



AMERICA COMPETES ACT OF 2022

CLIMATE-RELATED PROVISIONS

February 3, 2022

Select Committee on the Climate Crisis (SCCC) majority staff prepared the following memo to identify the clean energy and climate investments in H.R. 4521, the America COMPETES Act of 2022, that align with or advance the recommendations made in the SCCC [Congressional Climate Action Plan](#).

TOPLINES INCLUDE:

- Strengthening solar manufacturing supply chains and enhancing grid resilience, including \$3 billion to fund the establishment of a domestic solar manufacturing supply chain and \$375 million to establish a Strategic Transformer Reserve and invest in critical equipment for the electric grid.
- Strengthening environmental standards to protect our ocean and wildlife, including \$20 million annually to combat illegal fishing and up to \$58.5 million annually to protect and recover coral reefs.
- Advancing U.S. innovation and competitiveness domestically and globally, including through technical and financial assistance for equitable economic development, workforce development, and alliances in support of workers and human rights.
- Bolstering climate diplomacy to serve U.S. national security and economic interests through a new Climate Security Strategy, Climate Change Officers in missions and a Climate Resilience Coordinator in the State Department, launching a new interagency Climate Impacts Task Force, and ensuring Chiefs of Mission address climate change in a whole-of-government response.
- Deepening partnerships across key strategic regions, including the Arctic, Oceania, Africa, Asia, and the Caribbean to advance U.S. interests in clean and renewable energy and helping vulnerable states adapt and prepare for climate impacts.

DIVISION A – CREATING HELPFUL INCENTIVES TO PRODUCE SEMICONDUCTORS (CHIPS) FOR AMERICA FUND

Division A of the COMPETES Act authorizes a total of \$52.7 billion over 5 years to incentivize investment in domestic facilities all along the supply chain for semiconductors, from fabrication to testing to packaging and distribution. The new fund also would support semiconductor research and development (R&D) and workforce development, which can help reduce supply chain issues for clean energy technologies that require semiconductor chips like electric vehicles (EV). This Division includes a focus on secure international communications technology and secure supply chains for semiconductors and emerging technology, and expands eligibility for incentives for materials and equipment suppliers.

DIVISION B – RESEARCH AND INNOVATION

The following sections align with broad policy objectives of the SCCC Majority Staff report recommendations in “Pillar 2: Drive Innovation and Deployment of Clean Energy and Deep Carbonization Technologies” to advance innovation in research, development, demonstration and deployment of new technologies that will be critical in widespread implementation of new clean energy and other decarbonization technologies.

Sec. 10103. Biological and environmental research (a) authorizes R&D programs in biological/climate/environmental science in pursuit of new energy technologies. (b) Authorizes 6 bioenergy research centers to accelerate development and application of bioenergy and biobased products. (e) Authorizes research into Earth systems modeling and establishes new coastal zone research and engineered ecosystems initiatives.

Sec. 10211. Authorization of Appropriations provides support to critical research and standards development at the National Institute of Standards and Technology, including \$22 million to investigate the Surfside condominium collapse and provide recommendations to update building standards.

Sec. 10222. Greenhouse gas measurement research expands National Institute of Standards and Technology’s (NIST) greenhouse gas (GHG) measurement program.

Sec. 10234. Sustainable Chemistry Research and Education requires NIST to support sustainable chemistry.

Sec. 10251. Establishment of expansion awards pilot program as a part of the Hollings Manufacturing Extension Partnership provides services for workforce development, resiliency of domestic supply chains.

Sec. 10306. Fundamental research at the National Science Foundation (NSF) includes (g) Climate Change research supporting research, education, and training to improve understanding and predictability of the climate system and climate-change risk, resilience, and mitigation; (k) Food-Energy-Water research; (n) Risk and Resilience Research including risk assessment and predictability and development of tools and technologies for increased resilience; (u) Critical Minerals Mining Research and Development; and (w) Advancing IoT for Precision Agriculture.

