

118TH CONGRESS
2D SESSION

S. 3869

To require vehicles to comply with the rules of origin of the United States-Mexico-Canada Agreement in order to qualify for certain Federal programs.

IN THE SENATE OF THE UNITED STATES

MARCH 5, 2024

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

A BILL

To require vehicles to comply with the rules of origin of the United States-Mexico-Canada Agreement in order to qualify for certain Federal programs.

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 “American Subsidies
5 for American Autos Act of 2024”.

6 **SEC. 2. REQUIREMENT FOR VEHICLES TO COMPLY WITH**

7 **UNITED STATES-MEXICO-CANADA AGREE-**

8 **MENT TO QUALIFY FOR CERTAIN FEDERAL**

9 **PROGRAMS.**

10 (a) TAX CREDITS FOR CLEAN VEHICLES.—

1 (1) CLEAN VEHICLE CREDIT.—Section 30D(d)
2 of the Internal Revenue Code of 1986 is amended—

3 (A) in paragraph (1)(G), by striking “the
4 final assembly of which occurs within North
5 America” and inserting “which qualifies as an
6 originating good under section 202 of the
7 United States-Mexico-Canada Agreement Im-
8 plementation Act (19 U.S.C. 4531)”, and

9 (B) by striking paragraph (5).

10 (2) CREDIT FOR QUALIFIED COMMERCIAL
11 CLEAN VEHICLES.—Paragraph (1) of section 45W(c)
12 of such Code is amended by striking “section
13 30D(d)(1)(C)” and inserting “subparagraphs (C)
14 and (G) of section 30D(d)(1)”.

15 (3) PREVIOUSLY-OWNED CLEAN VEHICLES.—
16 Clause (i) of section 25E(c)(1)(D) of such Code is
17 amended by inserting “(G),” after “(F),”.

18 (4) EFFECTIVE DATE.—The amendments made
19 by this subsection shall apply to vehicles acquired
20 after the date of the enactment of this Act.

21 (b) PUBLIC SCHOOL ENERGY IMPROVEMENT PRO-
22 GRAM.—Section 40541(f) of the Investment Infrastruc-
23 ture and Jobs Act (42 U.S.C. 18831(f)) is amended by
24 adding at the end the following:

1 “(5) USMCA-COMPLIANT VEHICLE REQUIRE-
2 MENT.—

3 “(A) DEFINITION OF USMCA-COMPLIANT
4 VEHICLE.—In this paragraph, the term
5 ‘USMCA-compliant vehicle’ means a vehicle
6 that qualifies as an originating good under sec-
7 tion 202 of the United States-Mexico-Canada
8 Agreement Implementation Act (19 U.S.C.
9 4531).

10 “(B) REQUIREMENT.—Any alternative
11 fueled vehicle purchased using a grant under
12 this section shall be required to be a USMCA-
13 compliant vehicle.”.

14 (c) STATE ENERGY PROGRAM.—Section 362 of the
15 Energy Policy and Conservation Act (42 U.S.C. 6322) is
16 amended by adding at the end the following:

17 “(h) USMCA-COMPLIANT VEHICLE REQUIRE-
18 MENT.—

19 “(1) DEFINITION OF USMCA-COMPLIANT VEHI-
20 CLE.—In this subsection, the term ‘USMCA-compli-
21 ant vehicle’ means a vehicle that qualifies as an orig-
22 inating good under section 202 of the United States-
23 Mexico-Canada Agreement Implementation Act (19
24 U.S.C. 4531).

1 “(2) REQUIREMENT.—Subject to paragraph
2 (3), any vehicle purchased as part of a State energy
3 conservation plan shall be required to be a USMCA-
4 compliant vehicle.

5 “(3) MORE STRINGENT STATE LAW.—The re-
6 quirement under paragraph (2) shall not apply in
7 the case of a State energy conservation plan that re-
8 quires vehicles purchased under the plan to be pro-
9 duced in the United States.”.

10 (d) BUS AND BUS FACILITIES GRANT PROGRAM.—
11 Section 5339(b) of title 49, United States Code, is amend-
12 ed by adding at the end the following:

13 “(12) USMCA REQUIREMENT.—

14 “(A) USMCA-COMPLIANT VEHICLE.—In
15 this paragraph, the term ‘USMCA-compliant
16 vehicle’ means a vehicle that qualifies as an
17 originating good under section 202 of the
18 United States-Mexico-Canada Agreement Im-
19 plementation Act (19 U.S.C. 4531).

20 “(B) REQUIREMENT.—Any bus replaced,
21 purchased, or leased using a grant under this
22 subsection shall be a USMCA-compliant vehi-
23 cle.”.

24 (e) LOW OR NO EMISSION PUBLIC TRANSPORTATION
25 FUNDING PROGRAM.—Section 5339(c) of title 49, United

1 States Code, is amended by adding at the end the fol-
 2 lowing:

3 “(9) USMCA REQUIREMENT.—

4 “(A) USMCA-COMPLIANT VEHICLE.—In
 5 this paragraph, the term ‘USMCA-compliant
 6 vehicle’ means a vehicle that qualifies as an
 7 originating good under section 202 of the
 8 United States-Mexico-Canada Agreement Im-
 9 plementation Act (19 U.S.C. 4531).

10 “(B) REQUIREMENT.—Any vehicle ac-
 11 quired or leased using a grant under this sub-
 12 section shall be a USMCA-compliant vehicle.”.

13 (f) CLEAN SCHOOL BUS PROGRAM.—Section 741(a)
 14 of the Energy Policy Act of 2005 (42 U.S.C. 16091(a))
 15 is amended—

16 (1) in paragraph (3)—

17 (A) by redesignating subparagraph (B) as
 18 clause (ii);

19 (B) in subparagraph (A), by striking “(A)
 20 the Administrator” and inserting the following:

21 “(B)(i) the Administrator”; and

22 (C) by inserting before subparagraph (B)
 23 (as so redesignated) the following:

24 “(A) qualifies as an originating good under
 25 section 202 of the United States-Mexico-Can-

1 ada Agreement Implementation Act (19 U.S.C.
2 4531); and”;

3 (2) in paragraph (8)—

4 (A) by redesignating subparagraphs (A)
5 and (B) as clauses (i) and (ii), respectively, and
6 indenting appropriately; and

7 (B) in the matter preceding clause (i) (as
8 so redesignated), by striking “that is certified”
9 and inserting the following: “that—

10 “(A) qualifies as an originating good under
11 section 202 of the United States-Mexico-Can-
12 ada Agreement Implementation Act (19 U.S.C.
13 4531); and

14 “(B) is certified”.

15 (g) CLEAN HEAVY-DUTY VEHICLES PROGRAM.—
16 Section 132(d)(5) of the Clean Air Act (42 U.S.C.
17 7432(d)(5)) is amended—

18 (1) by redesignating subparagraphs (A) and
19 (B) as clauses (i) and (ii), respectively, and indent-
20 ing appropriately; and

21 (2) in the matter preceding clause (i) (as so re-
22 designated), by striking “vehicle that has” and in-
23 serting the following: “vehicle that—

24 “(A) qualifies as an originating good under
25 section 202 of the United States-Mexico-Can-

1 ada Agreement Implementation Act (19 U.S.C.
2 4531); and
3 “(B) has”.

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