or seat for the rider, an electric motor of less than 750 watts which is designed to

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

provide assistance in propelling the bicycle, and does not provide assistance if the bicycle is moving in excess of 20 miles per hour or only provides assistance when the rider is pedaling and does not provide assistance if the bicycle is moving in excess of 28 miles per hour.

In order to be eligible for the credit, the aggregate amount paid for the acquisition of such bicycle must not exceed \$4,000.

In order for an electric bicycle to be eligible for the credit, the manufacturer must assign each bicycle a unique vehicle identification number and report such information to the Treasury in a manner prescribed by the Secretary. Taxpayers must then provide the proper vehicle identification number assigned to the electric bicycle by the manufacturer in order to claim the credit.

The credit may be transferred to the seller of the electric bicycle to allow the purchaser to access the value of the credit at the time of sale.

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

PART 5 – INVESTMENT IN THE GREEN WORKFORCE

Section 136501. Extension of the advanced energy project credit.

The provision revives the Section 48C qualified advanced energy property credit, allowing the Secretary to allocate an additional \$5 billion in credits for each of calendar years 2022 through 2023 and \$1.875 billion for each of calendar years 2024 through 2031. \$800 million in credits for each of calendar years 2022 through 2023 and \$300 million in credits for each of calendar years 2024 through 2031 are reserved for projects in automotive communities. Additionally, \$800 million in credits for each of calendar years 2022 through 2023, and \$300 million for each calendar year 2024 through 2031 are reserved for projects located in energy communities.

Projects receive a base credit rate of 6 percent of qualified investments in qualified advanced energy projects. To receive a bonus rate of 30 percent, taxpayers must satisfy 1.) prevailing wage requirements for the establishment, expansion, or re-equipping of a manufacturing facility and for five years after the project is placed into service, and 2.) apprenticeship requirements during the construction of the project.

The Secretary will determine allocations to projects each year with a requirement that property is placed in service within 4 years of the date of the allocation. Projects shall be given priority if the manufacturing is not for the assembly of parts or if they have the greatest potential for commercial deployment of new applications.

Additionally, the Secretary shall give consideration to projects with the greatest net impact in reducing greenhouse gas emissions, the greatest domestic job creation, and greatest job creation

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

in historically underserved communities whose population is at significant risk of experiencing adverse health and environmental effects of greenhouse gas emissions.

Section 136502. Labor costs of installing mechanical insulation property.

The provision provides a credit of the labor costs incurred by a taxpayer in installing mechanical insulation property into a mechanical system which was originally placed in service not less than 1 year before the date on which such mechanical insulation property is installed. The base credit rate is 2 percent, which is increased to 10 percent for projects meeting prevailing wage and apprenticeship standards.

The credit is available for costs paid starting in 2022 through the end of 2025.

Section 136503. Advanced Manufacturing Investment Credit.

The provision creates an investment tax credit worth up to 25% for advanced manufacturing facilities. All taxpayers are eligible for an ITC of at least 5%. Taxpayers paying prevailing wages and utilizing registered apprenticeship programs are eligible for an elevated ITC of 25%.

The investment tax credit is available for property for the manufacturing of semiconductors or semiconductor tooling equipment, including buildings and equipment that are integral to such manufacturing, which commences construction before January 1, 2026.

Section 136504. Advanced Manufacturing Production Credit.

The provision provides a production credit for each eligible component that is produced and sold. Eligible components include solar polysilicon, wafers, cells, and modules, and wind blades, nacelles, towers, and offshore foundations. The credits are generally provided on a mass or watt-capacity basis.

The amount credit allowed for eligible components is increased by 10% if the final assembly of the components is at a facility in the United States which operates under a union-negotiated collective bargaining agreement.

The credits are provided for eligible components produced and sold before January 1, 2027. For components sold after that date, the credit is reduced by 25% each year, and is unavailable for components sold in 2030 and beyond.

PART 6 – ENVIRONMENTAL JUSTICE

Section 136601. Qualified environmental justice program credit.

The provision creates a capped refundable competitive credit of \$1 billion for each year from 2022 through and including 2031 to institutions of higher education for environmental justice (EJ) programs.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

The base credit is 20% of costs to be spent within five years by the receiving institution. Programs with material participation from Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs) are eligible for a higher credit of 30%. Qualifying EJ programs shall be designed to address or improve data about environmental stressors for the primary purpose of improving or facilitating the improvement of health and economic outcomes of individuals residing in low-income areas or areas that experience, or at risk of experiencing, multiple exposures to qualified environmental stressors.

Institutions receiving allocations shall make publicly available the application submitted to the Secretary and submit annual reports describing the amounts paid for and expected impact of the projects. The Secretary shall publicly disclose the identity of the institutions receiving the allocation and the amount of the allocation.

PART 7 – SUPERFUND

Section 136701. Reinstatement of Superfund.

This provision reinstates the Hazardous Substance Superfund Financing Rate on crude oil and imported petroleum products at the rate of 16.4 cents/per gallon, indexed to inflation, and reinstates the tax on taxable chemicals. This provision is made effective after December 31, 2021.

This provision reinstates the authority for advances to be appropriated to the trust fund through December 31, 2031.

PART 8 – INCENTIVES FOR CLEAN ELECTRICITY AND TRANSPORTATION

Section 136801 and Section 136802 – Clean electricity production and investment credits.

The provision creates an emissions-based incentive for electricity generating facilities. Taxpayers are able to choose between a production tax credit (PTC) under section 45BB or an investment tax credit (ITC) under section 48F, which is provided based on the carbon emissions of the electricity generated – measured as grams of carbon dioxide equivalents (CO_{2e}) emitted per KWh generated. Any power facility of any technology can qualify for the credits, so long as the facility's carbon emissions are at or below zero.

Taxpayers electing the PTC will receive a credit equal to up to 2.5 cents per kilowatt hour (KWh) of electricity produced and sold in the 10-year period after a qualifying facility is placed in service. Taxpayers electing the ITC will receive a credit worth up to 30% of the investment in the year the facility is placed in service. All taxpayers are eligible for a PTC or 0.5 cents per kilowatt hour or an ITC of 6%. Taxpayers who pay wages at not less than local prevailing rates and utilize registered apprenticeship programs are eligible to receive elevated credits of 2.5 cents per kilowatt hour or 30%. The prevailing wage and apprenticeship provisions apply in the same manner as for the section 45 PTC and section 48 ITC.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

For combined heat and power systems (CHP), the emissions rate is calculated using both electrical and useful thermal energy. Under the proposal, the British thermal units (BTUs) of useful thermal energy in a CHP system are converted to kilowatt hours using the facility's heat rate (the number of BTUs required to generate 1 KWh). These converted KWhs are also accounted for as production for purposes of the PTC.

Qualifying grid improvements are also eligible for the full 30% ITC. Qualifying grid improvements includes standalone energy storage property. Storage technologies, which are not limited to co-location with power plants, include any technologies that can receive, store, and provide electricity or energy for conversion to electricity.

Clean electricity projects smaller than 5 megawatts (MW) are allowed to include the costs of interconnection under the clean electricity ITC.

Taxpayers may receive larger credits under certain circumstances, including investments in clean electricity or grid improvement property in communities that have seen a coal mine or coal plant closure. Projects that comply with certain domestic content requirements similarly qualify for elevated credit rates, including using steel, iron, and manufactured products which are mined, produced, or manufactured in the United States. These rules apply in a similar manner to those applied to sections 45 and 48.

The elevated credits are generally equal to a 10% increase to the value of the PTC or a 10-percentage point increase to the value of the ITC.

The Treasury Department is directed to publish emission rates for similar technologies each year for taxpayers to use for purposes of determining eligible technologies.

The credits are set to phase out the latter of 2031 or when emission targets are achieved: when the electric power sector emits 75% less carbon than 2021 levels, the incentives will be phased out over three years. Facilities will be able to claim a credit at 100% value in the first year, then 75%, then 50%, and then 0%.

Taxpayers are provided the same ability to elect direct pay for the clean electricity PTC and ITC as for current section 45 and 48 PTC and ITC, including limitations with respect to domestic content.

Section 136803. Increase in clean electricity investment credit for facilities placed in service in connection with low-income communities.

This provision provides for an enhanced incentive for facilities qualifying for the section 48F ITC (not including certain facilities that produce electricity through combustion or gasification) with respect to which the Secretary makes an allocation of environmental justice capacity limitation. This is similar to the enhanced incentive under section 48 for solar and wind facilities placed in service in connection with low-income communities.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

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

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

The annual capacity limitation is 1.8 gigawatts for each calendar year 2027 through 2031 and zero for calendar years thereafter. The annual capacity limitation shall be increased by the amount of any unused allocations from the preceding calendar year including any unused amount from section 48 after 2026. No unused amount may be carried forward to any calendar year after 2033.

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

This section shall take effect on January 1, 2027.

Section 136804. Cost recovery for qualified facilities, qualified property, and grid improvement property.

This provision provides that any facility described in the clean electricity production credit and any qualified property or grid improvement property described in the clean electricity investment credit shall be treated as five-year property under GDS for purposes of section 168 of the Internal Revenue Code.

This provision shall apply to facilities and property placed in service after 2026.

Section 136805. Clean fuel production tax credit.

