

117TH CONGRESS
2D SESSION

S. _____

To establish the National Energy Transition Endowment and Community Revitalization Corporation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. BENNET introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To establish the National Energy Transition Endowment and Community Revitalization Corporation, 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 “National Energy Com-
5 munity Transition Act of 2022”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) **AVERAGE ENDING BALANCE.**—The term
9 “average ending balance”, with respect to an ac-
10 count in the Endowment, means—

1 (A) for the first fiscal year during which
2 the Endowment is in operation, the actual end-
3 ing balance of the account;

4 (B) for the second fiscal year during which
5 the Endowment is in operation, the average of
6 the fiscal year ending balances of the account
7 for that fiscal year and the preceding fiscal
8 year;

9 (C) for the third fiscal year during which
10 the Endowment is in operation, the average of
11 the fiscal year ending balances of the account
12 for the 2-preceding-fiscal-year period; and

13 (D) for the fourth fiscal year during which
14 the Endowment is in operation, and for each
15 fiscal year thereafter, the average of the fiscal
16 year ending balances of the account for the 3-
17 preceding-fiscal-year period.

18 (2) BOARD.—The term “Board” means the
19 Board of Directors of the Corporation.

20 (3) COMMUNITY DEVELOPMENT FINANCIAL IN-
21 STITUTION.—The term “community development fi-
22 nancial institution” has the meaning given the term
23 in section 103 of the Community Development
24 Banking and Financial Institutions Act of 1994 (12
25 U.S.C. 4702).

1 (4) CORPORATION.—The term “Corporation”
2 means the Community Revitalization Corporation es-
3 tablished by section 3(a).

4 (5) ELIGIBLE COMMUNITY.—The term “eligible
5 community” means—

6 (A) a community experiencing or likely to
7 experience an economic or workforce transition
8 relating to changes in applicable—

9 (i) fossil fuel electricity generation; or

10 (ii) fossil fuel extraction, development,
11 or demand; and

12 (B) a community experiencing or likely to
13 experience a decline in fossil fuel-related rev-
14 enue.

15 (6) ENDOWMENT.—The term “Endowment”
16 means the National Energy Transition Endowment
17 Fund established by section 4(a)(1).

18 (7) ENERGY COMMUNITY HUB.—The term “en-
19 ergy community hub” means a place-based organiza-
20 tion (including a nonprofit entity, community devel-
21 opment financial institution, regional economic de-
22 velopment authority, or other community-based or-
23 ganization, as determined to be appropriate by the
24 Corporation) that—

1 (A) facilitates economic and community de-
2 velopment in an eligible community; and

3 (B) provides necessary capacity and experi-
4 ence to implement a transition program for 1 or
5 more eligible communities.

6 (8) TRANSITION PROGRAM.—The term “transi-
7 tion program” means a program described in section
8 5(a)(2) or paragraph (3) or (4) of section 5(b).

9 **SEC. 3. ESTABLISHMENT OF THE COMMUNITY REVITALIZA-**
10 **TION CORPORATION.**

11 (a) IN GENERAL.—There is established a federally
12 chartered, nonprofit corporation, to be known as the
13 “Community Revitalization Corporation”.

14 (b) STATUS AND APPLICABLE LAWS.—

15 (1) NON-FEDERAL ENTITY.—The Corporation
16 is not a department, agency, or instrumentality of
17 the United States Government.

18 (2) LIABILITY.—The United States Govern-
19 ment shall not be liable for the actions or inactions
20 of the Corporation.

21 (3) NONPROFIT CORPORATION.—The Corpora-
22 tion shall have and maintain the status of the Cor-
23 poration as a nonprofit corporation exempt from
24 taxation under the Internal Revenue Code of 1986.

25 (c) BOARD OF DIRECTORS.—

1 (1) AUTHORITY.—The powers of the Corpora-
2 tion shall be vested in a Board of Directors that gov-
3 erns the Corporation.

4 (2) MEMBERSHIP.—

5 (A) IN GENERAL.—The Board shall be
6 composed of not fewer than 7 but not more
7 than 11 members, who shall be appointed by
8 the President, not later than 90 days after the
9 date of enactment of this Act, by and with the
10 advice and consent of the Senate.

