

114TH CONGRESS  
2D SESSION

# S. 2860

To establish the Climate Change Advisory Commission to develop recommendations, frameworks, and guidelines for projects to respond to the impacts of climate change, to issue Federal bonds, the proceeds of which shall be used to fund projects that aid in adaptation to climate change, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 27, 2016

Mrs. BOXER (for herself and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To establish the Climate Change Advisory Commission to develop recommendations, frameworks, and guidelines for projects to respond to the impacts of climate change, to issue Federal bonds, the proceeds of which shall be used to fund projects that aid in adaptation to climate change, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Climate Change Adapt America Bond Act of 2016”.

6 (b) TABLE OF CONTENTS.—

- Sec. 1. Short title; table of contents.  
 Sec. 2. Definitions.

TITLE I—CLIMATE CHANGE ADVISORY COMMISSION

- Sec. 101. Establishment of Climate Change Advisory Commission.  
 Sec. 102. Duties.  
 Sec. 103. Commission personnel matters.  
 Sec. 104. Funding.  
 Sec. 105. Termination.

TITLE II—ADAPT AMERICA FUND

- Sec. 201. Adapt America Fund.  
 Sec. 202. Compliance with Davis-Bacon Act.  
 Sec. 203. Funding.

TITLE III—CLIMATE CHANGE BONDS

- Sec. 301. Climate Change Bonds.  
 Sec. 302. Promotion.

1 **SEC. 2. DEFINITIONS.**

2 Except as otherwise provided, in this Act:

3 (1) COMMISSION.—The term “Commission”  
 4 means the Climate Change Advisory Commission es-  
 5 tablished by section 101(a).

6 (2) FUND.—The term “Fund” means the  
 7 Adapt America Fund established by section  
 8 201(a)(1).

9 (3) SECRETARY.—The term “Secretary” means  
 10 the Secretary of Commerce.

1           **TITLE I—CLIMATE CHANGE**  
2           **ADVISORY COMMISSION**

3   **SEC. 101. ESTABLISHMENT OF CLIMATE CHANGE ADVISORY**  
4           **COMMISSION.**

5           (a) **IN GENERAL.**—There is established a commission  
6 to be known as the “Climate Change Advisory Commis-  
7 sion”.

8           (b) **MEMBERSHIP.**—The Commission shall be com-  
9 posed of 11 members—

10           (1) who shall be selected from the public and  
11 private sectors and institutions of higher education;  
12 and

13           (2) of whom—

14           (A) 3 shall be appointed by the President,  
15 in consultation with the Interagency Climate  
16 Change Adaptation Task Force;

17           (B) 2 shall be appointed by the Speaker of  
18 the House of Representatives;

19           (C) 2 shall be appointed by the minority  
20 leader of the House of Representatives;

21           (D) 2 shall be appointed by the majority  
22 leader of the Senate; and

23           (E) 2 shall be appointed by the minority  
24 leader of the Senate.

1 (c) TERMS.—Each member of the Commission shall  
2 be appointed for the life of the Commission.

3 (d) INITIAL APPOINTMENTS.—Each member of the  
4 Commission shall be appointed not later than 90 days  
5 after the date of enactment of this Act.

6 (e) VACANCIES.—A vacancy on the Commission—

7 (1) shall not affect the powers of the Commis-  
8 sion; and

9 (2) shall be filled in the manner in which the  
10 original appointment was made.

11 (f) INITIAL MEETING.—Not later than 30 days after  
12 the date on which all members of the Commission have  
13 been appointed, the Commission shall hold the initial  
14 meeting of the Commission.

15 (g) MEETINGS.—The Commission shall meet at the  
16 call of the Chairperson.

17 (h) QUORUM.—A majority of the members of the  
18 Commission shall constitute a quorum, but a lesser num-  
19 ber of members may hold hearings.

20 (i) CHAIRPERSON AND VICE CHAIRPERSON.—The  
21 Commission shall select a Chairperson and Vice Chair-  
22 person from among the members of the Commission.

23 **SEC. 102. DUTIES.**

24 The Commission shall—

1           (1) establish recommendations, frameworks,  
2           and guidelines for a Federal investment program  
3           funded by revenue from Climate Change Bonds  
4           issued under section 301 for States, municipalities,  
5           and other public entities, including utility districts,  
6           transit authorities, and multistate regulatory bodies  
7           that—

8                   (A) improves and adapts energy, transpor-  
9                   tation, water, and general infrastructure im-  
10                  pacted or expected to be impacted due to cli-  
11                  mate variability; and

12                  (B) integrates best available science, data,  
13                  standards, models, and trends that improve the  
14                  resiliency of infrastructure systems described in  
15                  subparagraph (A); and

16           (2) identify categories of the most cost-effective  
17           investments and projects that emphasize multiple  
18           benefits to commerce, human health, and eco-  
19           systems.