The provision creates a technology-neutral incentive for the domestic production of clean fuels. The level of the incentive depends on the lifecycle carbon emissions of a given fuel. Lifecycle emissions take into account the “well to wheel” emissions profile, from production of the feedstock for the fuel through to its use in a vehicle. Fuels may qualify for the credit if the fuel’s lifecycle emissions are at least 25% less than the current U.S. nationwide average. Zero emission fuels qualify for a base incentive of \$.20 per gallon or gallon equivalent. Sustainable aviation fuel that meets certain ASTM standards and is not derived from palm oil qualifies for a base incentive of \$.35 per gallon or gallon equivalent. Qualifying production is restricted to production in the United States of fuel that is used or sold. No credit shall be allowed at a facility which includes property for which a credit is allowed under section 45Q, 45X, or the section 48 ITC for clean hydrogen production facilities during the taxable year.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

The base incentive amounts are increased to the extent a fuel's lifecycle emissions are below zero and reduced to the extent they are above zero, phasing out ratably between zero and the baseline emissions rate. Between now and 2030, qualifying fuels must become increasingly cleaner in order to qualify for the credit. Fuels produced before 2030 may qualify if the fuel's lifecycle emissions are less than 50 kilograms of carbon dioxide equivalents per million British thermal units (35 kg CO_{2e} per mmBtu in the case of aviation fuel). These amounts are reduced to 25 kg CO_{2e} per mmBtu for 2031 and beyond.

Fuels must be at least transportation grade – suitable for use in a highway vehicle or aircraft – but may be used for any business purpose, including as transportation fuel, industrial fuel, or for residential or commercial heat. All taxpayers are eligible for credits of up to \$0.20 per gallon (\$0.35 in the case of aviation fuel). Taxpayers who pay wages at not less than local prevailing rates and utilize registered apprenticeship programs are eligible for elevated credit rates of \$1.00 per gallon (\$1.75 in the case of aviation fuel).

No credit shall be allowed for non-aviation fuel which is derived from coprocessing biomass with a feedstock which is not biomass.

Taxpayers are provided the ability to elect direct payment of the credits, in a similar manner to other provisions.

The Treasury Department is to annually publish emissions rates for fuels that are produced using similar feedstocks and production pathways that taxpayers will use for purposes of determining their credit rates.

The credits are set to phase out the latter of 2031 or when emission targets are achieved, at which point the transportation sector emits 75% less carbon than 2021 levels, the incentives will be phased out over three years. Facilities will be able to claim a credit at 100% value in the first year, then 75%, then 50%, and then 0%.

PART 9 – APPROPRIATIONS

Section 136801. Appropriations.

This provision appropriates \$4,073,433,000 to remain available through 2031 for the IRS to carry out this subtitle.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE G — SOCIAL SAFETY NET

PART 1 — CHILD TAX CREDIT

Section 137101. Modifications Applicable Beginning in 2021.

Provides an exception to the safe harbor rule which provides that certain taxpayers who receive a larger advanced payment amount than they are eligible to claim are not subject to repayment.

The safe harbor does not apply if the Secretary determines that a child was taken into account for the advance payment due to fraud or intentional disregard of rules and regulations by the taxpayer.

Amends section 7527A to allow the Secretary to provide advance payment based on any other information known to the Secretary.

Section 137102. Extension and Modification of Child Tax Credit and Advance Payment for 2022.

Provides a one year extension of the increase in the child tax credit (CTC) as enacted in the American Rescue Plan, and a continuation of advance payments through 2022. Thus for 2022, the CTC is \$3,000 (\$3,600 for children under age 6), and for most taxpayers, the credit is advanceable. However, in 2022, unlike 2021, only taxpayers with income below \$150,000 (in the case of a joint filer), \$112,500 (in the case of a head of household) and \$75,000 in the case of any other filer will receive advance payments. The eligibility for advance payments will be based on the taxpayer's prior tax return information.

The provision increases the safe harbor amount to \$3,000 (\$3,600 for a child under the age of 6) for certain taxpayers in cases where repayment of excess advance payments may otherwise be required. The provision eliminates the Social Security Number requirement for qualifying children, which was added by the Tax Cuts and Jobs Act (TCJA).

The child tax credit begins to phase out for households with income above \$150,000 for joint filers, \$112,500 for heads of household and \$75,000 for all other filers. A "look-back rule" for the phaseout threshold allows taxpayers to use prior-year income for purposes of determining the phaseout of the credit. This rule will allow taxpayers who may have received an excess advance credit keeps eligible for the full value of the credit even when their income rises above the phaseout range in the next year.

Section 137103. Establishment of Fully Refundable Child Tax Credit After 2022.

Reinstates the child tax credit under section 24, as amended by prior sections, as fully refundable for taxable years after 2022. Thus, the refundable child tax credit is no longer subject to either the \$1,400 limitation on refundability, nor the earned income phase-in.

Sec. 137104. Appropriations

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

This provision appropriates \$3,963,300,000 to remain available through September 30, 2026, for the IRS to administer the child tax credit.

This provision appropriates \$1,000,000,000 to remain available through September 30, 2026, for the Treasury Department to support enrollment and administration of the advance child credit and the fully refundable child tax credit.

PART 2 – EARNED INCOME TAX CREDIT

Section 137201 Certain Improvements to the Earned Income Tax Credit Extended for 2022.

Extends the expansion of the eligibility and the amount of the earned income tax credit for taxpayers with no qualifying children (the “childless EITC”) enacted in the American Rescue Plan permanent. In particular, the minimum age to claim the childless EITC is reduced from 25 to 19 (except for certain full-time students) and the upper age limit for the childless EITC is eliminated. This section also increases the childless EITC amount by increasing the credit percentage and phaseout percentage from 7.65 to 15.3 percent, increasing the income at which the maximum credit amount is reached to \$9,820, and increasing the income at which phaseout begins to \$11,610 for non-joint filers. Under these parameters, in 2021, the maximum credit amount increases from \$543 to \$1,502. The provision contains special rules regarding the application of the credit for former foster youth and homeless youth. As with all other parameters of the EITC, these amounts are indexed for inflation, and will be indexed for 2022.

Also includes for 2022 the provision included in the American Rescue Plan allowing a taxpayer to use the taxpayer’s prior-year earned income for purposes of computing the EITC, in the event that a taxpayer’s earned income in the current taxable year has fallen. This provision allows consistency in the value of the EITC for taxpayers who may have lost a job, or whose income has fallen temporarily.

Section 137202. Funds for Administration of the Earned Income Tax Credit in the Territories.

Provides funds for the territorial revenue authorities to administer the earned income tax credit within the territories.

PART 3 – EXPANDING ACCESS TO HEALTH COVERAGE AND LOWERING COSTS

Section 137301. Improve Affordability and Reduce Premium Costs of Health Insurance for Consumers.

Extends the American Rescue Plan section 9661 affordability percentages used for 36B premium tax credits through 2025 to increase generosity for individuals eligible for assistance with household incomes below 400 percent of the federal poverty level (FPL) and provides 36B credits for taxpayers with household incomes above 400 percent of the FPL. Specifies that the applicable percentages are not indexed until 2027.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 137302. Modification of Employer-Sponsored Coverage Affordability Test in Health Insurance Premium Tax Credit.

Revises the thresholds through 2025 to determine whether a taxpayer has access to affordable insurance through an employer-sponsored plan or a qualified small employer health reimbursement arrangement to 8.5 percent of income in order to access 36B premium tax credits. Specifies that the thresholds are not indexed until 2027.

Section 137303. Treatment of Lump-Sum Social Security Benefits in Determining Household Income.

Excludes Social Security benefit lump-sum payments for Americans with disabilities, widows, new retirees, and others from calculation of household income for purposes of 36B premium tax credits.

Section 137304. Temporary Expansion of Health Insurance Premium Tax Credits for Certain Low-Income Populations.

Modifies certain eligibility rules and requirements for 36B premium tax credits through 2025, expands eligibility to taxpayers with household incomes below 100 percent of the FPL, specifies that taxpayers with household incomes below 138 percent of the FPL with access to employer-sponsored coverage or a qualified small employer health reimbursement arrangement can still receive credits, reduces the recapture limitation for taxpayers with household incomes below 200 percent of the FPL, exempts certain taxpayers from having to file a return, reconcile, or repay advance payments of 36B premium tax credits, and modifies when applicable large employers make an employer shared responsibility payment with respect to certain low-income taxpayers.

Section 137305. Special Rule for Individuals Receiving Unemployment Compensation.

Extends section 9663 of the American Rescue Plan through 2022, provides that a taxpayer can receive 36B premium tax credits as if the taxpayer's household income was no higher than 150 percent of the FPL for individuals receiving unemployment compensation as defined in section 85(b) of the Internal Revenue Code.

Section 137306. Permanent Credit for Health Insurance Costs.

Makes the health coverage tax credit permanent, removing the uncertainty of annual extensions, and increases the amount of the qualified health insurance premium covered by the credit from 72.5 percent to 80 percent.

Section 137307. Exclusion of Certain Dependent Income for Purposes of Premium Tax Credit.

Excludes certain dependent income through 2026 from the calculation of household income for purposes of determining 36B premium tax credit amounts.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 137308. Requirements with Respect to Cost-Sharing for Certain Insulin Products.