11 (B) QUALIFICATIONS OF MEMBERS.—

12 (i) IN GENERAL.—Subject to clauses
13 (ii) and (iii), in making appointments
14 under subparagraph (A), the President
15 shall ensure that the membership of the
16 Board—

17 (I) includes—

18 (aa) members from eligible
19 communities;

20 (bb) members with relevant
21 economic development experi-
22 ences with—

23 (AA) eligible commu-
24 nities;

1 (BB) underserved rural
2 communities in economic
3 distress; and

4 (CC) underrepresented
5 minority communities, such
6 as indigenous communities,
7 Tribal communities, or com-
8 munities of color; and

9 (cc) members representing a
10 recognized State labor organiza-
11 tion or central labor council or
12 other labor representatives, as
13 appropriate; and

14 (II) has not more than a 1-mem-
15 ber majority from any political party.

16 (ii) PROHIBITION.—A member of the
17 Board shall not hold an office, position, or
18 employment in any political party.

19 (iii) INITIAL MEMBERS.—The Presi-
20 dent shall ensure that the initial member-
21 ship of the Board includes a representative
22 of each of the Northern Rocky Mountain
23 region, the Four Corners region, the Mid-
24 Continental Gulf Coast region, the Illinois
25 Basin region, the Appalachian region, and

1 the Alaska region, as described in the re-
2 port prepared by the Interagency Working
3 Group on Coal and Power Plant Commu-
4 nities and Economic Revitalization entitled
5 “Initial Report to the President on Em-
6 powering Workers Through Revitalizing
7 Energy Communities” and dated April
8 2021.

9 (C) TERMS.—

10 (i) IN GENERAL.—A member of the
11 Board shall be appointed for a term of 4
12 years, except that the President shall des-
13 ignate staggered terms for the members
14 first appointed to the Board.

15 (ii) REAPPOINTMENT.—A member of
16 the Board may be reappointed to serve an
17 additional term, subject to the condition
18 that the member may serve for not more
19 than 2 consecutive terms.

20 (D) VACANCIES.—

21 (i) IN GENERAL.—A vacancy on the
22 Board shall be—

23 (I) filled in the manner in which
24 the original appointment was made;
25 and

1 (II) subject to any conditions
2 that applied with respect to the origi-
3 nal appointment.

4 (ii) FILLING UNEXPIRED TERM.—An
5 individual chosen to fill a vacancy shall be
6 appointed for the unexpired term of the
7 member replaced.

8 (E) EXPIRATION OF TERMS.—Any member
9 of the Board may continue to serve after the
10 expiration of the term for which the member
11 was appointed until a qualified successor has
12 been appointed.

13 (3) CHAIRPERSON.—

14 (A) IN GENERAL.—The Chairperson of the
15 Board shall be selected from among the mem-
16 bers of the Board by a majority vote of the
17 members.

18 (B) TERM OF SERVICE.—The Chairperson
19 of the Board—

20 (i) shall serve for a term of not longer
21 than 4 years; and

22 (ii) may be reelected to serve an addi-
23 tional term, subject to the condition that
24 the Chairperson may serve for not more
25 than 2 consecutive terms.

1 (4) CONSULTATION.—To the maximum extent
2 practicable, in carrying out the duties of the Cor-
3 poration under subsection (d)(3), the Board shall
4 engage regional economic development entities and
5 energy community hubs to solicit and consider input
6 and feedback relating to decisions impacting the 1 or
7 more regions the entity represents.

8 (d) BYLAWS AND DUTIES.—

9 (1) IN GENERAL.—The Board shall adopt, and
10 may amend, the bylaws of the Corporation.

11 (2) BYLAWS.—The bylaws of the Corporation
12 shall include, at a minimum—

13 (A) the duties and responsibilities of the
14 Board; and

15 (B) the operational procedures of the Cor-
16 poration.

17 (3) DUTIES AND RESPONSIBILITIES OF
18 BOARD.—The Board shall be responsible for actions
19 of the Corporation, including—

20 (A) hiring staff to carry out the functions
21 of the Corporation;

22 (B) entering into contracts with fund man-
23 agement and investment professionals to man-
24 age the Endowment;

1 (C) making formula payments under sec-
2 tion 5(a)(2);

3 (D) making grants in accordance with sec-
4 tion 5(b)(3);

5 (E) monitoring Federal and State policies
6 relevant to rural and transitioning communities;

7 (F) coordinating (including through enter-
8 ing into contracts), as appropriate, with rel-
9 evant agencies, institutions, energy community
10 hubs, and other entities that provide economic,
11 training, and capacity assistance to eligible
12 communities consistent with the duties under
13 subparagraphs (C), (D), (H), and (I);

14 (G) creating and maintaining accessible
15 electronic materials targeted towards eligible
16 communities, including up-to-date, user-friendly
17 information on—

18 (i) the programs and activities carried
19 out by the Corporation; and

20 (ii) other relevant Federal programs
21 that provide economic assistance to eligible
22 communities or other similar transitioning
23 communities;

24 (H) making public investments in accord-
25 ance with section 5(b)(4); and

1 (I) monitoring, assessing, and reporting on
2 outcomes of—

3 (i) any financial assistance provided
4 under a transition program; and

5 (ii) any public investment made under
6 section 5(b)(4).

