To amend the Internal Revenue Code of 1986 to extend and update the new energy efficient home credit.

IN THE SENATE OF THE UNITED STATES

Ms. HASSAN (for herself and Ms. COLLINS) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend the Internal Revenue Code of 1986 to extend and update the new energy efficient home credit.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “New Home Energy Efficiency Act”.

SEC. 2. EXTENSION OF NEW ENERGY EFFICIENT HOME CREDIT.

(a) In General.—Subsection (g) of section 45L of the Internal Revenue Code of 1986 is amended by striking
“December 31, 2017” and inserting “December 31, 2020”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified new energy efficient homes acquired after December 31, 2017.

SEC. 3. UPDATING NEW ENERGY EFFICIENT HOME CREDIT.

(a) IN GENERAL.—Section 45L of the Internal Revenue Code of 1986, as amended by section 2, is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (A), by striking “$2,000” and inserting “$2,500”, and

(B) in subparagraph (B), by inserting “or (4)” after “paragraph (3)”;

(2) in subsection (b)—

(A) in paragraph (2)(B), by striking “this section” and inserting “the New Home Energy Efficiency Act”, and

(B) by adding at the end the following:

“(5) 2018 IECC.—

“(A) IN GENERAL.—The term ‘2018 IECC’ means the 2018 International Energy Conservation Code, as such Code (including supplements) is in effect on the date of the en-
(B) SPECIAL RULE.—For purposes of subsection (c)(1)(B)(i)(I), in determining whether a dwelling unit has been constructed in accordance with the standards of chapter 4 of the 2018 IECC by achieving a level of energy efficiency which meets Section R406.4(N1106.4) of such Code, such determination shall be made without accounting for on-site energy generation.”, and

(3) by striking subsection (c) and inserting the following:

“(c) ENERGY SAVINGS REQUIREMENTS.—A dwelling unit meets the energy saving requirements of this subsection if such unit—

“(1)(A) is certified—

“(i) to have a level of annual heating and cooling energy consumption which is at least 60 percent below the annual level of heating and cooling energy consumption of a comparable dwelling unit—

“(I) which is constructed in accordance with the standards of chapter 4 of the 2006 International Energy Conservation
Code, as such Code (including supplements) is in effect on January 1, 2006, and

“(II) for which the heating and cooling equipment efficiencies correspond to the minimum allowed under the regulations established by the Department of Energy pursuant to the National Appliance Energy Conservation Act of 1987 and in effect at the time of completion of construction, and

“(ii) to have building envelope component improvements account for at least 1/5 of such 60 percent, or

“(B) is certified—

“(i) to have a level of annual energy consumption which is at least 15 percent below the annual level of energy consumption of a comparable dwelling unit—

“(I) which is constructed in accordance with the standards of chapter 4 of the 2018 IECC, and

“(II) which meets the requirements described in subparagraph (A)(i)(II), and
“(ii) to have building envelope component improvements account for at least 1/5 of such 15 percent,
“(2) is a manufactured home which—
“(A) conforms to Federal Manufactured Home Construction and Safety Standards (part 3280 of title 24, Code of Federal Regulations), and
“(B) meets the requirements described in subparagraph (A) or (B) of paragraph (1),
“(3) meets the requirements established by the Administrator of the Environmental Protection Agency under the Energy Star Labeled Homes program, or
“(4) is a manufactured home which—
“(A) conforms to the standards described in paragraph (2)(A), and
“(B) meets the requirements described in paragraph (3).”, and
(4) in subsection (g), by striking “December 31, 2020” and inserting “December 31, 2022”.
(b) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified new energy efficient homes acquired after December 31, 2020.