

118TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to establish requirements for the clean vehicle credit and the qualifying advanced energy project credit to prevent offshoring by manufacturers, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to establish requirements for the clean vehicle credit and the qualifying advanced energy project credit to prevent offshoring by manufacturers, and for other purposes.

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 “Putting American  
5 Autoworkers First Act of 2023”.

1 **SEC. 2. EXCLUSION OF OFFSHORING MANUFACTURERS**  
2 **UNDER CLEAN VEHICLE CREDIT.**

3 (a) IN GENERAL.—Section 30D(d)(3) of the Internal  
4 Revenue Code of 1986 is amended—

5 (1) by striking “The term” and inserting the  
6 following:

7 “(A) IN GENERAL.—The term”, and

8 (2) by adding at the end the following:

9 “(B) OFFSHORING EXCLUSION.—

10 “(i) IN GENERAL.—The term ‘quali-  
11 fied manufacturer’ shall not include any  
12 manufacturer (as defined in subparagraph  
13 (A)) which, during the applicable period—

14 “(I) with respect to the manufac-  
15 turer or any subsidiary of such manu-  
16 facturer—

17 “(aa) moves any production,  
18 manufacturing, or final assembly  
19 of any vehicle or any component  
20 part of a vehicle outside of the  
21 United States, or

22 “(bb) reduces or eliminates  
23 production, manufacturing, or  
24 final assembly of any vehicle or  
25 any component part of a vehicle  
26 in the United States and subse-

1 frequently obtains any such vehicle  
2 or part from a producer or man-  
3 ufacturer located outside of the  
4 United States, or

5 “(II) fails to satisfy the require-  
6 ments described in clause (iii).

7 “(ii) APPLICABLE PERIOD.—For pur-  
8 poses of this subparagraph, the term ‘ap-  
9 plicable period’ means the period—

10 “(I) beginning on the date of en-  
11 actment of the Putting American  
12 Autoworkers First Act of 2023, and

13 “(II) ending on the date which is  
14 10 years after the date on which the  
15 written agreement with the Secretary  
16 described in subparagraph (A) has  
17 been terminated.

18 “(iii) REPORTING.—Not later than 1  
19 year after the date of enactment of the  
20 Putting American Autoworkers First Act  
21 of 2023, and annually thereafter during  
22 the applicable period, any manufacturer  
23 which has entered into a written agreement  
24 with the Secretary described in subpara-  
25 graph (A) shall provide the Secretary with

1 such information as the Secretary may re-  
2 quire to demonstrate that such manufac-  
3 turer (including any subsidiaries) has not  
4 moved, reduced, or eliminated any produc-  
5 tion, manufacturing, or final assembly in a  
6 manner described in clause (i)(I).

7 “(iv) PENALTY.—

8 “(I) IN GENERAL.—In the case  
9 of any manufacturer which, during  
10 the applicable period, has moved, re-  
11 duced, or eliminated any production,  
12 manufacturing, or final assembly in a  
13 manner described in clause (i)(I),  
14 such manufacturer shall pay to the  
15 Secretary a penalty in an amount  
16 equal to the total amount of credits  
17 allowed under this section with re-  
18 spect to any new clean vehicles manu-  
19 factured by such manufacturer during  
20 the applicable period.

21 “(II) PERIOD OF PAYMENT.—

22 Any penalty imposed pursuant to sub-  
23 clause (I) shall be paid by the manu-  
24 facturer to the Secretary over such

1 period as is determined appropriate by  
2 the Secretary.

3 “(v) RULE OF CONSTRUCTION.—In  
4 the case of any manufacturer which, as de-  
5 termined by the Secretary, has failed to  
6 satisfy the requirements under subclause  
7 (I) or (II) of clause (i) during the applica-  
8 ble period, such determination shall have  
9 no effect with respect to any vehicle sold  
10 before the date of such determination for  
11 purposes of determining whether such vehi-  
12 cle satisfies the requirement under para-  
13 graph (1)(C).”.

14 (b) APPLICATION OF PENALTIES TO OTHER CRED-  
15 ITS.—

16 (1) PREVIOUSLY-OWNED CLEAN VEHICLES.—  
17 Section 25E of the Internal Revenue Code of 1986  
18 is amended—

19 (A) by redesignating subsection (g) (as re-  
20 designated by section 13402(b) of Public Law  
21 117-169) as subsection (h), and

22 (B) by inserting after subsection (f) the  
23 following new subsection:

24 “(g) MANUFACTURER PENALTY FOR VIOLATIONS OF  
25 OFFSHORING RULES.—

1           “(1) IN GENERAL.—In the case of any manu-  
2           facturer which, during the applicable period, has  
3           moved, reduced, or eliminated any production, man-  
4           ufacturing, or final assembly in a manner described  
5           in section 30D(d)(3)(B)(i)(I), such manufacturer  
6           shall pay to the Secretary a penalty in an amount  
7           equal to the total amount of credits allowed under  
8           this section with respect to any previously-owned  
9           clean vehicles manufactured by such manufacturer  
10          during the applicable period.

11          “(2) EXCLUSION.—Any previously-owned clean  
12          vehicle for which a credit was allowed under section  
13          30D shall not be included for purposes of deter-  
14          mining the amount of any penalty imposed pursuant  
15          to paragraph (1).

16          “(3) PERIOD OF PAYMENT.—Any penalty im-  
17          posed pursuant to paragraph (1) shall be paid by  
18          the manufacturer to the Secretary over such period  
19          as is determined appropriate by the Secretary.

20          “(4) DEFINITIONS.—For purposes of this sub-  
21          section, the terms ‘manufacturer’ and ‘applicable pe-  
22          riod’ shall have the same meanings given such terms  
23          under section 30D(d)(3)(B).”.