Sec. 10308. Directorate for science and engineering solutions includes (g) Focus Areas - Directs the NSF to identify focus areas including in climate change and sustainability, global competitiveness, cybersecurity, national security, STEM education and workforce, and inequality.

Sec. 10623 – 10625. National Clean Energy Technology Transfer Programs authorizes \$15 million annually for Fiscal Years (FY) 22-26 to support incubators that accelerate commercial application of clean energy technologies and also authorizes \$1 million annually for FY22-26 to university student competitions for furthering innovative clean energy technologies. Program also authorizes \$3 million annually for FY22-26 for coordination of relevant technology information transfer within DOE.

Sec. 10633. Management of demonstration projects establishes a program under the Department of Energy (DOE) to conduct project management and oversight of demonstration projects that receive funding from the DOE. Helps to ensure a balanced portfolio of investments in clean energy tech.

Sec. 10642. Regional Clean Energy Innovation Program authorizes \$250 million over 5 years to DOE to establish regional partnerships that promote the economic development of diverse geographic areas of the United States by supporting clean energy innovation. Grants are capped at \$10 million over 5 years with optional renewal for an additional 5 years. \$2 million grants are authorized to government entities for planning activities to set up a regional clean energy innovation partnership.

DIVISION C – ENERGY & COMMERCE

The following sections align with broad policy objectives of the SCCC Majority Staff report recommendations in “Pillar 3: Transform U.S. Industry and Expand Domestic Manufacturing of Clean Energy and Zero-Emission Technologies”, to invest in domestic clean energy manufacturing and supply chains. Sec. 20301 specifically addresses a report recommendation to create a strategic transformer reserve to improve grid resilience from “Pillar 1: Invest in Infrastructure to Build a Just, Equitable, and Resilient Clean Energy Economy”.

Sec. 20201 – 20205. Critical Supply Chain Resilience authorizes \$45 billion for FY22-27 to support the resilience, diversity, security, and strength of critical supply chains, including in energy, against a range of potential disruptions including from natural, economic, and geopolitical.

Sec. 20301. Strategic transformer reserve and resilience program provides \$375 million to establish a strategic transformer reserve to bolster grid resilience to cyber-attack, severe weather, climate, geomagnetic disturbances, and seismic events. Authorizes \$75 million for 5 years from FY22-26.

Sec. 20302. Solar component manufacturing supply chain assistance includes \$3 billion investment in a domestic solar manufacturing supply chain. Authorizes DOE to award grants and direct loans to support a domestic solar supply chain. Authorizes \$600 million per year for 5 years from FY22-26.

DIVISION D – COMMITTEE ON FOREIGN AFFAIRS

The following sections address the SCCC Majority Staff report recommendations in “Pillar 11: Confront Climate Risks to America’s National Security and Restore America’s Leadership on the International Stage,” to deliver on U.S. financial commitments to the Green Climate Fund, advance clean energy and climate resilience in international missions and aid, and improve Arctic engagement and diplomacy given the rapid environmental changes in the region.

TITLE I – INVESTING IN U.S. COMPETITIVENESS

Sec. 30111 – 30115. Global Infrastructure and Energy Development expresses the sense of the Congress on international quality infrastructure investment standards, calls for a

strategy to counteract China assistance and financing to foreign governments, and authorizes a new initiative through the State Department and U.S. Agency for International Development (USAID) to advance the development of sustainable, transparent, and high-quality infrastructure and strengthen the capacity of partner countries to assess the financial and environmental impacts of potential infrastructure projects. Authorizes \$75 million annually from FY22-26 to the Infrastructure Transaction and Assistance Network, of which \$20 million will be available for the Transaction Advisory Fund. **Section 30114** calls for a strategy for advanced and reliable energy infrastructure to increase U.S. exports of advanced energy technologies, while countering predatory lending by China to the energy sectors of developing countries.