20 **SEC. 103. COMMISSION PERSONNEL MATTERS.**

21           (a) COMPENSATION OF MEMBERS.—

22                   (1) NON-FEDERAL EMPLOYEES.—A member of  
23                   the Commission who is not an officer or employee of  
24                   the Federal Government shall be compensated at a  
25                   rate equal to the daily equivalent of the annual rate

1 of basic pay prescribed for level IV of the Executive  
2 Schedule under section 5315 of title 5, United  
3 States Code, for each day (including travel time)  
4 during which the member is engaged in the perform-  
5 ance of the duties of the Commission.

6 (2) FEDERAL EMPLOYEES.—A member of the  
7 Commission who is an officer or employee of the  
8 Federal Government shall serve without compensa-  
9 tion in addition to the compensation received for the  
10 services of the member as an officer or employee of  
11 the Federal Government.

12 (b) TRAVEL EXPENSES.—A member of the Commis-  
13 sion shall be allowed travel expenses, including per diem  
14 in lieu of subsistence, at rates authorized for an employee  
15 of an agency under subchapter I of chapter 57 of title  
16 5, United States Code, while away from the home or reg-  
17 ular place of business of the member in the performance  
18 of the duties of the Commission.

19 (c) STAFF.—

20 (1) IN GENERAL.—The Chairperson of the  
21 Commission may, without regard to the civil service  
22 laws (including regulations), appoint and terminate  
23 such personnel as are necessary to enable the Com-  
24 mission to perform the duties of the Commission.

25 (2) COMPENSATION.—

1           (A) IN GENERAL.—Except as provided in  
 2           subparagraph (B), the Chairperson of the Com-  
 3           mission may fix the compensation of personnel  
 4           without regard to the provisions of chapter 51  
 5           and subchapter III of chapter 53 of title 5,  
 6           United States Code, relating to classification of  
 7           positions and General Schedule pay rates.

8           (B) MAXIMUM RATE OF PAY.—The rate of  
 9           pay for personnel shall not exceed the rate pay-  
 10          able for level V of the Executive Schedule under  
 11          section 5316 of title 5, United States Code.

12 **SEC. 104. FUNDING.**

13          The Commission shall use amounts in the Fund to  
 14          pay for all administrative expenses of the Commission.

15 **SEC. 105. TERMINATION.**

16          The Commission shall terminate on such date as the  
 17          Commission determines after the Commission carries out  
 18          the duties of the Commission under section 102.

19 **TITLE II—ADAPT AMERICA FUND**

20 **SEC. 201. ADAPT AMERICA FUND.**

21          (a) ESTABLISHMENT.—

22               (1) IN GENERAL.—There is established within  
 23          the Department of Commerce the “Adapt America  
 24          Fund”.

1           (2) RESPONSIBILITY OF SECRETARY.—The Sec-  
2           retary shall take such action as the Secretary deter-  
3           mines to be necessary to assist in implementing the  
4           establishment of the Fund in accordance with this  
5           Act.

6           (b) CLIMATE CHANGE ADAPTATION PROJECTS.—  
7           The Secretary, in consultation with the Commission, shall  
8           carry out a program to provide funds to eligible applicants  
9           to carry out projects for a qualified climate change adapta-  
10          tion purpose.

11          (c) ELIGIBLE ENTITIES.—An entity eligible to par-  
12          ticipate in the program under subsection (b) shall in-  
13          clude—

14                 (1) a Federal agency;

15                 (2) a State or a group of States;

16                 (3) a unit of local government or a group of  
17          local governments;

18                 (4) a utility district;

19                 (5) a tribal government or a consortium of trib-  
20          al governments;

21                 (6) a State or regional transit agency or a  
22          group of State or regional transit agencies;

23                 (7) a nonprofit organization;

24                 (8) a special purpose district or public author-  
25          ity, including a port authority; and



1           (9) any other entity, as determined by the Sec-  
2       retary.

3       (d) APPLICATION.—An eligible entity shall submit to  
4 the Secretary an application for a project for a qualified  
5 climate change adaptation purpose at such time, in such  
6 manner, and containing such information as the Secretary  
7 may require.