1           (2) QUALIFIED COMMERCIAL CLEAN VEHI-  
2           CLES.—Section 45W of the Internal Revenue Code  
3           of 1986 is amended—

4                   (A) by redesignating subsection (g) as sub-  
5           section (h), and

6                   (B) by inserting after subsection (f) the  
7           following new subsection:

8           “(g) MANUFACTURER PENALTY FOR VIOLATION OF  
9           OFFSHORING RULES.—

10                   “(1) IN GENERAL.—In the case of any manu-  
11           facturer which, during the applicable period, has  
12           moved, reduced, or eliminated any production, man-  
13           ufacturing, or final assembly in a manner described  
14           in section 30D(d)(3)(B)(i)(I), such manufacturer  
15           shall pay to the Secretary a penalty in an amount  
16           equal to the total amount of credits allowed under  
17           this section with respect to any qualified commercial  
18           clean vehicles manufactured by such manufacturer  
19           during the applicable period.

20                   “(2) PERIOD OF PAYMENT.—Any penalty im-  
21           posed pursuant to paragraph (1) shall be paid by  
22           the manufacturer to the Secretary over such period  
23           as is determined appropriate by the Secretary.

24                   “(3) DEFINITIONS.—For purposes of this sub-  
25           section, the terms ‘manufacturer’ and ‘applicable pe-

1        riod’ shall have the same meanings given such terms  
2        under section 30D(d)(3)(B).”.

3        (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to vehicles sold after the date of  
5 enactment of this Act.

6 **SEC. 3. EXCLUSION OF OFFSHORING MANUFACTURERS**  
7                    **UNDER QUALIFYING ADVANCED ENERGY**  
8                    **PROJECT CREDIT.**

9        (a) IN GENERAL.—Section 48C(c)(1) of the Internal  
10 Revenue Code of 1986 is amended by adding at the end  
11 the following:

12                    “(C) OFFSHORING EXCLUSION.—

13                    “(i) IN GENERAL.—Such term shall  
14 not include any project of an applicable  
15 taxpayer if, during the applicable period—

16                    “(I) such taxpayer (including any  
17 subsidiary of such taxpayer)—

18                    “(aa) moves any production,  
19 manufacturing, or final assembly  
20 of any vehicle or any component  
21 part of a vehicle outside of the  
22 United States, or

23                    “(bb) reduces or eliminates  
24 production, manufacturing, or  
25 final assembly of any vehicle or



1 any component part of a vehicle  
2 in the United States and subse-  
3 quently obtains any such vehicle  
4 or part from a producer or man-  
5 ufacturer located outside of the  
6 United States, or

7 “(II) such taxpayer fails to sat-  
8 isfy the requirements described in  
9 clause (iii).

10 “(ii) APPLICABLE PERIOD.—For pur-  
11 poses of this subparagraph, the term ‘ap-  
12 plicable period’ means, with respect to any  
13 project of the taxpayer,—

14 “(I) beginning on the date of en-  
15 actment of the Putting American  
16 Autoworkers First Act of 2023, and

17 “(II) ending on the date which is  
18 10 years after the end of the last tax-  
19 able year for which, with respect to  
20 such project, a credit determined  
21 under subsection (a) is allowed under  
22 section 38.

23 “(iii) REPORTING.—Not later than 1  
24 year after the date of enactment of the  
25 Putting American Autoworkers First Act

1 of 2023, and annually thereafter during  
2 the applicable period, any taxpayer which  
3 has received a certification under sub-  
4 section (e) with respect to any project shall  
5 provide the Secretary with such informa-  
6 tion as the Secretary may require to dem-  
7 onstrate that such taxpayer (including any  
8 subsidiaries) has not moved, reduced, or  
9 eliminated any production, manufacturing,  
10 or final assembly in a manner described in  
11 subclause (I) or (II) of clause (i).

12 “(iv) PENALTY.—

13 “(I) IN GENERAL.—In the case  
14 of any applicable taxpayer which, dur-  
15 ing the applicable period, has moved,  
16 reduced, or eliminated any production,  
17 manufacturing, or final assembly in a  
18 manner described in subclause (I) or  
19 (II) of clause (i), such taxpayer shall  
20 pay to the Secretary a penalty in an  
21 amount equal to 200 percent of the  
22 total amount of credits allowed under  
23 this section with respect to any quali-  
24 fied investments made by such tax-  
25 payer during the applicable period.

1 “(II) PERIOD OF PAYMENT.—

2 Any penalty imposed pursuant to sub-  
3 clause (I) shall be paid by the applica-  
4 ble taxpayer to the Secretary over  
5 such period as is determined appro-  
6 priate by the Secretary.

7 “(v) APPLICABLE TAXPAYER.—For  
8 purposes of this subparagraph, the term  
9 ‘applicable taxpayer’ means any manufac-  
10 turer (within the meaning of the regula-  
11 tions prescribed by the Administrator of  
12 the Environmental Protection Agency for  
13 purposes of the administration of title II of  
14 the Clean Air Act (42 U.S.C. 7521 et  
15 seq.)).”.

16 (b) EFFECTIVE DATE.—The amendment made by  
17 this section shall apply to property placed in service after  
18 the date of enactment of this Act.

19 **SEC. 4. EXCLUSION OF OFFSHORING MANUFACTURERS**  
20 **UNDER ADVANCED TECHNOLOGY VEHICLES**  
21 **MANUFACTURING INCENTIVE PROGRAM.**

22 Section 136 of the Energy Independence and Security  
23 Act of 2007 (42 U.S.C. 17013) is amended—

24 (1) by striking subsection (e) and inserting the  
25 following:

1       “(e) ELIGIBILITY; REQUIREMENT TO NOT OFF-  
2 SHORE MANUFACTURING.—

3               “(1) DEFINITIONS.—In this subsection:

4                       “(A) APPLICABLE PERIOD.—The term ‘ap-  
5 plicable period’, with respect to a covered enti-  
6 ty, means the 10-year period following the date  
7 on which the covered entity, as applicable—

8                               “(i) receives the full amount of a facil-  
9 ity funding award under subsection (b); or

10                              “(ii) fully pays back a direct loan re-  
11 ceived under subsection (d).

