

115TH CONGRESS
1ST SESSION

H. R. 2479

To rebuild and modernize the Nation's infrastructure to expand access to broadband internet, rehabilitate drinking water infrastructure, modernize the electric grid and energy supply infrastructure, redevelop brownfields, strengthen health care infrastructure, create jobs, protect public health and the environment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 2017

Mr. PALLONE (for himself, Mr. RUSH, Ms. ESHOO, Mr. ENGEL, Mr. GENE GREEN of Texas, Mr. MICHAEL F. DOYLE of Pennsylvania, Ms. SCHAKOWSKY, Mr. BUTTERFIELD, Ms. CASTOR of Florida, Mr. SARBANES, Mr. MCNERNEY, Mr. WELCH, Mr. BEN RAY LUJÁN of New Mexico, Mr. TONKO, Ms. CLARKE of New York, Mr. LOEBSACK, Mr. CÁRDENAS, Mr. RUIZ, Mrs. DINGELL, Mr. KENNEDY, Ms. MATSUI, Ms. DEGETTE, and Mr. PETERS) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Science, Space, and Technology, Transportation and Infrastructure, Ways and Means, and Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To rebuild and modernize the Nation's infrastructure to expand access to broadband internet, rehabilitate drinking water infrastructure, modernize the electric grid and energy supply infrastructure, redevelop brownfields, strengthen health care infrastructure, create jobs, protect public health and the environment, and for other purposes.

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

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

4 (a) SHORT TITLE.—This Act may be cited as the
 5 “Leading Infrastructure for Tomorrow’s America Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—EXPANSION OF BROADBAND ACCESS

Sec. 10001. Expansion of broadband access.

TITLE II—DRINKING WATER INFRASTRUCTURE

Subtitle A—AQUA Act

Sec. 21001. Short title.

Sec. 21002. Prevailing wages.

Sec. 21003. Use of funds.

Sec. 21004. Requirements for use of American materials.

Sec. 21005. Data on variances, exemptions, and persistent violations.

Sec. 21006. Assistance for restructuring.

Sec. 21007. Priority and weight of applications.

Sec. 21008. Disadvantaged communities.

Sec. 21009. Administration of State loan funds.

Sec. 21010. State revolving loan funds for American Samoa, Northern Mariana
 Islands, Guam, and the Virgin Islands.

Sec. 21011. Authorization of appropriations.

Sec. 21012. Affordability of new standards.

Sec. 21013. Focus on lifecycle costs.

Sec. 21014. Best practices for administration of State revolving loan fund pro-
 grams.

Subtitle B—Reducing Lead in Drinking Water

Sec. 22001. Reducing lead in drinking water.

Sec. 22002. Drinking water fountain replacement for schools.

Sec. 22003. Aligning definitions of lead free.

Sec. 22004. Guidance for schools regarding lead in drinking water.

Sec. 22005. School lead pipe replacement program.

Sec. 22006. School remedial action program.

Subtitle C—Climate Resiliency, Security, and Source Water Protection
 Planning

Sec. 23001. Climate resiliency, security, and source water protection planning.

TITLE III—CLEAN ENERGY INFRASTRUCTURE

Subtitle A—Grid Security and Modernization

PART 1—ENHANCING ELECTRIC INFRASTRUCTURE RESILIENCE,
RELIABILITY, AND ENERGY SECURITY

Sec. 31101. Program to enhance electric infrastructure resilience, reliability, and energy security.

PART 2—21ST CENTURY POWER GRID

Sec. 31201. Technology demonstration on the distribution system.

PART 3—ENERGY EFFICIENT TRANSFORMER REBATE PROGRAM

Sec. 31301. Energy Efficient Transformer Rebate Program.

PART 4—STRATEGIC TRANSFORMER RESERVE PROGRAM

Sec. 31401. Strategic Transformer Reserve Program.

Subtitle B—Energy Efficient Infrastructure

PART 1—HOME OWNER MANAGING ENERGY SAVINGS

- Sec. 32101. Short title.
- Sec. 32102. Definitions.
- Sec. 32103. Home Energy Savings Retrofit Rebate Program.
- Sec. 32104. Contractors.
- Sec. 32105. Rebate aggregators.
- Sec. 32106. Quality assurance providers.
- Sec. 32107. Transferability of home energy savings rebate.
- Sec. 32108. Home Energy Savings Retrofit Rebate Program.
- Sec. 32109. Grants to States and Indian Tribes.
- Sec. 32110. Quality assurance program.
- Sec. 32111. Evaluation report to Congress.
- Sec. 32112. Administration.
- Sec. 32113. Treatment of rebates.
- Sec. 32114. Penalties.
- Sec. 32115. Funding.
- Sec. 32116. Pilot program.

PART 2—SMART BUILDING ACCELERATION

- Sec. 32201. Short title.
- Sec. 32202. Findings.
- Sec. 32203. Definitions.
- Sec. 32204. Survey of private sector smart buildings.
- Sec. 32205. Federal smart building program.
- Sec. 32206. Leveraging existing programs.
- Sec. 32207. Report.

PART 3—WEATHERIZATION ASSISTANCE AND STATE ENERGY PROGRAMS

Sec. 32301. Weatherization assistance and State energy programs.

PART 4—SMART ENERGY AND WATER EFFICIENCY

- Sec. 32401. Short title.
- Sec. 32402. Smart energy and water efficiency pilot program.

PART 5—DIESEL EMISSIONS REDUCTION

- Sec. 32501. Short title.
- Sec. 32502. Reauthorization of diesel emissions reduction program.

PART 6—ENERGY IMPROVEMENTS AT PUBLIC SCHOOL FACILITIES

- Sec. 32601. Grants for energy efficiency improvements and renewable energy improvements at public school facilities.

Subtitle C—Energy Supply Infrastructure

PART 1—LOW-INCOME SOLAR

- Sec. 33101. Short title.
- Sec. 33102. Loan and grant program for solar installations in low-income and underserved areas.

PART 2—SAFE, AFFORDABLE, AND ENVIRONMENTALLY SOUND NATURAL GAS DISTRIBUTION

- Sec. 33201. Improving the natural gas distribution system.

PART 3—CLEAN DISTRIBUTED ENERGY PROGRAM

- Sec. 33301. Short title.
- Sec. 33302. Definitions.
- Sec. 33303. Distributed energy loan program.
- Sec. 33304. Technical assistance and grant program.

PART 4—STRATEGIC PETROLEUM RESERVE IMPROVEMENTS

- Sec. 33401. Strategic Petroleum Reserve improvements.

PART 5—SOUTHEAST REFINED PRODUCT RESERVE

- Sec. 33501. Southeast Refined Product Reserve.

Subtitle D—Smart Communities Infrastructure

- Sec. 34001. 3C Energy Program.
- Sec. 34002. Federal technology assistance.
- Sec. 34003. Technology demonstration grant program.
- Sec. 34004. Smart city or community.

TITLE IV—BROWNFIELDS REDEVELOPMENT

- Sec. 40001. Short title.
- Sec. 40002. Clarification of State or local government ownership.
- Sec. 40003. Nonprofit organization eligibility.
- Sec. 40004. Increased funding limit for direct remediation.
- Sec. 40005. Indirect costs.
- Sec. 40006. Eligibility for funding for brownfield sites acquired prior to January 11, 2002.
- Sec. 40007. Multi-purpose brownfield grants.
- Sec. 40008. Program for sustainable reuse and alternative energy on brownfield sites.
- Sec. 40009. Staff for small, disadvantaged, or rural communities.
- Sec. 40010. Small community technical assistance grants.

Sec. 40011. Authorization of appropriations.

Sec. 40012. State response programs.

TITLE V—HEALTHCARE INFRASTRUCTURE

Subtitle A—Hospital Infrastructure

Sec. 51001. Hospital infrastructure.

Subtitle B—Indian Health Program Health Care Infrastructure

Sec. 52001. 21st Century Indian health program hospitals and outpatient health care facilities.

Subtitle C—Laboratory Infrastructure

Sec. 53001. Pilot program to improve laboratory infrastructure.

Subtitle D—Community-Based Care Infrastructure

Sec. 54001. Pilot program to improve community-based care infrastructure.

1 **TITLE I—EXPANSION OF** 2 **BROADBAND ACCESS**

3 **SECTION 10001. EXPANSION OF BROADBAND ACCESS.**

4 (a) PROGRAM ESTABLISHED.—The Assistant Sec-
5 retary shall establish a program to expand access to
6 broadband for communities throughout the United States
7 in a manner that protects consumer privacy and promotes
8 network security.

9 (b) USE OF PROGRAM FUNDS.—

10 (1) DEPLOYMENT OF BROADBAND THROUGH
11 NATIONAL REVERSE AUCTION.—Of the amounts au-
12 thorized for the program, 75 percent shall be distrib-
13 uted by the Assistant Secretary to private entities to
14 deploy broadband in unserved areas of the United
15 States through a national reverse auction.

1 (2) DEPLOYMENT OF BROADBAND THROUGH
2 STATES.—Of the amounts authorized for the pro-
3 gram, 25 percent shall be distributed by the Assist-
4 ant Secretary among the States for the States to
5 distribute to private entities (or governmental enti-
6 ties for the deployment of Next Generation 9–1–1
7 services) through a statewide reverse auction in ac-
8 cordance with the program and project requirements
9 described in this section—

10 (A) to deploy broadband in unserved areas;

11 or

12 (B) if a State does not have an unserved
13 area, to—

14 (i) deploy broadband in underserved
15 areas;

16 (ii) deploy broadband or connective
17 technology to a school or library that does
18 not receive funding under subpart F of
19 part 54 of title 47, Code of Federal Regu-
20 lations; or

21 (iii) fund the deployment of Next
22 Generation 9–1–1 services.

23 (c) PROGRAM REQUIREMENTS.—

1 (1) TECHNOLOGY NEUTRALITY REQUIRED.—
2 Any funds distributed under the program shall not
3 favor a project using any particular technology.

4 (2) MATCHING FUNDS PREFERENCE.—There
5 shall be a preference under the program for projects
6 with at least 50 percent matching funds from the
7 private sector.

8 (3) DETERMINATION OF CENSUS BLOCKS.—The
9 Federal Communication Commission’s Form 477
10 data shall be used as the starting point for an
11 unserved or underserved determination for census
12 blocks.

13 (4) CHALLENGE OF DETERMINATION.—The
14 program shall provide for a process for challenging
15 any determination regarding whether an area is
16 served, underserved, or unserved.

17 (d) PROJECT REQUIREMENTS.—Any project funded
18 through the program shall meet the following require-
19 ments:

20 (1) Quality-of-service standards, as specified by
21 the Assistant Secretary.

22 (2) Provide broadband with a download speed
23 of at least 100 megabits per second, an upload speed
24 of at least 3 megabits per second, and a latency that
25 is sufficiently low to allow real-time, interactive ap-

1 plications, except for remote areas, as defined by the
2 Assistant Secretary, which shall provide broadband
3 with a download speed of at least 25 megabits per
4 second, an upload speed of at least 3 megabits per
5 second, and a latency that is sufficiently low to allow
6 real-time, interactive applications.

7 (3) Not less than 20 percent matching funds
8 from the private sector (or governmental entities for
9 the deployment of Next Generation 9–1–1 services)
10 and a demonstration of the management and finan-
11 cial qualifications of any private sector partners.

12 (4) Any project that involves laying fiber along
13 a roadway shall include interspersed conduct access
14 points sufficient to encourage connected vehicles
15 technology.

16 (5) For any project that is not for the deploy-
17 ment of broadband or connective technology to a
18 school or library or that is not for the deployment
19 of Next Generation 9–1–1 services, the project offers
20 a tier of service that provides broadband with the
21 following requirements:

22 (A) A download speed of at least 25 mega-
23 bits per second.

24 (B) An upload speed of at least 3 megabits
25 per second.

1 (C) Latency sufficiently low to allow real-
2 time, interactive applications.

3 (D) Charges not more than \$60 per month
4 for a residential subscriber, exclusive of taxes
5 and any other statutory fee related to the serv-
6 ice.

7 (e) RULEMAKING AND AWARD OF FUNDS.—

8 (1) RULEMAKING.—Not later than 180 days
9 after the date of the enactment of this Act, the As-
10 sistant Secretary shall promulgate rules—

11 (A) to implement the requirements of this
12 Act, including methods to reduce waste, fraud,
13 and abuse within the program; and

14 (B) that establish network security stand-
15 ards sufficient to protect the security of sub-
16 scribers of broadband provided with funds dis-
17 tributed under this program.

18 (2) AWARD OF FUNDS.—Not later than 270
19 days after the date of the enactment of this Act, the
20 Assistant Secretary shall begin to award funds to
21 projects in accordance with the requirements of this
22 Act.

23 (f) REPORTS REQUIRED.—

24 (1) INSPECTOR GENERAL AND COMPTROLLER
25 GENERAL REPORT.—Not later than June 30 and

1 December 31 of each year following the awarding of
2 the first funds under this program, the Inspector
3 General of the Department of Commerce and the
4 Comptroller General shall submit to the committees
5 on Energy and Commerce of the House of Rep-
6 resentatives and Commerce, Science, and Transpor-
7 tation of the Senate a report for the previous 6
8 months that reviews the program established under
9 subsection (a). Such report shall include any rec-
10 ommendations to address waste, fraud, and abuse.

11 (2) STATE REPORTS.—Any State that receives
12 funds under the program shall submit an annual re-
13 port to the Assistant Secretary on how such funds
14 were spent, along with a certification of compliance
15 with the requirements of this section, including a de-
16 scription of each service provided and the number of
17 individuals to whom the service was provided.

18 (g) DEFINITIONS.—In this section:

19 (1) ASSISTANT SECRETARY.—The term “Assist-
20 ant Secretary” means the Assistant Secretary of
21 Commerce for Communications and Information.

22 (2) BROADBAND.—The term “broadband”—

23 (A) means broadband internet access serv-
24 ice that is a mass-market retail service by wire
25 or radio that provides the capability to transmit

1 data to and receive data from all or substan-
2 tially all internet endpoints, including any capa-
3 bilities that are incidental to and enable the op-
4 eration of the communications service;

5 (B) includes any service that is a func-
6 tional equivalent of the service described in sub-
7 paragraph (A); and

8 (C) does not include dial-up internet access
9 service.

10 (3) NEXT GENERATION 9-1-1 SERVICES.—The
11 term “Next Generation 9-1-1 services” has the
12 meaning given the term in section 158(e) of the Na-
13 tional Telecommunications and Information Admin-
14 istration Organization Act (47 U.S.C. 942(e)).

15 (4) REVERSE AUCTION.—The term “reverse
16 auction” means an auction in which bids are sub-
17 mitted for a particular project and the bids serving
18 the most consumers for the lowest cost to the Fed-
19 eral Government that otherwise meets all the re-
20 quirements of the bid proposal are selected for fund-
21 ing by the Assistant Secretary.

22 (5) SCHOOL.—The term “school” has the
23 meaning given the term “elementary school” or
24 “secondary school” in section 8101 of the Elemen-

1 tary and Secondary Education Act of 1965 (20
2 U.S.C. 7801).

3 (6) SERVED.—The term “served” means a loca-
4 tion that is served by broadband that offers serv-
5 ice—

6 (A) with a download speed of at least 100
7 megabits per second;

8 (B) with an upload speed of at least 3
9 megabits per second; and

10 (C) with latency that is sufficiently low to
11 allow real-time, interactive applications.

12 (7) STATE.—The term “State” means each
13 State of the United States, the District of Columbia,
14 each commonwealth, territory or possession of the
15 United States, and each federally recognized Indian
16 Tribe.

17 (8) UNDERSERVED.—The term “underserved”
18 means a location that is served by broadband that
19 offers service—

20 (A) with a download speed between 25 and
21 99 megabits per second;

22 (B) with an upload speed of at least 3
23 megabits per second; and

24 (C) with latency that is sufficiently low to
25 allow real-time, interactive applications.

1 (9) UNSERVED.—The term “unserved” means a
2 location that is—

3 (A) neither served nor underserved by
4 broadband; or

5 (B) served by broadband that offers serv-
6 ice—

7 (i) with a download speed of less than
8 25 megabits per second;

9 (ii) with an upload speed of less than
10 3 megabits per second; or

11 (iii) with latency insufficient to allow
12 real-time, interactive applications.

13 (h) AUTHORIZATION OF APPROPRIATIONS.—There is
14 authorized to be appropriated to the Assistant Secretary
15 \$40,000,000,000 for fiscal years 2018 through 2022 to
16 carry out the program described in subsection (a), and
17 such amount is authorized to remain available until ex-
18 pended.

19 **TITLE II—DRINKING WATER**
20 **INFRASTRUCTURE**
21 **Subtitle A—AQUA Act**

22 **SEC. 21001. SHORT TITLE.**

23 This subtitle may be cited as the “Assistance, Qual-
24 ity, and Affordability Act of 2017”.

1 **SEC. 21002. PREVAILING WAGES.**

2 Subsection (e) of section 1450 of the Safe Drinking
3 Water Act (42 U.S.C. 300j-9) is amended to read as fol-
4 lows:

5 “(e) LABOR STANDARDS.—

6 “(1) IN GENERAL.—The Administrator shall
7 take such action as the Administrator determines to
8 be necessary to ensure that each laborer and me-
9 chanic employed by a contractor or subcontractor in
10 connection with a construction project financed, in
11 whole or in part, by a grant, loan, loan guarantee,
12 refinancing, or any other form of financial assistance
13 provided under this title (including assistance pro-
14 vided by a State loan fund established under section
15 1452) is paid wages at a rate of not less than the
16 prevailing wages for the same type of work on simi-
17 lar construction in the immediate locality, as deter-
18 mined by the Secretary of Labor in accordance with
19 subchapter IV of chapter 31 of title 40, United
20 States Code.

21 “(2) AUTHORITY OF SECRETARY OF LABOR.—
22 With respect to the labor standards specified in this
23 subsection, the Secretary of Labor shall have the au-
24 thority and functions established in Reorganization
25 Plan Numbered 14 of 1950 (5 U.S.C. App.) and sec-
26 tion 3145 of title 40, United States Code.”.

1 **SEC. 21003. USE OF FUNDS.**

2 Section 1452(a)(2)(B) of the Safe Drinking Water
3 Act (42 U.S.C. 300j–12(a)(2)(B)) is amended by striking
4 “(including expenditures for planning, design, and associ-
5 ated preconstruction activities, including activities relating
6 to the siting of the facility, but not” and inserting “(in-
7 cluding expenditures for planning, design, siting, and as-
8 sociated preconstruction activities, for replacing or reha-
9 bilitating aging treatment, storage, or distribution facili-
10 ties of public water systems, or for producing or capturing
11 sustainable energy on site or through the transportation
12 of water through the public water system, but not”.

13 **SEC. 21004. REQUIREMENTS FOR USE OF AMERICAN MATE-**
14 **RIALS.**

15 Section 1452(a)(4)(A) of the Safe Drinking Water
16 Act (42 U.S.C. 300j–12(a)) is amended by striking “Dur-
17 ing fiscal year 2017, funds” and inserting “Funds”.

18 **SEC. 21005. DATA ON VARIANCES, EXEMPTIONS, AND PER-**
19 **SISTENT VIOLATIONS.**

20 Section 1452(b)(2) of the Safe Drinking Water Act
21 (42 U.S.C. 300j–12(b)(2)) is amended—

22 (1) in subparagraph (B), by striking “and” at
23 the end;

24 (2) in subparagraph (C), by striking the period
25 at the end and inserting “; and”; and

26 (3) by adding at the end the following:

1 “(D) a list of all public water systems
2 within the State that have in effect an exemp-
3 tion or variance for any national primary drink-
4 ing water regulation or that are in persistent
5 violation of the requirements for any maximum
6 contaminant level or treatment technique under
7 a national primary drinking water regulation,
8 including identification of—

9 “(i) the national primary drinking
10 water regulation in question for each such
11 exemption, variance, or violation; and

12 “(ii) the date on which the exemption
13 or variance came into effect or the viola-
14 tion began.”.

15 **SEC. 21006. ASSISTANCE FOR RESTRUCTURING.**

16 (a) DEFINITION.—Section 1401 of the Safe Drinking
17 Water Act (42 U.S.C. 300f), as amended, is further
18 amended by adding at the end the following:

19 “(18) RESTRUCTURING.—The term ‘restruc-
20 turing’ means changes in operations (including own-
21 ership, management, cooperative partnerships, joint
22 purchasing arrangements, consolidation, and alter-
23 native water supply).”.

24 (b) RESTRUCTURING.—Clause (ii) of section
25 1452(a)(3)(B) (42 U.S.C. 300j–12(a)(3)(B)) is amended

1 by striking “changes in operations (including ownership,
2 management, accounting, rates, maintenance, consolida-
3 tion, alternative water supply, or other procedures)” and
4 inserting “restructuring”.

5 **SEC. 21007. PRIORITY AND WEIGHT OF APPLICATIONS.**

6 (a) PRIORITY.—Section 1452(b)(3) of the Safe
7 Drinking Water Act (42 U.S.C. 300j–12(b)(3)) is amend-
8 ed—

9 (1) in subparagraph (A)—

10 (A) in clause (ii), by striking “and” at the
11 end;

12 (B) in clause (iii), by striking the period at
13 the end and inserting “; and”; and

14 (C) by adding at the end the following:

15 “(iv) improve the ability of public
16 water systems to protect human health and
17 comply with the requirements of this title
18 affordably in the future.”;

19 (2) by redesignating subparagraph (B) as sub-
20 paragraph (D);

21 (3) by inserting after subparagraph (A) the fol-
22 lowing:

23 “(B) AFFORDABILITY OF NEW STAND-
24 ARDS.—For any year in which enforcement be-
25 gins for a new national primary drinking water

1 regulation, each State that has entered into a
2 capitalization agreement pursuant to this sec-
3 tion shall evaluate whether capital improve-
4 ments required to meet the regulation are af-
5 fordable for disadvantaged communities (as de-
6 fined in subsection (d)(3)) in the State. If the
7 State finds that such capital improvements do
8 not meet affordability criteria for disadvantaged
9 communities in the State, the State’s intended
10 use plan shall provide that priority for the use
11 of funds for such year be given to public water
12 systems affected by the regulation and serving
13 disadvantaged communities.

14 “(C) WEIGHT GIVEN TO APPLICATIONS.—
15 After determining priority under subparagraphs
16 (A) and (B), an intended use plan shall provide
17 that the State will give greater weight to an ap-
18 plication for assistance if the application con-
19 tains—

20 “(i) a description of measures under-
21 taken by the public water system to im-
22 prove the management and financial sta-
23 bility of the public water system, which
24 may include—

1 “(I) an inventory of assets, in-
2 cluding a description of the condition
3 of the assets;

4 “(II) a schedule for replacement
5 of assets;

6 “(III) an audit of water losses;

7 “(IV) a financing plan that fac-
8 tors in all lifecycle costs indicating
9 sources of revenue from ratepayers,
10 grants, bonds, other loans, and other
11 sources to meet the costs; and

12 “(V) a review of options for re-
13 structuring;

14 “(ii) a demonstration of consistency
15 with State, regional, and municipal water-
16 shed plans;

17 “(iii) a water conservation plan con-
18 sistent with guidelines developed for such
19 plans by the Administrator under section
20 1455(a); and

21 “(iv) a description of measures under-
22 taken by the public water system to im-
23 prove the efficiency of the public water sys-
24 tem or reduce the public water system’s

1 environmental impact, which may in-
2 clude—

3 “(I) water efficiency or conserva-
4 tion, including the rehabilitation or re-
5 placement of existing leaking pipes;

6 “(II) use of reclaimed water;

7 “(III) actions to increase energy
8 efficiency;

9 “(IV) actions to generate or cap-
10 ture sustainable energy on site or
11 through the transportation of water
12 through the public water system;

13 “(V) actions to protect source
14 water;

15 “(VI) actions to mitigate or pre-
16 vent corrosion, including design, selec-
17 tion of materials, selection of coating,
18 and cathodic protection; and

19 “(VII) actions to reduce disinfec-
20 tion byproducts.”; and

21 (4) in subparagraph (D) (as redesignated by
22 paragraph (2)) by striking “periodically” and insert-
23 ing “at least biennially”.