Ensures coverage of at least one of each type and dosage form of insulin under private insurance and ensures coverage of these insulin products before the application of any deductible and limits other cost-sharing to no more than \$35.

Section 137309. Oversight of Pharmacy Benefit Manager Services.

Requires that group health plan sponsors receive a semi-annual report on the costs, fees, and rebate information associated with their pharmacy benefit manager (PBM) contracts. These reports shall be generated by the entities providing pharmacy benefits management services and requires the inclusion of certain specific information to be disclosed to the group health plan sponsors. The Secretary of Health and Human Services shall enforce the reporting requirements, in consultation with the Secretaries of Labor and Treasury.

PART 4 – PATHWAY TO PRACTICE TRAINING PROGRAMS

Section 137401. Administrative Funding of the Rural and Underserved Pathway to Practice Training Programs for Post-Baccalaureate Students, Medical Students, and Medical Residents. This section invests \$6 million into implementation of the Pathway to Practice program.

Section 137402. Establishing Rural and Underserved Pathway to Practice Training Programs for Post-Baccalaureate Students and Medical Students.

This section establishes Section 1899C of the Social Security Act for the Rural and Underserved Pathway to Practice Training Program for Post-Baccalaureate and Medical Students. This section incentivizes those from rural and underserved communities to become physicians and to practice in those communities through a scholarship and stipend for qualifying medical students to attend medical school or post-baccalaureate and medical school.

Students eligible for this program include first generation college or professional students; Pell Grant recipients; those who lived in a medically underserved, rural, or health professional shortage areas.

Beginning in 2023, the Secretary shall award 1,000 scholarships per year, which includes tuition, academic fees, textbooks, equipment, and a monthly stipend tied to the amount in for the Armed Forces Health Professions Scholarship Program, which for 2021 is \$2,540. The Secretary shall prioritize those students who participated in the Health Careers Opportunity Program, were Area Health Education Scholars, are disadvantaged students as defined by the National Health Service Corps, or attended a Historically Black College or University or minority serving institution. Upon scholarship acceptance, the student agrees to complete medical school (and post-baccalaureate program as applicable), residency, and practice for at least one year per scholarship year in a health professional shortage area, a medically underserved area, or a rural area.

If the student is not compliant with the terms of the scholarship, the student must repay the amounts and the Secretary will collect these repayments with interest, except for the case of hardship.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 137403 Funding for the Rural and Underserved Pathway to Practice Training Programs for Post-Baccalaureate Students and Medical Students.

This section creates a new refundable Pathway to Practice medical scholarship voucher credit under section 36G of the Internal Revenue Code for qualified educational institutions. The credit amount for a taxable year is equal to the aggregate amount paid or incurred by a qualified educational institution during the taxable year pursuant to an annual award of a Pathway to Practice medical scholarship voucher to a qualifying student.

Section 137404. Establishing Rural and Underserved Pathway to Practice Training Programs for Medical Residents.

This section amends Section 1886 of the Social Security Act to incentivize additional residency training by, beginning on October 1, 2026, excluding from the residency slot cap those residents who participated in Rural and Underserved Pathway to Practice Training Programs at certain applicable hospitals that are recognized by the Accreditation Council for Graduate Medical Education (ACGME) for committing to train physicians with additional requirements, such as increased mentorship, structural and cultural competency training, and training in the community.

Section 137405. Distribution of Additional Residency Positions.

This section amends Section 1886 of the Social Security Act to invest in additional residency training by, beginning on October 1, 2024, distributing 4,000 additional Medicare residency positions, and prioritizing certain hospitals for that distribution.

PART 5 – HIGHER EDUCATION

Section 137501. Credit for Public University Research Infrastructure.

Provides a 40% general business credit for qualified cash contributions made by a taxpayer to a certified educational institution in connection with a qualifying research infrastructure program. Taxpayers may elect to claim this credit with respect to a qualifying cash contribution in lieu of treating such contribution as a charitable deduction.

Institutions of higher education may designate such contributions made by a taxpayer as qualified cash contributions only if such institution is certified as having been allocated a credit amount by the Secretary with respect to a qualifying project. The amount of cash contributions a certified educational institution may designate as qualified cash contributions may not exceed 250% of the credit amount allocated to such institution under this provision.

The provision provides \$500 million of credits for each of calendar years 2022, 2023, 2024, 2025, and 2026 to be awarded by the Secretary to eligible educational institutions on a project application basis. The Secretary shall award these credits based on the extent of expected expansion of a higher education institution's targeted research within disciplines in science,

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

mathematics, engineering, and technology. The Secretary shall award these credits in a manner that ensures consideration is given to eligible education institutions with full-time student populations of less than 12,000. A certified educational institution's allocation may not exceed \$100 million per calendar year.

For purposes of this provision, an eligible educational institution is a public college or university, or a non-profit organization to which authority has been delegated by a public college or university to apply for administering credit amounts on behalf of such institution.

The provision provides authority for the secretary prescribe regulation necessary to carry out this provision and to recapture and reallocated undesignated credit amounts. In the event of noncompliance, contributions made to an institution of higher education under this section shall be treated as unrelated business income and subject to tax.

Section 137502. Treatment of Federal Pell Grants for Income Tax Purposes.

Excludes Federal Pell grants from gross income. For purposes of the American Opportunity Tax Credit, Lifetime Learning Credit, and exclusion of qualified scholarship from income, qualified tuition and related expenses shall not be reduced by any amount paid for the benefit of an individual as a Federal Pell Grant. This provision is effective through 2025.

Section 1375034. Repeal of Denial for American Opportunity Tax Credit on Basis of Felony Drug Conviction.

Repeals the prohibition excluding students convicted of a state or felony drug offence from claiming the American Opportunity Tax Credit.

Part 6 – Deduction for State and Local Taxes

Section 137601. Modification of Limitation on Deduction for State and Local Taxes

Increases the limitation the deduction for state and local taxes from \$10,000 to \$72,500 (\$36,250 in the case of an estate, trust, or married individual filing a separate return), and extends the limitation through 2031.

This provision is made effective for taxable years beginning after 2020.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

SUBTITLE H — RESPONSIBILITY FUNDING OUR PRIORITIES

PART 1 – CORPORATE AND INTERNATIONAL TAX REFORMS

SUBPART A – CORPORATE TAX RATE

Section 138101. Corporate Alternative Minimum Tax

The corporate alternative minimum tax (AMT) proposal would impose a 15 percent minimum tax on adjusted financial statement income for corporations with such income in excess of \$1 billion. Under the proposal, an applicable corporation's minimum tax would be equal to the amount by which the tentative minimum tax exceeds the corporation's regular tax for the year. Tentative minimum tax is determined by applying a 15 percent tax rate to the adjusted financial statement income of the corporation for the taxable year (after taking into account the AMT foreign tax credit and the financial statement net operating losses).

For these purposes, adjusted financial statement income (AFSI) is the net income or loss of the taxpayer stated on the taxpayer's applicable financial statement with certain modifications. Generally an applicable financial statement is a corporation's form 10-K filed with the Securities and Exchange Commission, an audited financial statement, or other similar financial statement.

Certain adjustments are made to the income on a taxpayer's applicable financial statement to determine AFSI, including adjustments to: (1) align the period covered to the taxpayer's taxable year, (2) disregard any federal or foreign taxes taken into account, and (3) disregard certain direct-pay tax credits provided in the Clean Energy for America Act received by the taxpayer. Under regulations, the Secretary shall provide adjustments to: (1) prevent the omission or duplication of any item, (2) appropriately address corporate reorganizations and similar transactions, and (3) address the effect of these provisions on partnerships with income taken into account under the corporate AMT. Adjustments are also made with respect to certain cooperatives and Alaska Native Corporations, and to provide consistent treatment with respect to mortgage servicing income of a corporation other than a regulated investment company.

In general, an applicable corporation is any corporation (other than an S corporation, regulated investment company, or a real estate investment trust) with three-year average annual AFSI in excess of \$1 billion. To determine whether a corporation has met this requirement, corporations under common control are aggregated. In the case of foreign-parented corporations, the \$1 billion three-year average annual AFSI requirement is determined by aggregating the AFSI for all members of the international financial reporting group in which the applicable corporation is a member. As such, both U.S.-parented and foreign-parented corporations are tested on their global income for purposes of this \$1 billion requirement.

If the international financial reporting group of a foreign-parented corporation meets this \$1 billion requirement, a corporation that is a member of that group is not treated as an applicable corporation unless it also meets the requirement for the AFSI of the U.S. group. Under this requirement, in the same three-year period, the average annual AFSI of the U.S. group must be

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

\$100 million or more. For purposes of determining the U.S. group's AFSI, all members under common control are aggregated, except the AFSI of a foreign corporation under common control is only included if the income is effectively connected to a U.S. trade or business or the foreign corporation is a controlled foreign corporation (CFC). Generally, this means that for a foreign-parented corporation, there is a global income requirement of \$1 billion and a U.S.-related income requirement of \$100 million (including the income of any CFCs).

Once a corporation is determined to be an applicable corporation, it remains an applicable corporation unless, as a result of an ownership change or a consistent reduction in AFSI below the applicable thresholds, the Secretary determines that it would not be appropriate to continue to treat such corporation as an applicable corporation.