12                       “(B) COVERED ENTITY.—The term ‘cov-  
13 ered entity’ means an entity that—

14                              “(i) produces, manufactures, or car-  
15 ries out the final assembly of motor vehi-  
16 cles; and

17                              “(ii) receives, after the date of enact-  
18 ment of the Putting American Autoworkers  
19 First Act of 2023—

20                                      “(I) a facility funding award  
21 under subsection (b); or

22                                      “(II) a direct loan under sub-  
23 section (d).

1           “(C) PROHIBITED ACTIVITY.—The term  
2           ‘prohibited activity’, with respect to an entity  
3           described in subparagraph (B)(i), means—

4                   “(i) moving the domestic production,  
5                   manufacturing, or final assembly of any  
6                   vehicle or any component part of a vehicle  
7                   outside of the United States; and

8                   “(ii) reducing or eliminating produc-  
9                   tion, manufacturing, or final assembly of  
10                  any vehicle or any component part of a ve-  
11                  hicle in the United States and subse-  
12                  quently obtaining such vehicle or compo-  
13                  nent part from a producer or manufacturer  
14                  located outside of the United States.

15           “(2) ELIGIBILITY.—Beginning on the date of  
16           enactment of the Putting American Autoworkers  
17           First Act of 2023, no entity described in clause (i)  
18           of paragraph (1)(B) shall be eligible for an award or  
19           loan described in clause (ii) of that paragraph if that  
20           entity (or a subsidiary of that entity) has carried out  
21           a prohibited activity as of that date.

22           “(3) REQUIREMENTS.—

23                   “(A) IN GENERAL.—As a condition of re-  
24                   ceiving an award or loan described in paragraph

1 (1)(B)(ii), a covered entity may not, during the  
2 applicable period—

3 “(i) carry out any prohibited activity;

4 or

5 “(ii) fail to satisfy the requirement  
6 under subparagraph (C).

7 “(B) SUBSIDIARY REQUIREMENT.—The re-  
8 quirement under subparagraph (A)(i) shall  
9 apply to each subsidiary of a covered entity, if  
10 applicable.

11 “(C) REPORT.—Not later than 1 year  
12 after the date of enactment of the Putting  
13 American Autoworkers First Act of 2023, and  
14 annually thereafter until the end of the applica-  
15 ble period, each covered entity shall provide to  
16 the Secretary such information as the Secretary  
17 may require to demonstrate that the covered  
18 entity (including each subsidiary, if applicable)  
19 has not carried out a prohibited activity.

20 “(4) NONCOMPLIANCE.—

21 “(A) IN GENERAL.—If a covered entity be-  
22 comes noncompliant with the requirements  
23 under paragraph (3), the covered entity shall  
24 pay to the Secretary—

1 “(i) in the case of receiving an award,  
2 200 percent of the amount of the award;  
3 and

4 “(ii) in the case of receiving a loan,  
5 the amount of the loan, at a schedule de-  
6 termined by the Secretary, at an interest  
7 rate that is double the higher of—

8 “(I) the interest rate; and

9 “(II) the subsidy rate.

10 “(B) PERIOD OF PAYMENT.—Any payment  
11 imposed pursuant to subparagraph (A) shall be  
12 paid by the covered entity to the Secretary over  
13 such period as is determined appropriate by the  
14 Secretary.”; and

15 (2) by redesignating subsection (m) as sub-  
16 section (l).

17 **SEC. 5. EXCLUSION OF OFFSHORING MANUFACTURERS**  
18 **UNDER DOMESTIC MANUFACTURING CON-**  
19 **VERSION GRANT PROGRAM.**

20 Section 712(a) of the Energy Policy Act of 2005 (42  
21 U.S.C. 16062(a)) is amended—

22 (1) in paragraph (2)—

23 (A) by striking “The program” and insert-  
24 ing the following:

25 “(A) IN GENERAL.—The program”; and

1 (B) by adding at the end the following:

2 “(B) ELIGIBILITY.—Beginning on the date  
3 of enactment of the Putting American Auto-  
4 workers First Act of 2023, no entity described  
5 in paragraph (4)(A)(ii)(I) shall be eligible for a  
6 grant or loan guarantee under this paragraph if  
7 that entity (or a subsidiary of that entity) has  
8 carried out a prohibited activity (as defined in  
9 paragraph (4)(A)) as of that date.”; and

10 (2) by adding at the end the following:

11 “(4) REQUIREMENT TO NOT OFFSHORE MANU-  
12 FACTURING.—

13 “(A) DEFINITIONS.—In this paragraph:

14 “(i) APPLICABLE PERIOD.—The term  
15 ‘applicable period’, with respect to a cov-  
16 ered entity, means the 10-year period fol-  
17 lowing the date on which the covered enti-  
18 ty, as applicable—

19 “(I) receives the full amount of  
20 grant funds under paragraph (2); or

21 “(II) fully pays back the loan for  
22 which a guarantee is provided under  
23 that paragraph.



1                   “(ii) COVERED ENTITY.—The term  
2                   ‘covered entity’ means an entity described  
3                   in paragraph (2) that—

4                   “(I) produces, manufactures, or  
5                   carries out the final assembly of  
6                   motor vehicles; and

7                   “(II) receives, after the date of  
8                   enactment of the Putting American  
9                   Autoworkers First Act of 2023, a  
10                  grant or loan guarantee under that  
11                  paragraph.

12                  “(iii) PROHIBITED ACTIVITY.—The  
13                  term ‘prohibited activity’, with respect to  
14                  an entity described in clause (ii)(I),  
15                  means—

16                  “(I) moving the domestic produc-  
17                  tion, manufacturing, or final assembly  
18                  of any vehicle or any component part  
19                  of a vehicle outside of the United  
20                  States; and

21                  “(II) reducing or eliminating pro-  
22                  duction, manufacturing, or final as-  
23                  sembly of any vehicle or any compo-  
24                  nent part of a vehicle in the United  
25                  States and subsequently obtaining

1           such vehicle or component part from a  
2           producer or manufacturer located out-  
3           side of the United States.