24 (b) GUIDANCE.—Section 1452 of the Safe Drinking
25 Water Act (42 U.S.C. 300j–12) is amended—

1 (1) by redesignating subsection (r) as sub-
2 section (t); and

3 (2) by inserting after subsection (q) the fol-
4 lowing:

5 “(r) SMALL SYSTEM GUIDANCE.—The Administrator
6 may provide guidance and, as appropriate, tools, meth-
7 odologies, or computer software, to assist small public
8 water systems in undertaking measures to improve the
9 management, financial stability, and efficiency of the pub-
10 lic water system or reduce the public water system’s envi-
11 ronmental impact.”.

12 **SEC. 21008. DISADVANTAGED COMMUNITIES.**

13 (a) ASSISTANCE TO INCREASE COMPLIANCE.—Sec-
14 tion 1452(b)(3) of the Safe Drinking Water Act (42
15 U.S.C. 300j–12(b)(3)), as amended, is further amended
16 by adding at the end the following:

17 “(E) ASSISTANCE TO INCREASE COMPLI-
18 ANCE.—A State’s intended use plan shall pro-
19 vide that, of the funds received by the State
20 through a capitalization grant under this sec-
21 tion for a fiscal year, the State will, to the ex-
22 tent that there are sufficient eligible project ap-
23 plications, reserve not less than 6 percent to be
24 spent on assistance under subsection (d) to

1 public water systems included in the State’s
2 most recent list under paragraph (2)(D).”.

3 (b) ASSISTANCE FOR DISADVANTAGED COMMU-
4 NITIES.—Section 1452(d) of the Safe Drinking Water Act
5 (42 U.S.C. 300j–12(d)) is amended—

6 (1) in paragraph (1), by adding at the end the
7 following: “Such additional subsidization shall di-
8 rectly and primarily benefit such community.”; and

9 (2) in paragraph (3), by inserting “, or portion
10 of a service area,” after “service area”.

11 (c) AFFORDABILITY CRITERIA.—Section 1452(d)(3)
12 of the Safe Drinking Water Act (42 U.S.C. 300j–
13 12(d)(3)) is amended by adding at the end: “Each State
14 that has entered into a capitalization agreement pursuant
15 to this section shall, in establishing affordability criteria,
16 consider, solicit public comment on, and include as appro-
17 priate—

18 “(A) the methods or criteria that the State
19 will use to identify disadvantaged communities;

20 “(B) a description of the institutional, reg-
21 ulatory, financial, tax, or legal factors at the
22 Federal, State, or local level that affect identi-
23 fied affordability criteria; and

24 “(C) a description of how the State will
25 use the authorities and resources under this

1 subsection to assist communities meeting the
2 identified criteria.”.

3 **SEC. 21009. ADMINISTRATION OF STATE LOAN FUNDS.**

4 Section 1452(g) of the Safe Drinking Water Act (42
5 U.S.C. 300j-12(g)) is amended by adding at the end the
6 following new paragraph:

7 “(5) TRANSFER OF FUNDS.—

8 “(A) IN GENERAL.—The Governor of a
9 State may—

10 “(i) reserve for any fiscal year not
11 more than the lesser of—

12 “(I) 33 percent of a capitaliza-
13 tion grant made under this section; or

14 “(II) 33 percent of a capitaliza-
15 tion grant made under section 601 of
16 the Federal Water Pollution Control
17 Act; and

18 “(ii) add the funds so reserved to any
19 funds provided to the State under this sec-
20 tion or section 601 of the Federal Water
21 Pollution Control Act.

22 “(B) STATE MATCHING FUNDS.—Funds
23 reserved under this paragraph shall not be con-
24 sidered for purposes of calculating the amount
25 of a State contribution required by subsection

1 (e) of this section or section 602(b) of the Fed-
2 eral Water Pollution Control Act.”.

3 **SEC. 21010. STATE REVOLVING LOAN FUNDS FOR AMER-**
4 **ICAN SAMOA, NORTHERN MARIANA ISLANDS,**
5 **GUAM, AND THE VIRGIN ISLANDS.**

6 Section 1452(j) of the Safe Drinking Water Act (42
7 U.S.C. 300j–12(j)) is amended by striking “0.33 percent”
8 and inserting “1.5 percent”.

9 **SEC. 21011. AUTHORIZATION OF APPROPRIATIONS.**

10 Subsection (m) of section 1452 of the Safe Drinking
11 Water Act (42 U.S.C. 300j–12) is amended to read as
12 follows:

13 “(m) AUTHORIZATION OF APPROPRIATIONS.—

14 “(1) IN GENERAL.—There are authorized to be
15 appropriated to carry out this section—

16 “(A) \$3,130,000,000 for fiscal year 2018;

17 “(B) \$3,600,000,000 for fiscal year 2019;

18 “(C) \$4,140,000,000 for fiscal year 2020;

19 “(D) \$4,800,000,000 for fiscal year 2021;

20 and

21 “(E) \$5,500,000,000 for fiscal year 2022.

22 “(2) AVAILABILITY.—Amounts made available
23 pursuant to this subsection shall remain available
24 until expended.

1 “(3) RESERVATION FOR NEEDS SURVEYS.—Of
2 the amount made available under paragraph (1) to
3 carry out this section for a fiscal year, the Adminis-
4 trator may reserve not more than \$1,000,000 per
5 year to pay the costs of conducting needs surveys
6 under subsection (h).”.

7 **SEC. 21012. AFFORDABILITY OF NEW STANDARDS.**

8 (a) TREATMENT TECHNOLOGIES FOR SMALL PUBLIC
9 WATER SYSTEMS.—Clause (ii) of section 1412(b)(4)(E)
10 of the Safe Drinking Water Act (42 U.S.C. 300g–
11 1(b)(4)(E)) is amended by adding at the end the following:
12 “If no technology, treatment technique, or other means
13 is included in a list under this subparagraph for a category
14 of small public water systems, the Administrator shall pe-
15 riodically review the list and supplement it when new tech-
16 nology becomes available.”.

17 (b) ASSISTANCE FOR DISADVANTAGED COMMU-
18 NITIES.—

19 (1) IN GENERAL.—Subparagraph (E) of section
20 1452(a)(1) of the Safe Drinking Water Act (42
21 U.S.C. 300j–12(a)(1)) is amended—

22 (A) by striking “except that the Adminis-
23 trator may reserve” and inserting “except
24 that—

1 “(i) in any year in which enforcement
2 of a new national primary drinking water
3 regulation begins, the Administrator may
4 use the remaining amount to make grants
5 to States whose public water systems are
6 disproportionately affected by the new reg-
7 ulation for the provision of assistance
8 under subsection (d) to such public water
9 systems;

10 “(ii) the Administrator may reserve”;

11 and

12 (B) by striking “and none of the funds re-
13 allotted” and inserting “; and

14 “(iii) none of the funds reallocated”.

15 (2) ELIMINATION OF CERTAIN PROVISIONS.—

16 (A) Section 1412(b) (42 U.S.C. 300g-
17 1(b)) of the Safe Drinking Water Act is amend-
18 ed by striking paragraph (15).

19 (B) Section 1415 (42 U.S.C. 300g-4) of
20 the Safe Drinking Water Act is amended by
21 striking subsection (e).

22 (3) CONFORMING AMENDMENTS.—

23 (A) Subparagraph (B) of section
24 1414(c)(1) of the Safe Drinking Water Act (42

1 U.S.C. 300g-3(c)(1)(B)) is amended by strik-
2 ing “, (a)(2), or (e)” and inserting “or (a)(2)”.

3 (B) Section 1416(b)(2) of the Safe Drink-
4 ing Water Act (42 U.S.C. 300g-5(b)(2)) is
5 amended by striking subparagraph (D).

6 (C) Section 1445(h) of the Safe Drinking
7 Water Act (42 U.S.C. 300j-4(h)) is amended—

8 (i) by striking “sections
9 1412(b)(4)(E) and 1415(e) (relating to
10 small system variance program” and in-
11 sserting “section 1412(b)(4)(E)”;

12 (ii) by striking “guidance under sec-
13 tions 1412(b)(4)(E) and 1415(e)” and in-
14 sserting “guidance under section
15 1412(b)(4)(E)”.

16 **SEC. 21013. FOCUS ON LIFECYCLE COSTS.**

17 Section 1412(b)(4) of the Safe Drinking Water Act
18 (42 U.S.C. 300g-1(b)(4)) is amended—

19 (1) in subparagraph (D), by striking “taking
20 cost into consideration” and inserting “taking
21 lifecycle costs, including maintenance, replacement,
22 and avoided costs, into consideration”;

23 (2) in subparagraph (E)(ii), in the matter pre-
24 ceding subclause (I), by inserting “taking lifecycle
25 costs, including maintenance, replacement, and

1 avoided costs, into consideration,” after “as deter-
2 mined by the Administrator in consultation with the
3 States,”.

4 **SEC. 21014. BEST PRACTICES FOR ADMINISTRATION OF**
5 **STATE REVOLVING LOAN FUND PROGRAMS.**

6 Section 1452 of the Safe Drinking Water Act (42
7 U.S.C. 300j–12) is amended by inserting after subsection
8 (r), as added by section 21007(b), the following:

9 “(s) BEST PRACTICES FOR PROGRAM ADMINISTRA-
10 TION.—The Administrator shall—

11 “(1) collect information from States on admin-
12 istration of State programs with respect to State
13 loan funds, including—

14 “(A) efforts to streamline the process for
15 applying for assistance through such programs;

16 “(B) programs in place to assist with the
17 completion of application forms;

18 “(C) incentives provided to systems that
19 partner with small public water systems for the
20 application process; and

21 “(D) techniques to ensure that obligated
22 balances are liquidated in a timely fashion;

23 “(2) not later than 3 years after the date of en-
24 actment of the Assistance, Quality, and Affordability
25 Act of 2017, disseminate to the States’ best prac-

1 tices for administration of such programs, based on
2 the information collected pursuant to this sub-
3 section; and

4 “(3) periodically update such best practices, as
5 appropriate.”.

6 **Subtitle B—Reducing Lead in**
7 **Drinking Water**

8 **SEC. 22001. REDUCING LEAD IN DRINKING WATER.**

9 (a) AUTHORIZATION.—Section 1459B(d) of the Safe
10 Drinking Water Act (42 U.S.C. 300j–19b(d)) is amended
11 by striking “\$60,000,000 for each of fiscal years 2017
12 through 2021” and inserting “\$100,000,000 for each of
13 fiscal years 2018 through 2022”.

14 (b) DEFINITION OF LEAD SERVICE LINE.—

15 (1) IN GENERAL.—Section 1401 of the Safe
16 Drinking Water Act (42 U.S.C. 300f) is amended by
17 adding at the end the following:

18 “(17) LEAD SERVICE LINE.—The term ‘lead
19 service line’ means a pipe and its fittings, which are
20 not lead free (as defined in section 1417(d)), that
21 connect the drinking water main to the building
22 inlet.”.

23 (2) CONFORMING AMENDMENT.—Section
24 1459B(a) of the Safe Drinking Water Act (42

1 U.S.C. 300j–19b(a)) is amended by striking para-
2 graph (4).

3 **SEC. 22002. DRINKING WATER FOUNTAIN REPLACEMENT**
4 **FOR SCHOOLS.**

5 (a) IN GENERAL.—Part F of the Safe Drinking
6 Water Act (42 U.S.C. 300j–21 et seq.) is amended by add-
7 ing at the end the following:

8 **“SEC. 1465. DRINKING WATER FOUNTAIN REPLACEMENT**
9 **FOR SCHOOLS.**

10 “(a) ESTABLISHMENT.—Not later than 180 days
11 after the date of enactment of this section, the Adminis-
12 trator shall establish a grant program to provide assist-
13 ance to local educational agencies for the replacement of
14 drinking water fountains manufactured prior to 1988.

15 “(b) USE OF FUNDS.—Funds awarded under the
16 grant program—

17 “(1) shall be used to pay the costs of replace-
18 ment of drinking water fountains in schools; and

19 “(2) may be used to pay the costs of monitoring
20 and reporting of lead levels in the drinking water of
21 schools of a local educational agency receiving such
22 funds, as determined appropriate by the Adminis-
23 trator.

24 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
25 are authorized to be appropriated to carry out this section

1 not more than \$5,000,000 for each of fiscal years 2018
2 through 2022.”.

3 (b) DEFINITIONS.—Section 1461(5) of the Safe
4 Drinking Water Act (42 U.S.C. 300j–21(5)) is amended
5 by inserting “or drinking water fountain” after “water
6 cooler” each place it appears.

7 **SEC. 22003. ALIGNING DEFINITIONS OF LEAD FREE.**

8 Paragraph (2) of section 1461 of the Safe Drinking
9 Water Act (42 U.S.C. 300j–21(2)) is amended to read as
10 follows:

11 “(2) LEAD FREE.—The term ‘lead free’ has the
12 meaning given such term in section 1417.”.

13 **SEC. 22004. GUIDANCE FOR SCHOOLS REGARDING LEAD IN**
14 **DRINKING WATER.**

15 (a) GUIDANCE.—Part F of the Safe Drinking Water
16 Act (42 U.S.C. 300j–21 et seq.), as amended, is further
17 amended by adding at the end the following new section:

18 **“SEC. 1466. GUIDANCE FOR SCHOOLS REGARDING LEAD IN**
19 **DRINKING WATER.**

20 “(a) GUIDANCE ON LEAD MONITORING.—Not later
21 than 180 days after the date of enactment of this section,
22 the Administrator shall publish revised guidance for school
23 officials seeking to reduce exposure to lead from drinking
24 water in schools.

1 “(b) REQUIREMENTS.—The Administrator shall in-
2 clude in the guidance published under subsection (a)—

3 “(1) testing protocols for schools to accurately
4 detect lead contamination in school drinking water
5 and its sources;

6 “(2) recommended actions to reduce or elimi-
7 nate such contamination, including lead service line
8 replacement where needed;

9 “(3) recommendations for maintaining or re-
10 placing drinking water infrastructure, including
11 pipes, pipe fittings, fixtures, solder, drinking water
12 coolers, and drinking water fountains, when plan-
13 ning for or undergoing renovations of school prop-
14 erty; and

15 “(4) recommendations and forms for commu-
16 nicating lead testing results, potential health risks,
17 and response actions to students, staff, parents, and
18 communities.”.

19 (b) CONFORMING AMENDMENT.—Section
20 1464(d)(5)(A)(i) of the Safe Drinking Water Act (42
21 U.S.C. 300j–24(d)(5)(A)(i)) is amended by inserting
22 “published under section 1466” after “successor guid-
23 ance”.

1 **SEC. 22005. SCHOOL LEAD PIPE REPLACEMENT PROGRAM.**

2 Part F of the Safe Drinking Water Act (42 U.S.C.
3 300j–21 et seq.), as amended, is further amended by add-
4 ing at the end the following new section:

5 **“SEC. 1467. SCHOOL LEAD PIPE REPLACEMENT PROGRAM.**

6 “(a) **ELIGIBLE ENTITY.**—In this section, the term
7 ‘eligible entity’ means—

8 “(1) a local educational agency; or

9 “(2) a public water system.

10 “(b) **GRANT PROGRAM.**—

11 “(1) **ESTABLISHMENT.**—Not later than 180
12 days after the date of enactment of this section, the
13 Administrator shall establish a grant program to as-
14 sist eligible entities in carrying out programs to re-
15 place lead service lines for schools and solder that is
16 not lead free used in the plumbing for schools. Such
17 a program—

18 “(A) shall include replacing lead service
19 lines and solder that is not lead free; and

20 “(B) may include testing, planning, or car-
21 rying out other relevant activities, as deter-
22 mined by the Administrator, to identify the lo-
23 cation and condition of lead service lines and
24 solder that is not lead free.

25 “(2) **PRIORITY APPLICATION.**—In providing as-
26 sistance under this section, the Administrator shall

1 give priority to proposed programs for schools for
2 which, at any time during the 3-year period pre-
3 ceding the date of submission of an application of
4 the eligible entity, monitoring data has indicated ele-
5 vated lead levels in the school drinking water.

6 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to carry out this section
8 \$50,000,000 for each of fiscal years 2018 through 2022.”.

9 **SEC. 22006. SCHOOL REMEDIAL ACTION PROGRAM.**

10 Section 1464(d)(7) of the Safe Drinking Water Act
11 (42 U.S.C. 300j–24(d)) is amended—

12 (1) by striking “\$20,000,000” and inserting
13 “\$100,000,000”; and

14 (2) by striking “2017 through 2021” and in-
15 serting “2018 through 2022”.

16 **Subtitle C—Climate Resiliency, Se-**
17 **curity, and Source Water Pro-**
18 **tection Planning**

19 **SEC. 23001. CLIMATE RESILIENCY, SECURITY, AND SOURCE**
20 **WATER PROTECTION PLANNING.**

21 Section 1433 of the Safe Drinking Water Act (42
22 U.S.C. 300i–2) is amended to read as follows:

1 **“SEC. 1433. CLIMATE RESILIENCY, SECURITY, AND SOURCE**
2 **WATER PROTECTION.**

3 “(a) SOURCE WATER AND DISTRIBUTION SYSTEM
4 VULNERABILITY ASSESSMENTS.—

5 “(1) IN GENERAL.—Not later than 24 months
6 after the date of enactment of the Safe Drinking
7 Water Act Amendments of 2017, each community
8 water system shall submit to the Administrator
9 source water and distribution system vulnerability
10 assessments.

11 “(2) IDENTIFICATION OF THREATS.—Assess-
12 ments submitted pursuant to paragraph (1) shall
13 identify—

14 “(A) threats to the community water sys-
15 tem’s source water from industrial activity,
16 pipelines and storage tanks, contaminated sites,
17 agricultural activity, and oil and gas explo-
18 ration;

19 “(B) threats to the community water sys-
20 tem’s source water and distribution system
21 from climate change, extreme weather, drought,
22 and temperature changes; and

23 “(C) threats to the community water sys-
24 tem’s source water and distribution system
25 from intentional acts, including intentional con-
26 tamination, sabotage, and theft of any chemical

1 of interest (as designated under Appendix A to
2 part 27 of title 6, Code of Federal Regulations,
3 or any successor thereto).

4 “(3) ASSESSMENT OF ALTERNATIVES.—Assess-
5 ments submitted pursuant to paragraph (1) shall in-
6 clude a comparison of the disinfection methods used
7 by the community water system and reasonably
8 available alternative disinfection methods, including
9 a determination of whether reasonably available al-
10 ternative disinfection methods could reduce the com-
11 munity water system’s vulnerability to the threats
12 identified pursuant to paragraph (2).

13 “(4) PERIODIC REVIEW AND RESUBMISSION.—
14 Each community water system submitting a vulner-
15 ability assessment pursuant to paragraph (1) shall
16 review, revise as necessary, and resubmit such as-
17 sessment not less often than every 5 years.

18 “(5) GUIDANCE.—Not later than one year after
19 the date of enactment of the Safe Drinking Water
20 Act Amendments of 2017, the Administrator shall
21 provide guidance to community water systems for
22 the preparation of vulnerability assessments under
23 this subsection.

24 “(b) SOURCE WATER AND DISTRIBUTION SYSTEM
25 PROTECTION PLANS.—

1 “(1) IN GENERAL.—Not later than 4 years
2 after the date of enactment of the Safe Drinking
3 Water Act Amendments of 2017, each community
4 water system shall submit to the Administrator
5 source water and distribution system protection
6 plans.

7 “(2) MITIGATION OF IDENTIFIED THREATS.—
8 Plans submitted pursuant to paragraph (1) shall
9 identify strategies and resources to mitigate the
10 threats identified in assessments prepared pursuant
11 to subsection (a).

12 “(3) EMERGENCY RESPONSE PLANNING.—
13 Plans submitted pursuant to paragraph (1) shall in-
14 clude specific emergency response plans for the
15 threats identified in assessments prepared pursuant
16 to subsection (a).

17 “(4) PERIODIC REVIEW AND RESUBMISSION.—
18 Each community water system submitting a plan
19 pursuant to paragraph (1) shall review, revise as
20 necessary, and resubmit such plan not less often
21 than every 5 years.

22 “(5) GUIDANCE.—Not later than one year after
23 the date of enactment of the Safe Drinking Water
24 Act Amendments of 2017, the Administrator shall

1 provide guidance to community water systems for
2 the preparation of plans under this subsection.

3 “(c) TECHNICAL ASSISTANCE AND GRANTS.—

4 “(1) IN GENERAL.—The Administrator shall es-
5 tablish and implement a program, to be known as
6 the Drinking Water Infrastructure Resiliency and
7 Sustainability Program, under which the Adminis-
8 trator may award grants in each of fiscal years 2018
9 through 2022 to owners or operators of community
10 water systems for the purpose of increasing the re-
11 siliency or adaptability of the community water sys-
12 tems to threats identified pursuant to subsection (a).

13 “(2) USE OF FUNDS.—As a condition on receipt
14 of a grant under this section, an owner or operator
15 of a community water system shall agree to use the
16 grant funds exclusively to assist in the planning, de-
17 sign, construction, implementation, operation, or
18 maintenance of a program or project consistent with
19 a plan developed pursuant to subsection (b).

20 “(3) PRIORITY.—

21 “(A) WATER SYSTEMS AT GREATEST AND
22 MOST IMMEDIATE RISK.—In selecting grantees
23 under this subsection, the Administrator shall
24 give priority to applicants that are owners or
25 operators of community water systems that are,

1 based on the best available research and data,
2 at the greatest and most immediate risk of fac-
3 ing significant negative impacts due to threats
4 described in subsection (a)(2).

5 “(B) GOALS.—In selecting among appli-
6 cants described in subparagraph (A), the Ad-
7 ministrator shall ensure that, to the maximum
8 extent practicable, the final list of applications
9 funded for each year includes a substantial
10 number that propose to use innovative ap-
11 proaches to meet one or more of the following
12 goals:

13 “(i) Promoting more efficient water
14 use, water conservation, water reuse, or
15 water recycling.

16 “(ii) Using decentralized, low-impact
17 development technologies and non-
18 structural approaches, including practices
19 that use, enhance, or mimic the natural
20 hydrological cycle or protect natural flows.

21 “(iii) Reducing stormwater runoff or
22 flooding by protecting or enhancing nat-
23 ural ecosystem functions.

24 “(iv) Modifying, upgrading, enhanc-
25 ing, or replacing existing community water

1 system infrastructure in response to
2 changing hydrologic conditions.

3 “(v) Improving water quality or quan-
4 tity for agricultural and municipal uses, in-
5 cluding through salinity reduction.

6 “(vi) Providing multiple benefits, in-
7 cluding to water supply enhancement or
8 demand reduction, water quality protection
9 or improvement, increased flood protection,
10 and ecosystem protection or improvement.

11 “(4) COST-SHARING.—

12 “(A) FEDERAL SHARE.—The share of the
13 cost of any activity that is the subject of a
14 grant awarded by the Administrator to the
15 owner or operator of a community water system
16 under this subsection shall not exceed 50 per-
17 cent of the cost of the activity.

18 “(B) CALCULATION OF NON-FEDERAL
19 SHARE.—In calculating the non-Federal share
20 of the cost of an activity proposed by a commu-
21 nity water system in an application submitted
22 under this subsection, the Administrator shall—

23 “(i) include the value of any in-kind
24 services that are integral to the completion

1 of the activity, including reasonable admin-
2 istrative and overhead costs; and

3 “(ii) not include any other amount
4 that the community water system involved
5 receives from the Federal Government.

