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(Original Signature of Member)

117TH CONGRESS
2D SESSION

H. R. _____

To ensure 100 percent renewable electricity, zero emission vehicles, and regenerative agriculture by 2030 to address global warming caused by human activity.

IN THE HOUSE OF REPRESENTATIVES

Mr. ESPAILLAT introduced the following bill; which was referred to the
Committee on _____

A BILL

To ensure 100 percent renewable electricity, zero emission vehicles, and regenerative agriculture by 2030 to address global warming caused by human activity.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Earth Act of 2022”.

5 **SEC. 2. FINDINGS.**

6 Congress finds the following:

7 (1) Global climate change is an immediate
8 threat to the national security, public health, and

1 national economy of the United States as well as the
2 legacy we will leave to our children.

3 (2) The most vulnerable communities, including
4 communities of color, women, children, the elderly,
5 persons with disabilities, low-income communities,
6 and those with underlying health conditions, face
7 even greater health risks as a result of climate
8 change.

9 (3) The United States is already seeing climate
10 change exacerbate extreme weather events, with—

11 (A) the year 2020 seeing the most active
12 Atlantic hurricane season on record with 30
13 named storms and six major hurricanes;

14 (B) the 2019 issuance of the first-ever Ex-
15 treme Red Flag Warning for wildfires;

16 (C) hundreds of thousands of acres in the
17 Western United States currently or recently ex-
18 perienceing devastating wildfires; and

19 (D) communities around the country regu-
20 larly facing “100–Year Floods”.

21 (4) The United Nations Intergovernmental
22 Panel on Climate Change 2016 Special Report on
23 Climate Change and Land found that sustainable
24 land management can contribute to reducing the

1 negative impacts of multiple stressors, including cli-
2 mate change.

3 (5) The Environmental Protection Agency
4 found that electricity, transportation, and agri-
5 culture accounted for more than 60 percent of
6 greenhouse gas emissions in 2019.

7 (6) The National Centers for Environmental In-
8 formation found that, in 2021, there were 20 weath-
9 er and climate disaster events with losses exceeding
10 \$1,000,000,000 each to affect the United States.
11 These events resulted in the deaths of 688 people
12 and had significant economic effects on the areas
13 impacted. The 1980–2021 annual average is 7.4
14 events.

15 (7) The total cost of United States billion-dollar
16 disasters over the years 2016 through 2020 exceeds
17 \$600,000,000,000, with a 5-year annual cost aver-
18 age of \$121,300,000,000.

19 (8) The IPCC released its Working Group I,
20 2021 report, which found that, unless immediate
21 and broad reductions in greenhouse gas emissions
22 are made by the international community, it will be
23 impossible to limit global warming to 2 degrees Cel-
24 sius, the warming level which the scientific commu-
25 nity believes will precipitate catastrophic climate-re-

1 lated consequences and risks to human health, liveli-
2 hoods, food security, human security, water supply,
3 and economic growth will all increase.

4 (9) In 2021, Secretary of Energy, Jennifer
5 Granholt, expressed that, by 2030, the clean energy
6 sector will be a \$230,000,000,000,000 global market
7 for all technologies and products that reduce carbon
8 pollution, spurring economic opportunity through job
9 creation for people across the United States and the
10 world.

11 (10) According to the Environmental Protection
12 Agency, renewable energy reduces greenhouse gas
13 emissions and air pollution associated with energy
14 production.

15 (11) The 2021 Department of Defense Climate
16 Risk Analysis found that increasing temperatures,
17 changing precipitation patterns, and more frequent,
18 intense, and unpredictable extreme weather condi-
19 tions caused by climate change are exacerbating ex-
20 isting security risks.

21 (12) In 2021, the Office of the Director of Na-
22 tional Intelligence assessed that climate change will
23 increasingly exacerbate risks to United States na-
24 tional security interests.