Sec. 30121 – 30128. Economic Diplomacy and Leadership address U.S. leadership in constructing the international economic order and the need for the U.S. to strengthen its commercial diplomacy to support secure and resilient supply chains in critical industries, strengthen cybersecurity, deter Chinese economic coercion, and combat digital authoritarianism, among other objectives.

TITLE II - INVESTING IN ALLIANCES AND PARTNERSHIPS

Sec. 30203 – 30204. Boosting Quad cooperation by directing the Secretary of State to develop a strategy for bolstering engagement and cooperation with the Quad countries of the U.S., Japan, Australia, and India, including ways to expand cooperation on COVID-19, climate change, maritime security, quality infrastructure, technology standards, and combatting economic coercion. Authorizes \$1 million each FY22-25 for U.S. working group participation.

Sec. 30205. Statement of policy on cooperation with the Association of Southeast Asian Nations (ASEAN) (8) urging all parties to refrain from action that causes permanent damage to the marine environment and work to implement guidelines to address illegal, unreported, and unregulated fishing in the region.

Sec. 30249. Caribbean energy initiative as alternative to China's Belt and Road Initiative promotes regional cooperation with Caribbean countries for improving energy security, grid reliability, and energy efficiency, as well as reforming energy markets and investing in cleaner energy technologies. It also seeks to reduce the Caribbean's dependency on oil from Venezuelan sources.

Sec. 30250. U.S.-Caribbean Resilience Partnership promotes long-term resilience in the Caribbean to natural disasters, severe weather events, and a changing ocean environment by authorizing appropriations in support of the U.S. Caribbean Resilience Partnership launched in 2019.

Sec. 30276. Africa energy security and diversification expands U.S. policy (amending the Electrify Africa Act of 2015, which included options for renewable energy) to include advancing U.S. foreign policy and development goals by assisting African countries to reduce their energy dependence on countries that use energy dependence for undue political influence; promoting the energy security of U.S. allies and partners; encouraging U.S. public and private sector investment in African energy infrastructure projects; and helping facilitate the export of U.S. energy resources, technology, and expertise to global markets in a way that benefits the energy security of U.S. allies and partners, including in Africa.

Sec. 30285. Arctic diplomacy expresses a sense of Congress that the rapidly changing Arctic environment and increased military activity poses new national and regional security challenges, and requires periodic comprehensive evaluations of present and ongoing disruptions to the global climate system, accounting for global climate disruptions in National Security Planning. Establishes an Ambassador at Large for Arctic Affairs.

Sec. 30294. Oceania Peace Corps partnerships directs the Peace Corps to report on strategies to expand the Peace Corps presence in Oceania including in low-income Oceania communities in support of climate resilience initiatives.

Sec. 30299C. Climate resilient development in the Pacific Islands directs the Secretary of State, in coordination with USAID, Treasury, and the U.S. International Development Finance Corporation (DFC), to develop and implement a strategy to improve critical infrastructure, provide technical assistance to support assessment of risks to local infrastructure, and support ecosystem conservation and protection. Directs U.S. representatives to the World Bank, the International Monetary Fund (IMF), and Asian Development Bank (ADB) to support climate resilient infrastructure projects in the Pacific Islands. Directs the Secretary of State to report on foreign infrastructure developments in the Pacific Islands. Authorizes \$250 million to carry out this section.

Sec. 30299G. Emergency preparedness initiative for the Pacific Islands directs USAID to develop and implement and report on a program to assist the Pacific Islands in enhancing preparedness for and resilience to natural disasters and other emergencies. Authorizes \$200 million for this program.