Special rules apply in the case of related corporations included on a consolidated financial statement, and in the case of taxpayers filing a consolidated return. In addition, the AFSI of a corporation is required to include income from dividends and certain other amounts required to be included by such corporation for tax purposes. In the case of a U.S. shareholder of a CFC, AFSI includes the pro rata share of the AFSI of such CFC. The AFSI of CFCs are aggregated globally, and losses in one CFC may offset income of another CFC. Overall losses of CFCs may not reduce AFSI of a U.S. corporation, but may be carried forward and used to offset CFC income in future years. An applicable corporation must also include the income of any disregarded entity.

Similar to the rules under regular corporate income tax, AFSI may be reduced by financial statement net operating losses, not to exceed 80 percent of AFSI determined before taking into account such net operating losses. For this purpose, financial statement net operating losses are determined by taking into account adjusted financial statement losses for taxable years ending after December 31, 2019.

Tentative minimum tax may be reduced by a corporate AMT foreign tax credit, which applies for foreign income taxes that are paid or accrued (for federal income tax purposes) and taken into account on an applicable financial statement. Foreign income taxes paid or accrued by CFCs are subject to a single global limitation equal to 15 percent of the net aggregate AFSI of all CFCs. Foreign income taxes paid or accrued by a domestic corporation, such as withholding taxes or the taxes paid on income of a foreign branch, are not subject to a limitation. Excess foreign tax credits may be carried forward for five years.

Similar to the current rules applicable for general business credits of a corporation (such as R&D, clean energy, and housing tax credits), general business credits may generally offset up to approximately 75 percent of the sum of a corporation's normal income tax and alternative minimum tax.

Similar to the AMT tax credit under pre-2018 corporate AMT and the AMT currently in effect for individuals, corporations would be eligible to claim a tax credit for AMT paid in prior years against normal income tax, to the extent normal tax exceeds the tentative minimum tax for such taxable year.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

The proposal would be effective for taxable years beginning after December 31, 2022.

Section 138102. Excise Tax on Repurchase of Corporate Stock.

The provision imposes a 1 percent excise tax on publicly traded U.S. corporation for the value of any of its stock that is repurchased by the corporation during the taxable year. The term repurchase means a redemption within the meaning of section 317(b) with regard to the stock of such corporation, and any other economically similar transaction as determined by the Secretary of Treasury.

The amount of repurchases subject to the tax is reduced by the value of any new issuance to the public and stock issued to the employees of the corporation.

A subsidiary of a publicly traded U.S. corporation that performs the buyback for its parent or a U.S. subsidiary of a foreign corporation that buys back its parent's stock is subject to the excise tax.

The provision excludes certain repurchases from the excise tax to the extent: 1) the repurchase is part of a tax-free reorganization; 2) the repurchased stock or its value is contributed to an employee pension plan, ESOP, or similar plan; 3) the total amount of stock repurchases within the year is less than \$1 million; 4) the purchase is by a dealer in securities in the ordinary course of business; 5) the repurchase is treated as a dividend; and 6) the repurchase is by a RIC or REIT.

The provision provides authority for Treasury to issue guidance necessary or appropriate to administer and to prevent the avoidance of the purposes of this section.

The provision applies to repurchases of stock after December 31, 2021.

SUBPART B – INTEREST EXPENSE OF INTERNATIONAL FINANCIAL REPORTING GROUPS

Section 138111. Limitation on Deduction of Interest Expense.

This provision adds section 163(n) to the Code, which limits the amount of net interest expense (interest expense in excess of interest income) of certain domestic corporations (or foreign corporations engaged in a U.S. trade or business) that are members in an international financial reporting group. The provision limits the interest expense deduction to an “allowable percentage” of 110% of the domestic corporation's net interest expense. A domestic corporation's allowable percentage means the ratio of such corporation's allocable share of the group's net interest expense over such corporation's reported net interest expense. A domestic corporation's allocable share of the group's net interest expense is the portion of such expense which bears the same ratio to the total group expense as the corporation's EBITDA bears to the group's total EBITDA. A domestic corporation's reported net interest expense is the amount of interest expense of such corporation reported in the books and records of the international financial reporting group, over the amount of interest income of such corporation reported in such books and records.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

This interest limitation applies only to domestic corporations whose average excess interest expense over interest includible over a three-year period exceeds \$12,000,000. The limitation does not apply to any small business exempted under section 163(j)(3). Nor does the limitation apply to any S corporation, real estate investment trust, or regulated investment company.

This provision also modifies section 163(j)(4), which applies the limitation on deductibility of business interest under section 163(j) to partnerships and S corporations. Under the provision, section 163(j) generally will apply to a partner or shareholder, rather than to the partnership or S corporation as an entity.

This provision also adds section 163(o), which allows the carryforward of interest expense disallowed by reason of both subsection (j)(1) and (n)(1). A taxpayer subject to both 163(j) and 163(n) is eligible to deduct only the lesser of the two limitations in a taxable year. Interest not allowed will be carried forward and treated as business interest in subsequent taxable years. The amendments made by this section apply to taxable years beginning after December 31, 2022.

SUBPART C – OUTBOUND INTERNATIONAL PROVISIONS

Section 138121. Modifications to Deduction for Foreign-Derived Intangible Income and Global Intangible Low-Taxed Income

This provision reduces the section 250 deduction with respect to both FDII (to 24.8%) and GILTI (to 28.5%). This yields a 15% GILTI rate and a 15.8% FDII rate. Under current law, if the section 250 deduction exceeds its taxable income (determined without regard to section 250), the deduction is reduced by the excess. Under the provision, the taxable income limitation is repealed. Therefore, if the section 250 deduction with respect to GILTI and FDII exceeds taxable income, the excess is allowed as a deduction, which will increase the net operating loss for the taxable year. A transition rule is provided for taxable years that include but do not end on December 31, 2022. This provision also clarifies that certain categories of income, including passive rents and royalties, are not FDII deduction eligible. Amendments related to the section 250 deductions for GILTI and FDII are effective for taxable years beginning after December 31, 2022.

Section 138122. Repeal of Election for 1-Month Deferral in Determination of Taxable Year of Specified Foreign Corporations.

This provision strikes section 898(c)(2), which previously allowed the choice of a taxable year beginning 1 month earlier than the majority U.S. shareholder year. The provision also provides for certain transitional rules, and directs the Secretary to issue regulations or other guidance allocating foreign taxes that accrue in the first year after the change between that year and the prior taxable year. The amendments made by this section apply to taxable years of specified foreign corporations beginning after November 30, 2022.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 138123. Modifications of Foreign Tax Credit Rules Applicable to Certain Taxpayers Receiving Specific Economic Benefits.

Dual capacity taxpayers are U.S. companies that are both subject to levy in, and receive certain benefits from, a foreign country or possession of the United States. To ensure dual capacity taxpayers cannot claim foreign tax credits for payments that are not deemed to be income taxes, this section provides that any amount paid by a dual capacity taxpayer to a foreign country will not be considered a tax to the extent it exceeds the generally applicable income tax of that country. A generally applicable income tax means an income tax which is generally imposed under the laws of a foreign country on income derived from the conduct of trade or business within such country, and has substantial applicability to persons who are not dual capacity taxpayers and to citizens or residents of that country. The amendments made by this section apply to taxes paid or accrued after December 31, 2021.

Section 138124. Modifications to Foreign Tax Credit Limitations.

This provision amends section 904 to require foreign tax credit determinations on a country-by-country basis for purposes of sections 904, 907, and 960. These foreign tax credit computations entail assigning each item of income and loss to a taxable unit of the taxpayer which is a tax resident of a country (or, in the case of a branch, has a taxable presence in such country). Taxable units of the taxpayer are: (1) the person that is the taxpayer, (2) controlled foreign corporations, (3) interests held by the taxpayer or any controlled foreign corporations in a pass-through entity if such pass-through entity is a tax resident of a country other than the country of the taxpayer or the CFC, and (4) each branch the activities of which are carried on by the taxpayer or any CFC, and which give rise to a taxable presence in the country where it is located. Additionally, this provision repeals the foreign branch income basket.

The provision repeals the limitation on foreign tax credit carryforwards for GILTI category income. The provision limits the carryforward of excess foreign tax credit limitation with respect to the GILTI basket to five succeeding taxable years for taxes paid or accrued in taxable years beginning. The five year limitation does not apply to taxable years beginning after December 31, 2030. Beginning in 2030, foreign tax credits may carry forward in each of the limitation categories for ten years. With respect to all baskets, the carryback of foreign tax credits is repealed (compared with 1 year carryback under current law).

The provision amends section 904(b) such that, for the purpose of determining the foreign tax credit limitation with respect to the GILTI basket, the taxpayer's foreign source income is determined by allocating only such deductions that are directly allocable to such income, including the section 250 deduction for GILTI and taxes attributable to the section 250 deduction. Expenses that otherwise would be allocated to GILTI category income are allocated to income from sources within the United States.

The provision amends section 904(b) such that in the case of any covered asset dispositions, the principle of section 338(h)(16) shall apply in determining the source and character of any item for purposes of this part. A covered asset disposition means any transaction which, inter alia, is

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

treated as a disposition of stock of a corporation for purposes of the tax laws of the relevant foreign country.