6 “(5) REPORT TO CONGRESS.—Not later than 3
7 years after the date of the enactment of the Safe
8 Drinking Water Act Amendments of 2017, and
9 every 3 years thereafter, the Administrator shall
10 submit to the Congress a report on progress in im-
11 plementing this subsection, including information on
12 project applications received and funded annually.

13 “(6) AUTHORIZATION OF APPROPRIATIONS.—
14 To carry out this subsection, there are authorized to
15 be appropriated \$50,000,000 for each of fiscal years
16 2018 through 2022.”.

1 **TITLE III—CLEAN ENERGY**
2 **INFRASTRUCTURE**
3 **Subtitle A—Grid Security and**
4 **Modernization**

5 **PART 1—ENHANCING ELECTRIC INFRASTRUC-**
6 **TURE RESILIENCE, RELIABILITY, AND EN-**
7 **ERGY SECURITY**

8 **SEC. 31101. PROGRAM TO ENHANCE ELECTRIC INFRA-**
9 **STRUCTURE RESILIENCE, RELIABILITY, AND**
10 **ENERGY SECURITY.**

11 (a) PROGRAM.—The Secretary of Energy shall estab-
12 lish a competitive grant program to provide grants to
13 States, units of local government, and Indian tribe eco-
14 nomic development entities to enhance energy security
15 through measures for electricity delivery infrastructure
16 hardening and enhanced resilience and reliability.

17 (b) PURPOSE OF GRANTS.—The Secretary of Energy
18 may make grants on a competitive basis to enable broader
19 use of resiliency-related technologies, upgrades, and insti-
20 tutional measures and practices designed to—

21 (1) improve the resilience, reliability, and secu-
22 rity of electricity delivery infrastructure;

23 (2) improve preparedness and restoration time
24 to mitigate power disturbances resulting from phys-
25 ical and cyber attacks, electromagnetic pulse attacks,

1 geomagnetic disturbances, seismic events, severe
2 weather, and climate change;

3 (3) continue delivery of power to facilities crit-
4 ical to public health, safety, and welfare, including
5 hospitals, assisted living facilities, and schools;

6 (4) continue delivery of power to electricity-de-
7 pendent essential services, including fueling stations
8 and pumps, wastewater and sewage treatment facili-
9 ties, gas pipeline infrastructure, communications
10 systems, transportation services and systems, and
11 services provided by emergency first responders;

12 (5) enhance regional grid resilience and the re-
13 siliance of electricity-dependent regional infrastruc-
14 ture; and

15 (6) facilitate greater incorporation of renewable
16 energy generation into the electric grid.

17 (c) EXAMPLES.—Resiliency-related technologies, up-
18 grades, and measures with respect to which grants may
19 be made under this section include—

20 (1) hardening or enhanced protection of utility
21 poles, wiring, cabling, and other distribution compo-
22 nents, facilities, or structures;

23 (2) advanced grid technologies capable of iso-
24 lating or repairing problems remotely, such as ad-
25 vanced metering infrastructure, high-tech sensors,

- 1 grid monitoring and control systems, and remote re-
2 configuration and redundancy systems;
- 3 (3) cybersecurity products and components;
- 4 (4) distributed generation, including back-up
5 generation to power critical facilities and essential
6 services, and related integration components, such as
7 advanced inverter technology;
- 8 (5) microgrid systems, including hybrid
9 microgrid systems for isolated communities;
- 10 (6) combined heat and power;
- 11 (7) waste heat resources;
- 12 (8) non-grid-scale energy storage technologies;
- 13 (9) electronically controlled reclosers and simi-
14 lar technologies for power restoration;
- 15 (10) advanced energy analytics technology, such
16 as internet-based and cloud-based computing solu-
17 tions and subscription licensing models;
- 18 (11) efforts that enhance resilience through
19 planning, preparation, response, and recovery activi-
20 ties;
- 21 (12) operational capabilities to enhance resil-
22 ience through rapid response recovery; and
- 23 (13) efforts to ensure availability of key critical
24 components through contracts, cooperative agree-

1 ments, stockpiling and prepositioning, or other
2 measures.

3 (d) IMPLEMENTATION.—Specific projects or pro-
4 grams established, or to be established, pursuant to grants
5 provided under this section shall be implemented through
6 grant recipients by public and publicly regulated entities
7 on a cost-shared basis.

8 (e) COOPERATION.—In carrying out projects or pro-
9 grams established, or to be established, pursuant to grants
10 provided under this section, recipients shall cooperate, as
11 applicable, with—

12 (1) State public utility commissions;

13 (2) State energy offices;

14 (3) electric infrastructure owners and operators;

15 and

16 (4) other entities responsible for maintaining
17 electric reliability.

18 (f) DATA AND METRICS.—

19 (1) IN GENERAL.—To the extent practicable,
20 grant recipients shall utilize the most current data,
21 metrics, and frameworks related to—

22 (A) electricity delivery infrastructure hard-
23 ening and enhancing resilience and reliability;

24 and

1 (B) current and future threats, including
2 physical and cyber attacks, electromagnetic
3 pulse, geomagnetic disturbances, seismic events,
4 severe weather, and climate change.

5 (2) METRICS.—Grant recipients shall dem-
6 onstrate to the Secretary of Energy, with measur-
7 able and verifiable data, how the deployment of resil-
8 iency-related technologies, upgrades, and measures
9 achieve improvements in the resiliency and recovery
10 of electricity delivery infrastructure and related serv-
11 ices, including a comparison of data collected before
12 and after deployment. Metrics for demonstrating im-
13 provements in resiliency and recovery may include—

14 (A) power quality during power disturb-
15 ances when delivered power does not meet
16 power quality requirements of the customer;

17 (B) duration of customer interruptions;

18 (C) number of customers impacted;

19 (D) cost impacts, including business and
20 other economic losses;

21 (E) impacts on electricity-dependent essen-
22 tial services and critical facilities; and

23 (F) societal impacts.

24 (3) FURTHERING ENERGY ASSURANCE
25 PLANS.—Grant recipients shall demonstrate to the

1 Secretary of Energy how projects or programs estab-
2 lished, or to be established, pursuant to grants pro-
3 vided under this section further applicable State and
4 local energy assurance plans.

5 (g) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to carry out this section,
7 \$515,000,000 for each of fiscal years 2018 through 2022,
8 of which not more than \$15,000,000 per fiscal year may
9 be used for administrative expenses.

10 **PART 2—21ST CENTURY POWER GRID**

11 **SEC. 31201. TECHNOLOGY DEMONSTRATION ON THE DIS-** 12 **TRIBUTION SYSTEM.**

13 (a) IN GENERAL.—The Secretary of Energy shall es-
14 tablish a financial assistance program to carry out eligible
15 projects related to the modernization of the electric grid,
16 including the application of technologies to improve ob-
17 servability, advanced controls, and prediction of system
18 performance on the distribution system and related trans-
19 mission system interdependencies.

20 (b) ELIGIBLE PROJECTS.—To be eligible for financial
21 assistance under subsection (a), a project shall—

22 (1) be designed to—

23 (A) improve the performance and efficiency
24 of the future electric grid, while ensuring the

1 continued provision of safe, secure, reliable, and
2 affordable power; and

3 (B) provide new options for customer-
4 owned resources;

5 (2) demonstrate—

6 (A) secure integration and management of
7 energy resources, including distributed energy
8 generation, combined heat and power, micro-
9 grids, energy storage, electric vehicles, energy
10 efficiency, demand response, and intelligent
11 loads; and

12 (B) secure integration and interoperability
13 of communications and information tech-
14 nologies; and

15 (3) include the participation of a partnership
16 consisting of two or more entities that—

17 (A) may include—

18 (i) any institution of higher education;

19 (ii) a national laboratory;

20 (iii) a representative of a State or
21 local government;

22 (iv) a representative of an Indian
23 tribe; or

24 (v) a Federal power marketing admin-
25 istration; and

1 (B) shall include at least one of any of—

2 (i) an investor-owned electric utility;

3 (ii) a publicly owned electric utility;

4 (iii) a technology provider;

5 (iv) a rural electric cooperative;

6 (v) a regional transmission organiza-

7 tion; or

8 (vi) an independent system operator.

9 (c) CYBERSECURITY PLAN.—Each eligible project
10 carried out pursuant to subsection (a) shall include the
11 development of a cybersecurity plan written in accordance
12 with guidelines developed by the Secretary.

13 (d) PRIVACY RISK ANALYSIS.—Each eligible project
14 carried out pursuant to subsection (a) shall include a pri-
15 vacy impact assessment that evaluates the project against
16 the 5 core concepts in the Voluntary Code of Conduct of
17 the Department of Energy, commonly known as the
18 “DataGuard Energy Data Privacy Program”, or the most
19 recent revisions to the privacy program of the Depart-
20 ment.

21 (e) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to the Secretary to carry
23 out this section \$200,000,000 for each of fiscal years 2018
24 through 2022, to remain available until expended.

1 **PART 3—ENERGY EFFICIENT TRANSFORMER**

2 **REBATE PROGRAM**

3 **SEC. 31301. ENERGY EFFICIENT TRANSFORMER REBATE**
4 **PROGRAM.**

5 (a) DEFINITIONS.—In this section:

6 (1) QUALIFIED ENERGY EFFICIENT TRANS-
7 FORMER.—The term “qualified energy efficient
8 transformer” means a transformer that meets or ex-
9 ceeds the applicable energy conservation standards
10 described in the tables in subsection (b)(2) and
11 paragraphs (1) and (2) of subsection (c) of section
12 431.196 of title 10, Code of Federal Regulations (as
13 in effect on the date of enactment of this Act).

14 (2) QUALIFIED ENERGY INEFFICIENT TRANS-
15 FORMER.—The term “qualified energy inefficient
16 transformer” means a transformer with an equal
17 number of phases and capacity to a transformer de-
18 scribed in any of the tables in subsection (b)(2) and
19 paragraphs (1) and (2) of subsection (c) of section
20 431.196 of title 10, Code of Federal Regulations (as
21 in effect on the date of enactment of this Act)
22 that—

23 (A) does not meet or exceed the applicable
24 energy conservation standards described in
25 paragraph (1); and

1 (B)(i) was manufactured between January
2 1, 1985, and December 31, 2006, for a trans-
3 former with an equal number of phases and ca-
4 pacity as a transformer described in the table
5 in subsection (b)(2) of section 431.196 of title
6 10, Code of Federal Regulations (as in effect on
7 the date of enactment of this Act); or

8 (ii) was manufactured between January 1,
9 1990, and December 31, 2009, for a trans-
10 former with an equal number of phases and ca-
11 pacity as a transformer described in the table
12 in paragraph (1) or (2) of subsection (c) of that
13 section (as in effect on the date of enactment
14 of this Act).

15 (3) QUALIFIED ENTITY.—The term “qualified
16 entity” means an owner of industrial or manufac-
17 turing facilities, commercial buildings, or multifamily
18 residential buildings, a utility, or an energy service
19 company, that fulfills the requirements of subsection
20 (c).

21 (b) ESTABLISHMENT.—Not later than 90 days after
22 the date of enactment of this Act, the Secretary of Energy
23 shall establish a program to provide rebates to qualified
24 entities for expenditures made by the qualified entity for

1 the replacement of a qualified energy inefficient trans-
2 former with a qualified energy efficient transformer.

3 (c) REQUIREMENTS.—To be eligible to receive a re-
4 bate under this section, an entity shall submit to the Sec-
5 retary of Energy an application in such form, at such
6 time, and containing such information as the Secretary
7 may require, including demonstrated evidence—

8 (1) that the entity purchased a qualified energy
9 efficient transformer;

10 (2) of the core loss value of the qualified energy
11 efficient transformer;

12 (3) of the age of the qualified energy inefficient
13 transformer being replaced;

14 (4) of the core loss value of the qualified energy
15 inefficient transformer being replaced—

16 (A) as measured by a qualified professional
17 or verified by the equipment manufacturer, as
18 applicable; or

19 (B) for transformers described in sub-
20 section (a)(2)(B)(i), as selected from a table of
21 default values as determined by the Secretary
22 in consultation with applicable industry; and

23 (5) that the qualified energy inefficient trans-
24 former has been permanently decommissioned and
25 scrapped.

1 (d) AUTHORIZED AMOUNT OF REBATE.—The
2 amount of a rebate provided under this section shall be—

3 (1) for a 3-phase or single-phase transformer
4 with a capacity of not less than 10 and not greater
5 than 2,500 kilovolt-amperes, twice the amount equal
6 to the difference in watts between the core loss value
7 (as measured in accordance with paragraphs (2) and
8 (4) of subsection (c)) of—

9 (A) the qualified energy inefficient trans-
10 former; and

11 (B) the qualified energy efficient trans-
12 former; or

13 (2) for a transformer described in subsection
14 (a)(2)(B)(i), the amount determined using a table of
15 default rebate values by rated transformer output,
16 as measured in kilovolt-amperes, as determined by
17 the Secretary in consultation with applicable indus-
18 try.

19 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
20 authorized to be appropriated to carry out this section
21 \$10,000,000 for each of fiscal years 2018 through 2022,
22 to remain available until expended.

1 **PART 4—STRATEGIC TRANSFORMER RESERVE**

2 **PROGRAM**

3 **SEC. 31401. STRATEGIC TRANSFORMER RESERVE PRO-**

4 **GRAM.**

5 (a) ESTABLISHMENT.—The Secretary of Energy
6 shall establish a program to reduce the vulnerability of the
7 electric grid to physical attack, cyber attack, electro-
8 magnetic pulse, geomagnetic disturbances, severe weather,
9 climate change, and seismic events, including by—

10 (1) ensuring that large power transformers,
11 generator step-up transformers, and other critical
12 electric grid equipment are strategically located to
13 ensure timely replacement of such equipment as may
14 be necessary to restore electric grid function rapidly
15 in the event of severe damage to the electric grid
16 due to physical attack, cyber attack, electromagnetic
17 pulse, geomagnetic disturbances, severe weather, cli-
18 mate change, or seismic events; and

19 (2) establishing a coordinated plan to facilitate
20 transportation of large power transformers and
21 other critical electric grid equipment.

22 (b) TRANSFORMER RESILIENCE AND ADVANCED
23 COMPONENTS PROGRAM.—The program established
24 under subsection (a) shall include implementation of the
25 Transformer Resilience and Advanced Components pro-
26 gram to—

1 (1) improve large power transformers and other
2 critical electric grid equipment by reducing their
3 vulnerabilities; and

4 (2) develop, test, and deploy innovative equip-
5 ment designs that are more flexible and offer greater
6 resiliency of electric grid functions.

7 (c) STRATEGIC EQUIPMENT RESERVES.—

8 (1) AUTHORIZATION.—In carrying out the pro-
9 gram established under subsection (a), the Secretary
10 may establish one or more federally owned strategic
11 equipment reserves, as appropriate, to ensure na-
12 tionwide access to reserve equipment.

13 (2) CONSIDERATION.—In establishing any fed-
14 erally owned strategic equipment reserve, the Sec-
15 retary may consider existing spare transformer and
16 equipment programs and requirements established
17 by the private sector, regional transmission opera-
18 tors, independent system operators, and State regu-
19 latory authorities.

20 (d) CONSULTATION.—The program established under
21 subsection (a) shall be carried out in consultation with the
22 Federal Energy Regulatory Commission, the Electricity
23 Subsector Coordinating Council, the Electric Reliability
24 Organization, and owners and operators of critical electric
25 infrastructure and defense and military installations.

1 (e) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to carry out this section
3 \$75,000,000 for each of fiscal years 2018 through 2022.

4 **Subtitle B—Energy Efficient**
5 **Infrastructure**

6 **PART 1—HOME OWNER MANAGING ENERGY**

7 **SAVINGS**

8 **SEC. 32101. SHORT TITLE.**

9 This part may be cited as the “Home Owner Man-
10 aging Energy Savings Act of 2017” or the “HOMES
11 Act”.

12 **SEC. 32102. DEFINITIONS.**

13 In this part:

14 (1) BPI.—The term “BPI” means the Building
15 Performance Institute.

16 (2) ENERGY AUDIT.—The term “energy audit”
17 means an inspection, survey, and analysis of energy
18 flows for energy conservation in a building, process,
19 or system to reduce the amount of energy input into
20 the system without negatively affecting the output.
21 An energy audit is the first step in identifying op-
22 portunities to reduce energy expense and carbon
23 footprints.

24 (3) ELECTRIC UTILITY.—The term “electric
25 utility” means any company, person, cooperative,

1 State, or Indian tribe agency that delivers or sells
2 electric energy at retail, including nonregulated utili-
3 ties, utilities that are subject to State or Indian tribe
4 rate regulation, and Federal power marketing ad-
5 ministrations.

6 (4) FEDERAL REBATE PROCESSING SYSTEM.—
7 The term “Federal Rebate Processing System”
8 means the Federal Rebate Processing System estab-
9 lished under section 32103(b).

10 (5) HOME.—The term “home” means a resi-
11 dential dwelling unit in a building with no more than
12 4 dwelling units that—

13 (A) is located in the United States;

14 (B) was constructed before the date of en-
15 actment of this Act; and

16 (C) is occupied at least six months out of
17 the year.

18 (6) HOME ENERGY SAVINGS RETROFIT REBATE
19 PROGRAM.—The terms “Home Energy Savings Ret-
20 rofit Rebate Program” or “Program” means the
21 Home Energy Savings Retrofit Rebate Program es-
22 tablished under section 32103(a).

23 (7) HOMEOWNER.—The term “homeowner”
24 means the owner of an owner-occupied home or a
25 tenant-occupied home.

1 (8) INDIAN TRIBE.—The term “Indian tribe”
2 has the meaning given the term in section 4 of the
3 Indian Self-Determination and Education Assistance
4 Act (25 U.S.C. 5304).

5 (9) NATURAL GAS UTILITY.—The term “nat-
6 ural gas utility” means any company, person, coop-
7 erative, State or local governmental agency or in-
8 strumentality, or Indian tribe that transports, dis-
9 tributes, or sells natural gas at retail.

10 (10) QUALIFIED CONTRACTOR.—The term
11 “qualified contractor” means a residential energy ef-
12 ficiency contractor that meets minimum applicable
13 requirements established under section 32104.

14 (11) QUALIFIED HOME ENERGY EFFICIENCY
15 RETROFIT.—The term “qualified home energy effi-
16 ciency retrofit” means a retrofit described in section
17 32108(d).

18 (12) QUALITY ASSURANCE PROGRAM.—The
19 term “quality assurance program” means a program
20 established under this part, or recognized by the
21 Secretary under this part, to oversee the delivery of
22 home efficiency retrofit programs to ensure that
23 work is performed in accordance with standards and
24 criteria established under this part. Delivery of ret-
25 rofit programs includes delivery of quality assurance

1 reviews of rebate applications and field inspections.
2 Individuals performing quality assurance work under
3 a quality assurance program must be certified under
4 an ANSI accredited quality control inspection certifi-
5 cation designation.

6 (13) QUALITY ASSURANCE PROVIDER.—The
7 term “quality assurance provider” means any entity
8 that meets the minimum applicable requirements es-
9 tablished under section 32106.

10 (14) REBATE AGGREGATOR.—The term “rebate
11 aggregator” means an entity that meets the require-
12 ments of section 32105.

13 (15) RESNET.—The term “RESNET” means
14 the Residential Energy Services Network, which is a
15 nonprofit certification and standard setting organi-
16 zation for home energy raters that evaluate the en-
17 ergy performance of a home and Energy Smart Con-
18 tractors that make energy improvements to the
19 home.

20 (16) SECRETARY.—The term “Secretary”
21 means the Secretary of Energy.

22 (17) STATE.—The term “State” means—

- 23 (A) a State;
24 (B) the District of Columbia;
25 (C) the Commonwealth of Puerto Rico;

- 1 (D) Guam;
- 2 (E) American Samoa;
- 3 (F) the Commonwealth of the Northern
- 4 Mariana Islands;
- 5 (G) the United States Virgin Islands; and
- 6 (H) any other territory or possession of the
- 7 United States.

8 **SEC. 32103. HOME ENERGY SAVINGS RETROFIT REBATE**

9 **PROGRAM.**

10 (a) IN GENERAL.—The Secretary shall establish the

11 Home Energy Savings Retrofit Rebate Program.

12 (b) FEDERAL REBATE PROCESSING SYSTEM.—

13 (1) IN GENERAL.—Not later than 180 days

14 after the date of enactment of this Act, the Sec-

15 retary, in consultation with the Secretary of the

16 Treasury, shall—

17 (A) establish a Federal Rebate Processing

18 System which shall serve as a database and in-

19 formation technology system that will allow re-

20 bate aggregators to submit claims for reim-

21 bursement using standard data protocols;

22 (B) establish a national retrofit website

23 that provides information on the Home Energy

24 Savings Retrofit Rebate Program, including—

1 (i) how to determine whether par-
2 ticular efficiency measures are eligible for
3 rebates; and

4 (ii) how to participate in the Program;
5 and

6 (C) make available model forms for dem-
7 onstrating compliance with all applicable re-
8 quirements of this part, which shall be required
9 to be submitted by—

10 (i) each qualified contractor on com-
11 pletion of an eligible home energy retrofit;
12 and

13 (ii) each quality assurance provider on
14 completion of field verification.

15 (2) MODEL FORMS.—In carrying out paragraph
16 (1)(C), the Secretary shall convene a group of stake-
17 holders that are directly and materially affected by
18 the Program to develop the final forms.

19 **SEC. 32104. CONTRACTORS.**

20 (a) CONTRACTOR QUALIFICATIONS.—A contractor
21 may perform retrofit work under the Home Energy Sav-
22 ings Retrofit Rebate Program in a State if the con-
23 tractor—

24 (1) meets all applicable contractor licensing re-
25 quirements established by the State;

1 (2) is—

2 (A) accredited by—

3 (i) BPI as a BPI GoldStar Con-
4 tractor;

5 (ii) RESNET as an Energy Smart
6 Home Performance Team;

7 (iii) ACCA as a QA Home Perform-
8 ance Contractor;

9 (iv) a State-based certification pro-
10 gram established to carry out State energy,
11 clean air, or environmental programs; or

12 (v) an equivalent accreditation pro-
13 gram approved by the Secretary for this
14 purpose; or

15 (B) the general contractor, and—

16 (i) subjects the energy efficiency ret-
17 rofit to a third-party review by a party ap-
18 proved by the Secretary and a quality as-
19 surance inspection authorized by the Sec-
20 retary; and

21 (ii) employs, or utilizes subcontractors
22 who employ, individuals to complete indi-
23 vidual or comprehensive scopes of work re-
24 lated to the energy efficiency retrofit who
25 are certified by—

- 1 (I) BPI;
- 2 (II) RESNET;
- 3 (III) NATE;
- 4 (IV) ACCA;
- 5 (V) LIUNA;
- 6 (VI) the Regional and State De-
- 7 partment of Energy Weatherization
- 8 Training Centers; or
- 9 (VII) other contractor or worker
- 10 certification programs approved by
- 11 the Secretary;
- 12 (3) holds insurance coverage of at least
- 13 \$1,000,000 for general liability, and for such other
- 14 purposes and in such other amounts as required by
- 15 the State;
- 16 (4) provides warranties to the homeowner that
- 17 completed work will—
- 18 (A) be free of significant defects;
- 19 (B) be installed in accordance with the
- 20 specifications of the manufacturer, and all ap-
- 21 plicable State and local codes; and
- 22 (C) perform properly for a period of at
- 23 least 1 year after the date of completion of the
- 24 work; and

1 (5) completes an energy audit to determine the
2 impact of the proposed energy efficiency measures in
3 accordance with an ANSI accredited energy auditing
4 standard.