1 (13) In 2021, the President issued an Executive
2 order directing the Federal Government to achieve
3 100 percent carbon pollution-free electricity on a net
4 annual basis by 2030 and 100 percent zero-emission
5 vehicle acquisitions by 2035.

6 (14) In 2021, United Nations Secretary-Gen-
7 eral, Antonio Guterres, described the urgency of ad-
8 dressing climate change by stating that “the alarm
9 bells are deafening, and the evidence is irrefutable:
10 greenhouse gas emissions from fossil fuel burning
11 and deforestation are choking our planet and put-
12 ting billions of people at immediate risk. Global
13 heating is affecting every region on Earth, with
14 many of the changes becoming irreversible”.

15 (15) The Sixth Assessment Report of the IPCC
16 found that “human-induced climate change, includ-
17 ing more frequent and intense extreme events, has
18 caused widespread adverse impacts and related
19 losses and damages to nature and people, beyond
20 natural climate variability”.

21 (16) The IPCC notes that to avoid mounting
22 loss of life, biodiversity, and infrastructure, we must
23 have ambitious, accelerated action to adapt to cli-
24 mate change, while also making rapid, deep cuts in
25 greenhouse gas emissions.

1 **SEC. 3. RENEWABLE ENERGY.**

2 (a) **RENEWABLE ENERGY STANDARD.—**

3 (1) **MINIMUM ANNUAL PERCENTAGE.—**The
4 minimum annual percentage of the total quantity of
5 electricity sold by a retail electric supplier that is re-
6 quired to be generated from renewable energy re-
7 sources shall be—

8 (A) in each of 2027, 2028, and 2029, at
9 least 80 percent; and

10 (B) in 2030, and in each year thereafter,
11 100 percent.

12 (2) **REGULATIONS.—**Not later than 180 days
13 after the date of enactment of this subsection, the
14 Secretary of Energy shall issue regulations to carry
15 out this subsection.

16 (3) **REQUIRED SUBMISSIONS.—**The regulations
17 issued under paragraph (2) shall require a retail
18 electric supplier to submit to the Secretary of En-
19 ergy, the Administrator of the Environmental Pro-
20 tection Agency, and the Secretary of Transpor-
21 tation—

22 (A) not later than one year after the date
23 of enactment of this subsection, and annually
24 thereafter, a plan to achieve compliance with
25 such regulations; and

1 (B) beginning in 2028, and annually there-
2 after, by April 15, a report on compliance with
3 this subsection for the preceding year, including
4 evidentiary documentation regarding such com-
5 pliance.

6 (4) GRANTS FOR TRANSITION ASSISTANCE.—

7 (A) IN GENERAL.—Subject to the avail-
8 ability of appropriations, the Secretary of En-
9 ergy shall make competitive grants to retail
10 electric suppliers to pay up to 50 percent of the
11 costs of meeting the requirements under this
12 subsection.

13 (B) PRIORITY.—In awarding grants under
14 this paragraph, the Secretary of Energy shall
15 give priority to retail electric suppliers who dis-
16 play significant need, as determined by the Sec-
17 retary, to finance their transition to renewable
18 energy.

19 (C) APPLICATION.—To be eligible to re-
20 ceive a grant under this paragraph, a retail
21 electric supplier shall submit to the Secretary of
22 Energy an application at such time, in such
23 manner, and containing such information as the
24 Secretary may require.

1 (5) BEST PRACTICES REPORT.—Not later than
2 180 days after the date of the enactment of this
3 subsection, the Secretary of Energy shall develop
4 and publish, including on the public website of the
5 Department of Energy, a report on the best prac-
6 tices for retail electric suppliers for activities to
7 transition to renewable energy consistent with this
8 subsection, including how to apply for a grant under
9 this subsection.

10 (b) RENEWABLE ENERGY SOURCES.—

11 (1) REGULATIONS.—Not later than 180 days
12 after the date of enactment of this subsection, the
13 Secretary of Energy shall issue regulations regard-
14 ing the sourcing, recycling, and disposal of materials
15 used to manufacture renewable energy sources, with
16 goals of—

17 (A) eliminating the use of rare earth met-
18 als in the manufacture of renewable energy
19 sources; and

20 (B) ensuring the recycling of all such ma-
21 terials.

