

Washington, D.C. – Today Congressman Earl Blumenauer voted with a majority of his colleagues to pass landmark energy legislation that makes America more energy independent, strengthens national security, lowers energy costs, bolsters America’s economy, creates new jobs and reduces global warming. Last night Congressman Blumenauer, an outspoken leader on the environment in Congress, presented the Energy Tax Package before the House Rules Committee. It contained the following provisions which he worked to include: a carbon audit of the tax code; a transportation fringe benefit for bike commuters; county payments; and a tax credit for individuals who install wind turbines, which creates clean, renewable energy.

“Throughout history, America has demonstrated itself a leader, and my hope is that with this legislation we can once again step up to the plate and take on this generation’s greatest challenge,” said Congressman Blumenauer. “The legislation we passed today is an historic, comprehensive energy policy that will bring America into the 21st century. We have established a renewable electricity standard and increased tax incentives to jumpstart renewable energy production, and for the first time since 1975 we are increasing fuel efficiency standards. As a result of this legislation, America will be more competitive, less dependent on foreign oil, and better prepared to combat global warming.”

### **The Energy Independence and Security Act:**

- Increases the fuel efficiency of vehicles to 35 miles per gallon by 2020. This is the first increase in a generation and is supported by environmentalists and the automobile industry (CAFE).
- Requires for the first time that 15 percent of our electricity come from renewable sources (Renewable Electricity Standard)
  - Saves consumers hundreds of billion of dollars through landmark new energy efficiency standards for a wide range of products, appliances, lighting and buildings
  - Includes \$21 billion tax incentive package – which repeals \$13 billion in tax breaks that were needlessly given to oil companies, which don't need our help to turn a profit and includes other tax provisions from the President’s budget and invests those savings in clean renewable energy and new American technologies
  - Promotes renewable energy through tax incentives for solar, wind, biomass, and geothermal technologies and supports cutting-edge energy research
  - Trains workers for the millions of new “green” jobs created by this investment over the next 10 years

**Five initiatives promoted by Rep. Blumenauer are included in the House-passed energy**

## **tax bill:**

### Investment Tax Credit for Small Wind Turbines

The legislation incorporates Congressman Blumenauer's "Rural Wind Energy Development Act," H.R. 1772. This provision helps individuals – homeowners, farmers, and small businesses – offset the upfront costs of owning a small wind turbine. It provides, for the first time, an investment tax credit for the installation of small wind systems. This credit is currently available to taxpayers who install solar panels, and this legislation will extend the benefit to those who install small wind turbines.

### Carbon Audit of the Tax Code

The legislation calls for a National Academy of Sciences review of the Internal Revenue Code (26 U.S.C. § 1 et seq.) to identify those tax provisions and policies that have the greatest influence on the generation of carbon emissions and other greenhouse gases and to estimate the magnitude of those effects. The study would evaluate the potential for changes in the tax code to reduce carbon emissions. The study will discuss and provide examples of both direct and indirect tax code influences.

### Bike Commuter Benefit

The bill amends section 132(f) of the IRS code to include "bicycles" in the definition of transportation covered by fringe benefits. This would provide a benefit of \$20/month for those employees who bike to work, which is a clean, healthy and efficient mode of transportation. Transportation fringe benefits are currently provided to employees who commute by car and transit; this would provide parity to those who commute by bike. The provision is based on H.R. 1498, legislation introduced by Blumenauer earlier this year.

### Auxiliary power units:

Blumenauer advocated for the inclusion of tax incentives for idling reduction units such as auxiliary power units for trucks, which are designed to eliminate the need for truck engine idling at rest stops. APUs are designed to provide the vehicle with services such as heat, air conditioning, or electricity that would otherwise require the operation of the main drive engine while the vehicle is stationary. Specifically, the bill provides an exemption from the highway vehicle excise tax for the cost of idling reduction devices.

### Secure Rural Schools Reauthorization:

Working with members of the Oregon delegation, Blumenauer advocated for the inclusion of language in the energy tax package reauthorizing the Secure Rural Schools and Community Self-Determination Act, which provides support to rural counties impacted by a reduction in revenues associated with a smaller timber harvest. This was a priority of Members of Congress from Western states, which stand to lose important funding for schools and other services if the legislation expires .