5 (b) AGREEMENT BETWEEN CONTRACTOR AND HOME
6 OWNER.—A contractor who performs retrofit work under
7 the Home Energy Savings Retrofit Rebate Program must
8 sign a written or electronic contract with the homeowner
9 that includes—

10 (1) an agreement to not increase the cost of the
11 home improvement as a result of the rebates re-
12 ceived under this part with respect to physical im-
13 provements made to the home;

14 (2) if the contractor and homeowner choose the
15 transferable rebate option authorized under section
16 32107, an agreement to provide the homeowner, be-
17 fore a contract is executed between the contractor
18 and the homeowner covering the eligible work, a no-
19 tice of the rebate amount the contractor intends to
20 apply for with respect to eligible work under this
21 part; and

22 (3) a notice that the homeowner acknowledges
23 that they—

24 (A) reviewed the national retrofit website
25 for the Program;

1 (B) understand the scope of work intended
2 to be completed and that such work may be eli-
3 gible for a rebate under the Program; and

4 (C) understand that the rebate funds are
5 fully subject to availability from the Depart-
6 ment of Energy or rebate aggregator and not
7 within the control of the contractor.

8 **SEC. 32105. REBATE AGGREGATORS.**

9 (a) IN GENERAL.—The Secretary shall develop a net-
10 work of rebate aggregators or a national rebate aggregator
11 that can facilitate the delivery of rebates to homeowners
12 or contractors participating in the Home Energy Savings
13 Retrofit Rebate Program by—

14 (1) reviewing the proposed rebate application
15 for completeness and accuracy;

16 (2) reviewing measures for eligibility in accord-
17 ance with this part;

18 (3) providing data to the Federal Rebate Proc-
19 essing System consistent with data protocols estab-
20 lished by the Secretary; and

21 (4) not later than 30 days after the date of re-
22 ceipt, distributing funds received from the Depart-
23 ment of Energy to homeowners or contractors.

1 (b) ELIGIBILITY.—To be eligible to apply to the Sec-
2 retary for approval as a rebate aggregator, an entity shall
3 be—

4 (1) a Home Performance with Energy Star pro-
5 gram sponsor;

6 (2) an entity administering a residential or
7 building energy efficiency retrofit program, solar
8 program, or other such program impacting energy
9 efficiency in homes established or approved by a
10 State or local government;

11 (3) a Federal power marketing administration,
12 an electric utility, or a natural gas utility that has—

13 (A) a residential energy efficiency retrofit
14 program; and

15 (B) a quality assurance provider or pro-
16 vider network; or

17 (4) an entity that demonstrates to the Sec-
18 retary that the entity can perform the functions of
19 a rebate aggregator, without disrupting existing resi-
20 dential retrofits in the States that are incorporating
21 the Home Energy Savings Retrofit Rebate Program,
22 including demonstration of—

23 (A) the capability to provide electronic
24 data to the Federal Rebate Processing System;

1 (B) a financial system that is capable of
2 tracking the distribution of rebates to partici-
3 pating contractors; and

4 (C) coordination and cooperation by the
5 entity with the appropriate State energy office
6 regarding participation in the existing energy
7 efficiency programs that will be delivering the
8 Home Energy Savings Retrofit Rebate Pro-
9 gram.

10 (c) PUBLIC UTILITY COMMISSION EFFICIENCY TAR-
11 GETS.—The Secretary shall—

12 (1) develop guidelines for States and local gov-
13 ernments to use to allow utilities participating as re-
14 bate aggregators to count the energy savings from
15 the participation of the utilities toward State and
16 local level energy savings targets; and

17 (2) work with States and local governments to
18 assist in the adoption of those guidelines for the
19 purposes and duration of the Home Energy Savings
20 Retrofit Rebate Program.

21 **SEC. 32106. QUALITY ASSURANCE PROVIDERS.**

22 (a) QUALIFICATIONS.—An entity shall be considered
23 a quality assurance provider under this part only if the
24 entity is qualified through—

25 (1) the BPI;

1 (2) RESNET; or

2 (3) any other entity designated by the Secretary
3 such as a State, local government, or State-approved
4 or local government-approved residential energy effi-
5 ciency retrofit program.

6 (b) FUNCTIONS.—A quality assurance provider
7 shall—

8 (1) be independent of the contractor;

9 (2) confirm that contractors or installers of
10 home energy efficiency retrofits meet the qualifica-
11 tion requirements of this part; and

12 (3) perform field inspections to confirm the
13 compliance of the retrofit work and the simulated
14 energy savings under the Home Energy Savings Ret-
15 rofit Rebate Program.

16 **SEC. 32107. TRANSFERABILITY OF HOME ENERGY SAVINGS**
17 **REBATE.**

18 A homeowner may transfer the rebate provided under
19 the Home Energy Savings Retrofit Rebate Program to the
20 contractor performing the retrofit work if the contractor
21 completes a form that accompanies the rebate form devel-
22 oped under section 32103(b). This form, to be made pub-
23 lically available by the Secretary 90 days after the date
24 of enactment of this Act, must be approved by paper sig-
25 nature or electronically by the homeowner and include—

1 (1) the amount of the rebate the contractor will
2 submit for disbursement to the contractor;

3 (2) the level of energy use reduction of the
4 home retrofit certified under section 32108(e)(4),
5 and assurance that the contractor will provide the
6 certificate to the homeowner within 30 days of re-
7 ceipt from the Department of Energy;

8 (3) a documentation report of the retrofit per-
9 formed and paid by the homeowner; and

10 (4) confirmation from the homeowner that they
11 understand they have the right to submit directly for
12 the rebate and have chosen to transfer the credit in
13 full to the contractor.

14 **SEC. 32108. HOME ENERGY SAVINGS RETROFIT REBATE**
15 **PROGRAM.**

16 (a) **IN GENERAL.**—If a qualified home energy effi-
17 ciency retrofit of a home is carried out after the date of
18 enactment of this Act by a qualified contractor in accord-
19 ance with this part, subject to appropriations made avail-
20 able for such purpose, rebates shall be awarded for retro-
21 fits that achieve home energy savings in accordance with
22 this part.

23 (b) **AMOUNT OF REBATES.**—

24 (1) **IN GENERAL.**—Subject to subsection (e),
25 the amount of a rebate provided to the owner of a

1 home or a designee of the owner under this section
2 shall be determined in accordance with the following
3 formula:

4 (A) Retrofits that are projected to save at
5 least 20 percent of energy use (Home Perform-
6 ance Retrofits) shall receive a rebate of \$2,500.

7 (B) Retrofits that are projected to save at
8 least 40 percent of energy use (Deep Home
9 Performance Retrofits) shall receive a rebate of
10 \$5,000.

11 (2) REBATE PAYMENT.—

12 (A) IN GENERAL.—The rebate shall be
13 paid, based on energy savings as calculated
14 under subsection (e), within 60 days after—

15 (i) submission of the required rebate
16 forms; and

17 (ii) the completion of any quality as-
18 surance assessment required under sub-
19 paragraph (B).

20 (B) QUALITY ASSURANCE ASSESSMENTS.—

21 The Secretary shall establish a schedule of re-
22 quired quality assurance assessments. In the
23 first year of the Program, the first 10 homes
24 retrofit by each contractor and then 60 percent
25 of all future homes shall be required to have a

1 quality assurance assessment. The Secretary
2 shall establish a cost effective schedule of re-
3 quired quality assurance assessments for subse-
4 quent years based on performance under the
5 Program.

6 (C) BONUS INCENTIVE.—Recipients of
7 grants under section 32109 and rebate
8 aggregators are encouraged to present a pro-
9 posal to the Secretary for an incentive bonus
10 for contractors who have delivered services to
11 consumers and who have achieved a 70 percent
12 or greater realization rate for predicted gross
13 energy cost savings achieved by their portfolio
14 of participating customers. Bonus incentives
15 under such a proposal may be up to 20 percent
16 of the rebate paid to the homeowner.

17 (3) LIMITATION.—In no event shall the amount
18 of rebates under this subsection exceed—

19 (A) \$10,000 with respect to any individual;

20 or

21 (B) 50 percent of the qualified home en-
22 ergy efficiency expenditures paid or incurred by
23 the homeowner under subsection (c).

1 (c) QUALIFIED HOME ENERGY EFFICIENCY EX-
2 PENDING.—For purposes of this section, the term
3 “qualified home energy efficiency expenditures”—

4 (1) means any amount paid or incurred by a
5 homeowner for a qualified home energy efficiency
6 retrofit, including the cost of diagnostic procedures,
7 labor, reporting, and modeling; and

8 (2) does not include—

9 (A) improvements to swimming pools or
10 hot tubs; or

11 (B) any amount paid or incurred to pur-
12 chase or install a biomass, wood, or wood pellet
13 furnace, boiler, or stove, unless the system—

14 (i) is designed to meet at least 70 per-
15 cent of the heating demands of the home;

16 (ii) in the case of woodstoves, is cer-
17 tified by the Environmental Protection
18 Agency;

19 (iii) in the case of a wood stove re-
20 placement, replaces an existing wood stove
21 with a stove that is certified by the Envi-
22 ronmental Protection Agency, if a voucher
23 is provided by the installer or other respon-
24 sible party certifying that the old stove has
25 been removed and made inoperable;

1 (iv) in the case of a furnace or boiler,
2 is in a home with a distribution system
3 (such as piping, ducts, vents, blowers, or
4 affixed fans) that allows heat from the fur-
5 nace or boiler to reach all or most parts of
6 the home; and

7 (v) is certified by an independent test
8 laboratory approved by the Secretary as
9 having—

10 (I) thermal efficiency (with a
11 high heating value) of at least 75 per-
12 cent for stoves and 80 percent for fur-
13 naces and boilers;

14 (II) particulate emissions of less
15 than 3.0 grams per hour for wood
16 stoves or pellet stoves; and

17 (III) less than 0.07 lbs per mil-
18 lion BTU for outdoor boilers and fur-
19 naces.

20 (d) QUALIFIED HOME ENERGY EFFICIENCY RET-
21 ROFIT.—

22 (1) IN GENERAL.—A qualified home energy ef-
23 ficiency retrofit is a retrofit that implements meas-
24 ures, during a rebate-eligible year in the existing
25 principal residence of the homeowner which is lo-

1 cated in the United States, intended to reduce the
2 energy use of such residence. A qualified home en-
3 ergy efficiency retrofit shall—

4 (A) be implemented and installed by a
5 qualified contractor;

6 (B) install a set of measures modeled to
7 achieve a reduction in home energy use of 20
8 percent or more from the baseline established
9 under subparagraph (C), using computer mod-
10 eling software approved under paragraph (2);

11 (C) establish the baseline energy use as
12 provided in subsection (e)(1)(C);

13 (D) implement a test-out procedure, fol-
14 lowing guidelines of the applicable accrediting
15 program established by an organization identi-
16 fied in subparagraphs (A), (B), or (C) of sec-
17 tion 32104(a)(2) or equivalent guidelines ap-
18 proved by the Secretary for this purpose, to en-
19 sure—

20 (i) the safe operation of all systems
21 post retrofit; and

22 (ii) that, except as provided in para-
23 graph (3), all improvements are included
24 in, and have been installed according to—

1 (I) standards of the applicable
2 accrediting program established by an
3 organization identified in subpara-
4 graphs (A), (B), or (C) of section
5 32104(a)(2);

6 (II) manufacturers installation
7 specifications; and

8 (III) all applicable State and
9 local codes or equivalent standards
10 approved by the Secretary for this
11 purpose;

12 (E) include only measures that have an av-
13 erage estimated life of 5 years or more as deter-
14 mined by the Secretary;

15 (F) not include funds paid or incurred in
16 connection with any expansion of the square
17 footage of the residence; and

18 (G) not include improvements to swimming
19 pools or hot tubs or any other expenditure spe-
20 cifically excluded by the Secretary.

21 (2) APPROVED MODELING SOFTWARE.—The
22 contractor shall use modeling software certified by
23 RESNET as following the software verification test
24 suites in section 4.2.1 of RESNET Publication No.
25 13–001, or under equivalent standards approved by

1 the Secretary for this purpose, and shall have the
2 ability at a minimum to assess the savings associ-
3 ated with all the measures for Home Energy Savings
4 Retrofit Rebate Program.

5 (3) EXCEPTION.—For purposes of paragraph
6 (1)(D)(ii), installation of gas-fired appliances shall
7 comply with requirements of the National Fuel Gas
8 Code (ANSI Z223.1/NFPA 54) and applicable in-
9 stallation requirements in lieu of performance of
10 combustion tests outside those required by the Na-
11 tional Fuel Gas Code (2012 Edition) and the Inter-
12 national Fuel Gas Code (2012 Edition).

13 (e) ENERGY USE REDUCTION.—

14 (1) DETERMINATION OF ENERGY USE REDUC-
15 TION.—

16 (A) IN GENERAL.—The reduction in en-
17 ergy use for any residence shall be determined
18 by modeling the annual predicted percentage re-
19 duction in total energy consumption or costs for
20 heating, cooling, hot water, and permanent
21 lighting. It shall be modeled using computer
22 modeling software approved under subsection
23 (d)(2) and calibrated according to subpara-
24 graph (C) of this paragraph.

1 (B) ENERGY COSTS.—For the purposes of
2 subparagraph (A), the energy cost per unit of
3 fuel for each fuel type shall be determined by
4 dividing the total actual energy bill (subtracting
5 taxes and fees) for the residence for that fuel
6 type for the most recent available 12-month pe-
7 riod by the total energy units of that fuel type
8 used over the same period.

9 (C) BASELINE ENERGY USE.—For the
10 purposes of subparagraph (A), the software
11 model that establishes the baseline energy use
12 and predicted energy savings shall be calibrated
13 according to the procedures set forth in sections
14 3 and 4 of ANSI/BPI Standard BPI-2400-S-
15 2012: Standard Practice for Standardized
16 Qualification of Whole-House Energy Savings
17 Predictions by Calibration to Energy Use His-
18 tory, or an equivalent standard approved by the
19 Secretary for this purpose.

20 (2) DOCUMENTATION.—The percent improve-
21 ment in energy consumption calculated under this
22 section shall be documented through modeling soft-
23 ware described in subsection (d)(2).

24 (3) MONITORING.—The Secretary—

1 (A) shall periodically evaluate the software
2 packages used for determining rebates under
3 this section;

4 (B) shall monitor and compare the pre-
5 dictions to the real energy data, and based on
6 the results, create performance criteria to allow
7 or disallow the software; and

8 (C) may disallow the use of software pro-
9 grams that improperly assess energy savings.

10 (4) CERTIFICATE OF RETROFIT PERFORM-
11 ANCE.—The Secretary shall establish a system for
12 distribution of a certificate of performance in ac-
13 cordance with BPI–2101–S–2013: Standard Re-
14 quirements for a Certificate of Completion for Resi-
15 dential Energy Efficiency Upgrades with the
16 issuance of a rebate that certifies the predicted level
17 of energy use reduction achieved by the retrofit. The
18 certificate shall be provided to the rebate recipient.
19 If the recipient is the contractor under the terms of
20 section 32107, the contractor shall remit the certifi-
21 cate to the homeowner, to be delivered or post-
22 marked not later than 30 days after the contractor’s
23 receipt of the certificate.

24 (5) EXCEPTION.—The Secretary shall not uti-
25 lize the authority provided under this part to—

1 (A) develop, adopt, or implement a public
2 labeling system that rates and compares the en-
3 ergy performance of one home with another; or

4 (B) require the public disclosure of an en-
5 ergy performance evaluation or rating developed
6 for any specific home.

7 Nothing in this paragraph shall preclude the com-
8 putation, collection, or use, by the Secretary, rebate
9 aggregators, or quality assurance providers, or the
10 States or Indian tribes, for the purposes of gath-
11 ering information on the rating and comparison of
12 the energy performance of homes with and without
13 energy efficiency retrofits.

14 (f) QUALIFICATION FOR REBATE.—On submission of
15 a claim for a retrofit rebate by a rebate aggregator, the
16 Secretary shall provide reimbursement to the rebate
17 aggregator, if—

18 (1) the retrofit is a qualified home energy effi-
19 ciency retrofit;

20 (2) the amount of the reimbursement is not
21 more than the amount described in subsection (b);

22 (3) documentation required to verify the claim
23 is transmitted with the claim; and

1 (4) any quality assurance assessment required
2 by the Secretary or the rebate aggregator has been
3 completed.

4 (g) AUDITS.—

5 (1) IN GENERAL.—On making payment for a
6 submission under this section, the Secretary shall re-
7 view rebate requests to determine whether Program
8 requirements were met in all respects.

9 (2) INCORRECT PAYMENT.—On a determination
10 of the Secretary under paragraph (1) that a pay-
11 ment was made incorrectly to a party, not later than
12 3 years after the payment was provided the Sec-
13 retary shall—

14 (A) recoup the amount of the incorrect
15 payment; or

16 (B) withhold the amount of the incorrect
17 payment from the next payment made to the
18 party pursuant to a subsequent request.

19 (h) INCENTIVES.—The amount of incentives that the
20 Secretary may provide to quality assurance providers and
21 rebate aggregators under this part shall be—

22 (1) \$50 for each rebate review and submission
23 provided under the Program;

24 (2) \$250 for each field inspection conducted
25 under the Program; or

1 (3) such other amounts as the Secretary con-
2 siders necessary to carry out the quality assurance
3 provisions of this part.

4 **SEC. 32109. GRANTS TO STATES AND INDIAN TRIBES.**

5 (a) IN GENERAL.—A State or Indian tribe that re-
6 ceives a grant under subsection (d) shall be permitted to
7 use the grant for—

8 (1) administrative costs;

9 (2) oversight of quality assurance plans;

10 (3) development of a quality assurance pro-
11 gram;

12 (4) establishment and delivery of financing pi-
13 lots in accordance with this part;

14 (5) coordination with existing residential ret-
15 rofit programs and infrastructure development to as-
16 sist deployment of the Home Energy Savings Ret-
17 rofit Rebate Program; and

18 (6) the costs of carrying out the responsibilities
19 of the State or Indian tribe under the Home Energy
20 Savings Retrofit Rebate Program.

21 (b) INITIAL GRANTS.—Not later than 60 days after
22 receipt of a completed application for a grant under this
23 section, the Secretary shall either make the grant or pro-
24 vide to the applicant an explanation for denying the grant.

1 (c) INDIAN TRIBES.—The Secretary shall reserve an
2 appropriate amount of funding made available to carry out
3 this section for each fiscal year to make grants available
4 to Indian tribes under this section.

5 (d) STATE ALLOTMENTS.—From the amounts made
6 available to carry out this section for each fiscal year re-
7 maining after the reservation required under subsection
8 (c), the Secretary shall make grants available to States
9 in accordance with section 32115.

10 (e) QUALITY ASSURANCE PROGRAMS.—

11 (1) IN GENERAL.—A State or Indian tribe may
12 use a grant made under this section to carry out a
13 quality assurance program that is—

14 (A) operated as part of a State or local
15 government approved energy conservation plan
16 established under part D of title III of the En-
17 ergy Policy and Conservation Act (42 U.S.C.
18 6321 et seq.);

19 (B) managed by the office or the designee
20 of the office that is—

21 (i) responsible for the development of
22 the plan under section 362 of that Act (42
23 U.S.C. 6322); and

1 (ii) to the maximum extent practicable
2 conducting an existing energy efficiency
3 program; and

4 (C) in the case of a grant made to an In-
5 dian tribe, managed by an entity designated by
6 the Indian tribe to carry out a quality assur-
7 ance program or a national quality assurance
8 program manager.

9 (2) NONCOMPLIANCE.—If the Secretary deter-
10 mines that a State or Indian tribe has not provided
11 or cannot provide adequate oversight over a quality
12 assurance program to ensure compliance with this
13 part, the Secretary may—

14 (A) withhold further quality assurance
15 funds from the State or Indian tribe; and

16 (B) require that quality assurance pro-
17 viders operating in the State or by the Indian
18 tribe be overseen by a national quality assur-
19 ance program manager selected by the Sec-
20 retary.

21 (f) IMPLEMENTATION.—A State or Indian tribe that
22 receives a grant under this section may implement a qual-
23 ity assurance program through the State, the Indian tribe,
24 or a third party designated by the State or Indian tribe,
25 including—

- 1 (1) an energy service company;
- 2 (2) an electric utility;
- 3 (3) a natural gas utility;
- 4 (4) a third-party administrator designated by
- 5 the State or Indian tribe; or
- 6 (5) a unit of local government.

7 (g) PUBLIC-PRIVATE PARTNERSHIPS.—A State or
8 Indian tribe that receives a grant under this section is en-
9 couraged to form partnerships with utilities, energy serv-
10 ice companies, and other entities—

- 11 (1) to assist in marketing a program;
- 12 (2) to facilitate consumer financing;
- 13 (3) to assist in implementation of the Home
- 14 Energy Savings Retrofit Rebate Program, including
- 15 installation of qualified home energy efficiency retro-
- 16 fits; and
- 17 (4) to assist in implementing quality assurance
- 18 programs.

19 (h) COORDINATION OF REBATE AND EXISTING
20 STATE-SPONSORED PROGRAMS.—

- 21 (1) IN GENERAL.—A State or Indian tribe
- 22 shall, to the maximum extent practicable, prevent
- 23 duplication through coordination of a program au-
- 24 thorized under this part with—

1 (A) the Energy Star appliance rebates pro-
2 gram authorized under the American Recovery
3 and Reinvestment Act of 2009 (Public Law
4 111–5; 123 Stat. 115); and

5 (B) comparable programs planned or oper-
6 ated by States, political subdivisions, electric
7 and natural gas utilities, Federal power mar-
8 keting administrations, and Indian tribes.

9 (2) EXISTING PROGRAMS.—In carrying out this
10 subsection, a State or Indian tribe shall—

11 (A) give priority to—

12 (i) comprehensive retrofit programs in
13 existence on the date of enactment of this
14 Act, including programs under the super-
15 vision of State utility regulators; and

16 (ii) using funds made available under
17 this part to enhance and extend existing
18 programs; and

19 (B) seek to enhance and extend existing
20 programs by coordinating with administrators
21 of the programs.

22 **SEC. 32110. QUALITY ASSURANCE PROGRAM.**

23 (a) PLAN.—As part of a grant application described
24 in section 32109(b), a State or Indian tribe shall submit
25 to the Secretary a plan to implement a quality assurance

1 program that covers all federally assisted residential effi-
2 ciency retrofit work administered, supervised, or spon-
3 sored by the State or Indian tribe.

4 (b) IMPLEMENTATION.—The State or Indian tribe
5 shall—

6 (1) develop a quality assurance program in con-
7 sultation with industry stakeholders, including rep-
8 resentatives of efficiency program managers, con-
9 tractors, and environmental, energy efficiency, and
10 labor organizations; and

11 (2) implement the quality assurance program
12 not later than 180 days after receipt of a grant
13 under section 32109.

14 (c) COMPONENTS.—The quality assurance program
15 established under this section shall include—

16 (1) maintenance of a list of qualified contrac-
17 tors authorized to perform such retrofit work as de-
18 scribed in section 32104; and

19 (2) nonbinding targets and realistic plans for—

20 (A) the recruitment of small minority-
21 owned or women-owned business enterprises;
22 and

23 (B) the employment of graduates of train-
24 ing programs that primarily serve low-income
25 populations with a median income that is below

1 200 percent of the poverty line (as defined in
2 section 673(2) of the Community Services
3 Block Grant Act (42 U.S.C. 9902(2)), including
4 any revision required by that section) by par-
5 ticipating contractors.

6 (d) NONCOMPLIANCE.—If the Secretary determines
7 that a State or Indian tribe has not taken the steps re-
8 quired under this section, the Secretary shall provide to
9 the State or Indian tribe a period of at least 90 days to
10 comply before suspending the participation of the State
11 or Indian tribe in the program.

12 **SEC. 32111. EVALUATION REPORT TO CONGRESS.**

13 (a) IN GENERAL.—Not later than 1 year after the
14 date of enactment of this Act and annually thereafter, the
15 Secretary shall submit to the Committee on Energy and
16 Natural Resources of the Senate and the Committee on
17 Energy and Commerce of the House of Representatives
18 a report on the use of funds under this part.