The rules related to covered asset dispositions apply to dispositions after the date of enactment, subject to a binding contract exception. The other amendments made by this section apply to taxable years beginning after December 31, 2022.

Section 138125. Foreign Oil Related Income to Include Oil Shale and Tar Sands.

This provision expands the definition of foreign oil related income in section 907(c)(2)(A) to include oil shale or tar sands in addition to oil and gas wells. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138126. Modifications to Inclusion of Global Intangible Low-Taxed Income.

Currently a global blending regime, this provision amends section 951A to provide for country-by-country application of the GILTI regime. Under the provision, a United States shareholder's global intangible low-taxed income (GILTI) is the sum of the amounts of GILTI determined separately with respect to each country in which any CFC taxable unit of the United States shareholder is a tax resident. Other items and amounts including net CFC tested income, net deemed tangible income return, qualified business asset investment (QBAI), and interest expense shall be determined on a country-by-country basis as well. The definition of CFC taxable unit is found in new section 904(e)(2)(B).

The provision amends section 951A(c) to provide for carryover of country-specific net CFC tested loss to the succeeding taxable year.

The provision changes the amount of allowable net deemed tangible income return by replacing 10% of QBAI with 5% of QBAI. This reduction does not apply to CFC taxable units in the territories of the United States.

Currently, tested income and tested loss of a CFC are determined without regard to any foreign oil and gas extraction income (FOGEI) and any deductions properly allocable to it. This provision now includes FOGEI and related deductions in the determination of tested income and tested loss. The amendments made by this section apply to taxable years of foreign corporations beginning after December 31, 2022, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.

Section 138127. Modifications to Determination of Deemed Paid Credit for Taxes Properly Attributable to Tested Income.

This provision substantially reduces the 20% haircut on foreign tax credits by amending section 960(d)(1) to increase from 80% to 95% the deemed paid credit for taxes attributable to GILTI (80% to 100% in the case of taxes paid or accrued to U.S. territories). The provision also ensures that a corporation is treated as a controlled foreign corporation only if it has direct United States

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

shareholders, and applies special rules to foreign owned United States shareholders. The amendments made by this section apply to taxable years of foreign corporations beginning after December 31, 2022, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.

Section 138128. Deduction for Foreign Source Portion of Dividends Limited to Controlled Foreign Corporations, etc.

Currently, section 245A provides a 100% participation exemption for foreign portions of any dividends received from a specified 10-percent owned foreign corporation, even in cases where the foreign corporation is not a controlled foreign corporation (and therefore not subject to subpart F and GILTI regimes). This provision amends section 245A so that the exemption applies to foreign portions of dividends received only from controlled foreign corporations. This provision also provides an election to be treated as a controlled foreign corporation for certain foreign corporations with United States shareholders. These amendments apply to distributions made after date of enactment and to taxable years of foreign corporations beginning after date of enactment (and taxable years of United States persons in which or with which the taxable years of foreign corporations end).

The provision also adds section 951B, which provides for downward attribution from a foreign person in certain cases. In general, the rules of Subpart F will apply to a foreign controlled U.S. shareholder (“FCUSS”) of a foreign controlled foreign corporation (“FCFC”) as if the former were a U.S. shareholder and the latter were a CFC. A FCUSS is a U.S. person that would be a U.S. shareholder of a foreign corporation (1) using a 50% ownership threshold rather than 10%, and (2) applying downward attribution from foreign persons to U.S. persons. A foreign corporation with respect to which a U.S. person is a FCUSS is always a FCFC.

Section 138129. Limitation on Foreign Base Company Sales and Services Income.

The provision limits Foreign Base Company Sales and Services Income to situations in which the related person is a tax resident of the United States. As a result, arrangements that would otherwise give rise to foreign base company sales or services income, but for the fact that such arrangements do not involve a related U.S. person, are outside the scope of such rules and, instead, subject to section 951A. This provision applies to taxable years beginning after December 31, 2021. This provision also closes loopholes that cause shareholders of a controlled foreign corporation to avoid tax on some income from their controlled foreign corporations. The amendments made by this section apply to distributions occurring after, or taxable years of foreign corporations beginning after, December 31, 2021.

SUBPART D – INBOUND INTERNATIONAL PROVISIONS

Section 138131. Modifications to Base Erosion and Anti-Abuse Tax.

This provision makes several modifications to the Base Erosion and Anti-Abuse Tax (BEAT). First, the BEAT rate in section 59A(b)(1)(A) is amended to 10% in taxable years beginning after

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

December 31, 2021, and before January 1, 2023; to 12.5% in taxable years beginning after December 31, 2022, and before January 1, 2024; 15% in any taxable year beginning after December 31, 2023 and before January 1, 2025; and 18% in any taxable year beginning after December 31, 2024. Second, the base erosion minimum tax amount is to be determined taking into account tax credits.

The provision modifies the rules in 59A(c) for determining modified taxable income. Modified taxable income means taxable income computed without regard to base erosion tax benefits; without adjusting the basis of inventory property due to base erosion payments; by determining net operating losses without regard to any deduction which is a base erosion tax benefit; and according to other adjustments under rules similar to the rules applicable to the alternative minimum tax. Base erosion payments are amended to include amounts paid to a foreign related party that are required to be capitalized in inventory under section 263A, as well as amounts paid to a foreign related party for inventory which exceed the costs of the property to the foreign related party. A safe harbor is available to deem base erosion payments attributable to indirect costs of foreign related parties as 20 percent of the amount paid to the related party.

The provision provides an exception for payments subject to U.S. tax, and for payments to foreign parties if the taxpayer establishes that such amount was subject to an effective rate of foreign tax not less than the applicable BEAT rate. The provision also limits the exception to the provision for taxpayers with a low base erosion percentage to taxable years beginning before January 1, 2024. The provision further provides that an applicable taxpayer remains an applicable taxpayer for the next ten succeeding calendar years after it is an applicable taxpayer. The provision is effective for taxable years beginning after December 31, 2021.

SUBPART E – OTHER BUSINESS TAX PROVISIONS

Section 138141. Credit for Clinical Testing of Orphan Drugs Limited to First Use or Indication.

This provision limits the credit for qualified clinical testing expenses to expenses related to the first use or indication for an orphan drug as designated under section 526 of the Federal Food, Drug, and Cosmetic Act. Additionally, the provision provides that clinical testing expenses for any drug that has received a marketing approval for any use or indication (either for use in rare disease or condition or non-rare disease or condition) do not qualify for the credit. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138142. Modifications to Treatment of Certain Losses.

The provision amends section 165(g) to provide that losses with respect to securities are treated as realized on the day that the event establishing worthlessness occurs. In addition, the provision provides that partnership indebtedness is treated in the same manner as corporate indebtedness under the section. The provision also clarifies that abandoned securities are treated as worthless at the time of abandonment. In addition, the rule amends section 165 to provide that a loss on a worthless partnership interest is subject to the same rules as a loss in a sale of a partnership interest. This provision is applicable for taxable years beginning after December 31, 2021. The rule also changes the treatment of taxable liquidations of corporate subsidiaries. Under the

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

provision, a loss in a taxable liquidation, dissolution of a corporation with worthless stock, or issuance of debt in connection with which corporate stock becomes worthless is deferred until the property received in the liquidation is sold to a third party. This provision is applicable to liquidations after the date of enactment.

Section 138143. Adjusted Basis Limitation for Divisive Reorganization.

This provision amends section 361 to provide that a distributing corporation in a divisive reorganization recognizes gain to the extent of controlled corporation debt securities transferred to the creditors of the distributing corporation in excess of the basis in assets (reduced by amounts paid by the controlled corporation to the distributing corporation) transferred from the distributing corporation to the controlled corporation in the transaction. The provision applies to reorganizations after the date of enactment. A transition rule provides that amendments made by this provision do not apply to any exchange made pursuant to a written agreement that was binding as of the date of enactment and at all times thereafter, described in a ruling request submitted to the IRS on or before such date, or described on or before such date in a public announcement or filing with the S.E.C.

Section 138144. Rents from Prison Facilities not Treated as Qualified Income for Purposes of REIT Income Tests.

This provision amends section 856 to provide that income received with respect to property primarily used as a prison or other detention facility does not qualify for the purpose of REIT income tests. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138145. Modifications to Exemption for Portfolio Interest.

This provision modifies definition of “10-percent shareholder”, whose interest is exempt from portfolio interest. The provision provides that, in the case of an obligation issued by a corporation, any person who owns 10% or more of the total vote or value of the stock of such corporation is not eligible for the portfolio interest exemption. This amendment applies to obligations issued after the date of enactment.

Section 138146. Certain Partnership Interest Derivatives

The provision amends section 871(m) to provide that payments pursuant to specified notional principal contracts and other similar payment as the Secretary provides with respect to publicly traded partnerships and other partnerships (as provided in regulations) are treated as dividend equivalents. The provision applies rules similar to the other paragraphs of section 871(m) to partnership interest derivatives. The provision also applies withholding rules similar to those under section 1446. The amendments made by this section apply to payments made on or after December 31, 2022.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 138147. Adjustments to Earnings and Profits of Controlled Foreign Corporations.

