

American Renewable Energy Jobs Act Would Restrict Renewable Energy Grants

For more information on the American Renewable Energy Jobs Act, please contact your Vorys attorney at 614.464.6400.

Last week, Senators Schumer (D-NY), Casey (D-PA), Brown (D-OH), Tester (D-MT) and Specter (D-PA) introduced S.369, the “American Renewable Energy Jobs Act.”

If passed, this proposed new law would impose significant new restrictions on grants provided to renewable energy projects under section 1603 of division B of the American Recovery and Reinvestment Act of 2009 (“ARRA”). Specifically, the new law would place two limitations on such grants. First, grants would be subject to the “Buy American” requirements of section 1605 of division A of ARRA without regard to whether the specified energy project involves a public building or public work. The “Buy American” requirements are currently applicable only to public projects. They generally require that projects must, with few exceptions, rely on iron, steel and manufactured goods produced in the United States. Second, the Secretary of the Treasury could not make any payment of any grant unless he/she analyzed and took into consideration domestic job preservation and creation provided by a specified energy property, including

domestic job preservation and creation related to (A) production of equipment for the property (B) installation of equipment for the property, and (C) operation of the property. The Secretary of the Treasury would be required to submit his/her analysis to the Senate Finance Committee and the House Ways and Means Committee within specified time periods.

Notably, the American Renewable Energy Jobs Act does not apply to ARRA Section 45 Production Tax Credits or Section 48 Investment Tax Credits.

Vorys’ interdisciplinary Renewable Energy Team is prepared to address all legal aspects of permitting and building wind generation farms including landowner options and leases, zoning and permitting, taxes and restoration of roads, bridges and tower sites in Ohio, Texas, Virginia and other states. Vorys’ Government Relations practice in Washington, D.C. assists clients in making their positions heard with respect to national policy and legislative and rulemaking initiatives that affect their goods, services and ideas.

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