19 (b) CONTENTS.—The report submitted under sub-
20 section (a) shall evaluate—

21 (1) how many eligible participants have partici-
22 pated in the Program;

23 (2) how many jobs have been created through
24 the Program, directly and indirectly;

1 (3) what steps could be taken to promote fur-
2 ther deployment of energy efficiency and renewable
3 energy retrofits;

4 (4) the quantity of verifiable energy savings,
5 homeowner energy bill savings, and other benefits of
6 the Program;

7 (5) any waste, fraud, or abuse with respect to
8 such funds; and

9 (6) any other information the Secretary con-
10 siders appropriate.

11 (c) NONCOMPLIANCE.—The Secretary shall require
12 rebate aggregators, States, and Indian tribes to provide
13 the information required to enable the Secretary to carry
14 out this section. If the Secretary determines that a rebate
15 aggregator, State, or Indian tribe has not provided such
16 information on a timely basis, the Secretary shall provide
17 to the rebate aggregator, State, or Indian tribe a period
18 of at least 90 days to provide any necessary information,
19 subject to withholding of funds or reduction of future
20 grant amounts, or decertification of rebate aggregators.

21 **SEC. 32112. ADMINISTRATION.**

22 (a) IN GENERAL.—Subject to section 32115(b), not
23 later than 30 days after the date of enactment of this Act,
24 the Secretary shall provide such administrative and tech-

1 nical support to rebate aggregators, States, and Indian
2 tribes as is necessary to carry out this part.

3 (b) APPOINTMENT OF PERSONNEL.—Notwith-
4 standing the provisions of title 5, United States Code, gov-
5 erning appointments in the competitive service and Gen-
6 eral Schedule classifications and pay rates, the Secretary
7 may appoint such professional and administrative per-
8 sonnel as the Secretary considers necessary to carry out
9 this part.

10 (c) RATE OF PAY.—The rate of pay for a person ap-
11 pointed under subsection (b) shall not exceed the max-
12 imum rate payable for GS–15 of the General Schedule
13 under chapter 53 of title 5, United States Code.

14 (d) INFORMATION COLLECTION.—The Secretary
15 shall establish, and make available to a homeowner, or the
16 homeowner’s designated representative, seeking a rebate
17 under this part, release forms authorizing access by the
18 Secretary, or a designated third-party representative to in-
19 formation in the utility bills of the homeowner. The form
20 shall not include personal identifying information such as
21 name, address, social security number or other identifying
22 information as defined by the Secretary.

1 **SEC. 32113. TREATMENT OF REBATES.**

2 (a) IN GENERAL.—For purposes of the Internal Rev-
3 enue Code of 1986, rebates received for a qualified home
4 energy efficiency retrofit under this part—

5 (1) shall not be considered taxable income to a
6 homeowner; and

7 (2) shall prohibit the consumer from applying
8 for a tax credit allowed under section 25C or 25D
9 of that Code for the same retrofit work performed
10 in the home of the homeowner. If the work is addi-
11 tional, and not included in the rebate baseline, a
12 homeowner may claim the credit.

13 (b) NOTICE.—

14 (1) IN GENERAL.—A participating contractor
15 shall provide notice to a homeowner of the provisions
16 of subsection (a) before eligible work is performed in
17 the home of the homeowner.

18 (2) NOTICE IN REBATE FORM.—A homeowner
19 shall be notified of the provisions of subsection (a)
20 in the appropriate rebate form developed by the Sec-
21 retary, in consultation with the Secretary of the
22 Treasury.

23 **SEC. 32114. PENALTIES.**

24 (a) IN GENERAL.—It shall be unlawful for any per-
25 son to violate this part (including any regulation issued

1 under this part), other than a violation as the result of
2 a clerical error.

3 (b) CIVIL PENALTY.—In addition to any penalty ap-
4 plicable under other Federal law for fraud or other crimes,
5 any person who commits a violation of this part shall be
6 liable to the United States for a civil penalty in an amount
7 that is not more than the higher of—

8 (1) \$15,000 for each violation; or

9 (2) 3 times the value of any associated rebate
10 under this part.

11 (c) ADMINISTRATION.—The Secretary may—

12 (1) assess and compromise a penalty imposed
13 under subsection (b); and

14 (2) require from any entity the records and in-
15 spections necessary to enforce this part.

16 **SEC. 32115. FUNDING.**

17 (a) AUTHORIZATION OF APPROPRIATIONS.—

18 (1) IN GENERAL.—There are authorized to be
19 appropriated to the Secretary to carry out this part
20 \$250,000,000 for each of fiscal years 2018 through
21 2022, to remain available until expended.

22 (2) MAINTENANCE OF FUNDING.—Funds pro-
23 vided under this section shall supplement and not
24 supplant any Federal and State funding provided to

1 carry out energy efficiency programs in existence on
2 the date of enactment of this Act.

3 (b) GRANTS TO STATES.—

4 (1) IN GENERAL.—Of the amounts provided
5 under subsection (a), not more than 6 percent shall
6 be used to carry out section 32109.

7 (2) DISTRIBUTION TO STATE ENERGY OF-
8 FICES.—Not later than 45 days after the date of en-
9 actment of this Act, the Secretary shall determine a
10 formula to provide funds described in paragraph (1)
11 to State energy offices, in accordance with the allo-
12 cation formula for State energy conservation plans
13 established under part D of title III of the Energy
14 Policy and Conservation Act (42 U.S.C. 6321 et
15 seq.).

16 (c) TRACKING OF REBATES AND EXPENDITURES.—
17 Of the amount provided under subsection (a), not more
18 than 2.5 percent are authorized to be appropriated to the
19 Secretary to be used for costs associated with tracking re-
20 bates and expenditures through the Federal Rebate Proc-
21 essing System under this part, technical assistance to
22 States, and related administrative costs incurred by the
23 Secretary.

24 (d) PROGRAM REVIEW AND BACKSTOP FUNDING.—

1 (1) IN GENERAL.—Not later than 180 days
2 after the date of enactment of this Act, the Sec-
3 retary shall perform a State-by-State analysis and
4 review the distribution of rebates under this part.

5 (2) ADJUSTMENT.—The Secretary may allocate
6 technical assistance funding to assist States that
7 have not sufficiently benefitted from the Home En-
8 ergy Savings Retrofit Rebate Program.

9 **SEC. 32116. PILOT PROGRAM.**

10 (a) ESTABLISHMENT.—

11 (1) IN GENERAL.—Notwithstanding any other
12 provision of this part, the Secretary shall establish
13 a Residential Energy Efficiency Pay for Perform-
14 ance pilot program for States to encourage the use
15 of measured energy savings, and financial payments
16 for those energy savings, in the operation of residen-
17 tial energy efficiency programs.

18 (2) CRITERIA.—Not later than 180 days after
19 the date of enactment of this Act, the Secretary
20 shall provide common measurement criteria, devel-
21 oped with input from home performance industry
22 stakeholders, to ensure comparability among pro-
23 grams but allow flexibility in program design.

24 (b) GRANTS.—In carrying out the pilot program es-
25 tablished under this section, the Secretary shall provide,

1 on a competitive basis, grants to not less than 5 State
2 energy offices.

3 (c) AUTHORIZATION OF APPROPRIATIONS.—For fis-
4 cal year 2018, there are authorized to be appropriated to
5 carry out this section \$100,000,000.

6 (d) DEFINITION.—In this section, the term “State
7 energy office” means the office or agency of a State re-
8 sponsible for developing the State energy plan for the
9 State under section 362 of the Energy Policy and Con-
10 servation Act (42 U.S.C. 6322).

11 **PART 2—SMART BUILDING ACCELERATION**

12 **SEC. 32201. SHORT TITLE.**

13 This part may be cited as the “Smart Building Accel-
14 eration Act”.

15 **SEC. 32202. FINDINGS.**

16 Congress finds that—

17 (1) the building sector uses more than 40 per-
18 cent of the energy of the Nation;

19 (2) emerging building energy monitoring and
20 control technologies are enabling a transition of the
21 building sector to “smart” buildings that have dra-
22 matically reduced energy use and improved quality
23 of service to occupants;

24 (3) an analysis of select private-sector smart
25 buildings by the Department of Energy would docu-

1 ment the costs and benefits of those emerging tech-
2 nologies, promote their adoption, and accelerate that
3 transition;

4 (4) with over 400,000 buildings, the Federal
5 Government is the largest building owner in the
6 United States; and

7 (5) the Federal Government can also accelerate
8 the transition to smart building technologies by dem-
9 onstrating and evaluating emerging smart building
10 technologies using existing programs and funding to
11 showcase selected Federal smart buildings.

12 **SEC. 32203. DEFINITIONS.**

13 In this part:

14 (1) SECRETARY.—The term “Secretary” means
15 the Secretary of Energy.

16 (2) SMART BUILDING.—The term “smart build-
17 ing” means a building with an energy system that—

18 (A) is flexible and automated;

19 (B) has extensive operational monitoring
20 and communication connectivity, allowing re-
21 mote monitoring and analysis of all building
22 functions;

23 (C) is integrated with the overall building
24 operations for control of energy generation, con-
25 sumption, and storage; and

1 (D) communicates with utilities and other
2 third-party commercial entities where appro-
3 priate.

4 **SEC. 32204. SURVEY OF PRIVATE SECTOR SMART BUILD-**
5 **INGS.**

6 (a) SURVEY.—The Secretary shall conduct a survey
7 of privately owned smart buildings throughout the Nation,
8 including commercial buildings and buildings owned by
9 nonprofit organizations and institutions of higher edu-
10 cation.

11 (b) SELECTION.—From among the smart buildings
12 surveyed under subsection (a), the Secretary shall select
13 at least 1 building each from an appropriate range of
14 building sizes and types.

15 (c) EVALUATION.—Using the guidelines of the Fed-
16 eral Energy Management Program relating to whole-build-
17 ing evaluation, measurement, and verification, the Sec-
18 retary shall evaluate the costs and benefits of the buildings
19 selected under subsection (b), including an identification
20 of—

21 (1) which advanced building technologies—

22 (A) are most cost-effective; and

23 (B) show the most potential to—

24 (i) increase building energy savings;

- 1 (ii) increase service performance to
2 building occupants; and
3 (iii) reduce environmental impacts;
4 and
5 (2) any other information the Secretary deter-
6 mines to be appropriate.

7 **SEC. 32205. FEDERAL SMART BUILDING PROGRAM.**

8 (a) **ESTABLISHMENT.**—The Secretary shall establish
9 a program to establish one or more smart buildings under
10 the jurisdiction of several key Federal agencies, including
11 buildings that are owned by the Federal Government but
12 are commercially operated, to demonstrate the costs and
13 benefits of smart buildings.

14 (b) **FEDERAL AGENCY DESCRIBED.**—The key Fed-
15 eral agencies referred to in subsection (a) shall include—

- 16 (1) the Department of Defense;
17 (2) the Department of Energy;
18 (3) the Department of Veterans Affairs; and
19 (4) the General Services Administration.

20 (c) **REQUIREMENT.**—In carrying out the program,
21 the Secretary shall leverage existing procurement mecha-
22 nisms.

23 (d) **EVALUATION.**—Using the guidelines of the Fed-
24 eral Energy Management Program relating to whole-build-
25 ing evaluation, measurement, and verification, the Sec-

1 retary shall evaluate the costs and benefits of the buildings
2 selected under this section including an identification of—

3 (1) which advanced building technologies—

4 (A) are most cost-effective; and

5 (B) show the most potential to—

6 (i) increase building energy savings;

7 (ii) increase service performance to
8 building occupants; and

9 (iii) reduce environmental impacts;

10 and

11 (2) any other information the Secretary deter-
12 mines to be appropriate.

13 **SEC. 32206. LEVERAGING EXISTING PROGRAMS.**

14 (a) **BETTER BUILDING CHALLENGE.**—As part of the
15 Better Building Challenge of the Department of Energy,
16 the Secretary shall develop a smart building accelerator
17 in consultation with major private sector property owners
18 to demonstrate innovative policies and approaches that
19 will accelerate the transition to smart buildings.

20 (b) **RESEARCH AND DEVELOPMENT.**—

21 (1) **IN GENERAL.**—The Secretary shall conduct
22 research and development to address key barriers to
23 the integration of advanced building technologies
24 and to accelerate the transition to smart buildings.

1 (2) INCLUSION.—The research and development
2 conducted under paragraph (1) shall include re-
3 search and development on—

4 (A) physical components, such as sensors
5 and controls;

6 (B) reducing the cost of key components to
7 accelerate the adoption of smart building tech-
8 nologies;

9 (C) data management, including the cap-
10 ture and analysis of data and the interoper-
11 ability of the energy systems;

12 (D) business models, including how busi-
13 ness models may limit the adoption of smart
14 building technologies and how to support
15 transactive energy;

16 (E) the characterization of buildings and
17 components;

18 (F) consumer and utility protections;

19 (G) continuous management, including the
20 challenges of managing multiple energy systems
21 and optimizing systems for disparate stake-
22 holders; and

23 (H) other areas of research and develop-
24 ment, as determined appropriate by the Sec-
25 retary.

1 **SEC. 32207. REPORT.**

2 Not later than 18 months after the date of enactment
3 of this Act, the Secretary shall submit to the Committee
4 on Energy and Natural Resources of the Senate and the
5 Committee on Energy and Commerce of the House of
6 Representatives a report on—

7 (1) the survey and evaluation of private sector
8 smart buildings carried out under section 32204;

9 (2) the evaluation of Federal smart buildings
10 carried out under section 32205; and

11 (3) any recommendations of the Secretary to
12 further accelerate the transition to smart buildings.

13 **PART 3—WEATHERIZATION ASSISTANCE AND**
14 **STATE ENERGY PROGRAMS**

15 **SEC. 32301. WEATHERIZATION ASSISTANCE AND STATE EN-**
16 **ERGY PROGRAMS.**

17 (a) REAUTHORIZATION OF WEATHERIZATION AS-
18 SISTANCE PROGRAM.—Section 422 of the Energy Con-
19 servation and Production Act (42 U.S.C. 6872) is amend-
20 ed by striking “appropriated—” and all that follows
21 through “2012..” and inserting “appropriated
22 \$450,000,000 for each of fiscal years 2018 through
23 2022.”.

24 (b) REAUTHORIZATION OF STATE ENERGY PRO-
25 GRAMS.—Section 365(f) of the Energy Policy and Con-
26 servation Act (42 U.S.C. 6325(f)) is amended by striking

1 “\$125,000,000 for each of fiscal years 2007 through
2 2012” and inserting “\$90,000,000 for each of fiscal years
3 2018 through 2022”.

4 **PART 4—SMART ENERGY AND WATER**

5 **EFFICIENCY**

6 **SEC. 32401. SHORT TITLE.**

7 This part may be cited as the “Smart Energy and
8 Water Efficiency Act of 2017”.

9 **SEC. 32402. SMART ENERGY AND WATER EFFICIENCY PILOT**
10 **PROGRAM.**

11 (a) DEFINITIONS.—In this section:

12 (1) ELIGIBLE ENTITY.—The term “eligible enti-
13 ty” means—

14 (A) a utility;

15 (B) a municipality;

16 (C) a water district; and

17 (D) any other authority that provides
18 water, wastewater, or water reuse services.

19 (2) SECRETARY.—The term “Secretary” means
20 the Secretary of Energy.

21 (3) SMART ENERGY AND WATER EFFICIENCY
22 PILOT PROGRAM.—The term “smart energy and
23 water efficiency pilot program” or “pilot program”
24 means the pilot program established under sub-
25 section (b).

1 (b) SMART ENERGY AND WATER EFFICIENCY PILOT
2 PROGRAM.—

3 (1) IN GENERAL.—The Secretary shall establish
4 and carry out a smart energy and water efficiency
5 management pilot program in accordance with this
6 section.

7 (2) PURPOSE.—The purpose of the smart en-
8 ergy and water efficiency pilot program is to award
9 grants to eligible entities to demonstrate advanced
10 and innovative technology-based solutions that will—

11 (A) increase and improve the energy effi-
12 ciency of water, wastewater, and water reuse
13 systems to help communities across the United
14 States make significant progress in conserving
15 water, saving energy, and reducing costs;

16 (B) support the implementation of innova-
17 tive processes and the installation of advanced
18 automated systems that provide real-time data
19 on energy and water; and

20 (C) improve energy and water conserva-
21 tion, water quality, and predictive maintenance
22 of energy and water systems, through the use
23 of Internet-connected technologies, including
24 sensors, intelligent gateways, and security em-
25 bedded in hardware.

1 (3) PROJECT SELECTION.—

2 (A) IN GENERAL.—The Secretary shall
3 make competitive, merit-reviewed grants under
4 the pilot program to not less than 3, but not
5 more than 5, eligible entities.

6 (B) SELECTION CRITERIA.—In selecting an
7 eligible entity to receive a grant under the pilot
8 program, the Secretary shall consider—

9 (i) energy and cost savings anticipated
10 to result from the project;

11 (ii) the innovative nature, commercial
12 viability, and reliability of the technology
13 to be used;

14 (iii) the degree to which the project
15 integrates next-generation sensors, soft-
16 ware, hardware, analytics, and manage-
17 ment tools;

18 (iv) the anticipated cost-effectiveness
19 of the pilot project in terms of energy effi-
20 ciency savings, water savings or reuse, and
21 infrastructure costs averted;

22 (v) whether the technology can be de-
23 ployed in a variety of geographic regions
24 and the degree to which the technology can
25 be implemented on a smaller or larger

1 scale, including whether the technology can
2 be implemented by each type of eligible en-
3 tity;

4 (vi) whether the technology has been
5 successfully deployed elsewhere;

6 (vii) whether the technology is sourced
7 from a manufacturer based in the United
8 States; and

9 (viii) whether the project will be com-
10 pleted in 5 years or less.

11 (C) APPLICATIONS.—

12 (i) IN GENERAL.—Subject to clause
13 (ii), an eligible entity seeking a grant
14 under the pilot program shall submit to
15 the Secretary an application at such time,
16 in such manner, and containing such infor-
17 mation as the Secretary determines to be
18 necessary.

19 (ii) CONTENTS.—An application under
20 clause (i) shall, at a minimum, include—

21 (I) a description of the project;

22 (II) a description of the tech-
23 nology to be used in the project;

1 (III) the anticipated results, in-
2 cluding energy and water savings, of
3 the project;

4 (IV) a comprehensive budget for
5 the project; and

6 (V) the number of households or
7 customers to be served by the project.

8 (4) ADMINISTRATION.—

9 (A) IN GENERAL.—Not later than 300
10 days after the date of enactment of this Act,
11 the Secretary shall select grant recipients under
12 this section.

13 (B) EVALUATIONS.—The Secretary shall
14 annually for 5 years carry out an evaluation of
15 each project for which a grant is provided
16 under this section that—

17 (i) evaluates the progress and impact
18 of the project; and

19 (ii) assesses the degree to which the
20 project is meeting the goals of the pilot
21 program.

22 (C) TECHNICAL AND POLICY ASSIST-
23 ANCE.—On the request of a grant recipient, the
24 Secretary shall provide technical and policy as-

1 sistance to the grant recipient to carry out the
2 project.

3 (D) BEST PRACTICES.—The Secretary
4 shall make available to the public—

5 (i) a copy of each evaluation carried
6 out under subparagraph (B); and

7 (ii) a description of any best practices
8 identified by the Secretary as a result of
9 those evaluations.

10 (E) REPORT TO CONGRESS.—Not later
11 than 5 years after the establishment of the pro-
12 gram, the Secretary shall submit to Congress a
13 report containing the results of each evaluation
14 carried out under subparagraph (B).

15 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
16 authorized to be appropriated \$15,000,000 to carry out
17 this section, to remain available until expended.

18 **PART 5—DIESEL EMISSIONS REDUCTION**

19 **SEC. 32501. SHORT TITLE.**

20 This part may be cited as the “Diesel Emissions Re-
21 duction Act of 2017”.

22 **SEC. 32502. REAUTHORIZATION OF DIESEL EMISSIONS RE-**
23 **DUCTION PROGRAM.**

24 Section 797(a) of the Energy Policy Act of 2005 (42
25 U.S.C. 16137(a)) is amended—

1 (1) by striking “\$100,000,000” and inserting
2 “\$200,000,000”; and

3 (2) by striking “2016” and inserting “2022”.

4 **PART 6—ENERGY IMPROVEMENTS AT PUBLIC**
5 **SCHOOL FACILITIES**

6 **SEC. 32601. GRANTS FOR ENERGY EFFICIENCY IMPROVE-**
7 **MENTS AND RENEWABLE ENERGY IMPROVE-**
8 **MENTS AT PUBLIC SCHOOL FACILITIES.**

9 (a) DEFINITIONS.—In this section:

10 (1) ELIGIBLE ENTITY.—The term “eligible enti-
11 ty” means a consortium of—

12 (A) one local educational agency; and

13 (B) one or more—

14 (i) schools;

15 (ii) nonprofit organizations;

16 (iii) for-profit organizations; or

17 (iv) community partners that have the
18 knowledge and capacity to partner and as-
19 sist with energy improvements.

20 (2) ENERGY IMPROVEMENTS.—The term “en-
21 ergy improvements” means—

22 (A) any improvement, repair, or renova-
23 tion, to a school that will result in a direct re-
24 duction in school energy costs including but not
25 limited to improvements to building envelope,

1 air conditioning, ventilation, heating system, do-
2 mestic hot water heating, compressed air sys-
3 tems, distribution systems, lighting, power sys-
4 tems and controls;

5 (B) any improvement, repair, renovation,
6 or installation that leads to an improvement in
7 teacher and student health including but not
8 limited to indoor air quality, daylighting, ven-
9 tilation, electrical lighting, and acoustics; and

10 (C) the installation of renewable energy
11 technologies (such as wind power, photovoltaics,
12 solar thermal systems, geothermal energy, hy-
13 drogen-fueled systems, biomass-based systems,
14 biofuels, anaerobic digesters, and hydropower)
15 involved in the improvement, repair, or renova-
16 tion to a school.

17 (b) AUTHORITY.—From amounts made available for
18 grants under this section, the Secretary of Energy shall
19 provide competitive grants to eligible entities to make en-
20 ergy improvements authorized by this section.

21 (c) PRIORITY.—In making grants under this sub-
22 section, the Secretary shall give priority to eligible entities
23 that have renovation, repair, and improvement funding
24 needs and are—

1 (1) a high-need local educational agency, as de-
2 fined in section 2102 of the Elementary and Sec-
3 ondary Education Act of 1965 (20 14 U.S.C. 6602);
4 or

5 (2) a local educational agency designated with
6 a metrocentric locale code of 41, 42, or 43 as deter-
7 mined by the National Center for Education Statis-
8 tics (NCES), in conjunction with the Bureau of the
9 Census, using the NCES system for classifying local
10 educational agencies.

11 (d) COMPETITIVE CRITERIA.—The competitive cri-
12 teria used by the Secretary shall include the following:

13 (1) The fiscal capacity of the eligible entity to
14 meet the needs for improvements of school facilities
15 without assistance under this section, including the
16 ability of the eligible entity to raise funds through
17 the use of local bonding capacity and otherwise.

18 (2) The likelihood that the local educational
19 agency or eligible entity will maintain, in good condi-
20 tion, any facility whose improvement is assisted.

21 (3) The potential energy efficiency and safety
22 benefits from the proposed energy improvements.

23 (e) APPLICATIONS.—To be eligible to receive a grant
24 under this section, an applicant must submit to the Sec-
25 retary an application that includes each of the following:

1 (1) A needs assessment of the current condition
2 of the school and facilities that are to receive the en-
3 ergy improvements.

4 (2) A draft work plan of what the applicant
5 hopes to achieve at the school and a description of
6 the energy improvements to be carried out.

7 (3) A description of the applicant's capacity to
8 provide services and comprehensive support to make
9 the energy improvements.

10 (4) An assessment of the applicant's expected
11 needs for operation and maintenance training funds,
12 and a plan for use of those funds, if any.