4           “(B) REQUIREMENTS.—

5           “(i) IN GENERAL.—As a condition of  
6           receiving a grant or loan guarantee under  
7           paragraph (2), a covered entity may not,  
8           during the applicable period—

9                   “(I) carry out any prohibited ac-  
10                  tivity; or

11                   “(II) fail to satisfy the require-  
12                  ment under clause (iii).

13           “(ii) SUBSIDIARY REQUIREMENT.—  
14           The requirement under clause (i)(I) shall  
15           apply to each subsidiary of a covered enti-  
16           ty, if applicable.

17           “(iii) REPORT.—Not later than 1 year  
18           after the date of enactment of the Putting  
19           American Autoworkers First Act of 2023,  
20           and annually thereafter until the end of  
21           the applicable period, each covered entity  
22           shall provide to the Secretary such infor-  
23           mation as the Secretary may require to  
24           demonstrate that the covered entity (in-

1 cluding each subsidiary, if applicable) has  
2 not carried out a prohibited activity.

3 “(C) NONCOMPLIANCE.—

4 “(i) IN GENERAL.—If a covered entity  
5 becomes noncompliant with the require-  
6 ments under subparagraph (B), the cov-  
7 ered entity shall pay to the Secretary—

8 “(I) in the case of receiving a  
9 grant, 200 percent of the amount of  
10 the grant; and

11 “(II) in the case of receiving a  
12 loan guarantee, an amount that is  
13 double the cost incurred by the Sec-  
14 retary for administering that loan  
15 guarantee.

16 “(ii) PERIOD OF PAYMENT.—Any pay-  
17 ment imposed pursuant to clause (i) shall  
18 be paid by the covered entity to the Sec-  
19 retary over such period as is determined  
20 appropriate by the Secretary.”.

1 **SEC. 6. EXCLUSION OF OFFSHORING MANUFACTURERS**  
2 **UNDER PUBLIC SCHOOL ENERGY IMPROVE-**  
3 **MENT PROGRAM.**

4 Section 40541(f) of the Investment Infrastructure  
5 and Jobs Act (42 U.S.C. 18831(f)) is amended by adding  
6 at the end the following:

7 “(5) USE OF GRANT FUNDS RELATING TO  
8 MOTOR VEHICLE MANUFACTURERS.—

9 “(A) DEFINITIONS.—In this paragraph:

10 “(i) APPLICABLE PERIOD.—The term  
11 ‘applicable period’, with respect to a cov-  
12 ered entity, means the 10-year period fol-  
13 lowing the date on which the covered entity  
14 contracts with an eligible entity as de-  
15 scribed in clause (ii)(II).

16 “(ii) COVERED ENTITY.—The term  
17 ‘covered entity’ means an entity that—

18 “(I) produces, manufactures, or  
19 carries out the final assembly of  
20 motor vehicles; and

21 “(II) after the date of enactment  
22 of the Putting American Autoworkers  
23 First Act of 2023, contracts with an  
24 eligible entity to make energy im-  
25 provements pursuant to a grant pro-

1                   vided to the eligible entity under this  
2                   section.

3                   “(iii) PROHIBITED ACTIVITY.—The  
4                   term ‘prohibited activity’, with respect to  
5                   an entity described in clause (ii)(I),  
6                   means—

7                                 “(I) moving the domestic produc-  
8                                 tion, manufacturing, or final assembly  
9                                 of any vehicle or any component part  
10                                of a vehicle outside of the United  
11                                States; and

12                               “(II) reducing or eliminating pro-  
13                               duction, manufacturing, or final as-  
14                               sembly of any vehicle or any compo-  
15                               nent part of a vehicle in the United  
16                               States and subsequently obtaining  
17                               such vehicle or component part from a  
18                               producer or manufacturer located out-  
19                               side of the United States.

20                   “(B) PROHIBITION.—Beginning on the  
21                   date of enactment of the Putting American  
22                   Autoworkers First Act of 2023, an eligible enti-  
23                   ty receiving a grant under this section may not  
24                   use grant amounts to contract with, for the  
25                   purpose of making energy improvements, an en-

1           tity described in subparagraph (A)(ii)(I), or a  
2           subsidiary of such an entity, if that entity or  
3           subsidiary has carried out a prohibited activity  
4           as of that date.

5           “(C) REQUIREMENTS ON MOTOR VEHICLE  
6           MANUFACTURERS.—A covered entity may not,  
7           as a condition of the contract with the eligible  
8           entity, during the applicable period—

9                   “(i) carry out a prohibited activity; or  
10                   “(ii) fail to satisfy the requirement  
11           under subparagraph (E).

12           “(D) SUBSIDIARY REQUIREMENT.—The re-  
13           quirement under subparagraph (C)(i) shall  
14           apply to each subsidiary of a covered entity, if  
15           applicable.

16           “(E) NOTICE TO COVERED ENTITY.—If an  
17           eligible entity intends to use proceeds from a  
18           grant under this section to purchase, lease, li-  
19           cense, or contract for a motor vehicle from a  
20           covered entity, the eligible entity shall notify the  
21           covered entity that the sale, lease, license, or  
22           contract is being carried out using a grant  
23           under this section.

24           “(F) REPORT.—Not later than 1 year  
25           after the date of enactment of the Putting

1 American Autoworkers First Act of 2023, and  
2 annually thereafter until the end of the applica-  
3 ble period, each covered entity shall provide to  
4 the Secretary such information as the Secretary  
5 may require to demonstrate that the covered  
6 entity (including each subsidiary, if applicable)  
7 has not carried out a prohibited activity.

8 “(G) NONCOMPLIANCE.—

9 “(i) IN GENERAL.—If a covered entity  
10 becomes noncompliant with the require-  
11 ments under subparagraph (C), the cov-  
12 ered entity shall pay to the Secretary the  
13 Federal funds paid by the eligible entity to  
14 the covered entity under the applicable  
15 contract.