22 (2) REQUIRED SUBMISSIONS.—Not later than
23 one year after the date of enactment of this sub-
24 section, the regulations issued under paragraph (1)
25 shall require entities subject to such regulations to

1 submit to the Secretary of Energy documentation on
2 compliance with such regulations, as the Secretary
3 of Energy determines appropriate, including docu-
4 mentation regarding lifecycle greenhouse gas emis-
5 sions with respect to the business operations of such
6 entities.

7 (c) DEFINITIONS.—In this section:

8 (1) RENEWABLE ENERGY.—The term “renew-
9 able energy” means electric energy generated from a
10 renewable energy resource.

11 (2) RENEWABLE ENERGY RESOURCE.—The
12 term “renewable energy resource” means wind,
13 solar, geothermal, tidal, wave, and existing hydro-
14 power sources.

15 (3) RENEWABLE ENERGY SOURCE.—The term
16 “renewable energy source” means any facility or
17 equipment, including any component thereof, used to
18 generate or store renewable energy.

19 (4) RETAIL ELECTRIC SUPPLIER.—The term
20 “retail electric supplier” means an entity operating
21 in the United States or in a territory of the United
22 States that sold not less than 1,000 megawatt hours
23 to electric consumers for purposes other than resale
24 during the preceding calendar year.

1 **SEC. 4. ZERO EMISSION VEHICLES.**

2 (a) IN GENERAL.—Part A of title II of the Clean Air
3 Act (42 U.S.C. 7521 et seq.) is amended by adding at
4 the end the following:

5 **“SEC. 220. ZERO EMISSION VEHICLE PRODUCTION.**

6 “(a) MINIMUM ANNUAL PERCENTAGE.—The min-
7 imum annual percentage of the total quantity of new
8 motor vehicles sold by a vehicle manufacturer that are zero
9 emission vehicles shall be—

10 “(1) in each of 2027, 2028, 2029, at least 80
11 percent; and

12 “(2) in 2030, and in each year thereafter, 100
13 percent.

14 “(b) REGULATIONS.—Not later than 180 days after
15 the date of enactment of this section, the Administrator
16 shall issue regulations to carry out this section.

17 “(c) REQUIRED SUBMISSIONS.—The regulations
18 issued under subsection (b) shall require a vehicle manu-
19 facturer to submit to the Environmental Protection Agen-
20 cy, the Department of Energy, and the Department of
21 Transportation—

22 “(1) not later than one year after the date of
23 enactment of this section, and annually thereafter, a
24 plan to achieve compliance with the requirements of
25 this section, including the steps to be taken with re-
26 spect to materials and supply chains;

1 “(2) by April 15, and annually thereafter, a re-
2 port on compliance with this section, including evi-
3 dentiary documentation, regarding such compliance;
4 and

5 “(3) documentation regarding lifecycle green-
6 house gas emissions of applicable new zero emission
7 vehicles.

8 “(d) GRANTS FOR TRANSITION ASSISTANCE.—

9 “(1) IN GENERAL.—The Secretary of Transpor-
10 tation shall make competitive grants to vehicle man-
11 ufacturers to pay up to 50 percent of the costs of
12 meeting the requirements under this section.

13 “(2) PRIORITY.—In awarding grants under this
14 subsection, the Secretary of Transportation shall
15 give priority to vehicle manufacturers who dem-
16 onstrate significant financial need, as determined by
17 the Secretary of Transportation, to meet the require-
18 ment of paragraph (1) or (2) of subsection (a).

19 “(3) APPLICATION.—To be eligible to receive a
20 grant under this subsection, a vehicle manufacturer
21 shall submit to the Secretary of Transportation an
22 application at such time, in such manner, and con-
23 taining such information as the Secretary of Trans-
24 portation may require.