13 (5) An assessment of the expected energy effi-
14 ciency and safety benefits of the energy improve-
15 ments.

16 (6) A cost estimate of the proposed energy im-
17 provements.

18 (7) An identification of other resources that are
19 available to carry out the activities for which funds
20 are requested under this section, including the avail-
21 ability of utility programs and public benefit funds.

22 (f) USE OF GRANT AMOUNTS.—

23 (1) IN GENERAL.—The recipient of a grant
24 under this section shall use the grant amounts only
25 to make the energy improvements contemplated in

1 the application, subject to the other provisions of
2 this subsection.

3 (2) OPERATION AND MAINTENANCE TRAIN-
4 ING.—The recipient may use up to 5 percent for op-
5 eration and maintenance training for energy effi-
6 ciency and renewable energy improvements (such as
7 maintenance staff and teacher training, education,
8 and preventative maintenance training).

9 (3) AUDIT.—The recipient may use funds for a
10 third-party investigation and analysis for energy im-
11 provements (such as energy audits and existing
12 building commissioning).

13 (4) CONTINUING EDUCATION.—The recipient
14 may use up to 1 percent of the grant amounts to de-
15 velop a continuing education curriculum relating to
16 energy improvements.

17 (g) CONTRACTING REQUIREMENTS.—

18 (1) DAVIS-BACON.—Any laborer or mechanic
19 employed by any contractor or subcontractor in the
20 performance of work on any energy improvements
21 funded by a grant under this section shall be paid
22 wages at rates not less than those prevailing on
23 similar construction in the locality as determined by
24 the Secretary of Labor under subchapter IV of chap-

1 ter 31 of title 40, United States Code (commonly re-
2 ferred to as the Davis-Bacon Act).

3 (2) COMPETITION.—Each applicant that re-
4 ceives funds shall ensure that, if the applicant car-
5 ries out repair or renovation through a contract, any
6 such contract process—

7 (A) ensures the maximum number of quali-
8 fied bidders, including small, minority, and
9 women-owned businesses, through full and open
10 competition; and

11 (B) gives priority to businesses located in,
12 or resources common to, the State or the geo-
13 graphical area in which the project is carried
14 out.

15 (h) REPORTING.—Each recipient of a grant under
16 this section shall submit to the Secretary, at such time
17 as the Secretary may require, a report describing the use
18 of such funds for energy improvements, the estimated cost
19 savings realized by those energy improvements, the results
20 of any audit, the use of any utility programs and public
21 benefit funds and the use of performance tracking for en-
22 ergy improvements (such as the Department of Energy:
23 Energy Star program or LEED for Existing Buildings).

1 (i) BEST PRACTICES.—The Secretary shall develop
2 and publish guidelines and best practices for activities car-
3 ried out under this section.

4 (j) AUTHORIZATION OF APPROPRIATIONS.—There is
5 authorized to be appropriated to carry out this section
6 \$100,000,000 for each of fiscal years 2018 through 2022.

7 **Subtitle C—Energy Supply** 8 **Infrastructure**

9 **PART 1—LOW-INCOME SOLAR**

10 **SEC. 33101. SHORT TITLE.**

11 This part may be cited as the “Low-Income Solar Act
12 of 2017”.

13 **SEC. 33102. LOAN AND GRANT PROGRAM FOR SOLAR IN-** 14 **STALLATIONS IN LOW-INCOME AND UNDER-** 15 **SERVED AREAS.**

16 (a) DEFINITIONS.—In this section:

17 (1) ADMINISTRATIVE EXPENSES.—The term
18 “administrative expenses” has such meaning as may
19 be established by the Secretary.

20 (2) COMMUNITY SOLAR FACILITY.—The term
21 “community solar facility” means a photovoltaic
22 solar electricity generating facility that, as deter-
23 mined by the Secretary—

1 (A) through a voluntary program, provides
2 electric power or financial benefit to, or is
3 owned by, multiple community members;

4 (B) has a nameplate rating of 2 megawatts
5 or less;

6 (C) is located in or near a community of
7 subscribers; and

8 (D) the owner or operator of which re-
9 serves not less than 25 percent of the quantity
10 of electricity generated by the facility for low-
11 income households that are subscribers to the
12 facility.

13 (3) ELIGIBLE ENTITY.—The term “eligible enti-
14 ty” means—

15 (A) a low-income household;

16 (B) a unit of State, territorial, or local
17 government;

18 (C) an Indian Tribe;

19 (D) a Native Hawaiian community-based
20 organization;

21 (E) any other national or regional entity
22 that—

23 (i) deploys a safe, high-quality photo-
24 voltaic solar electricity generating facility
25 for consumers under a model that maxi-

1 mizes energy savings to those consumers;
2 and

3 (ii) has experience, as determined by
4 the Secretary, installing solar systems
5 using a job training or community volun-
6 teer-based installation model; and

7 (F) for the loan program only, in addition
8 to entities described in subsections (A) through
9 (E), a private entity that—

10 (i) deploys a safe, high-quality photo-
11 voltaic solar electricity generating facility
12 for consumers under a model that maxi-
13 mizes energy savings to those consumers;
14 and

15 (ii) will install solar systems using a
16 job training installation model.

17 (4) GRANT-ELIGIBLE HOUSEHOLD.—The term
18 “grant-eligible household” means a low-income
19 household the members of which reside in an owner-
20 occupied home.

21 (5) INDIAN TRIBE.—The term “Indian Tribe”
22 means any Indian Tribe, band, nation, or other or-
23 ganized group or community, including any Alaska
24 Native village, Regional Corporation, or Village Cor-
25 poration (as defined in, or established pursuant to,

1 the Alaska Native Claims Settlement Act (43 U.S.C.
2 1601 et seq.)), that is recognized as eligible for the
3 special programs and services provided by the
4 United States to Indians because of their status as
5 Indians.

6 (6) LOW-INCOME HOUSEHOLD.—The term
7 “low-income household” means a household with an
8 income equal to 80 percent or less of the applicable
9 area median income, as defined for the applicable
10 year by the Secretary of Housing and Urban Devel-
11 opment.

12 (7) MULTI-FAMILY AFFORDABLE HOUSING.—
13 The term “multi-family affordable housing” means
14 any federally subsidized affordable housing complex
15 in which at least 50 percent of the units are reserved
16 for low-income households.

17 (8) NATIVE HAWAIIAN COMMUNITY-BASED OR-
18 GANIZATION.—The term “Native Hawaiian commu-
19 nity-based organization” means any organization
20 that is composed primarily of Native Hawaiians
21 from a specific community and that assists in the
22 social, cultural, and educational development of Na-
23 tive Hawaiians in that community.

1 (9) PHOTOVOLTAIC SOLAR ELECTRICITY GEN-
2 ERATING FACILITY.—The term “photovoltaic solar
3 electricity generating facility” means—

4 (A) a generator that creates electricity
5 from light photons; and

6 (B) the accompanying hardware enabling
7 that electricity to flow—

8 (i) onto the electric grid; or

9 (ii) into an energy storage device.

10 (10) SECRETARY.—The term “Secretary”
11 means the Secretary of Energy.

12 (11) SUBSCRIBER.—The term “subscriber”
13 means an electricity consumer who owns a subscrip-
14 tion, or an equivalent unit or share of the capacity
15 or generation, of a community solar facility.

16 (12) SUBSCRIPTION.—The term “subscription”
17 means a share in the capacity, or a proportional in-
18 terest in the solar electricity generation, of a com-
19 munity solar facility.

20 (13) UNDERSERVED AREA.—The term “under-
21 served area” means—

22 (A) a geographical area with low or no
23 photovoltaic solar deployment, as determined by
24 the Secretary; or

1 (B) trust land, as defined in section 3765
2 of title 38, United States Code.

3 (b) ESTABLISHMENT OF LOAN AND GRANT PRO-
4 GRAM.—

5 (1) IN GENERAL.—The Secretary shall establish
6 a program under which the Secretary shall provide
7 loans and grants to eligible entities for use in ac-
8 cordance with this section.

9 (2) FUNDING.—

10 (A) IN GENERAL.—Subject to the avail-
11 ability of appropriations, the Secretary shall
12 make grants and issue loans in accordance with
13 this subsection.

14 (B) LOANS.—Not more than 50 percent of
15 funds made available pursuant to subparagraph
16 (A) for a fiscal year shall be used to provide
17 loans to eligible entities for—

18 (i) construction or installation of com-
19 munity solar facilities; or

20 (ii) construction or installation of pho-
21 tovoltaic solar electricity generating facili-
22 ties to serve multi-family affordable hous-
23 ing.

24 (C) GRANTS.—After allocating amounts to
25 carry out subparagraph (B), the Secretary shall

1 use the remaining funds made available pursu-
2 ant to subparagraph (A) for a fiscal year to
3 provide grants to eligible entities for eligible
4 uses described in subsection (e).

5 (3) GOALS AND ACCOUNTABILITY.—In pro-
6 viding loans and grants under this subsection, the
7 Secretary shall take such actions as may be nec-
8 essary to ensure that—

9 (A) the assistance provided under this sub-
10 section is used to facilitate and encourage inno-
11 vative solar installation and financing models,
12 under which the recipients develop and install
13 photovoltaic solar electricity generating facilities
14 that provide significant savings to low-income
15 households while providing job training or com-
16 munity engagement opportunities with respect
17 to each solar system installed;

18 (B) the photovoltaic solar electricity gener-
19 ating facilities installed using assistance pro-
20 vided under this subsection are safe, high-qual-
21 ity systems that comply with local building and
22 safety codes and standards;

23 (C) the program under this section estab-
24 lishes and fosters a partnership between the
25 Federal Government and eligible entities, re-

1 sulting in efficient development of solar installa-
2 tions with—

3 (i) minimal governmental intervention;

4 (ii) limited governmental regulation;

5 and

6 (iii) significant involvement by non-
7 profit and private entities;

8 (D) photovoltaic solar electricity generating
9 facilities installed using assistance provided
10 under this subsection—

11 (i) include job training and commu-
12 nity participation to the extent practicable;

13 and

14 (ii) may include community participa-
15 tion in which job trainees and volunteers
16 assist in the development of solar projects;

17 (E) assistance provided under this sub-
18 section prioritizes development in underserved
19 areas;

20 (F) photovoltaic solar electricity generating
21 facilities are developed using assistance pro-
22 vided under this subsection on a geographically
23 diverse basis among the eligible entities; and

24 (G) to the maximum extent practicable,
25 solar installation activities for which assistance

1 is provided under this section leverage, or con-
2 nect grant-eligible households to, federally or lo-
3 cally subsidized weatherization and energy effi-
4 ciency efforts that meet or exceed local energy
5 efficiency standards.

6 (c) NATIONAL COMPETITION.—

7 (1) IN GENERAL.—The Secretary shall select el-
8 igible entities to receive loans or grants under this
9 section through a nationwide competitive process, to
10 be established by the Secretary.

11 (2) APPLICATIONS.—To be eligible to receive a
12 loan or grant under this section, an eligible entity
13 shall submit to the Secretary an application at such
14 time, in such manner, and containing such informa-
15 tion as the Secretary may require.

16 (3) REQUIREMENTS.—In selecting eligible enti-
17 ties to receive loans or grants under this section, the
18 Secretary shall, at a minimum—

19 (A) require that the eligible entity—

20 (i) enter into a grant or loan agree-
21 ment, as applicable, under subsection (d);
22 and

23 (ii) has obtained financial commit-
24 ments (or has demonstrated the capacity

1 to obtain financial commitments) necessary
2 to comply with that agreement;

3 (B) ensure that loans and grants are pro-
4 vided, and amounts are used, in a manner that
5 results in geographical diversity throughout the
6 United States and within States, territories,
7 and Indian tribal land among photovoltaic solar
8 electricity generating facilities installed using
9 the assistance provided under this section;

10 (C) to the maximum extent practicable, ex-
11 pand photovoltaic solar energy availability to—

12 (i) geographical areas, throughout the
13 United States and within States, terri-
14 tories, and Indian tribal land, with—

15 (I) low photovoltaic solar pene-
16 tration; or

17 (II) areas with a higher cost bur-
18 den with respect to the deployment or
19 installation of photovoltaic solar elec-
20 tricity generating facilities;

21 (ii) rural areas;

22 (iii) Indian tribes; and

23 (iv) other underserved areas, including
24 Appalachian and Alaska Native commu-
25 nities;

1 (D) take into account the warranty period
2 and quality of the applicable photovoltaic solar
3 electricity generating facility equipment and any
4 necessary interconnecting equipment; and

5 (E) ensure all calculations for estimated
6 household energy savings are based solely on
7 electricity offsets from the photovoltaic solar
8 electricity generating facilities.

9 (d) LOAN AND GRANT AGREEMENTS.—

10 (1) IN GENERAL.—As a condition of receiving a
11 loan or grant under this section, an eligible entity
12 shall enter into a loan or grant agreement, as appli-
13 cable, with the Secretary.

14 (2) REQUIREMENTS.—A loan or grant agree-
15 ment under this subsection shall—

16 (A) require the Secretary to rescind any
17 amounts provided to the eligible entity that are
18 not used during the 2-year period beginning on
19 the date on which the amounts are initially dis-
20 tributed to the eligible entity, except in any case
21 in which the eligible entity has demonstrated to
22 the satisfaction of the Secretary that a longer
23 period, not to exceed 3 years after the date of
24 initial distribution, is necessary to deliver pro-
25 posed services;

1 (B) for a loan provided under this section,
2 establish—

3 (i) an interest rate equal to the then-
4 current cost of funds to the Department of
5 the Treasury for obligations of comparable
6 maturity to the loan; and

7 (ii) a payout time that maximizes the
8 savings to subscribers during the effective
9 period of the agreement; and

10 (C) contain such other terms as the Sec-
11 retary may require to ensure compliance with
12 the requirements of this section.

13 (e) USE.—An eligible entity shall use a loan or grant
14 provided under this section only for the following activi-
15 ties, for the purpose of developing new photovoltaic solar
16 electricity generating facilities in the United States for
17 low-income households and individuals who otherwise
18 would likely be unable to afford or purchase photovoltaic
19 solar electricity generating facilities:

20 (1) PHOTOVOLTAIC SOLAR EQUIPMENT AND IN-
21 STALLATION.—To pay the costs of—

22 (A) photovoltaic solar equipment and stor-
23 age and all hardware or software components
24 relating to safely producing, monitoring, and

1 connecting the system to the electric grid or on-
2 site storage; and

3 (B) installation, including all direct labor
4 costs associated with installing the photovoltaic
5 solar equipment and storage.

6 (2) JOB TRAINING.—To fund onsite job train-
7 ing and community or volunteer engagement, includ-
8 ing—

9 (A) job training costs directly associated
10 with the solar projects funded under this sec-
11 tion; and

12 (B) job training opportunities that may
13 cover the full range of the solar value chain,
14 such as marketing and outreach, customer ac-
15 quisition, system design, and installation posi-
16 tions.

17 (3) DEPLOYMENT SUPPORT.—To fund entities
18 that have a demonstrated ability, as determined by
19 the Secretary—

20 (A) to advise State and local entities re-
21 garding low-income solar policy, regulatory, and
22 program design to continue and expand the
23 work of the entities;

24 (B) to foster community outreach and edu-
25 cation regarding the benefits of photovoltaic

1 solar energy for low-income and disadvantaged
2 communities; or

3 (C) to provide apprenticeship program op-
4 portunities registered and approved by—

5 (i) the Office of Apprenticeship of the
6 Department of Labor pursuant to part 29
7 of title 29, Code of Federal Regulations (or
8 successor regulations); or

9 (ii) a State Apprenticeship Agency
10 recognized by that Office.

11 (4) ADMINISTRATION.—To pay the administra-
12 tive expenses of the eligible entity, including
13 preproject feasibility efforts, associated with deliv-
14 ering proposed services, subject to the requirement
15 that not more than 15 percent of the total amount
16 of the assistance provided to the eligible entity under
17 this section may be used for administrative expenses.

18 (f) COMPLIANCE.—

19 (1) RECORDS AND AUDITS.—During the period
20 beginning on the date of initial distribution to an eli-
21 gible entity of a loan or grant under this section and
22 ending on the termination date of the loan or grant
23 under subsection (g), the eligible entity shall main-
24 tain such records and adopt such administrative
25 practices as the Secretary may require to ensure

1 compliance with the requirements of this section and
2 the applicable loan or grant agreement.

3 (2) DETERMINATION BY SECRETARY.—If the
4 Secretary determines that an eligible entity that re-
5 ceives a grant or loan under this section has not,
6 during the 2-year period beginning on the date of
7 initial distribution to the eligible entity of the assist-
8 ance (or such longer period as is established under
9 subsection (d)(2)(B)), substantially fulfilled the obli-
10 gations of the eligible entity under the applicable
11 loan or grant agreement, the Secretary shall—

12 (A) rescind the balance of any funds dis-
13 tributed to, but not used by, the eligible entity
14 under this section; and

15 (B) use those amounts to provide other
16 loans or grants in accordance with this section.

17 (g) TERMINATION.—The Secretary shall terminate a
18 loan or grant provided under this section on a determina-
19 tion that the total amount of the loan or grant (excluding
20 any interest, fees, and other earnings of the loan or grant)
21 has been—

22 (1) fully expended by the eligible entity; or

23 (2) returned to the Secretary.

24 (h) REGULATIONS.—Not later than 90 days after the
25 date of enactment of this Act, the Secretary shall promul-

1 gate such regulations as the Secretary determines to be
2 necessary to carry out this section, to take effect on the
3 date of promulgation.

4 (i) FUNDING.—There is authorized to be appro-
5 priated to the Secretary to carry out this section
6 \$200,000,000 for each of fiscal years 2018 through 2022,
7 to remain available until expended.

8 **PART 2—SAFE, AFFORDABLE, AND ENVIRON-**
9 **MENTALLY SOUND NATURAL GAS DISTRIBUTI-**
10 **ON**

11 **SEC. 33201. IMPROVING THE NATURAL GAS DISTRIBUTION**
12 **SYSTEM.**

13 (a) ESTABLISHMENT OF PROGRAM.—The Secretary
14 of Energy shall establish a program to award grants to
15 States, in accordance with this section, for the purpose
16 of providing incentives for natural gas distribution compa-
17 nies to improve the public safety and environmental per-
18 formance of the natural gas distribution system.

19 (b) GRANTS TO STATES.—

20 (1) IN GENERAL.—A State may apply for a
21 grant under this section to provide funds to natural
22 gas distribution companies in the State that are car-
23 rying out an eligible project.

24 (2) REQUIREMENTS.—In applying for a grant
25 under this section, a State shall demonstrate how

1 the State rate-setting program will ensure that
2 funds provided to natural gas distribution companies
3 under this section are used in accordance with the
4 requirements of this section.

5 (c) ELIGIBLE PROJECTS.—A project that is eligible
6 to be funded through a grant to a State under this section
7 is a project carried out by a natural gas distribution com-
8 pany to accelerate, expand, or enhance the implementation
9 of a plan approved by the State before the date of enact-
10 ment of this section for—

11 (1) replacement of cast and wrought iron and
12 bare steel pipes and other leak-prone components of
13 the natural gas distribution system; or

14 (2) inspection and maintenance programs for
15 the natural gas distribution system.

16 (d) RATE ASSISTANCE.—A natural gas distribution
17 company receiving funds through a grant to a State under
18 this section may use such funds only to offset the near-
19 term incremental costs, as reflected in rate increases to
20 low-income households, of the eligible project.

21 (e) LIMIT TO TRANSITIONAL ASSISTANCE.—A State
22 may provide funds to a natural gas company under this
23 section for a period not to exceed 4 years.

24 (f) PRIORITIZATION.—In awarding grants under this
25 section, the Secretary shall prioritize applications based

1 on the expected results of the State proposal with respect
2 to—

- 3 (1) quantifiable benefits for public safety;
- 4 (2) the magnitude of methane emissions reduc-
5 tions;
- 6 (3) innovation in technical or policy approaches;
- 7 (4) the number of low-income households antici-
8 pated to benefit from the assistance; and
- 9 (5) overall cost-effectiveness.

10 (g) AUDITING AND REPORTING REQUIREMENTS.—

11 The Secretary shall establish auditing and reporting re-
12 quirements for States with respect to grants awarded
13 under this section.

14 (h) DEFINITIONS.—In this section:

15 (1) LOW-INCOME HOUSEHOLD.—The term
16 “low-income household” means a household that is
17 eligible to receive payments under section 2605(b)(2)
18 of the Low-Income Home Energy Assistance Act of
19 1981 (42 U.S.C. 8624(b)(2)).

20 (2) NATURAL GAS DISTRIBUTION COMPANY.—

21 The term “natural gas distribution company” means
22 a person or municipality engaged in the local dis-
23 tribution of natural gas to the public.

24 (3) NATURAL GAS DISTRIBUTION SYSTEM.—

25 The term “natural gas distribution system” means

1 the facilities used for the local distribution of nat-
2 ural gas.

3 (i) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to the Secretary to carry
5 out this section \$150,000,000 per fiscal year, with the
6 total amount not to exceed \$1,500,000,000.

7 **PART 3—CLEAN DISTRIBUTED ENERGY**

8 **PROGRAM**

9 **SEC. 33301. SHORT TITLE.**

10 This part may be cited as the “Local Energy Supply
11 and Resiliency Act of 2017”.

12 **SEC. 33302. DEFINITIONS.**

13 In this part:

14 (1) COMBINED HEAT AND POWER SYSTEM.—

15 The term “combined heat and power system” means
16 generation of electric energy and heat in a single, in-
17 tegrated system that meets the efficiency criteria in
18 clauses (ii) and (iii) of section 48(c)(3)(A) of the In-
19 ternal Revenue Code of 1986, under which heat that
20 is conventionally rejected is recovered and used to
21 meet thermal energy requirements.

22 (2) DEMAND RESPONSE.—The term “demand
23 response” means changes in electric usage by elec-
24 tric utility customers from the normal consumption
25 patterns of the customers in response to—

1 (A) changes in the price of electricity over
2 time; or

3 (B) incentive payments designed to induce
4 lower electricity use at times of high wholesale
5 market prices or when system reliability is jeop-
6 ardized.

7 (3) DISTRIBUTED ENERGY.—The term “distrib-
8 uted energy” means energy sources and systems
9 that—

10 (A) produce electric or thermal energy
11 close to the point of use using renewable energy
12 resources or waste thermal energy;

13 (B) generate electricity using a combined
14 heat and power system;

15 (C) distribute electricity in microgrids;

16 (D) store electric or thermal energy; or

17 (E) distribute thermal energy or transfer
18 thermal energy to building heating and cooling
19 systems through a district energy system.

20 (4) DISTRICT ENERGY SYSTEM.—The term
21 “district energy system” means a system that pro-
22 vides thermal energy to buildings and other energy
23 consumers from one or more plants to individual
24 buildings to provide space heating, air conditioning,

1 domestic hot water, industrial process energy, and
2 other end uses.

3 (5) ISLANDING.—The term “islanding” means
4 a distributed generator or energy storage device con-
5 tinuing to power a location in the absence of electric
6 power from the primary source.

7 (6) LOAN.—The term “loan” has the meaning
8 given the term “direct loan” in section 502 of the
9 Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

10 (7) MICROGRID.—The term “microgrid” means
11 an integrated energy system consisting of inter-
12 connected loads and distributed energy resources, in-
13 cluding generators and energy storage devices, with-
14 in clearly defined electrical boundaries that—

15 (A) acts as a single controllable entity with
16 respect to the grid; and

17 (B) can connect and disconnect from the
18 grid to operate in both grid-connected mode
19 and island mode.

20 (8) RENEWABLE ENERGY RESOURCE.—The
21 term “renewable energy resource” includes—

22 (A) biomass;

23 (B) geothermal energy;

24 (C) hydropower;

25 (D) landfill gas;

- 1 (E) municipal solid waste;
- 2 (F) ocean (including tidal, wave, current,
3 and thermal) energy;
- 4 (G) organic waste;
- 5 (H) photosynthetic processes;
- 6 (I) photovoltaic energy;
- 7 (J) solar energy; and
- 8 (K) wind.