Currently, a special rule in section 952(c)(3) for determining earnings and profits of a controlled foreign corporation has limited application with respect to subpart F income. This provision relocates this rule to section 312(n) so that it is more generally applied in determining the earnings and profits of controlled foreign corporations, in this case without regard to LIFO inventory adjustments, installment sales, and completed contract method of accounting. The amendments made by this section apply to taxable years of foreign corporations beginning after December 31, 2021, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end.

Section 138148. Certain Dividends from Controlled Foreign Corporations to United States Shareholders Treated as Extraordinary Dividends.

A general rule in section 1059 provides that if any corporation receives an extraordinary dividend with respect to any stock that such corporation has not held for more than 2 years prior to the dividend announcement date, the basis of the stock is reduced by the nontaxed portion of such dividends, and any excess is treated as gain from the sale or exchange of such stock. Under this new provision in section 1059(g), any disqualified CFC dividend is treated as an extraordinary dividend without regard to the period the taxpayer held the stock to which such dividend relates. For purposes of this new rule, a disqualified CFC dividend means any dividend paid by a controlled foreign corporation to a United States shareholder of such foreign corporation if such dividend is attributable to earnings and profits which were earned, or are attributable to gain on property which accrued, while such foreign corporation was not a controlled foreign corporation or such stock was not owned by a United States shareholder. The amendments made by this section apply to distributions made after the date of enactment.

Section 138149. Limitation on Certain Special Rules for Section 1202 Gains.

This provision amends section 1202(a) to provide that the special 75% and 100% exclusion rates for gains realized from certain qualified small business stock will not apply to taxpayers with adjusted gross income equal or exceeding \$400,000. The baseline 50% exclusion in 1202(a)(1) remains available for all taxpayers. The amendments made by this section apply to sales and exchanges after September 13, 2021, subject to a binding contract exception.

Section 138150. Constructive Sales.

This provision includes digital assets in the constructive sale rules, anti-abuse rules previously applicable to other financial assets. The constructive sale rules in section 1259 treat the adoption of certain offsetting positions to previously owned positions as sales of the previously owned position. These rules prevent taxpayers from locking in investment gains without realizing taxable gain. The amendments made by this section apply to constructive sales after the date of enactment and contracts entered into after the date of enactment.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 138151. Rules Relating to Common Control.

The tax code aggregates certain business entities in order to apply various limitations (e.g., the gross receipts limitation in the use of the cash method of accounting under section 448(c), the exemption from interest deductibility limitations under section 163(j)). Section 52(a) addresses corporate entities and section 52(b) provides similar rules for corporate and non-corporate entities. Section 52(b) refers to “trades or business (whether or not incorporated)” and the treatment of certain for-profit activity is unclear. The provision also clarifies the meaning of the cross reference in section 52(a) to section 1563. In particular, it clarifies that members of a group are treated as commonly controlled even if certain exceptions otherwise apply to exclude a corporation from a controlled group under section 1563(b).

The provision would provide that a taxpayer engaged in any activity in connection with a trade or business or any for-profit activity is subject to the aggregation rules under section 52(b). The provision would be effective for taxable years beginning after December 31, 2021.

Section 138152. Modification of Wash Sale Rules.

This section includes commodities, currencies, and digital assets in the wash sale rule, an anti-abuse rule previously applicable to stock and other securities. The wash sale rule in section 1091 prevents taxpayers from claiming tax losses while retaining an interest in the loss asset. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138153. Research and Experimental Expenditures.

This provision delays the effective date of section 13206 of Public Law 115-97. That section provides for amortization of the research and experimental expenditures starting taxable years beginning after December 31, 2021. Under this provision, the amortization of research and experimental expenditures will begin for amount paid or incurred in taxable years beginning after December 31, 2025.

PART 2 – TAX INCREASES FOR HIGH-INCOME INDIVIDUALS

Section 138201. Application of Net Investment Income Tax to Trade or Business Income of Certain High Income Individuals.

This provision amends section 1411 to expand the net investment income tax to cover net investment income derived in the ordinary course of a trade or business for taxpayers with greater than \$400,000 in taxable income (single filer) or \$500,000 (joint filer), as well as for trusts and estates. The provision clarifies that this tax is not assessed on wages on which FICA is already imposed. The amendments made by this section apply to taxable years beginning after December 31, 2021.

Section 138202. Limitations on Excess Business Losses of Noncorporate Taxpayers.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

This provision amends section 461(l) to permanently disallow excess business losses (i.e., net business deductions in excess of business income) for non-corporate taxpayers. The provision allows taxpayers whose losses are disallowed to carry those losses forward to the next succeeding taxable year. The amendments made by this section apply to taxable years beginning after December 31, 2020.

Section 138203. Surcharge on High Income Individuals, Estates, and Trusts.

This provision adds section 1A, which imposes a tax equal to 5% of a taxpayer's modified adjusted gross income in excess of \$10,000,000 (or in excess of \$5,000,000 for a married individual filing separately), and an additional tax of 3% of a taxpayer's modified adjusted gross income in excess of \$25,000,000. For this purpose, modified adjusted gross income means adjusted gross income reduced by any deduction allowed for investment interest (as defined in section 163(d)). The amendments made by this section apply to taxable years beginning after December 31, 2021.

PART 3 – MODIFICATION TO RULES RELATING TO RETIREMENT PLANS

SUBPART A – LIMITATIONS ON HIGH-INCOME TAXPAYERS WITH LARGE RETIREMENT ACCOUNT BALANCES

Section 138301. Contribution Limit for Individual Retirement Plans of High-Income Taxpayers with Large Account Balances.

Under current law, taxpayers may make contributions to IRAs irrespective of how much they already have saved in such accounts. To avoid subsidizing retirement savings once account balances reach very high levels, the legislation creates new rules for taxpayers with very large IRA and defined contribution retirement account balances.

Specifically, the legislation prohibits further contributions to a Roth or traditional IRA for a taxable year if the contributions would cause the total value of an individual's IRA and defined contribution retirement accounts as of the end of the prior taxable year to exceed or further exceed \$10 million. The limit on contributions would only apply to single taxpayers (or taxpayers married filing separately) with income over \$400,000, married taxpayers filing jointly with income over \$450,000, and heads of households with income over \$425,000 (all indexed for inflation).

The legislation also adds a new annual reporting requirement for employer defined contribution plans on aggregate account balances of at least \$2.5 million. The reporting would be to both the Internal Revenue Service and the plan participant whose balance is being reported.

The provisions of this section are effective tax years beginning after December 31, 2028.

Section 138302. Increase in Minimum Required Distributions for High-Income Taxpayers with Large Retirement Account Balances.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

If an individual's combined traditional IRA, Roth IRA and defined contribution retirement account balances generally exceed \$10 million at the end of a taxable year, a minimum distribution would be required for the following year. This minimum distribution is only required if the taxpayer's income is above the thresholds described in the section above (e.g., \$450,000 for a joint return). The minimum distribution generally is 50 percent of the amount by which the individual's prior year aggregate traditional IRA, Roth IRA and defined contribution account balance exceeds the \$10 million limit, reduced by the amount described in the next paragraph.

In addition, to the extent that the combined balance amount in traditional IRAs, Roth IRAs and defined contribution plans exceeds \$20 million, that excess is required to be distributed from Roth IRAs and Roth designated accounts in defined contribution plans up to the lesser of (1) the amount needed to bring the total balance in all accounts down to \$20 million or (2) the aggregate balance in the Roth IRAs and designated Roth accounts in defined contribution plans. Once the individual distributes the amount of any excess required under this 100 percent distribution rule, then the individual is allowed to determine the accounts from which to distribute to satisfy the 50 percent distribution rule above, except that generally no amounts may be allocated to stock in a private company ESOP.

This provision is effective tax years beginning after December 31, 2028.

SUBPART B – OTHER PROVISIONS RELATING TO INDIVIDUAL RETIREMENT PLANS

Section 138311. Tax Treatment of Rollovers to Roth IRAs and Accounts.

Under current law, contributions to Roth IRAs have income limitations. For example, the income phase-out range for single taxpayers for making contributions to Roth IRAs for 2021 is \$125,000 to \$140,000. Those single taxpayers with income above \$140,000 generally are not permitted to make Roth IRA contributions.

However, in 2010, the similar income limitations for Roth IRA conversions were repealed, which allowed anyone to contribute to a Roth IRA through a conversion, irrespective of the still-in-force income limitations for Roth IRA contributions. As an example, if a person exceeds the income limitation for contributions to a Roth IRA, he or she can make a nondeductible contribution to a traditional IRA – and then shortly thereafter convert the nondeductible contribution from the traditional IRA to a Roth IRA.

In order to close this so-called “back-door” Roth IRA strategy, and a similar one for retirement plans, this section prohibits all employee after-tax contributions in qualified plans and after-tax IRA contributions from being converted to Roth regardless of income level, effective for distributions, transfers, and contributions made after December 31, 2021.

In addition, the bill eliminates Roth conversions for both IRAs and employer-sponsored plans for single taxpayers (or taxpayers married filing separately) with taxable income over \$400,000, married taxpayers filing jointly with taxable income over \$450,000, and heads of households with taxable income over \$425,000 (all indexed for inflation). This provision applies to distributions, transfers, and contributions made in taxable years beginning after December 31, 2031.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

Section 138312. Statute of Limitations with Respect to IRA noncompliance.