16 “(ii) PERIOD OF PAYMENT.—Any pay-  
17 ment imposed pursuant to clause (i) shall  
18 be paid by the covered entity to the Sec-  
19 retary over such period as is determined  
20 appropriate by the Secretary.”.

21 **SEC. 7. EXCLUSION OF OFFSHORING MANUFACTURERS**  
22 **UNDER STATE ENERGY PROGRAM.**

23 Section 362 of the Energy Policy and Conservation  
24 Act (42 U.S.C. 6322) is amended by adding at the end  
25 the following:

1           “(h) USE OF FUNDS RELATING TO MOTOR VEHICLE  
2 MANUFACTURERS.—

3           “(1) DEFINITIONS.—In this subsection:

4                   “(A) APPLICABLE PERIOD.—The term ‘ap-  
5 plicable period’, with respect to a covered enti-  
6 ty, means the 10-year period following the date  
7 on which the covered entity contracts with a  
8 State as described in subparagraph (B)(ii).

9                   “(B) COVERED ENTITY.—The term ‘cov-  
10 ered entity’ means an entity that—

11                           “(i) produces, manufactures, or car-  
12 ries out the final assembly of motor vehi-  
13 cles; and

14                           “(ii) after the date of enactment of  
15 the Putting American Autoworkers First  
16 Act of 2023, contracts with a State to  
17 carry out an energy conservation goal pur-  
18 suant to a State energy conservation plan  
19 submitted under this section.

20                   “(C) PROHIBITED ACTIVITY.—The term  
21 ‘prohibited activity’, with respect to an entity  
22 described in subparagraph (B)(i), means—

23                           “(i) moving the domestic production,  
24 manufacturing, or final assembly of any



1 vehicle or any component part of a vehicle  
2 outside of the United States; and

3 “(ii) reducing or eliminating produc-  
4 tion, manufacturing, or final assembly of  
5 any vehicle or any component part of a ve-  
6 hicle in the United States and subse-  
7 quently obtaining such vehicle or compo-  
8 nent part from a producer or manufacturer  
9 located outside of the United States.

10 “(2) PROHIBITION.—Beginning on the date of  
11 enactment of the Putting American Autoworkers  
12 First Act of 2023, a State carrying out a State en-  
13 ergy conservation plan submitted under this section  
14 may not contract with, for the purpose of carrying  
15 out an energy conservation goal, an entity described  
16 in paragraph (1)(B)(i), or a subsidiary of such an  
17 entity, if that entity or subsidiary has carried out a  
18 prohibited activity as of that date.

19 “(3) REQUIREMENTS ON MOTOR VEHICLE MAN-  
20 UFACTURERS.—A covered entity may not, as a con-  
21 dition of the contract with the State, during the ap-  
22 plicable period—

23 “(A) carry out a prohibited activity; or

24 “(B) fail to satisfy the requirement under  
25 paragraph (5).

1           “(4) SUBSIDIARY REQUIREMENT.—The require-  
2           ment under paragraph (3)(A) shall apply to each  
3           subsidiary of a covered entity, if applicable.

4           “(5) NOTICE TO COVERED ENTITY.—If a State  
5           carrying out a State energy conservation plan sub-  
6           mitted under this section intends to purchase, lease,  
7           license, or contract for a motor vehicle from a cov-  
8           ered entity, the State shall notify the covered entity  
9           that the sale, lease, license, or contract is being car-  
10          ried out as part of the State energy conservation  
11          plan submitted under this section.

12          “(6) REPORT.—Not later than 1 year after the  
13          date of enactment of the Putting American Auto-  
14          workers First Act of 2023, and annually thereafter  
15          until the end of the applicable period, each covered  
16          entity shall provide to the Secretary such informa-  
17          tion as the Secretary may require to demonstrate  
18          that the covered entity (including each subsidiary, if  
19          applicable) has not carried out a prohibited activity.

20          “(7) NONCOMPLIANCE.—

21                 “(A) IN GENERAL.—If a covered entity be-  
22                 comes noncompliant with the requirements  
23                 under paragraph (3), the covered entity shall  
24                 pay to the Secretary the Federal funds paid by

1 the State to the covered entity under the appli-  
2 cable contract.

3 “(B) PERIOD OF PAYMENT.—Any payment  
4 imposed pursuant to subparagraph (A) shall be  
5 paid by the covered entity to the Secretary over  
6 such period as is determined appropriate by the  
7 Secretary.”.

8 **SEC. 8. EXCLUSION OF OFFSHORING MANUFACTURERS**  
9 **UNDER BUS GRANT PROGRAMS.**

10 Section 5339(b) of title 49, United States Code, is  
11 amended by adding at the end the following:

12 “(12) REQUIRE TO NOT OFFSHORE MANUFAC-  
13 TURING.—

14 “(A) DEFINITIONS.—In this paragraph:

15 “(i) APPLICABLE PERIOD.—The term  
16 ‘applicable period’, with respect to a cov-  
17 ered entity, means the 10-year period fol-  
18 lowing the date on which the covered entity  
19 receives the full amount of funds provided  
20 under this subsection.

21 “(ii) COVERED ENTITY.— The term  
22 ‘covered entity’ means an entity that—

23 “(I) produces, manufactures, or  
24 carries out the final assembly of vehi-

1                   cle , or any subsidiary of such entity;  
2                   and

3                   “(II) receives, after the date of  
4                   enactment of the Putting American  
5                   Autoworkers First Act of 2023, as-  
6                   sistance under this subsection from an  
7                   eligible recipient.

8                   “(iii) PROHIBITED ACTIVITY.—The  
9                   term ‘prohibited activity’, with respect to  
10                  an covered entity, means—

11                  “(I) moving the domestic produc-  
12                  tion, manufacturing, or final assembly  
13                  of any vehicle or any component part  
14                  of a vehicle outside of the United  
15                  States; and

16                  “(II) reducing or eliminating pro-  
17                  duction, manufacturing, or final as-  
18                  sembly of any vehicle or any compo-  
19                  nent part of a vehicle in the United  
20                  States and subsequently obtaining  
21                  such vehicle or component part from a  
22                  producer or manufacturer located out-  
23                  side of the United States.