1 “(e) REPORT.—Not later than 180 days after the
2 date of the enactment of this section, the Administrator
3 shall develop and publish, including on the public website
4 of the Environmental Protection Agency, a report on—

5 “(1) best practices for meeting the require-
6 ments of paragraphs (1) and (2) of subsection (a);
7 and

8 “(2) guidance on how to apply for a grant
9 under this section.

10 “(f) DEFINITIONS.—In this section:

11 “(1) MOTOR VEHICLE.—The term ‘motor vehi-
12 cle’, as defined by this part, includes the following:

13 “(A) A light-duty vehicle that is capable of
14 seating 12 passengers or less.

15 “(B) A light-duty truck which has a gross
16 vehicle weight in excess of 6,000 pounds.

17 “(C) Heavy duty vehicle which has a gross
18 vehicle weight in excess of 8,500 pounds.

19 “(2) VEHICLE MANUFACTURER.—

20 “(A) IN GENERAL.—The term ‘vehicle
21 manufacturer’ means an entity that—

22 “(i) engages in the manufacturing of
23 new motor vehicles; and

24 “(ii) sells no fewer than 100 new
25 motor vehicles to ultimate purchasers, ei-

1 ther directly or through an affiliate, such
2 as a dealer.

3 “(B) EXCLUSIONS.—The term ‘vehicle
4 manufacturer’ does not include—

5 “(i) a motor vehicle parts supplier; or

6 “(ii) a dealer.

7 “(3) ZERO EMISSION VEHICLE.—The term ‘zero
8 emission vehicle’ means a motor vehicle, as defined
9 by this subsection, that produces zero exhaust emis-
10 sions of any criteria pollutant, precursor pollutant,
11 or greenhouse gas in any mode of operation or con-
12 dition.”.

13 (b) CONFORMING AMENDMENTS.—The table of con-
14 tents for the Clean Air Act is amended by inserting after
15 the item relating to section 219 the following:

 “Sec. 220. Zero emission vehicle production.”.

16 **SEC. 5. REGENERATIVE AGRICULTURAL PRACTICES.**

17 (a) MINIMUM ANNUAL PERCENTAGE.—The min-
18 imum annual percentage of land and livestock managed
19 with regenerative agricultural practices for a covered land
20 or livestock corporation shall be—

21 (1) in each of 2025 and 2026, at least 50 per-
22 cent;

23 (2) in each of 2027, 2028, and 2029, at least
24 75 percent; and

1 (3) in 2030, and each year thereafter, 100 per-
2 cent.

3 (b) REGULATIONS.—Not later than 180 days after
4 the date of enactment of this section, the Secretary of Ag-
5 riculture shall issue regulations to carry out this section.

6 (c) REQUIRED SUBMISSIONS.—The regulations
7 issued under subsection (b) shall require a covered land
8 or livestock corporation to submit to the Secretary—

9 (1) not later than one year after the date of en-
10 actment of this section, and annually thereafter, a
11 plan to achieve compliance with the requirements of
12 this section; and

13 (2) beginning in 2028, and annually thereafter,
14 by April 15, a report on compliance with this sec-
15 tion, including evidentiary documentation regarding
16 such compliance; and

17 (3) documentation regarding lifecycle green-
18 house gas emissions of managing land and livestock
19 with regenerative agricultural practices.

20 (d) GRANTS FOR TRANSITION ASSISTANCE.—

21 (1) IN GENERAL.—The Secretary shall make
22 competitive grants to covered land or livestock cor-
23 porations to pay up to 50 percent of the costs need-
24 ed to meet the requirements under this section.

1 (2) PRIORITY.—In awarding grants under this
2 subsection, the Secretary shall give priority to a cov-
3 ered land or livestock corporation that displays sig-
4 nificant need, as determined by the Secretary, to fi-
5 nance the transition to regenerative agricultural
6 practices.