9 (9) RENEWABLE THERMAL ENERGY.—The term
10 “renewable thermal energy” means heating or cool-
11 ing energy derived from a renewable energy re-
12 source.

13 (10) SECRETARY.—The term “Secretary”
14 means the Secretary of Energy.

15 (11) THERMAL ENERGY.—The term “thermal
16 energy” means—

17 (A) heating energy in the form of hot
18 water or steam that is used to provide space
19 heating, domestic hot water, or process heat; or

20 (B) cooling energy in the form of chilled
21 water, ice, or other media that is used to pro-
22 vide air conditioning, or process cooling.

23 (12) WASTE THERMAL ENERGY.—The term
24 “waste thermal energy” means energy that—

25 (A) is contained in—

1 (i) exhaust gases, exhaust steam, con-
2 denser water, jacket cooling heat, or lubri-
3 cating oil in power generation systems;

4 (ii) exhaust heat, hot liquids, or flared
5 gas from any industrial process;

6 (iii) waste gas or industrial tail gas
7 that would otherwise be flared, incinerated,
8 or vented;

9 (iv) a pressure drop in any gas, ex-
10 cluding any pressure drop to a condenser
11 that subsequently vents the resulting heat;

12 (v) condenser water from chilled water
13 or refrigeration plants; or

14 (vi) any other form of waste energy,
15 as determined by the Secretary; and

16 (B)(i) in the case of an existing facility, is
17 not being used; or

18 (ii) in the case of a new facility, is not con-
19 ventionally used in comparable systems.

20 **SEC. 33303. DISTRIBUTED ENERGY LOAN PROGRAM.**

21 (a) LOAN PROGRAM.—

22 (1) IN GENERAL.—Subject to the provisions of
23 this subsection and subsections (b) and (c), the Sec-
24 retary shall establish a program to provide to eligible
25 entities—

1 (A) loans for the deployment of distributed
2 energy systems in a specific project; and

3 (B) loans to provide funding for programs
4 to finance the deployment of multiple distrib-
5 uted energy systems through a revolving loan
6 fund, credit enhancement program, or other fi-
7 nancial assistance program.

8 (2) ELIGIBILITY.—Entities eligible to receive a
9 loan under paragraph (1) include—

10 (A) a State, territory, or possession of the
11 United States;

12 (B) a State energy office;

13 (C) a tribal organization (as defined in sec-
14 tion 4 of the Indian Self-Determination and
15 Education Assistance Act (25 U.S.C. 5304));

16 (D) an institution of higher education (as
17 defined in section 101 of the Higher Education
18 Act of 1965 (20 U.S.C. 1001)); and

19 (E) an electric utility, including—

20 (i) a rural electric cooperative;

21 (ii) a municipally owned electric util-
22 ity; and

23 (iii) an investor-owned utility.

24 (3) SELECTION REQUIREMENTS.—In selecting
25 eligible entities to receive loans under this section,

1 the Secretary shall, to the maximum extent prac-
2 ticable, ensure—

3 (A) regional diversity among eligible enti-
4 ties to receive loans under this section, includ-
5 ing participation by rural States and small
6 States; and

7 (B) that specific projects selected for
8 loans—

9 (i) expand on the existing technology
10 deployment program of the Department of
11 Energy; and

12 (ii) are designed to achieve one or
13 more of the objectives described in para-
14 graph (4).

15 (4) OBJECTIVES.—Each deployment selected
16 for a loan under paragraph (1) shall promote one or
17 more of the following objectives:

18 (A) Improved security and resiliency of en-
19 ergy supply in the event of disruptions caused
20 by extreme weather events, grid equipment or
21 software failure, or terrorist acts.

22 (B) Implementation of distributed energy
23 in order to increase use of local renewable en-
24 ergy resources and waste thermal energy
25 sources.

1 (C) Enhanced feasibility of microgrids, de-
2 mand response, or islanding.

3 (D) Enhanced management of peak loads
4 for consumers and the grid.

5 (E) Enhanced reliability in rural areas, in-
6 cluding high energy cost rural areas.

7 (5) RESTRICTION ON USE OF FUNDS.—Any eli-
8 gible entity that receives a loan under paragraph (1)
9 may only use the loan to fund programs relating to
10 the deployment of distributed energy systems.

11 (b) LOAN TERMS AND CONDITIONS.—

12 (1) TERMS AND CONDITIONS.—Notwithstanding
13 any other provision of law, in providing a loan under
14 this section, the Secretary shall provide the loan on
15 such terms and conditions as the Secretary deter-
16 mines, after consultation with the Secretary of the
17 Treasury, in accordance with this section.

18 (2) SPECIFIC APPROPRIATION.—No loan shall
19 be made unless an appropriation for the full amount
20 of the loan has been specifically provided for that
21 purpose.

22 (3) REPAYMENT.—No loan shall be made un-
23 less the Secretary determines that there is reason-
24 able prospect of repayment of the principal and in-
25 terest by the borrower of the loan.

1 (4) INTEREST RATE.—A loan provided under
2 this section shall bear interest at a fixed rate that
3 is equal or approximately equal, in the determination
4 of the Secretary, to the interest rate for Treasury
5 securities of comparable maturity.

6 (5) TERM.—The term of the loan shall require
7 full repayment over a period not to exceed the lesser
8 of—

9 (A) 20 years; or

10 (B) 90 percent of the projected useful life
11 of the physical asset to be financed by the loan
12 (as determined by the Secretary).

13 (6) USE OF PAYMENTS.—Payments of principal
14 and interest on the loan shall—

15 (A) be retained by the Secretary to support
16 energy research and development activities; and

17 (B) remain available until expended, sub-
18 ject to such conditions as are contained in an-
19 nual appropriations Acts.

20 (7) NO PENALTY ON EARLY REPAYMENT.—The
21 Secretary may not assess any penalty for early re-
22 payment of a loan provided under this section.

23 (8) RETURN OF UNUSED PORTION.—In order to
24 receive a loan under this section, an eligible entity
25 shall agree to return to the general fund of the

1 Treasury any portion of the loan amount that is un-
2 used by the eligible entity within a reasonable period
3 of time after the date of the disbursement of the
4 loan, as determined by the Secretary.

5 (9) COMPARABLE WAGE RATES.—Each laborer
6 and mechanic employed by a contractor or subcon-
7 tractor in performance of construction work fi-
8 nanced, in whole or in part, by the loan shall be paid
9 wages at rates not less than the rates prevailing on
10 similar construction in the locality as determined by
11 the Secretary of Labor in accordance with sub-
12 chapter IV of chapter 31 of title 40, United States
13 Code.

14 (c) RULES AND PROCEDURES; DISBURSEMENT OF
15 LOANS.—

16 (1) RULES AND PROCEDURES.—Not later than
17 180 days after the date of enactment of this Act, the
18 Secretary shall adopt rules and procedures for car-
19 rying out the loan program under subsection (a).

20 (2) DISBURSEMENT OF LOANS.—Not later than
21 1 year after the date on which the rules and proce-
22 dures under paragraph (1) are established, the Sec-
23 retary shall disburse the initial loans provided under
24 this section.

1 (d) REPORTS.—Not later than 2 years after the date
2 of receipt of the loan, and annually thereafter for the term
3 of the loan, an eligible entity that receives a loan under
4 this section shall submit to the Secretary a report describ-
5 ing the performance of each program and activity carried
6 out using the loan, including itemized loan performance
7 data.

8 (e) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated to carry out this section
10 such sums as are necessary.

11 **SEC. 33304. TECHNICAL ASSISTANCE AND GRANT PRO-**
12 **GRAM.**

13 (a) ESTABLISHMENT.—

14 (1) IN GENERAL.—The Secretary shall establish
15 a technical assistance and grant program (referred
16 to in this section as the “program”)—

17 (A) to disseminate information and provide
18 technical assistance directly to eligible entities
19 so the eligible entities can identify, evaluate,
20 plan, and design distributed energy systems;
21 and

22 (B) to make grants to eligible entities so
23 that the eligible entities may contract to obtain
24 technical assistance to identify, evaluate, plan,
25 and design distributed energy systems.

1 (2) TECHNICAL ASSISTANCE.—The technical
2 assistance described in paragraph (1) shall include
3 assistance with one or more of the following activi-
4 ties relating to distributed energy systems:

5 (A) Identification of opportunities to use
6 distributed energy systems.

7 (B) Assessment of technical and economic
8 characteristics.

9 (C) Utility interconnection.

10 (D) Permitting and siting issues.

11 (E) Business planning and financial anal-
12 ysis.

13 (F) Engineering design.

14 (3) INFORMATION DISSEMINATION.—The infor-
15 mation disseminated under paragraph (1)(A) shall
16 include—

17 (A) information relating to the topics de-
18 scribed in paragraph (2), including case studies
19 of successful examples;

20 (B) computer software and databases for
21 assessment, design, and operation and mainte-
22 nance of distributed energy systems; and

23 (C) public databases that track the oper-
24 ation and deployment of existing and planned
25 distributed energy systems.

1 (b) ELIGIBILITY.—Any nonprofit or for-profit entity
2 shall be eligible to receive technical assistance and grants
3 under the program.

4 (c) APPLICATIONS.—

5 (1) IN GENERAL.—An eligible entity desiring
6 technical assistance or grants under the program
7 shall submit to the Secretary an application at such
8 time, in such manner, and containing such informa-
9 tion as the Secretary may require.

10 (2) APPLICATION PROCESS.—The Secretary
11 shall seek applications for technical assistance and
12 grants under the program—

13 (A) on a competitive basis; and

14 (B) on a periodic basis, but not less fre-
15 quently than once every 12 months.

16 (3) PRIORITIES.—In selecting eligible entities
17 for technical assistance and grants under the pro-
18 gram, the Secretary shall give priority to eligible en-
19 tities with projects that have the greatest potential
20 for—

21 (A) facilitating the use of renewable energy
22 resources;

23 (B) strengthening the reliability and resil-
24 iency of energy infrastructure to the impact of

1 extreme weather events, power grid failures,
2 and interruptions in supply of fossil fuels;

3 (C) improving the feasibility of microgrids
4 or islanding, particularly in rural areas, includ-
5 ing high energy cost rural areas;

6 (D) minimizing environmental impact, in-
7 cluding regulated air pollutants and greenhouse
8 gas emissions; and

9 (E) maximizing local job creation.

10 (d) GRANTS.—On application by an eligible entity,
11 the Secretary may award grants to the eligible entity to
12 provide funds to cover not more than—

13 (1) 100 percent of the costs of the initial as-
14 sessment to identify opportunities;

15 (2) 75 percent of the cost of feasibility studies
16 to assess the potential for the implementation;

17 (3) 60 percent of the cost of guidance on over-
18 coming barriers to implementation, including finan-
19 cial, contracting, siting, and permitting issues; and

20 (4) 45 percent of the cost of detailed engineer-
21 ing.

22 (e) RULES AND PROCEDURES.—

23 (1) RULES.—Not later than 180 days after the
24 date of enactment of this Act, the Secretary shall

1 adopt rules and procedures for carrying out the pro-
2 gram.

3 (2) GRANTS.—Not later than 120 days after
4 the date of issuance of the rules and procedures for
5 the program, the Secretary shall issue grants under
6 this part.

7 (f) REPORTS.—The Secretary shall submit to Con-
8 gress and make available to the public—

9 (1) not less frequently than once every 2 years,
10 a report describing the performance of the program
11 under this section, including a synthesis and analysis
12 of the information provided in the reports submitted
13 to the Secretary under section 33303(d); and

14 (2) on termination of the program under this
15 section, an assessment of the success of, and edu-
16 cation provided by, the measures carried out by eli-
17 gible entities during the term of the program.

18 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
19 authorized to be appropriated to carry out this section
20 \$250,000,000 for the period of fiscal years 2018 through
21 2022, to remain available until expended.

1 “(2) RESERVE.—The term ‘Reserve’ means the
2 Southeast Refined Product Reserve established
3 under this part.

4 “(3) SOUTHEAST.—The term ‘Southeast’
5 means the States of North Carolina, South Carolina,
6 Georgia, Florida, Alabama, and any other contig-
7 uous State that the Secretary, by rule, determines to
8 include.

9 **“SEC. 192. ESTABLISHMENT.**

10 “(a) IN GENERAL.—The Secretary shall establish,
11 maintain, and operate in the Southeast a Southeast Re-
12 fined Product Reserve, which shall be a component of the
13 Strategic Petroleum Reserve established under part B of
14 this title.

15 “(b) LIMITATION.—A Reserve established under this
16 part shall contain no more than 1 million barrels of refined
17 petroleum products.

18 “(c) APPLICATION OF PROVISIONS.—Except as oth-
19 erwise provided in this part, the authorities and require-
20 ments of part B of this title shall apply to the Reserve.

21 **“SEC. 193. CONDITIONS FOR RELEASE; PLAN.**

22 “(a) SALE OF PRODUCTS.—The Secretary may sell
23 refined petroleum products from the Reserve upon a find-
24 ing by the President that there exists, or is likely to exist
25 within the next 30 days, a severe energy supply interrup-

1 tion. Such a finding may be made only if the President
2 determines that—

3 “(1) a dislocation in the refined petroleum
4 product market has resulted or is likely to result
5 from such interruption; or

6 “(2) a circumstance, other than that described
7 in paragraph (1), exists that constitutes a regional
8 supply shortage of significant scope and duration
9 and that action taken under this section would assist
10 directly and significantly in reducing the adverse im-
11 pact of such shortage.

12 “(b) RELEASE OF PETROLEUM.—After consultation
13 with potentially affected parties, the Secretary shall deter-
14 mine procedures governing the release of refined petro-
15 leum products from the Reserve. The procedures shall pro-
16 vide that—

17 “(1) the Secretary may—

18 “(A) sell refined petroleum products from
19 the Reserve through a competitive process; or

20 “(B) enter into exchange agreements for
21 the refined petroleum products that results in
22 the Secretary receiving a greater volume of such
23 products as repayment than the volume pro-
24 vided to the acquirer;

1 “(2) in all sales or exchanges described in para-
2 graph (1), the Secretary shall receive revenue or its
3 equivalent in refined petroleum products that pro-
4 vides the Department with fair market value;

5 “(3) at no time may refined petroleum products
6 be sold or exchanged resulting in a loss of revenue
7 or value to the United States; and

8 “(4) the Secretary shall only sell or dispose of
9 refined petroleum products in the Reserve to entities
10 customarily engaged in the sale and distribution of
11 such products.

12 “(c) PLAN.—Not later than 60 days after the date
13 of the enactment of this section, the Secretary shall trans-
14 mit to the President and, if the President approves, to
15 Congress a plan describing—

16 “(1) the acquisition of storage and related fa-
17 cilities or storage services for the Reserve, including
18 the potential use of storage facilities not currently in
19 use;

20 “(2) the acquisition of refined petroleum prod-
21 ucts for storage in the Reserve;

22 “(3) the anticipated methods of disposition of
23 refined petroleum products from the Reserve;

24 “(4) the estimated costs of establishment, main-
25 tenance, and operation of the Reserve;

1 “(5) efforts the Department will take to mini-
2 mize any potential need for future drawdowns and
3 ensure that distributors and importers are not dis-
4 couraged from maintaining and increasing supplies
5 to the Southeast; and

6 “(6) actions to ensure quality of the refined pe-
7 troleum products in the Reserve.

8 **“SEC. 194. PRODUCTS FOR STORAGE IN THE RESERVE.**

9 “(a) IN GENERAL.—The Secretary may acquire,
10 place in storage, transport, or exchange refined petroleum
11 products acquired by purchase or exchange.

12 “(b) OBJECTIVES.—The Secretary shall, to the great-
13 est extent practicable, acquire refined petroleum products
14 for the Reserve in a manner consonant with the following
15 objectives:

16 “(1) Minimization of the cost of the Reserve.

17 “(2) Minimization of the Nation’s vulnerability
18 to a severe energy supply interruption.

19 “(3) Minimization of the impact of an acquisi-
20 tion of refined petroleum products on supply levels
21 and market forces.

22 “(4) Encouragement of competition in the pe-
23 troleum industry.

24 “(b) PROCEDURES.—The Secretary shall develop,
25 with public notice and opportunity for comment, proce-

1 dures consistent with the objectives of this section to ac-
2 quire refined petroleum products for the Reserve. Such
3 procedures shall take into account the need to—

4 “(1) maximize overall domestic supply of re-
5 fined petroleum products (including quantities stored
6 in private sector inventories);

7 “(2) avoid incurring excessive cost or appre-
8 ciably affecting the price of petroleum products to
9 consumers;

10 “(3) minimize the costs to the Department of
11 Energy in acquiring such refined petroleum prod-
12 ucts;

13 “(4) protect national security;

14 “(5) avoid adversely affecting current and fu-
15 tures prices, supplies, and inventories of refined pe-
16 troleum products; and

17 “(6) address such other factors that the Sec-
18 retary determines to be appropriate.

19 “(c) SEVERE ENERGY SUPPLY DISRUPTION.—If the
20 Secretary finds that a severe energy supply interruption
21 may be imminent, the Secretary may suspend the acquisi-
22 tion of refined petroleum products for the Reserve and
23 may sell any refined petroleum product acquired for, and
24 in transit to, the Reserve.”.

1 (b) TECHNICAL AND CONFORMING AMENDMENT.—
 2 The table of sections for title I of the Energy Policy and
 3 Conservation Act is amended by striking the items relating
 4 to the second part D, including section 181 of such part,
 5 and inserting the following:

“PART E—SOUTHEAST REFINED PRODUCT RESERVE

“Sec. 191. Definitions.

“Sec. 192. Establishment.

“Sec. 193. Conditions for release; plan.

“Sec. 194. Products for storage in the Reserve.”.

6 **Subtitle D—Smart Communities**
 7 **Infrastructure**

8 **SEC. 34001. 3C ENERGY PROGRAM.**

9 (a) ESTABLISHMENT.—The Secretary of Energy
 10 shall establish a program to be known as the Cities, Coun-
 11 ties, and Communities Energy Program (or the 3C Energy
 12 Program) to provide technical assistance and competitively
 13 awarded grants to local governments, public housing au-
 14 thorities, nonprofit organizations, and other entities the
 15 Secretary determines to be eligible, to incorporate clean
 16 energy into community development and revitalization ef-
 17 forts.

18 (b) BEST PRACTICE MODELS.—The Secretary of En-
 19 ergy shall—

20 (1) provide a recipient of technical assistance or
 21 a grant under the program established under sub-

1 section (a) with best practice models that are used
2 in jurisdictions of similar size and situation; and

3 (2) assist such recipient in developing and im-
4 plementing strategies to achieve its clean energy
5 technology goals.

6 (c) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to carry out this section
8 \$50,000,000 for each of fiscal years 2018 through 2022.

9 **SEC. 34002. FEDERAL TECHNOLOGY ASSISTANCE.**

10 (a) SMART CITY OR COMMUNITY ASSISTANCE PILOT
11 PROGRAM.—

12 (1) IN GENERAL.—The Secretary of Energy
13 shall develop and implement a pilot program under
14 which the Secretary shall contract with the national
15 laboratories to provide technical assistance to cities
16 and communities, to improve the access of such cit-
17 ies and communities to expertise, competencies, and
18 infrastructure of the national laboratories for the
19 purpose of promoting smart city or community tech-
20 nologies.

21 (2) PARTNERSHIPS.—In carrying out the pro-
22 gram under this subsection, the Secretary of Energy
23 shall prioritize assistance for cities and communities
24 that have partnered with small business concerns.

1 (b) TECHNOLOGIST IN RESIDENCE PILOT PRO-
2 GRAM.—

3 (1) IN GENERAL.—The Secretary of Energy
4 shall expand the Technologist in Residence pilot pro-
5 gram of the Department of Energy to include part-
6 nerships between national laboratories and local gov-
7 ernments with respect to research and development
8 relating to smart cities and communities.

9 (2) REQUIREMENTS.—For purposes of the part-
10 nerships entered into under paragraph (1), tech-
11 nologists in residence shall work with an assigned
12 unit of local government to develop an assessment of
13 smart city or community technologies available and
14 appropriate to meet the objectives of the city or
15 community, in consultation with private sector enti-
16 ties implementing smart city or community tech-
17 nologies.

18 (c) GUIDANCE.—The Secretary of Energy, in con-
19 sultation with the Secretary of Commerce, shall issue
20 guidance with respect to—

21 (1) the scope of the programs established and
22 implemented under subsections (a) and (b); and

23 (2) requests for proposals from local govern-
24 ments interested in participating in such programs.

1 (d) CONSIDERATIONS.—In establishing and imple-
2 menting the programs under subsections (a) and (b), the
3 Secretary of Energy shall seek to address the needs of
4 small- and medium-sized cities.

5 (e) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to carry out this section
7 \$20,000,000 for each of fiscal years 2018 through 2022.

8 **SEC. 34003. TECHNOLOGY DEMONSTRATION GRANT PRO-**
9 **GRAM.**

10 (a) IN GENERAL.—The Secretary of Commerce shall
11 establish a smart city or community regional demonstra-
12 tion grant program under which the Secretary shall con-
13 duct demonstration projects focused on advanced smart
14 city or community technologies and systems in a variety
15 of communities, including small- and medium-sized cities.

16 (b) GOALS.—The goals of the program established
17 under subsection (a) are—

18 (1) to demonstrate—

19 (A) potential benefits of concentrated in-
20 vestments in smart city or community tech-
21 nologies relating to public safety that are re-
22 peatable and scalable; and

23 (B) the efficiency, reliability, and resilience
24 of civic infrastructure and services;

1 (2) to facilitate the adoption of advanced smart
2 city or community technologies and systems; and

3 (3) to demonstrate protocols and standards that
4 allow for the measurement and validation of the cost
5 savings and performance improvements associated
6 with the installation and use of smart city or com-
7 munity technologies and practices.

8 (c) DEMONSTRATION PROJECTS.—

9 (1) ELIGIBILITY.—Subject to paragraph (2), a
10 unit of local government shall be eligible to receive
11 a grant for a demonstration project under this sec-
12 tion.

13 (2) COOPERATION.—To qualify for a dem-
14 onstration project under this section, a unit of local
15 government shall agree to follow applicable best
16 practices identified by the Secretary of Commerce
17 and the Secretary of Energy, in consultation with in-
18 dustry entities, to evaluate the effectiveness of the
19 implemented smart city or community technologies
20 to ensure that—

21 (A) technologies and interoperability can
22 be assessed;

23 (B) best practices can be shared; and

24 (C) data can be shared in a public, inter-
25 operable, and transparent format.

1 (3) FEDERAL SHARE OF COST OF TECHNOLOGY
2 INVESTMENTS.—The Secretary of Commerce—

3 (A) subject to subparagraph (B), shall pro-
4 vide to a unit of local government selected
5 under this section for the conduct of a dem-
6 onstration project a grant in an amount equal
7 to not more than 50 percent of the total cost
8 of technology investments to incorporate and
9 assess smart city or community technologies in
10 the applicable jurisdiction; but

11 (B) may waive the cost-share requirement
12 of subparagraph (A) as the Secretary deter-
13 mines to be appropriate.

14 (d) REQUIREMENT.—In conducting demonstration
15 projects under this section, the Secretary shall—

16 (1) develop competitive, technology-neutral re-
17 quirements;

18 (2) seek to leverage ongoing or existing civic in-
19 frastructure investments; and

20 (3) take into consideration the non-Federal cost
21 share as a competitive criterion in applicant selec-
22 tion in order to leverage non-Federal investment.

23 (e) PUBLIC AVAILABILITY OF DATA AND RE-
24 PORTS.—The Secretary of Commerce shall ensure that re-
25 ports, public data sets, schematics, diagrams, and other

1 works created using a grant provided under this section
2 are—

3 (1) available on a royalty-free, non-exclusive
4 basis; and

5 (2) open to the public to reproduce, publish, or
6 otherwise use, without cost.

