

America Wins Act

Section-by-Section Highlights

A bill to rebuild the Nation's infrastructure, provide a consumer rebate to the American people, assist coal country, reduce harmful pollution, and for other purposes.

Section 1. Short Title; Table of Contents

America Wins Act of 2017

Section 2. Tax on Carbon Dioxide Content of Certain Substances

Amends Chapter 38 of the IRC by adding a new "Subchapter E – Tax on Carbon Dioxide Content of Certain Substances"

"SEC. 4691. IMPOSITION OF TAX

Upstream Point of Taxation: A per-ton tax imposed on the carbon dioxide content of coal, oil, or natural gas sold by a manufacturer, producer, or importer. The Secretary of Treasury, in consultation with the Secretary of Energy, shall determine the amount of CO₂ content in each substance. No carbon substance can be taxed more than once. Exports are exempt from the tax.

Amount of Tax: \$49 per ton of carbon dioxide in calendar year 2019 rising 2% above inflation each year after.

"SEC. 4692. REFUNDS OR CREDITS

A refund will be provided for carbon substances that are not emitted (either due to use as a feedstock or through capture and sequestration) and for previously taxed carbon substances used to make another carbon substance.

"SEC. 4693. BORDER ADJUSTMENTS

A carbon equivalency fee will be imposed on imports of carbon-intensive goods to ensure that foreign competitors play on a level playing field with domestic firms. This section will not apply to imports from countries with equivalent greenhouse gas reduction measures in place or in the event of an international agreement requiring countries to put in place equivalent greenhouse gas reduction measures.

"SEC. 4694. DEFINITIONS AND SPECIAL RULES

- (a) Defines (1) Taxable Carbon Substance (2) United States (3) Importer (4) Ton (5) Carbon-Intensive Good (6) Primary Product (7) Equivalent Measure
- (b) Use Treated as Sale
- (c) Special Rules for Inventory

"SEC. 9512. Build America Trust Fund

Establishes in the Department of Treasury the Build America Trust Fund consisting of amounts equal to increases in revenue from the tax under section 4691 to be available without further appropriation for:

- (1) INFRASTRUCTURE– \$1 trillion towards investing in the nation's infrastructure from fiscal years 2019 through 2028 as follows:

- (A) Highways and Transit

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(i) \$50,000,000,000, plus the shortfall amount¹, shall be transferred to the Highway Trust Fund to go towards existing U.S. Department of Transportation formula and discretionary grant programs supporting highways, roads, bridges, tunnels, and transit systems. Those programs include:

Federal Highway Administration: Federal-aid Highway Programs:

- National Highway Performance Program (NHPP)
- Surface Transportation Block Grant Program (STBG)
- Highway Safety Improvement Program (HSIP)
- Congestion Mitigation and Air Quality Improvement Program (CMAQ)
- National Highway Freight Program (NHFP)

Federal Transit Administration:

- Formula Grants
- Capital Investment Grants (New Starts & Small Starts)
- WMATA Capital & Preventive Maintenance Grants

Discretionary programs –

- FASTLANE
- TIFIA

(ii) \$5,000,000,000 will be available for the TIGER program, which goes towards innovative multi-modal project.

(B) Aviation -- \$3,000,000,000 shall be transferred to the Airport and Airways Trust Fund

(i) \$1,620,000,000 shall be available for the FAA Airport Improvement Program

(ii) \$1,380,000,000 shall be available for FAA Facilities and Equipment Program

(C) Passenger Rail –

(i) \$2,000,000,000 for Northeast Corridor grants

(ii) \$1,500,000,000 for the Consolidated Infrastructure and Safety Improvement

(iii) \$500,000,000 for the Federal-State Partnership Program

(iv) \$1,000,000,000 for the National Network

(D) Harbors, Waterways, Flood Protection, Dams –

¹ The Highway Trust Fund faces a cumulative shortfall of [\\$138 billion](#) through 2027.

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- (i) \$3,000,000,000 for the Army Corps Construction
- (ii) \$3,000,000,000 for the Army Corps Operations & Maintenance

(E) Clean Water

- (i) \$2,000,000,000 for the Clean Water State Revolving Fund
- (ii) \$2,350,000,000 for the Drinking Water State Revolving Fund
- (iii) \$80,000,000 for WIFIA

(F) USDA Water and Waste Disposal Programs –

- (i) \$104,200,000 for the direct loans
- (ii) \$490,000,000 for guaranteed loans
- (iii) \$885,000,000 for grants

(G) Broadband Development – \$3,000,000,000 shall be available to the Assistant Secretary of Commerce to carry out a reverse auction program.

- (2) AFFECTED INDUSTRY TRANSITION ASSISTANCE — \$5,000,000,000 annually will be available for transition assistance to workers and communities heavily reliant on carbon-intensive industries, including for:
 - a. (A) worker retraining, pension benefits, health benefits
 - b. (B) abandoned mine reclamation
 - c. (C) development of carbon capture, utilization, and storage technologies
 - d. (D) other assistance the Secretary deems appropriate.
- (3) ENERGY REFUND PROGRAM— 12.5% of the revenue will be available for the Energy Refund Program described in Section 3.
- (4) CONSUMER TAX REBATE -- The remaining revenue will be available for the Consumer Tax Rebate described in Section 4.

ADMINISTRATIVE PROVISIONS – Amounts distributed from the Trust Fund for a program or activity shall be in addition to other amounts appropriated for that program or activity and remain available until expended.

QUALIFICATIONS BASED SELECTION FOR ARCHITECTURAL AND ENGINEERING CONTRACTS – For grants greater than \$1 million, contracts for architectural and engineering services shall be negotiated on the basis of demonstrated competence and qualification for the type of professional services required and at fair and reasonable prices.

Section 3. Energy Refund Program

All remaining revenue from the America Wins Act will be recycled back to the America people for purposes of consumer relief. Low income households with incomes up to 150% of the poverty line (about \$37,000 for a family of four) will be eligible for a direct monthly payment to fully offset higher energy costs.

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Section 4. Consumer Tax Rebate

The remaining revenue will be dedicated towards a refundable tax credit that will be available to households with incomes up to 350% of the federal poverty line (\$86,000 for a family four).