7 (4) CHIEF EXECUTIVE OFFICER.—The Board
8 shall select and hire a Chief Executive Officer, who
9 shall report directly to the Board.

10 **SEC. 4. ESTABLISHMENT OF ENDOWMENT AND INVEST-**
11 **MENT STRATEGY.**

12 (a) ENDOWMENT FUND.—

13 (1) IN GENERAL.—There is established within
14 the Corporation an endowment, to be known as the
15 “National Energy Transition Endowment Fund”,
16 consisting of—

17 (A) amounts deposited in the Endowment
18 under paragraph (3) and subsection (b)(3)(B);

19 (B) income from investments of amounts
20 in the Endowment under paragraph (4); and

21 (C) amounts transferred to the Endow-
22 ment under subsection (c).

23 (2) ACCOUNTS.—Within the Endowment, there
24 are established the following accounts:

1 (A) The Transitioning Communities Per-
2 manent Account, consisting of the amounts de-
3 scribed in subparagraphs (A) and (B) of para-
4 graph (1).

5 (B) The Transitioning Communities Ben-
6 efit Account, consisting of the amounts de-
7 scribed in paragraph (1)(C).

8 (3) DEPOSIT.—Not later than 180 days after
9 the date of enactment of this Act, the Secretary of
10 the Treasury shall deposit in the Endowment, out of
11 amounts in the Treasury not otherwise appropriated,
12 \$20,000,000,000.

13 (4) INVESTMENTS.—In accordance with the in-
14 vestment strategy developed under subsection (b)(1),
15 the Board shall invest the principal balance of the
16 Endowment.

17 (b) INVESTMENTS.—

18 (1) IN GENERAL.—Not later than 180 days
19 after the date of enactment of this Act, the Board
20 shall establish an investment strategy for amounts in
21 the Endowment that—

22 (A) protects the principal balance of the
23 Endowment from inflation through such meas-
24 ures as the Board determines to be necessary to
25 maintain in perpetuity the inflation-adjusted

1 value of all deposits into the Endowment under
2 subparagraphs (A) and (C) of subsection (a)(1);
3 and

4 (B) to the maximum extent practicable,
5 achieves a return on investment of 5 percent
6 (net of inflation) to finance—

7 (i) disbursements to eligible entities
8 under section 5(a)(2); and

9 (ii) the administration of the Corpora-
10 tion under paragraph (3)(A).

11 (2) INVESTMENT OF PRINCIPAL BALANCE.—Of
12 the principal balance of the Endowment, the Board
13 shall invest—

14 (A) an amount equal to not less than 85
15 percent, and not more than 90 percent, in a di-
16 versified portfolio of stocks and bonds; and

17 (B) an amount equal to not less than 10
18 percent, and not more than 15 percent, in in-
19 vestments that leverage the purposes of dis-
20 bursements from the Endowment authorized
21 under section 5.

22 (3) ADMINISTRATIVE FUNDS.—

23 (A) IN GENERAL.—For each fiscal year,
24 the Board may disburse to the Corporation
25 from the Transitioning Communities Perma-

1 nent Account, for the administrative expenses
2 of the Corporation, not more than the amount
3 equal to the product obtained by multiplying—

4 (i) the average ending balance of the
5 Transitioning Communities Permanent Ac-
6 count with respect to that fiscal year; and

7 (ii) 0.5 percent.

8 (B) EXCESS FUNDS.—If the amount of the
9 actual administrative expenses of the Corpora-
10 tion for a fiscal year is less than the amount
11 disbursed to the Corporation for the fiscal year
12 under subparagraph (A), an amount equal to
13 the difference between those amounts shall be
14 deposited in the Endowment.

15 (c) TRANSFERS TO ENDOWMENT FROM ENERGY AND
16 NATURAL RESOURCES LEASING.—Each fiscal year, the
17 Secretary of the Treasury shall transfer to the Endow-
18 ment an amount equal to 33 percent of amounts in the
19 Treasury received from fossil fuel extraction and produc-
20 tion leasing and renewable energy resource leasing on Fed-
21 eral land for that fiscal year and not otherwise obligated.