TITLE VI - INVESTING IN A SUSTAINABLE FUTURE

Sec. 30601. Ensuring national security and economic priorities with China and other countries account for environmental issues and climate change, and sets the objectives for investing in a sustainable future: 1) to ensure U.S. strategic competitiveness in clean energy and green technologies, and to demonstrate Congressional support for Administration efforts to restore the U.S.'s leadership in global efforts to combat climate change; 2) to find common ground with China on climate action where possible, but continue to hold China accountable where its actions undermine U.S. interests; 3) to provide resources, authorities and support for work with other countries to set an ambitious climate action agenda; 4) to create pathways for specific assistance and international financing options; 5) to integrate considerations for climate change into broader U.S. foreign policy decision-making; and 6) to improve diplomatic relationships and consider the pursuit of new partnership opportunities for advancing cooperative climate action.

Sec. 30602. Enhancing security considerations for global climate disruptions, calling for interagency development of periodic evaluations and strategic planning on the evolving climate and security risks, including improving predictive capacities for evolving threats and instability through climate models and forecasting. This section also directs the State Department to develop and implement a U.S. Climate Security Strategy for embassies, consulates, and other bureaus with security, humanitarian disaster response, and related missions to enhance climate resilience capacities of foreign countries and address climate risks to global human health, safety, governance, settlements, infrastructure, food production, economic activity, and natural resources.

Sec. 30603. Balancing accountability and cooperation with China expresses sense of Congress that climate change requires global cooperation, especially between the U.S. and China and that both countries should work together to undertake initiatives to mitigate GHG emissions, develop and deploy clean energy generation technologies, and integrate sustainable adaptation solutions. Instructs the United States and its allies to work together to hold China accountable for increasing its emissions targets, eliminating GHG intensive projects from its Belt and Road Initiative, and avoiding efforts that undermine the Paris Agreement's underlying framework.

Sec. 30604. Promoting responsible development alternatives to the China's Belt and Road Initiative calls on the President to partner with multilateral development finance

institutions to develop financing tools based on shared development finance criteria and mechanisms to support investments in developing countries that support clean energy development, resiliency, and adaptation. Authorizes the Secretary of State, USAID and other relevant agency heads to co-finance infrastructure, resilience, and adaptation projects that advance U.S. overseas development objectives. Allows the DFC to partner with other multilateral development finance institutions in furtherance of these objectives.

Sec. 30605. Using climate diplomacy to better serve national security and economic interests makes diplomatic engagement and climate action a central and crosscutting tenet of the State Department. Calls for greater coordination and integration of climate change diplomacy into U.S. missions around the world and charges the Secretary of State with integrating climate action, diplomacy, and scientific data into the Department of State. Directs the Department to ensure each mission has a climate diplomacy strategy, creates Climate Change Officer positions within the Foreign Service, requires corresponding curriculum at the Foreign Service Institute, and requires Chiefs of Mission to integrate climate change considerations into mission activities, management, and operations.

Sec. 30606. Driving a global climate change resilience strategy authorizes the President to assist programs and initiatives that promote resilience to climate change and creates a Coordinator of Climate Change Resilience at the Department of State to develop a 10-year strategy to mitigate the impacts of climate change and work with allies and partners to ensure a level playing field exists when it comes to climate action. Requires the Department of State to provide a report within 270 days after enactment on implementation of these requirements and an assessment of risks and resources related to achieving the strategy.

Sec. 30607. Addressing international climate change mitigation, adaptation, and security authorizes \$2 billion for FY22 and each FY after for a successor foreign assistance program to the Global Climate Change Initiative to provide specific, supplemental foreign assistance for clean energy, sustainable land use, and adaptation, with focus on building resilience capacities, improving food security and natural resource conservation, and ensuring mitigation of transportation sector emissions are eligible activities. Contributions to multilateral funds, as well as bilateral regional assistance would be eligible to receive funds.

Sec. 30608. Reducing the negative impacts from short lived climate pollutants establishes a policy to advance international efforts to control highly potent environmental pollutants.

Sec. 30609. Green Climate Fund (GCF) provides two-year authorization (\$4 billion each for FY22 and FY23) to help developing countries mitigate and adapt to climate change. Calls for the U.S. to lead efforts to ensure the GCF uses best practices for environmental and social safeguards and respects human rights.