7 (3) APPLICATION.—To be eligible to receive a
8 grant under this subsection, a covered land or live-
9 stock corporation shall submit to the Secretary an
10 application at such time, in such manner, and con-
11 taining such information as the Secretary may re-
12 quire.

13 (e) BEST PRACTICES REPORT.—Not later than 180
14 days after the date of the enactment of this section, the
15 Secretary shall develop and publish, including on the pub-
16 lic website of the Department of Agriculture, a report on
17 the best practices for covered land or livestock corpora-
18 tions for regenerative agricultural practices consistent
19 with this section, including how to apply for a grant under
20 this section.

21 (f) DEFINITIONS.—In this section:

22 (1) COVERED LAND OR LIVESTOCK CORPORA-
23 TION.—The term “covered land or livestock corpora-
24 tion” means an entity or person that—

1 (A) owns, manages, or controls land or
2 livestock, including through—

3 (i) farming, ranching, or other related
4 agricultural operations; or

5 (ii) contracts with farmers or ranchers
6 under which the farmers or ranchers pur-
7 chase patented inputs or inputs otherwise
8 owned by the entity or person to produce
9 agricultural products to be acquired by
10 such entity (or a subsidiary thereof); and

11 (B) is required to file an annual report
12 under section 13 of the Securities Exchange
13 Act of 1934 (15 U.S.C. 78m), or has issued se-
14 curities under the Securities Exchange Act of
15 1933.

16 (2) REGENERATIVE AGRICULTURAL PRAC-
17 TICE.—

18 (A) IN GENERAL.—The term “regenerative
19 agricultural practice” means one of the fol-
20 lowing practices:

21 (i) Alley cropping.

22 (ii) Conservation cover.

23 (iii) Conservation crop rotation.

24 (iv) Establishment of contour buffer
25 strips.

- 1 (v) Contour farming.
- 2 (vi) Establishment of cover crops.
- 3 (vii) Critical area planting.
- 4 (viii) Establishment of cross wind trap
- 5 strips.
- 6 (ix) Establishment of field borders.
- 7 (x) Establishment of filter strips.
- 8 (xi) Forage and biomass planting, in-
- 9 cluding the use of native prairie and seed
- 10 mixtures.
- 11 (xii) Implementation of forest stand
- 12 improvements.
- 13 (xiii) Establishment of grassed water-
- 14 ways.
- 15 (xiv) Hedgerow planting.
- 16 (xv) Establishment of herbaceous
- 17 wind barriers.
- 18 (xvi) Multistory cropping.
- 19 (xvii) Nutrient management.
- 20 (xviii) Prescribed grazing.
- 21 (xix) Range planting.
- 22 (xx) Residue and tillage management
- 23 with no till.
- 24 (xxi) Residue and tillage management
- 25 with reduced till.

- 1 (xxii) Establishment of riparian forest
- 2 buffers.
- 3 (xxiii) Establishment of riparian her-
- 4 baceous buffers.
- 5 (xxiv) Silvopasture establishment.
- 6 (xxv) Stripcropping.
- 7 (xxvi) Tree and shrub establishment.
- 8 (xxvii) Upland wildlife habitat restora-
- 9 tion.
- 10 (xxviii) Establishment of vegetative
- 11 barriers.
- 12 (xxix) Wetland restoration.
- 13 (xxx) Windbreak renovation.
- 14 (xxxii) Establishment of windbreaks
- 15 and shelterbelts.
- 16 (xxxiii) Woody residue treatment.
- 17 (xxxiiii) Any other highly effective and
- 18 evidence-based vegetative or management
- 19 practice, as determined by the Secretary,
- 20 based on an annual review, that signifi-
- 21 cantly reduces agricultural greenhouse gas
- 22 emissions or assists producers in adapting
- 23 to, or mitigating against, increasing weath-
- 24 er volatility.