The bill expands the statute of limitations for IRA noncompliance related to valuation-related misreporting and prohibited transactions from 3 years to 6 years to help IRS pursue these violations that may have originated outside the current statute's 3-year window. This provision applies to taxes to which the current 3-year period ends after December 31, 2021.

Section 138313. IRA Owners Treated as Disqualified Persons for Purposes of Prohibited Transactions Rules.

The bill clarifies that, for purposes of applying the prohibited transaction rules with respect to an IRA, the IRA owner (including an individual who inherits an IRA as beneficiary after the IRA owner's death) is always a disqualified person. This section applies to transactions occurring after December 31, 2021.

PART 4 – FUNDING THE INTERNAL REVENUE SERVICE AND IMPROVING TAXPAYER COMPLIANCE

Section 138401. Funding of the Internal Revenue Service.

This provision appropriates funding for the IRS as follows:

\$1,931,500,000 for taxpayer services,
\$44,887,500,000 for enforcement,
\$27,376,300,000 for operations support, and
\$4,750,700,000 for business systems modernization.

The provision allows the IRS to utilize direct hire authority to recruit and appoint personnel with such funds. The Commissioner of the IRS is required to submit a plan to Congress detailing how such funds will be spent, and submit periodic reports thereafter detailing the progress of the plan. In addition, the provision appropriates \$403,000,000 to the Treasury Inspector General for Tax Administration to provide oversight of the IRS and \$104,533,803 to Treasury's Office of Tax Policy to carry out functions related to promulgating regulations under the Internal Revenue Code. Finally, \$153,000,000 is appropriated to the Tax Court for necessary expenses, including contract reporting, and not to exceed \$3,000 for official reception and representation expenses. These appropriated funds are to remain available until September 30, 2031 and no use of the funds is intended to increase taxes on any taxpayer with taxable income below \$400,000. The provision also provides \$15,000,000 of funds for the IRS to prepare and deliver a report to Congress on the cost of developing and running a free direct efile tax return system. The report shall include taxpayer opinions for such a system based on surveys and opinions of an independent third-party on the overall feasibility and IRS capacity to deliver such a system.

Section 138402. Application of Backup Withholding and Third Party Network Transactions.

This provision amends section 3406(b) to add to the list of reportable payments any payments in settlement of third party network transactions, but only if the aggregate annual payment made by

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

the third party settlement organization to the payee equals or exceeds \$600, the third party settlement organization was required under section 6050W to file a return for the preceding year with respect to the payee, or if during the preceding calendar year the payment organization made reportable payments to the payee with respect to which amounts were required to be deducted and withheld under 3406(a).

This provision is effective for calendar years beginning after December 31, 2021. A transition rule for 2022 adds the requirement that the aggregate number of annual transactions between the third party settlement organization and the payee exceeds 200.

Section 138403. Modification of Procedural Requirements Relating to Assessment of Penalties.

This provision repeals a requirement that any assessment of penalties must be approved by a supervisor of the employee making such determination. This amendment is effective as if included in section 3306 of the Internal Revenue Service Restructuring and Reform Act of 1998, which applies to notices issued, and penalties assessed, after December 31, 2000.

This provision also requires that each supervisor certify quarterly by letter to the Commissioner of Internal Revenue whether employees have followed the procedural requirements with respect to issuance of notices of penalty. This amendment applies to notices of penalty issued after the date of the enactment of this Act.

PART 5 – OTHER PROVISIONS

Section 138501. Modifications to Limitation on Deduction of Excessive Employee Remuneration.

This provision adds to the general rule under section 162(m)(1), an aggregation rule requiring two or more persons who are treated as a single employer under section 414 to be treated as a single employer. For purposes of this determination, the brother-sister-controlled group and combined group rules under section 1563(a) are disregarded. The provision also expands the IRS's regulatory authority under the general rule and expands the definition of applicable employee remuneration to clarify that such remuneration includes performance-based compensation, commissions, post-termination compensation, and beneficiary payments, whether or not paid directly by the publicly held corporation.

Section 138502. Extension of Tax to Fund Black Lung Disability Trust Fund.

This provision extends the tax to fund the Black Lung Disability Trust Fund through December 31, 2025. The amendment made by this section applies to sales after December 31, 2021.

Section 138503. Prohibited Transactions Relating to Holding DISC or FSC in Individual Retirement Account.

This provision provides that holding an interest in a DISC or FSC that receives any commission or other payment from an entity owned by the individual for whose benefit the IRA is established is a prohibited transaction for purposes of section 4975. The provision also applies if the DISC

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

or FSC is held indirectly through one or more corporations. For purposes of determining ownership of the entity that makes the payments, the constructive ownership rules in section 318 apply, substituting 10 percent for 25 percent. The tax imposed by section 4975 applies even if the account ceases to be treated as an IRA. The section applies to stock acquire or held on or after December 31, 2021.

Section 138504. Clarification of Treatment of DISC Gains and Distributions of Certain Foreign Shareholders.

This provision clarifies that gains from the sale or exchange of, and distributions by a DISC or FSC to a foreign shareholder are treated as effectively connected with the conduct of a trade or business conducted through a permanent establishment deemed to be had by the shareholder in the United States. This provision is effective for distributions on or after December 31, 2021.

Section 138505. Treatment of Certain Qualified Sound Recording Productions.

This provision amends section 181 to permit taxpayers to treat as currently deductible expenses the cost of qualified sound recording productions not exceeding \$150,000 in a taxable year. The bill defines qualified sound recording production as certain sound recordings produced and recorded in the United States. The provision expires on December 31, 2025 (the current section 181 termination date).

Section 138506. Payment to Certain Individuals Who Dye Fuel.

In general, under section 4081, tax is imposed upon the removal of taxable fuel (including diesel fuel and kerosene) from a terminal. Under section 4081(e), if tax is paid and reported to the government on more than one taxable event for a taxable fuel under section 4081, the person paying the “second tax” on such fuel may claim a refund (without interest) of that second tax if certain conditions and reporting requirements are met. However, if the fuel is dyed at removal from the second terminal, there is no second tax paid on the fuel and refund relief is not available under section 4081(e) for the dyed fuel. This provision creates a new refund mechanism for taxpayers who remove eligible indelibly dyed diesel fuel or kerosene from a terminal for nontaxable use, and establishes to the satisfaction of the Secretary that tax for such fuel under section 4081 has already been paid.

Section 138507. Treatment of Financial Guaranty Insurance Companies as Qualifying Insurance Corporations under Passive Foreign Investment Company Rules.

This provision provides that a financial guarantee insurance company that satisfies certain conditions may include unearned premium reserves in its applicable insurance liability for purposes of determining whether it is a passive foreign investment company. The provision clarifies that certain items on financial statement shall be reported separately, and provides regulatory authority to impose additional tax reporting requirements on financial guarantee insurance companies. This provision is effective as if included in Public Law 115-97, taxable years beginning after December 31, 2017, except for reporting provisions, which are effective for

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

reports made after the date of enactment.

Section 138508. Extension of Period of Limitation for Certain Legally Married Couples.

Prior to the Supreme Court's decision in *United States v. Windsor*, section 3 of the Defense of Marriage Act (DOMA) prohibited the IRS from recognizing same-sex marriages. In *Windsor*, the Supreme Court held that section 3 of DOMA was unconstitutional because it violated principles of equal protection. Following the *Windsor* decision, the IRS released guidance that allowed taxpayers to amend their returns with respect to their marital status, but only generally back to 2010. Thus, taxpayers lawfully married under state law before 2010 could not claim the benefits of federal recognition of same-sex marriage for pre-2010 years. Under this section, lawfully married same-sex couples can file claims for credits and refunds related to a change in marital status back to their year of marriage, which in some cases is as early as 2004.

Section 138514. Allowance of Deduction for Certain Expenses of the Trade or Business of Being an Employee.

This provision allows for up to \$250 in dues to a labor organization be claimed as an above-the-line deduction. The provision is effective for taxable years beginning after December 31, 2021.

Section 138515. Temporary Increase in Employer-Provided Childcare Credit.

For taxable years beginning after December 31, 2021 and before January 1, 2026, this provision increases the section 45F credit for qualified child care expenditures to 50 percent (increased from 25 percent under current law) and increases the section 45F dollar limitation to \$500,000 (increased from \$150,000 under current law). The provision applies to taxable years beginning after December 31, 2021.

Section 138516. Payroll Credit for Compensation of Local News Journalists.

This provision allows an employment tax credit for each calendar quarter wages, not to exceed \$12,500, paid to local news journalists by an eligible local news organization or qualifying broadcasting station. The credit for each calendar quarter may not exceed total amount of employment taxes paid by respect to all employees. Any excess is treated as overpayment and allowed as refund. The credit amount is equal to 50% of wages for each of the first 4 calendar quarters, and 30% of wages for each calendar quarter thereafter. This section applies to calendar quarters beginning after the date of enactment.

This provision does not apply to calendar quarters beginning after December 31, 2025.

Section 138517. Above-the-line Deduction for Employee Uniforms.