7 (f) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated to carry out subsection
9 (c) \$100,000,000 for each of fiscal years 2018 through
10 2022.

11 **SEC. 34004. SMART CITY OR COMMUNITY.**

12 (a) IN GENERAL.—In this subtitle, the term “smart
13 city or community” means a community in which innova-
14 tive, advanced, and trustworthy information and commu-
15 nication technologies and related mechanisms are ap-
16 plied—

17 (1) to improve the quality of life for residents;

18 (2) to increase the efficiency and cost effective-
19 ness of civic operations and services;

20 (3) to promote economic growth; and

21 (4) to create a community that is safer and
22 more secure, sustainable, resilient, livable, and work-
23 able.

24 (b) INCLUSIONS.—The term “smart city or commu-
25 nity” includes a local jurisdiction that—

1 (1) gathers and incorporates data from sys-
2 tems, devices, and sensors embedded in civic systems
3 and infrastructure to improve the effectiveness and
4 efficiency of civic operations and services;

5 (2) aggregates and analyzes gathered data;

6 (3) communicates the analysis and data in a va-
7 riety of formats;

8 (4) makes corresponding improvements to civic
9 systems and services based on gathered data; and

10 (5) integrates measures—

11 (A) to ensure the resilience of civic systems
12 against cybersecurity threats and physical and
13 social vulnerabilities and breaches;

14 (B) to protect the private data of resi-
15 dents; and

16 (C) to measure the impact of smart city or
17 community technologies on the effectiveness and
18 efficiency of civic operations and services.

19 **TITLE IV—BROWNFIELDS** 20 **REDEVELOPMENT**

21 **SEC. 40001. SHORT TITLE.**

22 This title may be cited as the “Brownfields Author-
23 ization Increase Act of 2017”.

1 **SEC. 40002. CLARIFICATION OF STATE OR LOCAL GOVERN-**
2 **MENT OWNERSHIP.**

3 Section 101(20)(D) of the Comprehensive Environ-
4 mental Response, Compensation, and Liability Act of
5 1980 (42 U.S.C. 9601(20)(D)) is amended by striking
6 “involuntarily” the first place it appears.

7 **SEC. 40003. NONPROFIT ORGANIZATION ELIGIBILITY.**

8 (a) DEFINITION OF ELIGIBLE ENTITY.—Section
9 104(k)(1) of the Comprehensive Environmental Response,
10 Compensation, and Liability Act of 1980 (42 U.S.C.
11 9604(k)(1)) is amended—

12 (1) in subparagraph (G), by striking “Alaska;
13 or” and inserting “Alaska;”;

14 (2) in subparagraph (H), by striking “Indian
15 community.” and inserting “Indian community; or”;
16 and

17 (3) by adding at the end the following new sub-
18 paragraph:

19 “(I) a nonprofit organization, including—

20 “(i) an organization described in sec-
21 tion 501(c)(3) of the Internal Revenue
22 Code of 1986 and exempt from taxation
23 under section 501(a) of such Code;

24 “(ii) a limited liability corporation in
25 which all managing members or all mem-

1 bers are organizations described under
2 clause (i);

3 “(iii) a limited partnership in which
4 all general partners are—

5 “(I) organizations described
6 under clause (i);

7 “(II) limited liability corporations
8 whose members are all organizations
9 described under clause (i); or

10 “(III) any combination of sub-
11 clauses (I) and (II); or

12 “(iv) a qualified community develop-
13 ment entity, as defined in section
14 45D(c)(1) of the Internal Revenue Code of
15 1986.”.

16 (b) CONFORMING AMENDMENTS.—Section 104(k) of
17 the Comprehensive Environmental Response, Compensa-
18 tion, and Liability Act of 1980 (42 U.S.C. 9604(k)) is
19 amended—

20 (1) in paragraph (3)—

21 (A) in subparagraph (A)(ii)—

22 (i) by striking “or nonprofit organiza-
23 tions”; and

24 (ii) by striking “or organization”; and

25 (B) in subparagraph (B)(ii)—

1 (i) by striking “or other nonprofit or-
2 ganization”; and

3 (ii) by striking “or nonprofit organiza-
4 tion”; and

5 (2) in paragraph (6)(A), by striking “or non-
6 profit organizations”.

7 **SEC. 40004. INCREASED FUNDING LIMIT FOR DIRECT REME-
8 DIATION.**

9 Section 104(k)(3)(A) of the Comprehensive Environ-
10 mental Response, Compensation, and Liability Act of
11 1980 (42 U.S.C. 9604(k)(3)(A)), as amended in section
12 40003(b) of this Act, is further amended—

13 (1) in clause (ii)—

14 (A) by striking “\$200,000” and inserting
15 “\$750,000”; and

16 (B) by inserting “, except that during the
17 period of fiscal years 2018 through 2022, the
18 President may, on not more than 2 occasions,
19 waive such \$750,000 limitation to permit the
20 entity to receive a grant in an amount not to
21 exceed \$1,500,000 for a site to be remediated
22 based on special circumstances, as determined
23 by the President” after “site to be remediated”;
24 and

25 (2) by adding after clause (ii) the following:

1 “The President may transfer any duties under this
2 subparagraph to the Administrator.”.

3 **SEC. 40005. INDIRECT COSTS.**

4 Subparagraph (B) of section 104(k)(4) of the Com-
5 prehensive Environmental Response, Compensation, and
6 Liability Act of 1980 (42 U.S.C. 9604(k)(4)) is amend-
7 ed—

8 (1) in clause (i), by striking subclause (III) and
9 redesignating subclauses (IV) and (V) as subclauses
10 (III) and (IV), respectively; and

11 (2) by striking clause (ii) and inserting the fol-
12 lowing:

13 “(ii) ACCEPTABLE USE OF FUNDS.—

14 “(I) IN GENERAL.—In addition
15 to other acceptable purposes described
16 in this subsection, a grant or loan
17 under this subsection may be used for
18 payment for the costs of—

19 “(aa) investigation and iden-
20 tification of the extent of con-
21 tamination;

22 “(bb) design and perform-
23 ance of a response action; and

24 “(cc) monitoring of a nat-
25 ural resource.

1 “(II) INDIRECT COSTS.—Not
2 more than 10 percent of a grant or
3 loan under this subsection may be
4 used for the payment of indirect
5 costs.”.

6 **SEC. 40006. ELIGIBILITY FOR FUNDING FOR BROWNFIELD**
7 **SITES ACQUIRED PRIOR TO JANUARY 11, 2002.**

8 Subparagraph (B) of section 104(k)(4) of the Com-
9 prehensive Environmental Response, Compensation, and
10 Liability Act of 1980 (42 U.S.C. 9604(k)(4)), as amended
11 in section 40005 of this Act, is further amended by strik-
12 ing clause (iii) and inserting the following:

13 “(iii) EXCEPTIONS.—Notwithstanding
14 clause (i)(III), the Administrator may use
15 funds made available to carry out this sub-
16 section for one or more of the following:

17 “(I) To make a grant under
18 paragraph (2) to an eligible entity
19 that acquired a brownfield site to be
20 covered by the grant on or before
21 January 11, 2002.

22 “(II) To make a grant under
23 paragraph (3) to an eligible entity if
24 such eligible entity, except as other-
25 wise provided in this subclause, satis-

1 fies all of the elements set forth in
2 section 101(40) to qualify as a bona
3 fide prospective purchaser, except that
4 the date of acquisition of the
5 brownfield site was on or before Janu-
6 ary 11, 2002. The Administrator may
7 make exceptions with regard to com-
8 pliance with the elements set forth in
9 section 101(40) based on mitigating
10 circumstances, including any of the
11 following:

12 “(aa) The brownfield site
13 was acquired prior to May 31,
14 1997, and compliance with all
15 appropriate inquiry (as required
16 under section 101(40)(B)) can-
17 not be fairly determined.

18 “(bb) A current site assess-
19 ment of the brownfield site has
20 found no evidence that the eligi-
21 ble entity caused or exacerbated
22 contamination found at the site
23 or failed to exercise appropriate
24 care (as required under section

1 101(40)(D)) with respect to con-
2 tamination found at the site.

3 “(cc) The eligible entity held
4 a public hearing with respect to
5 the grant application and no sub-
6 stantive testimony was offered
7 that indicates that the eligible
8 entity caused or exacerbated con-
9 tamination found at the site or
10 failed to exercise appropriate care
11 (as required under section
12 101(40)(D)) with respect to con-
13 tamination found at the site.

14 “(dd) There are other cir-
15 cumstances that make compli-
16 ance with the elements set forth
17 in section 101(40) impractical
18 and not in the public interest.

19 “(III) To make a grant or loan
20 under this subsection to an eligible
21 entity if such entity—

22 “(aa) acquired ownership of
23 the brownfield site at least 30
24 years prior to the date of the

1 grant or loan, but not later than
2 May 31, 1997;

3 “(bb) did not cause or con-
4 tribute to the contamination on
5 the brownfield site; and

6 “(cc) can reasonably indi-
7 cate why such entity cannot com-
8 ply with the elements set forth in
9 section 101(40) to qualify as a
10 bona fide prospective pur-
11 chaser.”.

12 **SEC. 40007. MULTI-PURPOSE BROWNFIELD GRANTS.**

13 (a) MULTI-PURPOSE GRANT PROGRAM.—Section
14 104(k) of the Comprehensive Environmental Response,
15 Compensation, and Liability Act of 1980 (42 U.S.C.
16 9604(k)) is amended—

17 (1) by redesignating paragraph (12) as para-
18 graph (15);

19 (2) by redesignating paragraphs (4) through
20 (11), as amended, as paragraphs (5) through (12),
21 respectively; and

22 (3) by adding after paragraph (3) the following
23 new paragraph:

24 “(4) MULTI-PURPOSE BROWNFIELD GRANTS.—

1 “(A) ESTABLISHMENT OF PROGRAM.—
2 Subject to paragraphs (5) and (6), the Admin-
3 istrator shall establish a program to provide
4 multi-purpose grants to eligible entities, where
5 warranted, as determined by the Administrator
6 based on considerations under paragraph
7 (3)(C), to be used to inventory, characterize, as-
8 sess, conduct planning related to, or remediate
9 (or any combination thereof), one or more
10 brownfield sites in an area, in amounts not to
11 exceed \$1,500,000 per grant.

12 “(B) ADDITIONAL CONSIDERATIONS.—In
13 addition to the considerations under paragraph
14 (3)(C), the Administrator, in determining to
15 award a multi-purpose grant under the program
16 under subparagraph (A), shall consider the ex-
17 tent to which the eligible entity demonstrates—

18 “(i) an overall plan for revitalization
19 of brownfield sites in the area in which the
20 multi-purpose grant will be used;

21 “(ii) the capacity to conduct the range
22 of eligible activities that will be funded by
23 the multi-purpose grant; and

1 “(iii) that a multi-purpose grant is
2 appropriate for meeting the needs of the
3 area in which the grant will be used.

4 “(C) GRANT FUNDS.—Grants provided
5 under the program established under subpara-
6 graph (A) shall be expended not later than 3
7 years after the award of grant funding to the
8 eligible entity, unless the Administrator deter-
9 mines that an extension of not more than 2
10 years is justified.

11 “(D) OWNERSHIP.—A recipient of a grant
12 under this paragraph may not use amounts
13 from such grant on remediation of a brownfield
14 site until such recipient owns such site.

15 “(E) EXISTING AUTHORITY.—Nothing in
16 this paragraph shall limit any other authority of
17 the President or the Administrator under this
18 subsection.”.

19 (b) CONFORMING AMENDMENTS.—

20 (1) Section 104(k)(3)(A) of the Comprehensive
21 Environmental Response, Compensation, and Liabil-
22 ity Act of 1980 (42 U.S.C. 9604(k)(3)(A)), as
23 amended, is further amended by striking “Subject to
24 paragraphs (4) and (5)” and inserting “Subject to
25 paragraphs (5) and (6)”.

1 “(I) site characterization and as-
2 sessment;

3 “(II) area and corridor sustain-
4 ability plans; and

5 “(III) engineering or feasibility
6 analysis of environmentally beneficial
7 site improvements;

8 “(ii) remediation;

9 “(iii) ecosystem restoration; and

10 “(iv) habitat restoration.

11 “(B) PROJECT SELECTION.—In addition to
12 the criteria under paragraph (6), in selecting
13 grant recipients under this paragraph, the Ad-
14 ministrators shall take into consideration the ex-
15 tent to which a grant will facilitate future use
16 of a brownfield site in an environmentally bene-
17 ficial and sustainable manner, including the po-
18 tential for renewable energy production and
19 green infrastructure, including greenways and
20 hike-bike trails, green buildings, and mixed use
21 and transit-oriented development in smart
22 growth locations.”.

1 **SEC. 40009. STAFF FOR SMALL, DISADVANTAGED, OR**
2 **RURAL COMMUNITIES.**

3 Section 104(k) of the Comprehensive Environmental
4 Response, Compensation, and Liability Act of 1980 (42
5 U.S.C. 9604(k)) is amended by adding after paragraph
6 (13) (as added by section 40008 of this Act) the following:

7 “(14) STAFF FOR SMALL, DISADVANTAGED, OR
8 RURAL COMMUNITIES.—The Administrator, upon
9 approval of an application made by an eligible entity
10 serving a community that has a small population, is
11 disadvantaged, or is in a rural location, and in ac-
12 cordance with the applicable provisions of sub-
13 chapter VI of chapter 33 of title 5, United States
14 Code, may assign employees of the Environmental
15 Protection Agency to such eligible entity to build
16 local capacity for the remediation and revitalization
17 of brownfield sites located in such communities. The
18 Administrator shall determine, consistent with exist-
19 ing law and regulation in effect as of the date of en-
20 actment of this paragraph and subject to comment
21 and public review, what qualifies as a community
22 that has a small population, is disadvantaged, or is
23 in a rural location for purposes of this paragraph,
24 provided that such definitions include rural municipi-
25 palities, municipalities with populations of up to
26 20,000, and municipalities in which the median

1 household income is at or less than $\frac{2}{3}$ of the State
2 average.”.

3 **SEC. 40010. SMALL COMMUNITY TECHNICAL ASSISTANCE**
4 **GRANTS.**

5 Paragraph (7)(A) of section 104(k) of the Com-
6 prehensive Environmental Response, Compensation, and
7 Liability Act of 1980 (42 U.S.C. 9604(k)) (as redesi-
8 gnated by section 40007(a)(2) of this Act) is amended—
9 (1) by striking “The Administrator may pro-
10 vide,” and inserting the following:

11 “(i) DEFINITIONS.—In this subpara-
12 graph:

13 “(I) DISADVANTAGED AREA.—
14 The term ‘disadvantaged area’ means
15 an area with an annual median house-
16 hold income that is less than $\frac{2}{3}$ of the
17 statewide annual median household
18 income, as determined by the latest
19 available decennial census.

20 “(II) SMALL COMMUNITY.—The
21 term ‘small community’ means a com-
22 munity with a population of not more
23 than 20,000 individuals, as deter-
24 mined by the latest available decennial
25 census.

1 “(ii) ESTABLISHMENT OF PRO-
2 GRAM.—The Administrator shall establish
3 a program to provide grants that pro-
4 vide,”; and

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

6 “(iii) SMALL OR DISADVANTAGED
7 COMMUNITY RECIPIENTS.—

8 “(I) IN GENERAL.—Subject to
9 subclause (II), in carrying out the
10 program under clause (ii), the Admin-
11 istrator shall use not more than
12 \$1,500,000 of amounts made available
13 to carry out this paragraph to provide
14 grants to eligible entities and institu-
15 tions of higher education, as deter-
16 mined by the Administrator, to assist
17 small communities, Indian tribes,
18 rural areas, or disadvantaged areas in
19 achieving the purposes described in
20 clause (ii).

21 “(II) LIMITATION.—Each grant
22 awarded under subclause (I) shall be
23 not more than \$10,000.”.

1 **SEC. 40011. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) AUTHORIZATION OF APPROPRIATIONS.—Sub-
3 paragraph (A) of paragraph (15) (as redesignated by sec-
4 tion 40007(a)(1) of this Act) of section 104(k) of the
5 Comprehensive Environmental Response, Compensation,
6 and Liability Act of 1980 (42 U.S.C. 9604(k)) is amended
7 to read as follows:

8 “(A) AUTHORIZATION OF APPROPRIA-
9 TIONS.—There are authorized to be appro-
10 priated to carry out this subsection—

11 “(i) \$350,000,000 for fiscal year
12 2018;

13 “(ii) \$400,000,000 for fiscal year
14 2019;

15 “(iii) \$450,000,000 for fiscal year
16 2020;

17 “(iv) \$500,000,000 for fiscal year
18 2021; and

19 “(v) \$550,000,000 for fiscal year
20 2022.”.

21 (b) SET ASIDE FOR PROGRAM FOR SUSTAINABLE
22 REUSE AND ALTERNATIVE ENERGY ON BROWNFIELD
23 SITES.—Paragraph (15) of section 104(k) of the Com-
24 prehensive Environmental Response, Compensation, and
25 Liability Act of 1980 (42 U.S.C. 9604(k)), as redesign-
26 nated by section 40007(a)(1) of this Act and as amended

1 by subsection (a) of this section, is further amended by
2 adding after subparagraph (B) the following new subpara-
3 graph:

4 “(C) SET ASIDE FOR PROGRAM FOR SUS-
5 TAINABLE REUSE AND ALTERNATIVE ENERGY
6 ON BROWNFIELD SITES.—Of amounts made
7 available each fiscal year pursuant to subpara-
8 graph (A), at least 7.5 percent of such amounts
9 shall be used to carry out the program under
10 paragraph (13).”.

11 **SEC. 40012. STATE RESPONSE PROGRAMS.**

12 Section 128(a)(3) of the Comprehensive Environ-
13 mental Response, Compensation, and Liability Act of
14 1980 (42 U.S.C. 9628(a)(3)) is amended to read as fol-
15 lows:

16 “(3) FUNDING.—There are authorized to be ap-
17 propriated to carry out this subsection—

18 “(A) \$70,000,000 for fiscal year 2018;

19 “(B) \$80,000,000 for fiscal year 2019;

20 “(C) \$90,000,000 for fiscal year 2020;

21 “(D) \$100,000,000 for fiscal year 2021;

22 and

23 “(E) \$110,000,000 for fiscal year 2022.”.

1 **TITLE V—HEALTHCARE**
2 **INFRASTRUCTURE**
3 **Subtitle A—Hospital Infrastructure**

4 **SEC. 51001. HOSPITAL INFRASTRUCTURE.**

5 Section 1610(a) of the Public Health Service Act (42
6 U.S.C. 300r(a)) is amended by striking paragraph (3) and
7 inserting the following paragraphs:

8 “(3) PRIORITY.—In awarding grants under this sub-
9 section, the Secretary shall give priority to applicants
10 whose projects will include, by design, cybersecurity
11 against cyber threats.

12 “(4) AMERICAN IRON AND STEEL PRODUCTS.—

13 “(A) IN GENERAL.—As a condition on receipt
14 of a grant under this section for a project, an entity
15 shall ensure that all of the iron and steel products
16 used in the project are produced in the United
17 States.

18 “(B) APPLICATION.—Subparagraph (A) shall
19 be waived in any case or category of cases in which
20 the Secretary finds that—

21 “(i) applying subparagraph (A) would be
22 inconsistent with the public interest;

23 “(ii) iron and steel products are not pro-
24 duced in the United States in sufficient and

1 reasonably available quantities and of a satis-
2 factory quality; or

3 “(iii) inclusion of iron and steel products
4 produced in the United States will increase the
5 cost of the overall project by more than 25 per-
6 cent.

7 “(C) WAIVER.—If the Secretary receives a re-
8 quest for a waiver under this paragraph, the Sec-
9 retary shall make available to the public, on an in-
10 formal basis, a copy of the request and information
11 available to the Secretary concerning the request,
12 and shall allow for informal public input on the re-
13 quest for at least 15 days prior to making a finding
14 based on the request. The Secretary shall make the
15 request and accompanying information available by
16 electronic means, including on the official public
17 Internet site of the Department of Health and
18 Human Services.

19 “(D) INTERNATIONAL AGREEMENTS.—This
20 paragraph shall be applied in a manner consistent
21 with United States obligations under international
22 agreements.

23 “(E) MANAGEMENT AND OVERSIGHT.—The
24 Secretary may retain up to 0.25 percent of the funds

1 appropriated for this section for management and
2 oversight of the requirements of this paragraph.

3 “(F) EFFECTIVE DATE.—This paragraph does
4 not apply with respect to a project if a State agency
5 approves the engineering plans and specifications for
6 the project, in that agency’s capacity to approve
7 such plans and specifications prior to a project re-
8 questing bids, prior to the date of enactment of this
9 paragraph.

10 “(5) AUTHORIZATION OF APPROPRIATIONS.—To
11 carry out this subsection, there is authorized to be appro-
12 priated \$400,000,000 for each of fiscal years 2018
13 through 2022.”.

14 **Subtitle B—Indian Health Program**
15 **Health Care Infrastructure**

16 **SEC. 52001. 21ST CENTURY INDIAN HEALTH PROGRAM HOS-**
17 **PITALS AND OUTPATIENT HEALTH CARE FA-**
18 **CILITIES.**

19 The Indian Health Care Improvement Act is amend-
20 ed by inserting after section 301 of such Act (25 U.S.C.
21 1631) the following:

1 **“SEC. 301A. ADDITIONAL FUNDING FOR PLANNING, DESIGN,**
2 **CONSTRUCTION, MODERNIZATION, AND REN-**
3 **OVATION OF HOSPITALS AND OUTPATIENT**
4 **HEALTH CARE FACILITIES.**

5 “(a) **ADDITIONAL FUNDING.**—For the purpose de-
6 scribed in subsection (b), in addition to any other funds
7 available for such purpose, there is authorized to be appro-
8 priated to the Secretary \$200,000,000 for each of fiscal
9 years 2018 through 2022.

10 “(b) **PURPOSE.**—The purpose described in this sub-
11 section is the planning, design, construction, moderniza-
12 tion, and renovation of hospitals and outpatient health
13 care facilities that are funded, in whole or part, by the
14 Service through, or provided for in, a contract or compact
15 with the Service under the Indian Self-Determination and
16 Education Assistance Act (25 U.S.C. 5301 et seq.).”.

17 **Subtitle C—Laboratory**
18 **Infrastructure**

19 **SEC. 53001. PILOT PROGRAM TO IMPROVE LABORATORY IN-**
20 **FRASTRUCTURE.**

21 (a) **IN GENERAL.**—The Secretary of Health and
22 Human Services may award grants to States and political
23 subdivisions of States to support the improvement, renova-
24 tion, or modernization of infrastructure at clinical labora-
25 tories (as defined in section 353 of the Public Health Serv-
26 ice Act (42 U.S.C. 263a)).

1 (b) AUTHORIZATION OF APPROPRIATIONS.—To carry
2 out this section, there is authorized to be appropriated
3 \$100,000,000, to remain available until expended.

4 **Subtitle D—Community-Based**
5 **Care Infrastructure**

6 **SEC. 54001. PILOT PROGRAM TO IMPROVE COMMUNITY-**
7 **BASED CARE INFRASTRUCTURE.**

8 (a) IN GENERAL.—The Secretary of Health and
9 Human Services may award grants to qualified teaching
10 health centers (as defined in section 340H of the Public
11 Health Service Act (42 U.S.C. 256h)) and behavioral
12 health care centers (as defined by the Secretary, to include
13 both substance abuse and mental health care facilities) to
14 support the improvement, renovation, or modernization of
15 infrastructure at such centers.

16 (b) AUTHORIZATION OF APPROPRIATIONS.—To carry
17 out this section, there is authorized to be appropriated
18 \$100,000,000, to remain available until expended.

○