Sec. 30610. Ensuring a whole-of-government response to climate action establishes an interagency task force, led by the Department of State, to monitor international climate change impacts on social conditions to anticipate potential national security risks to the United States, as well as assess the actions taken by other countries vis-à-vis their national climate strategies and international commitments to ensure a coordinated response with allies and partners if state and non-state actors seek to undermine global climate objectives and norms. It also seeks to improve interagency and international coordination in these efforts. Requires a report to Congress within 180 days of enactment.

Sec. 30611. Working with international partners to reduce deforestation establishes USAID program to provide assistance to developing countries to reduce deforestation and forest degradation; sets carbon dioxide emission reductions targets to meet via reduced deforestation; call on international financial institutions to prioritize efforts to combat deforestation.

DIVISION G – COMMITTEE ON FINANCIAL SERVICES

The following sections align with broad policy objectives of the SCCC Majority Staff report “Pillar 11: Confront Climate Risks to America’s National Security and Restore America’s Leadership on the International Stage,” to advance U.S. interests in addressing climate impacts abroad.

Sec. 60101. U.S. policy on World Bank Group and Asian Development Bank Loans to China directs Treasury to instruct U.S. Executive Directors at World Bank Group and ADB to reject any assistance to China unless the Secretary has certified that the Chinese and lenders owned and controlled by the Chinese government participate in debt relief initiatives on terms comparable to other G-20 governments and that the assistance advances U.S. interests, such as limiting climate impacts.

Sec. 60402. Wildlife Trafficking Study requires the Secretary of the Treasury to conduct a study with respect to wildlife trafficking and its proceeds, including examination of the

proliferation of online platforms and the convergence of trafficking commodities, financial enablers, and illicit networks.

Sec. 60801. Support for international initiatives to provide debt relief to developing countries with unsustainable levels of debt directs Treasury and U.S. representatives at the IMF and World Bank to advocate for the effective implementation of the G-20's Common Framework—the first multilateral debt relief initiative aimed at easing the debt burdens of developing countries to include China as an official creditor.

DIVISION H – COMMITTEE ON NATURAL RESOURCES

The following sections address the SCCC Majority Staff report recommendations in “Pillar 10: Protect and Restore America’s Lands, Waters, Ocean, and Wildlife,” to protect and conserve biodiversity and large landscapes, including restoring ocean ecosystems like coral reefs. This section also strengthens monitoring programs to combat illegal, unreported, and unregulated (IUU) fishing, phases out the use of large-scale driftnets, address marine mammal mortality, and bans the domestic sale of shark fins. By addressing unsustainable fishing practices, these measures further support the ability of ecosystems to respond to the impacts of climate change.

Sec. 70307. Health MAP establishes the “Marine Mammal Health Monitoring and Analysis Platform” (Health MAP) to collect and report data on marine mammal deaths, in order to aggregate data and help forecast significant ecosystem health events such as harmful algal blooms (HABs).

Sec. 70311. Study on Marine Mammal Mortality directs the National Oceanic and Atmospheric Administration (NOAA) and other federal agencies to conduct a study on the impact of environmental changes (including marine heatwaves, HABs, and habitat degradation) on marine mammal mortality; report would identify priority research areas on connection between climate change and mortality events and recommend policies.

Sec. 70401. Reauthorization of Coral Reef Conservation Act of 2000, including requirements to publish a National Coral Reef Resilience Strategy every 15 years; establishes guidelines for local Coral Reef Action Plans, and authorizes NOAA to distribute block grants to implement state plans. Authorizes \$38 million for each FY22-26 and an additional \$15 million for each fiscal year for block grants and cooperative agreements.

Sec. 70601. Coral Reef Conservation and Restoration Assistance authorizes the Department of the Interior (DOI) to provide scientific, technical, and financial assistance for management and restoration activities. Establishes a Coral Reef Initiative Program within the Office of Insular Affairs to provide assistance to U.S. territories and the Free-Associated States. Authorizes \$4 million for each FY22-26.