This provision allows for up to \$250 for employee uniforms or work clothing. The uniforms or work clothing must be required as a condition of employment and not suitable for everyday wear. The provision applies to taxable years beginning after December 31, 2021.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

The provision expires for taxable years beginning after December 31, 2024.

Section 138518. Expenses in Contingency Fee Cases.

This provision modifies current law expensing rules to allow plaintiffs’ attorneys to deduct out of pocket litigation costs in the year they are incurred, rather than waiting until the conclusion of the litigation. The provision applies to amounts paid, incurred, or received in taxable years beginning after the date of enactment.

Section 138519. Increase in Research Credit Against Payroll Tax for Small Businesses.

This provision doubles the current \$250,000 limitation for the small business payroll tax research credit under section 41(h). The provision applies to taxable years beginning after December 31, 2021.

Section 138520. Imposition of Tax on Nicotine.

This provision imposes a new excise tax on “taxable nicotine”, which is any nicotine (other than nicotine used in currently listed tobacco products or certain products approved by the FDA) that has been extracted, concentrated, or synthesized. The amount of tax is the greater of (i) the dollar amount specified for small cigarettes or (ii) \$50.33, per 1,810 milligrams of nicotine (and a proportionate tax on any fractional part thereof). Taxable nicotine is treated as a tobacco product and general provisions that apply to tobacco products, such as (i) packaging requirements, (ii) provisions relating to purchase, receipt, possession, or sale, and (iii) provisions relating to civil and criminal penalties, apply to taxable nicotine. Additionally, a manufacturer of taxable nicotine is subject to the occupational tax and other requirements that apply to manufacturers of tobacco products. This provision requires the Secretary to prescribe regulations or other guidance as necessary or appropriate, including regulations or other guidance for coordinating the taxation of tobacco products and taxable nicotine to protect revenue and prevent double taxation. This provision is effective for articles removed in calendar quarters beginning 180 days after the date of enactment of this Act.

Section 138521. Termination of Employer Credit for Paid Family and Medical Leave.

This provision accelerates the termination of the employer credit for paid family and medical leave, such that it does not apply to wages paid after December 31, 2023.

SUBTITLE I — DRUG PRICING

PART 1—LOWERING PRICES THROUGH DRUG PRICE NEGOTIATION

Section 139001. Providing for Lower Prices for Certain High-Priced Single Source Drugs.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

This provision adds a new Part E to Title XI of the Social Security Act which directs the Secretary of the Department of Health and Human Services (HHS) to establish a Drug Negotiation Program to reduce spending on and out-of-pocket costs for prescription drugs. The Secretary shall publish a list of selected drugs; enter into agreements with manufacturers of selected drugs; and negotiate and renegotiate maximum fair price (MFP) for each selected drug beginning in plan year 2025.

Each year, the Secretary will identify the 100 brand-name drugs that lack price competition for negotiation and for which 9 years has elapsed since the drug was first marketed for small molecule drugs and 12 years for biologicals. From that list, the Secretary will negotiate up to 10 drugs in 2025, 15 drugs in 2026 and 2027, and 20 drugs thereafter. Insulin products must also be negotiated. A drug selected for negotiation would continue to be included in the program until competition enters the market. Certain orphan drugs and drugs with Medicare Parts B and D expenditures that are less than \$200 million are exempted from negotiation. Certain small biotech drugs are exempted from negotiation for initial price applicability years 2025, 2026, and 2027. Medicare Part D prescription drug plans will be required to cover selected drugs on the formulary.

Negotiation. The Secretary is required under the legislation to directly negotiate with drug manufacturers to establish a maximum fair price. The legislation also establishes a price ceiling for various categories of drugs: 75 percent of the non-Federal average manufacturer price for drugs on the market between 9 and 12 years, 65 percent of the non-Federal average manufacturer price for drugs on the market between 12 and 16 years, and 40 percent of the non-Federal average manufacturer price for drugs that have been on the market for more than 16 years.

Section 139002. Selected Drug Manufacturer Excise Tax Imposed During Noncompliance Periods.

The section also establishes an excise tax that will be levied against manufacturers during periods when the manufacturer is noncompliant with the requirements of the fair price negotiation program by adding a new section 4192 to Subchapter E of Chapter 32 of the Internal Revenue Code.

Section 139003. Funding.

This provision invests \$300,000,000 for each of fiscal years 2022 through 2031 into implementation of prescription drug negotiation.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

PART 2—PRESCRIPTION DRUG INFLATION REBATES

Section 139101. Medicare Part B Rebate by Manufacturers.

This provision establishes a mandatory rebate for drug manufacturers for certain Medicare Part B drugs with prices increasing faster than inflation beginning on July 1, 2023. Under this provision, the Secretary of HHS shall calculate a rebate amount based on the total number of units with respect to a Part B rebatable drug, including for the Medicare program and the commercial market, and determine the inflation-adjusted payment amount based on the percentage by which the price exceeded the inflation benchmark. Should a manufacturer not pay the mandated rebate, the manufacturer shall be subject to a civil monetary penalty equal to or at least 125 percent of the rebate amount for such calendar quarter.

Section 139102. Medicare Part D Rebate by Manufacturers.

This provision establishes a mandatory rebate for drug manufacturers for certain Medicare Part D drugs with prices increasing faster than inflation beginning in 2023. Under this provision, the Secretary shall calculate a rebate amount based on the total number of units with respect to a Part D rebatable drug, including for the Medicare program and the commercial market, and determine the inflation-adjusted payment amount based on the percentage by which the price exceeded the inflation benchmark. Should a manufacturer not pay the mandated rebate, the manufacturer shall be subject to a civil monetary penalty equal to or at least 125 percent of the rebate amount for such calendar quarter.

PART 3—PART D IMPROVEMENTS AND MAXIMUM OUT-OF-POCKET CAP FOR MEDICARE BENEFICIARIES

Section 139201. Part D Benefit Redesign.

This provision caps the costs for prescription drugs by setting the annual out-of-pocket limit at \$2,000 beginning in 2024 and lowers beneficiary coinsurance in the initial coverage phase to 23 percent. The section reduces from 80 percent to 20 percent the government reinsurance in the catastrophic phase of Part D coverage for applicable brand drugs and for non-applicable drugs, government reinsurance is 40 percent in the catastrophic phase. The provision also converts the current coverage gap discount program into a benefit-wide responsibility, requiring manufacturers of branded drugs to contribute to payments in both the initial (10 percent) and catastrophic phases (20 percent) of the benefit, and allowing for a discount phase-in for certain drug manufacturers.

Section 139202. Maximum Monthly Cap on Cost Sharing Payments Under Prescription Drug Plans and MA-PD Plans.

This provision allows Part D plans to spread out the out-of-pocket costs for beneficiaries over the plan year.

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

PART 4—REPEAL OF CERTAIN PRESCRIPTION DRUG REBATE RULE

Section 139301. Prohibiting Implementation of Rule Relating to Eliminating the Anti-Kickback Statute Safe-Harbor for Prescription Drug Rebates.

This provision prohibits the implementation after January 1, 2026, of the final rule entitled “Fraud and Abuse; Removal of Safe Harbor Protection for Rebates Involving Prescription Pharmaceuticals and Creation of New Safe Harbor Protection for Certain Point-of-Sale Reductions in Price on Prescription Pharmaceuticals and Certain Pharmacy Benefit Manager Services Fees” that was published by the Office of the Inspector General of HHS on November 30, 2020.

PART 5—MISCELLANEOUS

Section 139401. Appropriate Cost-Sharing for Certain Insulin Products Under Medicare Part D.

This provision limits cost-sharing for insulin products under Medicare Part D to be no higher than \$35.

Section 139402. Coverage of Adult Vaccines Recommended by the Advisory Committee on Immunization Practices Under Medicare Part D.

This provision requires that zero coinsurance apply for vaccines recommended by the Advisory Committee on Immunization Practices under Medicare Part D.

Section 139403. Payment for Biosimilar Biological Products During Initial Period.

This provision revises payments beginning on July 1, 2023, for new biosimilars under Medicare Part B to be the lesser of the 103 percent of the biosimilar’s wholesale.

SUBTITLE J — SUPPLEMENTAL SECURITY INCOME FOR THE TERRITORIES

Section 131001. Extension of the Supplemental Security Income program to Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

Section (a).

Strike relevant section of the Social Security Amendments of 1972. This section strikes subsection (b) of Section 303 of the Social Security Amendments of 1972, which prohibits Puerto Rico, Guam, the United States Virgin Islands, and American Samoa from participating in the Supplemental Security Income (SSI) program.

Section (b).

Conforming amendments. This section contains several conforming amendments to ensure that US territories have full access to the SSI program. Conforming amendments include updating the definition of State in Section 1101(a)(1) of the Social Security Act, striking the limitation on total payments to US territories for the purposes of SSI, clarifying that US nationals are treated

Build Back Better Act — Rules Committee Print 117-18

Section-By-Section

equally to US citizens for the purposes of SSI, and including the US territories in the geographic meaning of the United States.

Section (c).

Waiver authority. This section grants the Commissioner of Social Security authority to waive or modify statutory requirements relating to the provision of benefits in the US territories, to the extent that the Commissioner deems it necessary to adapt the program to the needs of the territory involved.

Section (d).

Effective date. This section states that the effective date of these amendments is January 1, 2024.