

# United States Senate

WASHINGTON, DC 20510

December 12, 2017

The Honorable Orrin Hatch  
Chairman  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Ron Wyden  
Ranking Member  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, DC 20510

Representative Kevin Brady  
Chairman  
Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, DC 20515

Representative Richard Neal  
Ranking Member  
Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Senators Hatch and Wyden and Representatives Brady and Neal:

We write to request that as you conference the Senate and House tax budget reconciliation bills, you remove provisions that would harm renewable energy and blue-collar job creation in the United States.

The generation of electricity from wind and solar holds great potential in the United States. New job creation and economic growth depend on the success of the renewable energy industry. Wind and solar currently generate seven to eight percent of U.S. electricity and we currently have more than 360,000 workers in the wind and solar industry – the majority of them blue-collar jobs such as roofers, electricians and steelworkers – and we are projected to have 500,000 American workers in these industries in just three years.

The potential of these industries and this job creation is imperiled by provisions in the legislation that has been passed by the House and Senate. A first provision that could damage this important industry is language included in the Senate bill, so-called the “base-erosion anti-abuse tax” (BEAT). This provision would harm the ability of renewable energy projects to make full use of essential federal tax credits. This provision could cripple financing for renewable energy projects and would be incredibly harmful to the deployment of clean energy technologies in the United States. At a minimum, renewable energy should be exempted from this provision in the Senate bill.

A second provision that would clearly undermine our renewable energy industry is the provision included in the House bill that significantly reduces tax credits for the wind industry. Slashing

the tax credits for wind, which are already phasing out under an agreement reached in 2015, could eliminate over half of all new wind production planned in the United States. Moreover, the House bill would also terminate the reduced investment tax credit for utility and commercial solar projects in 2026. And finally, the House bill proposes new, much more restrictive language on when and how companies would qualify for the PTC and the ITC.

The House bill also includes a provision that would eliminate the tax credit for electric vehicles (EVs). Eliminating the \$7,500 tax credit for those who purchase EVs would eviscerate this market just as automakers are increasingly ramping up their commitments to producing these vehicles.

Wind and solar here in the United States are creating hundreds of thousands of good-paying, blue-collar jobs and more sustainable economic growth. The increasing deployment of electric vehicles will help reduce our consumption of foreign oil and enhance our national security.

Therefore, we urge the conferees to remove all three of these provisions that would significantly harm wind, solar and electric vehicles in the United States from any final conference report on tax legislation.

Sincerely,

Edward J. Markey

Whitman

Brian Schatz

Tom Udall

Richard Blumenthal

Jeffrey D. Merkley

Amy Klobuchar

Mik F. Bennett

Ben Cardin

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