8       (e) SELECTION.—The Secretary shall select projects  
9 from eligible entities to receive funds under this section  
10 based on criteria and guidelines determined and published  
11 by the Commission.

12       (f) NON-FEDERAL FUNDING REQUIREMENT.—In  
13 order to receive funds under this section, an eligible entity  
14 shall provide funds for the project in an amount that is  
15 equal to not less than 25 percent of the amount of funds  
16 provided under this section.

17       (g) MAINTENANCE OF EFFORT.—All amounts depos-  
18 ited in the Fund in accordance with section 301(a) shall  
19 be used only to fund new projects in accordance with this  
20 Act.

21       (h) APPLICABILITY OF FEDERAL LAW.—Nothing in  
22 this Act waives the requirements of any Federal law (in-  
23 cluding regulations) that would otherwise apply to a quali-  
24 fied climate change project that receives funds under this  
25 section.

1 **SEC. 202. COMPLIANCE WITH DAVIS-BACON ACT.**

2 (a) IN GENERAL.—All laborers and mechanics em-  
 3 ployed by contractors and subcontractors on projects fund-  
 4 ed directly by or assisted in whole or in part by and  
 5 through the Fund pursuant to this title shall be paid  
 6 wages at rates not less than those prevailing on projects  
 7 of a character similar in the locality as determined by the  
 8 Secretary of Labor in accordance with subchapter IV of  
 9 chapter 31 of part A of title 40, United States Code.

10 (b) LABOR STANDARDS.—With respect to the labor  
 11 standards specified in this section, the Secretary of Labor  
 12 shall have the authority and functions set forth in Reorga-  
 13 nization Plan Numbered 14 of 1950 (64 Stat. 1267; 5  
 14 U.S.C. App.) and section 3145 of title 40, United States  
 15 Code.

16 **SEC. 203. FUNDING.**

17 The Secretary shall use funds made available to the  
 18 Secretary and not otherwise obligated to carry out the pro-  
 19 gram under section 201(b).

20 **TITLE III—CLIMATE CHANGE**  
 21 **BONDS**

22 **SEC. 301. CLIMATE CHANGE BONDS.**

23 (a) IN GENERAL.—Not later than 6 months after the  
 24 date of the enactment of this Act, the Secretary of the  
 25 Treasury or the Secretary’s delegate (referred to in this  
 26 title as the “Secretary”) shall issue bonds to be known

1 as “Climate Change Bonds”, the proceeds from which  
2 shall be deposited in the Fund.

3 (b) SAVINGS BOND.—Any Climate Change Bond  
4 issued under this section shall be issued by the Secretary  
5 as a savings bond in a manner consistent with the provi-  
6 sions of section 3105 of title 31, United States Code.

7 (c) FULL FAITH AND CREDIT.—Payment of interest  
8 and principal with respect to any Climate Change Bond  
9 issued under this section shall be made from the general  
10 fund of the Treasury of the United States and shall be  
11 backed by the full faith and credit of the United States.

12 (d) EXEMPTION FROM LOCAL TAXATION.—All Cli-  
13 mate Change Bonds issued by the Secretary, and the in-  
14 terest on or credits with respect to such bonds, shall not  
15 be subject to taxation by any State, county, municipality,  
16 or local taxing authority.

17 (e) AMOUNT OF CLIMATE CHANGE BONDS.—The ag-  
18 gregate face amount of the Climate Change Bonds issued  
19 annually under this section shall be \$200,000,000.

20 (f) FUNDING.—The Secretary shall use funds made  
21 available to the Secretary and not otherwise obligated to  
22 carry out the purposes of this section.

23 **SEC. 302. PROMOTION.**

24 (a) IN GENERAL.—The Secretary shall promote the  
25 purchase of Climate Change Bonds, as described in section

1 301, through such means as are determined appropriate  
2 by the Secretary, with the amount expended for such pro-  
3 motion not to exceed \$10,000,000 for any fiscal year dur-  
4 ing the period of fiscal years 2017 through 2021.

5 (b) DONATED ADVERTISING.—In addition to any ad-  
6 vertising paid for with funds made available under sub-  
7 section (c), the Secretary shall solicit the donation of ad-  
8 vertising relating to the sale of Climate Change Bonds de-  
9 scribed in section 301.

10 (c) AUTHORIZATION OF APPROPRIATIONS.—For each  
11 fiscal year during the period of fiscal years 2017 through  
12 2021, there is authorized to be appropriated \$10,000,000  
13 to carry out the purposes of this section.

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