22 (d) REPORTS.—The Corporation shall submit to Con-
23 gress, and make available to the public (including any eli-
24 gible entities that receive financial assistance under a
25 transition program)—

1 (1) a quarterly report on Endowment invest-
2 ment outcomes; and

3 (2) an annual report describing disbursements
4 from the Endowment, including how amounts were
5 allocated under the transition programs.

6 (e) OVERSIGHT.—Annually, the Inspectors General of
7 the Department of the Interior and the Department of the
8 Treasury shall conduct a review of the management of the
9 Endowment by the Corporation.

10 **SEC. 5. DISBURSEMENTS FROM ENDOWMENT.**

11 (a) TRANSITIONING COMMUNITIES PERMANENT AC-
12 COUNT.—

13 (1) AVAILABILITY OF AMOUNTS.—Not later
14 than September 30 of each fiscal year, in accordance
15 with paragraph (2), the Board shall make available
16 from the Transitioning Communities Permanent Ac-
17 count an amount equal to the product obtained by
18 multiplying—

19 (A) the average ending balance of the
20 Transitioning Communities Permanent Account
21 with respect to that fiscal year; and

22 (B) 4.5 percent.

23 (2) FORMULA DISTRIBUTION.—

24 (A) DEFINITION OF ELIGIBLE ENTITY.—In
25 this paragraph, the term “eligible entity”

1 means a municipal, county, or Tribal govern-
2 ment that represents an eligible community.

3 (B) ALLOCATION.—The Corporation shall
4 allocate the amount made available from the
5 Transitioning Communities Permanent Account
6 under paragraph (1) each fiscal year to eligible
7 entities pursuant to subparagraph (C).

8 (C) FORMULA.—

9 (i) IN GENERAL.—The Corporation
10 shall establish a formula to allocate
11 amounts made available from the
12 Transitioning Communities Permanent Ac-
13 count each fiscal year under subparagraph
14 (B) directly to eligible entities.

15 (ii) REQUIREMENT.—To the max-
16 imum extent practicable, in establishing
17 the formula under clause (i), the Corpora-
18 tion shall use as a model existing formulas
19 established by the Treasury, if available
20 and as applicable.

21 (D) REVIEW AND PUBLIC COMMENT.—

22 (i) IN GENERAL.—The Board shall re-
23 view the formula established under sub-
24 paragraph (C) not less frequently than
25 once every 3 years.

1 (ii) PUBLIC COMMENT.—The results
2 of the review conducted under clause (i),
3 including any recommended changes to the
4 formula made by the Board, shall be sub-
5 ject to a period of public comment of not
6 less than 30 days.

7 (E) FORMULA CRITERIA.—The formula es-
8 tablished under subparagraph (C) or modified
9 under subparagraph (D) shall—

10 (i) be designed to reflect eligible com-
11 munities; and

12 (ii) take into account revenue declines
13 that—

14 (I) have occurred during the 20-
15 year period ending on, as applicable—

16 (aa) the date of enactment
17 of this Act; or

18 (bb) the date of the applica-
19 ble review under subparagraph
20 (D)(i); and

21 (II) are projected to occur during
22 the 10-year period beginning on, as
23 applicable—

24 (aa) the date of enactment
25 of this Act; or

1 (bb) the date of the applica-
2 ble review under subparagraph
3 (D)(i).

4 (F) PRIORITY.—

5 (i) DEFINITION OF OFFICIALLY AN-
6 NOUNCED CLOSURE.—In this subpara-
7 graph, the term “officially announced clo-
8 sure” means—

9 (I) in the case of the closure of
10 a fossil fuel energy-generating unit or
11 facility, a notice of closure filed
12 with—

13 (aa) the Energy Information
14 Administration; or

15 (bb) a relevant regional reli-
16 ability regulator, including a Re-
17 gional Transmission Organiza-
18 tion, Independent System Oper-
19 ator, or State public utility com-
20 mission; and

21 (II) in the case of the closure of
22 a coal mine that provides coal for an
23 electric power plant for which a notice
24 of closure has been filed under sub-
25 clause (I), a notice of closure that in-

1 includes supporting documentation from
2 form 923 of the Energy Information
3 Administration (or a successor form).

4 (ii) PRIORITY.—In establishing the
5 formula under subparagraph (C), the Cor-
6 poration shall prioritize eligible entities lo-
7 cated in eligible communities experiencing
8 or likely to experience an acute fiscal crisis
9 associated with the loss of revenue result-
10 ing from—

11 (I) the closure or officially an-
12 nounced closure of 1 or more fossil
13 fuel energy-generating units or facili-
14 ties; or

15 (II) the decline or cessation of
16 fossil fuel extraction activities.