1 (B) INCLUSIONS.—In the case of covered
2 land or livestock corporation raising ruminant
3 livestock, the term “regenerative agricultural
4 practice” includes the following practices:

5 (i) The practice of allowing such live-
6 stock to graze pasture during the grazing
7 season at least 120 days per year.

8 (ii) The practice of requiring such
9 livestock to intake at least 30 percent dry
10 matter from grazing pasture during the
11 grazing season.

12 (iii) The practice of a producer cre-
13 ating a pasture management plan that
14 manages pasture—

15 (I) as a crop to meet the feed re-
16 quirements for such livestock; and

17 (II) to protect soil and water
18 quality.

19 (iv) The practice of allowing such live-
20 stock to—

21 (I) display natural behaviors at
22 all times, with access to pasture dur-
23 ing the finishing phase;

1 (II) have the living conditions
2 and freedom to express normal behav-
3 ior;

4 (III) have freedom from discom-
5 fort, fear, distress, hunger, pain, in-
6 jury, or disease;

7 (IV) not be placed in confined
8 feeding operations; and

9 (V) have access to a suitable
10 shelter.

11 (3) SECRETARY.—The term “Secretary” means
12 the Secretary of Agriculture.

13 **SEC. 6. GREENHOUSE GAS EMISSIONS REDUCTION REGU-**
14 **LATIONS.**

15 Not later than one year after the date of enactment
16 of this section, the Secretary of Agriculture shall issue reg-
17 ulations that—

18 (1) require the reduction of greenhouse gas
19 emissions resulting from the operations of a covered
20 land or livestock corporation; and

21 (2) include guidance on how to reduce green-
22 house gas emissions through—

23 (A) reducing the use of synthetic fertilizers
24 and pesticides;

- 1 (B) supporting the supply of organic fer-
2 tilizers and pesticides;
- 3 (C) changing feed content for animals;
- 4 (D) general farming practices;
- 5 (E) food and animal transportation, pack-
6 aging, and distribution;
- 7 (F) minimizing food waste; and
- 8 (G) applying the National List of Allowed
9 and Prohibited Substances, established in sec-
10 tion 205.6 et seq. of title 7, Code of Federal
11 Regulations (or any successor regulations), to
12 regenerative agricultural practices, as defined in
13 section 5.

14 **SEC. 7. ANIMAL WELFARE.**

15 (a) ANIMAL WELFARE MANDATE.—Not later than
16 one year after the date of enactment of this section, the
17 Secretary of Agriculture shall issue regulations to ensure
18 the well-being of covered animals.

19 (b) SPECIFICATIONS.—In issuing regulations with re-
20 spect to the well-being of a covered animal, the Secretary
21 of Agriculture shall—

- 22 (1) prohibit the use of antibiotics, hormones,
23 implants, or other substances, except for purposes of
24 disease treatment as prescribed by a veterinarian;

1 (2) prohibit forms of permanent physical muti-
2 lation, including debeaking, beak or bill trimming,
3 declawing, pinioning, wattle trimming, desnooding,
4 detoeing, nose rings, and tusk removal;

5 (3) ensure that such covered animal lives in a
6 condition that allows the animal to socialize natu-
7 rally, to engage in natural behaviors, to have free-
8 dom of movement, and to be reared with a mother
9 and weaned at a natural time;

10 (4) provide for compliance oversight, inde-
11 pendent inspections, and transparency of covered fa-
12 cilities; and

13 (5) if a violation of requirements of this sub-
14 section is found during an independent inspection
15 performed pursuant to paragraph (4), the Secretary
16 shall—

17 (A) establish an online livestream video of
18 such covered facilities that is limited in scope to
19 such violation; and

20 (B) grant the public access to such online
21 livestream video.

22 (c) REPORT TO CONGRESS.—Not later than two
23 years after the date of enactment of this section, and an-
24 nually thereafter, the Secretary of Agriculture shall sub-
25 mit to the appropriate committees a report detailing—

1 (1) the findings of animal welfare compliance,
2 oversight, and independent inspections of covered fa-
3 cilities;

4 (2) recommendations to Congress on additional
5 actions necessary to ensure covered facilities are
6 compliant with regulations set forth by this section;
7 and

8 (3) any other details as required by the Sec-
9 retary.