Sec. 70701-70704. Susan L. Williams National Coral Reef Management Fellowship establishes a fellowship program for early-career scientists to work on coral reef management with States, Tribes, and Freely Associated States. Authorizes \$1.5 million for each FY22-26.

Sec. 70802. Caught in the USA authorizes the Department of Commerce to make grants to promote consumption of domestic seafood or marine fisheries products that are environmentally and climate-friendly.

Sec. 70901. Ocean and Coastal Mapping Integration Act requires inclusion of an assessment of the effects of climate change in the Insular Areas in the biennial report to Congress on progress in coverage and modernization of ocean and coastal mapping.

Sec. 71001. Deep-sea Mining authorizes a National Academies study on the environmental impacts of deep seabed mining.

Sec. 71002. National Academies assessment of ocean and blue carbon authorizes a National Academies study on oceanic blue carbon sequestration potential.

DIVISION I – COMMITTEE ON JUDICIARY

The following section aligns with broad policy objectives of the SCCC Majority Staff report recommendations in “Pillar 12: Strengthen Climate Science” to expand and sustain federal support for climate literacy and STEM education.

Sections 80303 – 80305. STEM Graduates exemptions from the limitations on immigrant visas for immigrants who have earned a doctoral degree in science, technology, engineering, or mathematics (STEM) from a qualified institution and are seeking admission to engage in work in the U.S. in a related field.

DIVISION J – COMMITTEE ON EDUCATION AND LABOR

The following sections align with broad policy objectives of the SCCC Majority Staff report in “Pillar 5: Invest in America’s Workers and Build a Fairer Economy” and generally throughout the report to expand and support apprenticeship opportunities, expand and sustain federal support for climate literacy and STEM education, and to target federal economic and workforce development assistance to disadvantaged communities and workers.

Sections 90101 – 90104. National Apprenticeship Act of 2022 codifies the National Advisory Committee on Apprenticeships and the Office of Apprenticeship within the Department of Labor to provide technical and financial assistance for the establishment of state apprenticeship programs, provide workers with paid, on-the-job-training, and support for youth apprenticeships in multiple sectors, including energy, to create nearly 1 million additional apprenticeship opportunities over the next five years. Authorizes \$75 million for FY23 and increasing by \$10 million annually to reach \$115 million in FY27.

Sec. 90201. Postsecondary STEM pathways grant authorizes a new competitive grant program operated by the U.S. Department of Education to support equitable access to postsecondary STEM pathways that expose students to high-quality STEM opportunities.

DIVISION K – MATTERS RELATING TO TRADE

The following sections align with broad policy objectives of the SCCC Majority Staff report to advance environmental justice, support a just transition, and help our nation’s workers and farmers experiences economic distress.

Subtitles A – D address trade adjustment assistance (TAA) for workers, farmers, firms, communities through improvements to the TAA programs to increase funding, enhance outreach to workers in historically underserved communities, and bolster workforce development services and monetary support to workers who have lost their jobs due to trade.

Sec. 106003. Sense of Congress on United States commitment to the World Trade Organization (WTO) expresses the U.S. should continue to lead reform efforts at the WTO, including ensuring there are platforms to discuss matters on the environment.

DIVISION L – COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

The following section aligns with broad policy objectives of the SCCC Majority Staff report to strengthen community resilience, advance environmental justice, and support a just transition.

Sec. 110001. RECOMPETE Pilot Program establishes a grant program at the Economic Development Administration to provide predevelopment and planning grants and 10-year place-based economic development grants to persistently distressed local labor markets, local communities, and Tribes to develop comprehensive economic development plans and carry out programs and activities to alleviate persistent economic distress, support long-term economic growth, create lasting, quality jobs, and increase prime-age employment rates and per capita earnings. The program is funded at \$4 billion in FY22-25, and funds will remain available until expended.