17 (G) CONSIDERATIONS.—In establishing the
18 formula under subparagraph (C), the Corpora-
19 tion shall consider community characteristics,
20 including social and economic measures of in-
21 come, poverty, education, geographic isolation,
22 and other characteristics identified by the Cor-
23 poration.

1 (H) USE OF FUNDS.—An eligible entity
2 may use amounts received under this paragraph
3 for any governmental purpose.

4 (b) TRANSITIONING COMMUNITIES PERMANENT AC-
5 COUNT.—

6 (1) AVAILABILITY OF AMOUNTS.—Not later
7 than September 30 of each fiscal year, in accordance
8 with paragraphs (2) through (4), the Board shall
9 make available from the Transitioning Communities
10 Benefit Account an amount equal to the product ob-
11 tained by multiplying—

12 (A) the average ending balance of the
13 Transitioning Communities Benefit Account
14 with respect to that fiscal year; and

15 (B) 4.5 percent.

16 (2) ALLOCATION.—The Corporation shall allo-
17 cate the amount made available from the
18 Transitioning Communities Benefit Account under
19 paragraph (1) each fiscal year—

20 (A) to provide grants to eligible entities
21 pursuant to the transition program described in
22 paragraph (3); and

23 (B) for public investment pursuant to the
24 transition program described in paragraph (4).

1 that the applicable municipal, county, or
2 Tribal government supports the grant for
3 the eligible entity.

4 (C) TRAINING AND TECHNICAL ASSIST-
5 ANCE.—Each fiscal year, out of amounts made
6 available from the Transitioning Communities
7 Benefit Account under paragraph (2)(A), the
8 Corporation shall provide to eligible entities
9 technical assistance to apply for or otherwise
10 access Federal funding, including capacity-
11 building grants under subparagraph (D) and
12 planning and implementation grants under sub-
13 paragraph (E).

14 (D) CAPACITY-BUILDING GRANTS.—Each
15 fiscal year, out of amounts made available from
16 the Transitioning Communities Benefit Account
17 under paragraph (2)(A), the Corporation shall
18 make noncompetitive capacity-building grants
19 to each eligible entity to assist with developing
20 strategic transition plans necessary to receive
21 additional competitive grants and financing op-
22 portunities.

23 (E) PLANNING AND IMPLEMENTATION
24 GRANTS.—

1 (i) GRANTS.—Each fiscal year, out of
2 amounts made available from the
3 Transitioning Communities Benefit Ac-
4 count under paragraph (2)(A), the Cor-
5 poration shall make competitive, multiyear
6 grants to eligible entities to fund—

7 (I) strategic transition planning
8 activities in eligible communities;

9 (II) the implementation of transi-
10 tion plans in eligible communities; and

11 (III) transition projects in eligi-
12 ble communities, including workforce
13 retraining and community develop-
14 ment projects.

15 (ii) STRATEGY FOR DATA COLLEC-
16 TION, MONITORING, AND REPORTING.—In
17 carrying out this subparagraph, the Cor-
18 poration shall develop a strategy to assist
19 eligible entities receiving grants under this
20 subparagraph with any applicable data col-
21 lection, monitoring, and reporting require-
22 ments.

23 (iii) ASSESSMENT BY CORPORA-
24 TION.—To ensure transparency and im-
25 prove the transfer and understanding of

1 transition planning and implementation
2 outcomes, the Corporation shall compile,
3 conduct assessments of, and report on data
4 provided by eligible entities provided
5 grants under this subparagraph, in accord-
6 ance with section 3(d)(3)(I).

7 (4) PUBLIC INVESTMENT.—

8 (A) IN GENERAL.—Each fiscal year, out of
9 amounts made available from the Transitioning
10 Communities Benefit Account under paragraph
11 (2)(B), the Corporation shall make public in-
12 vestments in public or private projects carried
13 out in eligible communities that leverage transi-
14 tion programs funded under paragraph (3).

15 (B) CONSULTATION.—The Corporation
16 may carry out subparagraph (A) in consultation
17 with the staff of the Corporation, community
18 development financial institutions, public ben-
19 efit corporations, entities that provide philan-
20 thropic funding, energy community hubs, and
21 other partners to invest capital in businesses
22 and infrastructure in eligible communities.

23 (C) REQUIREMENT FOR RETURN ON IN-
24 VESTMENT.—To the maximum extent prac-
25 ticable, the Corporation shall ensure that the

1 entire portfolio of transition investments under
2 subparagraph (A) contributes to a return to the
3 Endowment that achieves the target described
4 in section 4(b)(1)(B).