24                  “(B) ELIGIBILITY.—Beginning on the date  
25                  of enactment of the Putting American Auto-

1 workers First Act of 2023, no entity described  
2 in subclause (I) of subparagraph (A)(ii) shall be  
3 eligible for assistance under this subsection if  
4 that entity (or a subsidiary of that entity) has  
5 carried out a prohibited activity as of that date.

6 “(C) REQUIREMENTS.—

7 “(i) IN GENERAL.—As a condition of  
8 receiving funds under this subsection, a  
9 covered entity may not, during the applica-  
10 ble period—

11 “(I) carry out any prohibited ac-  
12 tivity; or

13 “(II) fail to satisfy the require-  
14 ment under clause (iii).

15 “(ii) SUBSIDIARY REQUIREMENT.—

16 The requirement under clause (i)(I) shall  
17 apply to each subsidiary of a covered enti-  
18 ty, if applicable.

19 “(iii) NOTICE TO COVERED ENTITY.—

20 If an eligible recipient is not a covered en-  
21 tity and the eligible recipient intends to  
22 use proceeds from an award under this  
23 subsection to purchase, lease, license, or  
24 contract for a vehicle from a covered enti-  
25 ty, the eligible recipient shall notify the

1 covered entity that the sale, lease, license,  
2 or contract is being carried out using pro-  
3 ceeds from an award under this subsection.

4 “(iv) REPORT.—Not later than 1 year  
5 after the date of enactment of the Putting  
6 American Autoworkers First Act of 2023,  
7 and annually thereafter until the end of  
8 the applicable period, a covered entity shall  
9 provide the Secretary such information as  
10 the Secretary may require to demonstrate  
11 that the covered entity (including each  
12 subsidiary, if applicable) has not carried  
13 out a prohibited activity.

14 “(D) NONCOMPLIANCE.—

15 “(i) IN GENERAL.—If a covered entity  
16 that receives assistance under this sub-  
17 section after the date of enactment of this  
18 paragraph becomes noncompliant with the  
19 requirements under subparagraph (C), the  
20 covered entity shall pay to the Secretary  
21 an amount equal to 100 percent of the  
22 amount that consumers of the covered en-  
23 tity paid to the covered entity of assistance  
24 under this subsection.

1                   “(ii) PERIOD OF PAYMENT.—Any pay-  
2                   ment imposed pursuant to clause (i) shall  
3                   be paid by the covered entity to the Sec-  
4                   retary over such period as is determined  
5                   appropriate by the Secretary.”.

6 **SEC. 9. EXCLUSION OF OFFSHORING MANUFACTURERS**  
7                   **UNDER LOW OR NO EMISSION GRANT PRO-**  
8                   **GRAM.**

9                   Section 5339(c) of title 49, United States Code, is  
10 amended by adding at the end the following:

11                   “(9) REQUIRE TO NOT OFFSHORE MANUFAC-  
12                   TURING.—

13                   “(A) DEFINITIONS.—In this paragraph:

14                   “(i) APPLICABLE PERIOD.—The term  
15                   ‘applicable period’, with respect to a cov-  
16                   ered entity, means the 10-year period fol-  
17                   lowing the date on which the covered entity  
18                   receives the full amount of funds provided  
19                   under this subsection.

20                   “(ii) COVERED ENTITY.— The term  
21                   ‘covered entity’ means an entity that—

22                   “(I) produces, manufactures, or  
23                   carries out the final assembly of vehi-  
24                   cles, or any subsidiary of such entity;  
25                   and

1                   “(II) receives, after the date of  
2                   enactment of the Putting American  
3                   Autoworkers First Act of 2023, as-  
4                   sistance from a recipient under this  
5                   subsection.

6                   “(iii) PROHIBITED ACTIVITY.—The  
7                   term ‘prohibited activity’, with respect to  
8                   an covered entity, means—

9                   “(I) moving the domestic produc-  
10                  tion, manufacturing, or final assembly  
11                  of any vehicle or any component part  
12                  of a vehicle outside of the United  
13                  States; and

14                  “(II) reducing or eliminating pro-  
15                  duction, manufacturing, or final as-  
16                  sembly of any vehicle or any compo-  
17                  nent part of a vehicle in the United  
18                  States and subsequently obtaining  
19                  such vehicle or component part from a  
20                  producer or manufacturer located out-  
21                  side of the United States.

22                  “(B) ELIGIBILITY.—Beginning on the date  
23                  of enactment of the Putting American Auto-  
24                  workers First Act of 2023, no entity described  
25                  in subclause (I) of subparagraph (A)(ii) shall be



1 eligible for assistance under this subsection if  
2 that entity (or a subsidiary of that entity) has  
3 carried out a prohibited activity as of that date.

4 “(C) REQUIREMENTS.—

5 “(i) IN GENERAL.—As a condition of  
6 receiving assistance under this subsection,  
7 a covered entity may not, during the appli-  
8 cable period—

9 “(I) carry out a prohibited activ-  
10 ity; or

11 “(II) fail to satisfy the require-  
12 ment under clause (iii).

13 “(ii) SUBSIDIARY REQUIREMENT.—  
14 The requirement under clause (i)(I) shall  
15 apply to each subsidiary of a covered enti-  
16 ty, if applicable.

17 “(iii) NOTICE TO COVERED ENTITY.—  
18 If a recipient is not a covered entity and  
19 the recipient intends to use proceeds from  
20 an award under this subsection to pur-  
21 chase, lease, license, or contract for a vehi-  
22 cle from a covered entity, the recipient  
23 shall notify the covered entity that the  
24 sale, lease, license, or contract is being car-

1 ried out using proceeds from an award  
2 under this subsection.

3 “(iv) REPORT.—Not later than 1 year  
4 after the date of enactment of the Putting  
5 American Autoworkers First Act of 2023,  
6 and annually thereafter until the end of  
7 the applicable period, a covered entity shall  
8 provide the Secretary such information as  
9 the Secretary may require to demonstrate  
10 that the covered entity (including each  
11 subsidiary, if applicable) has not carried  
12 out a prohibited activity.