10 (d) DEFINITIONS.—In this section:

11 (1) APPROPRIATE COMMITTEES.—The term
12 “appropriate committees” means—

13 (A) the Committee on Agriculture and the
14 Committee on Appropriations of the House of
15 Representatives; and

16 (B) the Committee on Agriculture, Nutri-
17 tion, and Forestry and the Committee on Ap-
18 propriations of the Senate.

19 (2) COVERED ANIMAL.—The term “covered ani-
20 mal” means an animal raised for human consump-
21 tion or the production of dairy products, including—

22 (A) beef cattle;

23 (B) broiler chickens;

24 (C) laying hens;

25 (D) dairy cows;

- 1 (E) sheep;
2 (F) goats;
3 (G) pigs;
4 (H) turkeys;
5 (I) bison;
6 (J) waterfowl, including ducks and geese;
7 and
8 (K) any other animal raised for human
9 consumption or the production of dairy prod-
10 ucts, as determined by the Secretary.

11 (3) COVERED FACILITY.—The term “covered
12 facility” means a facility of a covered land or live-
13 stock corporation (as defined in section 5) that en-
14 gages in animal raising, transport, slaughter, and
15 processing.

16 **SECTION 8. TAX PROVISIONS RELATING TO CLIMATE TRAN-**
17 **SITION COSTS.**

18 (a) QUALIFIED CAPITAL CLIMATE TRANSITION
19 COSTS.—Section 162 of the Internal Revenue Code of
20 1986 is amended by redesignating subsection (s) as sub-
21 section (t) and by inserting after subsection (r) the fol-
22 lowing new subsection:

23 “(s) QUALIFIED CAPITAL CLIMATE TRANSITION
24 COSTS.—

1 “(1) IN GENERAL.—In the case of a retail elec-
2 tric supplier, vehicle manufacturer, or covered land
3 or livestock corporation, the amount of any deduc-
4 tion allowed under subsection (a) with respect to
5 qualified capital climate transitions costs (deter-
6 mined without regard to this subsection) shall be
7 doubled.

8 “(2) QUALIFIED CAPITAL CLIMATE TRANSITION
9 COSTS.—For purposes of this subsection, the term
10 ‘qualified capital climate transition costs’ means
11 costs directly related to a transition to renewable en-
12 ergy sources, electric vehicle manufacturing, or re-
13 generative agriculture, as such terms are defined by
14 the Secretary.

15 “(3) DEFINITIONS.—For purposes of this sec-
16 tion—

17 “(A) COVERED LAND OR LIVESTOCK COR-
18 PORATION.—The term ‘covered land or livestock
19 corporation’ has the meaning given such term
20 in section 5(f)(1) of the Earth Act of 2022.

21 “(B) RETAIL ELECTRIC SUPPLIER.—The
22 term ‘retail electric supplier’ has the meaning
23 given such term in section 3(c)(4) of the Earth
24 Act of 2022.

1 “(C) VEHICLE MANUFACTURER.—The
2 term ‘vehicle manufacturer’ has the meaning
3 given such term in section 220(f)(2) of the
4 Clean Air Act.”.

5 (b) QUALIFIED CAPITAL CLIMATE TRANSITION
6 PROPERTY.—Section 179 of the Internal Revenue Code
7 of 1986 is amended—

8 (1) in subsection (b)(1), by striking “The ag-
9 gregate cost” and inserting “Except as provided in
10 subsection (f), the aggregate cost”,

11 (2) in subsection (d)(1), by striking “and” at
12 the end of subparagraph (B)(ii), by striking the pe-
13 riod at the end of subparagraph (C) and inserting
14 “, and”, and by adding at the end the following new
15 subparagraph:

16 “(D) at the election of the taxpayer, quali-
17 fied capital climate transition property (as de-
18 fined in subsection (f).”, and

19 (3) by adding at the end the following new sub-
20 section:

21 “(f) QUALIFIED CAPITAL CLIMATE TRANSITION
22 PROPERTY.—

23 “(1) IN GENERAL.—For purposes of this sub-
24 section, the term ‘qualified capital climate transition
25 property’ means property directly related to a transi-

1 tion to renewable energy sources, zero emission vehi-
2 cle manufacturing, or regenerative agriculture, as
3 such terms are defined by the Secretary.