13 “(D) NONCOMPLIANCE.—

14 “(i) IN GENERAL.—If a covered entity  
15 that receives a grant under this subsection  
16 after the date of enactment of this para-  
17 graph becomes noncompliant with the re-  
18 quirements under subparagraph (C), the  
19 covered entity shall pay to the Secretary  
20 an amount equal to 100 percent of the  
21 amount that consumers of the covered en-  
22 tity paid to the covered entity of the grant  
23 under this subsection.

24 “(ii) PERIOD OF PAYMENT.—Any pay-  
25 ment imposed pursuant to clause (i) shall

1                   be paid by the covered entity to the Sec-  
2                   retary over such period as is determined  
3                   appropriate by the Secretary.”.

4 **SEC. 10. EXCLUSION OF OFFSHORING MANUFACTURERS**  
5 **UNDER CLEAN SCHOOL BUS PROGRAM.**

6           Section 741 of the Energy Policy Act of 2005 (42  
7 U.S.C. 16091) is amended—

8           (1) in subsection (b)—

9                   (A) in paragraph (6), by adding at the end  
10                  the following:

11                   “(C) LIMITATION.—An award under this  
12                  section may not be used for the sale, lease, li-  
13                  censing, or contracting for—

14                           “(i) a motor vehicle (as defined in  
15                           paragraph (8)(A)) produced, manufac-  
16                           tured, or assembled by an entity, including  
17                           a subsidiary of such an entity, that fails to  
18                           comply with paragraph (8)(B)(i); or

19                           “(ii) charging or fueling infrastruc-  
20                           ture produced, manufactured, or assembled  
21                           by an entity, including a subsidiary of such  
22                           an entity, that fails to comply with para-  
23                           graph (8)(B)(i).”;

24                   (B) by redesignating paragraph (8) as  
25                  paragraph (9); and

1 (C) by inserting after paragraph (7) the  
2 following:

3 “(8) REQUIREMENT TO NOT OFFSHORE MANU-  
4 FACTURING.—

5 “(A) DEFINITIONS.—In this paragraph:

6 “(i) APPLICABLE PERIOD.—The term  
7 ‘applicable period’, with respect to a cov-  
8 ered entity, means the 10-year period fol-  
9 lowing the date on which the covered entity  
10 receives proceeds from an award under  
11 paragraph (1), including by receiving pro-  
12 ceeds through a sale, lease, license, or con-  
13 tract for a motor vehicle from an eligible  
14 recipient using that award.

15 “(ii) COVERED ENTITY.—The term  
16 ‘covered entity’ means an entity that—

17 “(I) produces, manufactures, or  
18 carries out the final assembly of  
19 motor vehicles; and

20 “(II) receives, after the date of  
21 enactment of the Putting American  
22 Autoworkers First Act of 2023, pro-  
23 ceeds from an award under paragraph  
24 (1), including by receiving proceeds  
25 through a sale, lease, license, or con-

1                   tract for a motor vehicle from an eli-  
2                   gible recipient using an award under  
3                   paragraph (1).

4                   “(iii) MOTOR VEHICLE.—The term  
5                   ‘motor vehicle’ has the meaning given the  
6                   term in section 30D(d) of the Internal  
7                   Revenue Code of 1986.

8                   “(iv) PROHIBITED ACTIVITY.—The  
9                   term ‘prohibited activity’, with respect to  
10                  an entity described in clause (ii)(I),  
11                  means—

12                   “(I) moving the domestic produc-  
13                  tion, manufacturing, or final assembly  
14                  of any motor vehicle or any compo-  
15                  nent part of a motor vehicle outside of  
16                  the United States; and

17                   “(II) reducing or eliminating pro-  
18                  duction, manufacturing, or final as-  
19                  sembly of any motor vehicle or any  
20                  component part of a motor vehicle in  
21                  the United States and subsequently  
22                  obtaining such motor vehicle or com-  
23                  ponent part from a producer or manu-  
24                  facturer located outside of the United  
25                  States.

1 “(B) REQUIREMENTS.—

2 “(i) IN GENERAL.—As a condition of  
3 receiving proceeds from an award under  
4 paragraph (1), including by receiving pro-  
5 ceeds through a sale, lease, license, or con-  
6 tract for a motor vehicle from an eligible  
7 recipient using an award under paragraph  
8 (1), a covered entity may not, during the  
9 applicable period—

10 “(I) carry out any prohibited ac-  
11 tivity; or

12 “(II) fail to satisfy the require-  
13 ment under clause (iv).

14 “(ii) SUBSIDIARY REQUIREMENT.—  
15 The requirement described in clause (i)(I)  
16 shall apply to each subsidiary of a covered  
17 entity, if applicable.

18 “(iii) NOTICE TO COVERED ENTITY.—  
19 If an eligible recipient is not a covered en-  
20 tity and the eligible recipient intends to  
21 use proceeds from an award under para-  
22 graph (1) to purchase, lease, license, or  
23 contract for a motor vehicle from a covered  
24 entity, the eligible recipient shall notify the  
25 covered entity that the sale, lease, license,

1 or contract is being carried out using pro-  
2 ceeds from an award under that para-  
3 graph.

4 “(iv) REPORT.—Not later than 1 year  
5 after the date of enactment of the Putting  
6 American Autoworkers First Act of 2023,  
7 and annually thereafter until the end of  
8 the applicable period, each covered entity  
9 shall provide to the Administrator such in-  
10 formation as the Administrator may re-  
11 quire to demonstrate that the covered enti-  
12 ty (including each subsidiary, if applicable)  
13 has not carried out a prohibited activity.

14 “(C) NONCOMPLIANCE.—

15 “(i) IN GENERAL.—If a covered entity  
16 becomes noncompliant with the require-  
17 ments under subparagraph (B), the cov-  
18 ered entity shall pay to the Administrator  
19 an amount equal to the total of all  
20 amounts received by the covered entity  
21 that are proceeds from awards under para-  
22 graph (1).

23 “(ii) PERIOD OF PAYMENT.—Any pay-  
24 ment imposed pursuant to clause (i) shall  
25 be paid by the covered entity to the Ad-

1                    administrator over such period as is deter-  
2                    mined appropriate by the Administrator.”;

3                    and

4                    (2) in subsection (c)(3)(E), by striking “sub-  
5                    section (b)(7)” and inserting “subsection (b)(9)”.

6    **SEC. 11. EXCLUSION OF OFFSHORING MANUFACTURERS**  
7                    **UNDER CLEAN HEAVY-DUTY VEHICLES.**

8                    Section 132 of the Clean Air Act (42 U.S.C. 7432)  
9                    is amended—

10                    (1) by redesignating subsection (d) as sub-  
11                    section (f); and

12                    (2) by inserting after subsection (c) the fol-  
13                    lowing:

14                    “(d) REQUIREMENT TO NOT OFFSHORE MANUFAC-  
15                    TURING.—

16                    “(1) DEFINITIONS.—In this subsection:

17                    “(A) APPLICABLE PERIOD.—The term ‘ap-  
18                    plicable period’, with respect to a covered enti-  
19                    ty, means the 10-year period following the date  
20                    on which the covered entity receives proceeds  
21                    from an award under this section, including by  
22                    receiving proceeds through a sale, lease, license,  
23                    or contract for a motor vehicle from an eligible  
24                    recipient using an award under this section.



1           “(B) COVERED ENTITY.—The term ‘cov-  
2           ered entity’ means an entity that—

3                   “(i) produces, manufactures, or car-  
4                   ries out the final assembly of motor vehi-  
5                   cles; and

6                   “(ii) receives, after the date of enact-  
7                   ment of the Putting American Autoworkers  
8                   First Act of 2023, proceeds from an award  
9                   under this section, including by receiving  
10                  proceeds through a sale, lease, license, or  
11                  contract for a motor vehicle from an eligi-  
12                  ble recipient using an award under this  
13                  section.

14           “(C) MOTOR VEHICLE.—The term ‘motor  
15           vehicle’ has the meaning given the term in sec-  
16           tion 30D(d) of the Internal Revenue Code of  
17           1986.

18           “(D) PROHIBITED ACTIVITY.—The term  
19           ‘prohibited activity’, with respect to an entity  
20           described in subparagraph (B)(i), means—

21                   “(i) moving the domestic production,  
22                   manufacturing, or final assembly of any  
23                   motor vehicle or any component part of a  
24                   motor vehicle outside of the United States;  
25                   and

1                   “(ii) reducing or eliminating produc-  
2                   tion, manufacturing, or final assembly of  
3                   any motor vehicle or any component part  
4                   of a motor vehicle in the United States and  
5                   subsequently obtaining such motor vehicle  
6                   or component part from a producer or  
7                   manufacturer located outside of the United  
8                   States.

9                   “(2) REQUIREMENTS.—

10                   “(A) IN GENERAL.—As a condition of re-  
11                   ceiving proceeds from an award under this sec-  
12                   tion, including by receiving proceeds through a  
13                   sale, lease, license, or contract for a motor vehi-  
14                   cle from an eligible recipient using an award  
15                   under this section, a covered entity may not,  
16                   during the applicable period—

17                   “(i) carry out any prohibited activity;  
18                   or

19                   “(ii) fail to satisfy the requirement  
20                   under subparagraph (D).

21                   “(B) SUBSIDIARY REQUIREMENT.—The re-  
22                   quirement described in subparagraph (A)(i)  
23                   shall apply to each subsidiary of a covered enti-  
24                   ty, if applicable.

1           “(C) NOTICE TO COVERED ENTITY.—If an  
2 eligible recipient is not a covered entity and the  
3 eligible recipient intends to use proceeds from  
4 an award under this section to purchase, lease,  
5 license, or contract for a motor vehicle from a  
6 covered entity, the eligible recipient shall notify  
7 the covered entity that the sale, lease, license,  
8 or contract is being carried out using proceeds  
9 from an award under this section.

10           “(D) REPORT.—Not later than 1 year  
11 after the date of enactment of the Putting  
12 American Autoworkers First Act of 2023, and  
13 annually thereafter until the end of the applica-  
14 ble period, each covered entity shall provide to  
15 the Administrator such information as the Ad-  
16 ministrator may require to demonstrate that  
17 the covered entity (including each subsidiary, if  
18 applicable) has not carried out a prohibited ac-  
19 tivity.

20           “(3) NONCOMPLIANCE.—

21           “(A) IN GENERAL.—If a covered entity be-  
22 comes noncompliant with the requirements  
23 under paragraph (2), the covered entity shall  
24 pay to the Administrator an amount equal to  
25 the total of all amounts received by the covered

1           entity that are proceeds from awards under  
2           paragraph (1).

3                   “(B) PERIOD OF PAYMENT.—Any payment  
4           imposed pursuant to subparagraph (A) shall be  
5           paid by the covered entity to the Administrator  
6           over such period as is determined appropriate  
7           by the Administrator.

8           “(e) LIMITATION.—An award under this section may  
9           not be used for—

10                   “(1) the sale, lease, licensing, or contracting for  
11           a motor vehicle (as defined in subsection (d)(1)) pro-  
12           duced, manufactured, or assembled by an entity, in-  
13           cluding a subsidiary of such an entity, that fails to  
14           comply with subsection (d)(2)(A);

15                   “(2) the sale, lease, licensing, or contracting for  
16           charging or fueling infrastructure produced, manu-  
17           factured, or assembled by an entity, including a sub-  
18           sidiary of such an entity, that fails to comply with  
19           subsection (d)(2)(A); or

20                   “(3) workforce development, training, planning,  
21           or technical activities carried out by an entity, in-  
22           cluding a subsidiary of such an entity, that fails to  
23           comply with subsection (d)(2)(A).”.