4 “(2) LIMITATION.—The Secretary shall estab-
5 lish by regulation the aggregate cost which may be
6 taken into account under subsection (a) with respect
7 to qualified capital climate transition property.

8 “(3) REGULATIONS AND GUIDANCE.—The Sec-
9 retary may issue such regulations or guidance as
10 necessary to broadly define qualifying section 179
11 property based on the qualified capital climate tran-
12 sition costs that can be expected to be necessary in
13 future taxable years.”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to amounts paid or incurred in tax-
16 able years ending after the date of the enactment of this
17 Act.

18 **SEC. 9. SUPPORT, OVERSIGHT, AND REPORTING.**

19 (a) SUPPORT AND OVERSIGHT.—The Administrator
20 of the Environmental Protection Agency, the Secretary of
21 Energy, and the Secretary of Agriculture shall provide di-
22 rect oversight, facilitation, and support for the transitions
23 to minimum annual percentages required under this Act
24 and the amendments made by this Act.

1 (b) COMBINED REPORTING REQUIRED.—Not later
2 than one year after the date of enactment of this Act, and
3 annually thereafter, by April 15, the Administrator of the
4 Environmental Protection Agency, the Secretary of En-
5 ergy, and the Secretary of Agriculture shall jointly submit
6 to Congress a combined report on the transitions and the
7 compliance of such transitions required under this Act and
8 the amendments made by this Act.

9 (c) NATIONAL ACADEMY OF SCIENCES REC-
10 OMMENDATIONS.—Not later than one year after the date
11 of enactment of this Act, the National Academy of
12 Sciences shall prepare reports to assist all relevant entities
13 with implementing the requirements of this Act and the
14 amendments made by this Act, including staffing, supply
15 chain, domestic production, raw materials, and the reuse
16 and recycling of all elements utilized to create renewable
17 energy.

18 **SEC. 10. DISALLOWANCE OF DEDUCTIONS FOR NON-COM-**
19 **PLIANT BUSINESSES.**

20 (a) IN GENERAL.—Part IX of subchapter B of chap-
21 ter 1 of the Internal Revenue Code of 1986 (relating to
22 items not deductible) is amended by adding at the end
23 thereof the following new section:

1 **“SEC. 280I. EXPENDITURES OF NON-COMPLIANT BUSI-**
2 **NESSES.**

3 “No deduction shall be allowed for any amount paid
4 or incurred during the taxable year in carrying on any
5 trade or business if such trade or business (or the activi-
6 ties which comprise such trade or business) does not com-
7 ply with the provisions of the Earth Act of 2022 at any
8 time during such taxable year.”.

9 (b) CONFORMING AMENDMENT.—The table of sec-
10 tions for part IX of the subchapter B of chapter 1 of such
11 Code is amended by adding at the end thereof the fol-
12 lowing new item:

Sec. 280I. Expenditures of non-compliant businesses.

13 (c) EFFECTIVE DATE.—The amendment made by
14 this section shall apply to amounts paid or incurred after
15 the date of the enactment of this Act in taxable years end-
16 ing after such date.

17 **SEC. 11. SEVERABILITY.**

18 Should any provision in this Act, or an amendment
19 made by this Act, be found to be unconstitutional by a
20 court of law, such provision, or such amendment, shall be
21 severed from the remainder of this Act, and such action
22 shall not affect the enforceability of the remaining provi-
23 sions of this Act.