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WASHINGTON, D.C. - Congresswoman Anna G. Eshoo, D-Palo Alto, voted today for legislation to promote American energy independence and reduce global climate change.

The two bills, H.R. 3221, the New Direction for Energy Independence, National Security, and Consumer Protection, and H.R. 2776, the Renewable Energy and Energy Conservation Act, passed the House by votes of 241 to 172 and 221 to 189, respectively.

"Today's action by the House marks a distinct change in direction of our nation's energy policy," Eshoo said. "Instead of providing costly incentives to oil companies and appealing to purely parochial interests, we will actually reduce fuel prices, move us closer to becoming energy independent, and address the growing threat of global warming."

The energy package represents the work of 10 House committees, including the Energy and Commerce Committee, which Eshoo is a Member of.

Under an amendment that Eshoo supported, the bill establishes a national Renewable Electricity Standard (RES) that would require 15% of the electricity generated in the U.S. to come from renewable sources of energy. The bill also will raise 43 efficiency standards for appliances and buildings and includes a provision authored by Eshoo to improve the efficiency of computer data centers. Once fully implemented, the bill will reduce carbon dioxide emissions by 10 billion tons, more than the emissions of all the cars on the road today.

The package also includes a provision championed by Eshoo to end the tax loophole that gives businesses a \$25,000 tax deduction for the purchase of SUVs weighing more than 6,000 pounds. Eshoo introduced the first legislation to close this loophole in 2003. The provision will save nearly \$800 million over the next ten years that will be used to promote incentives for renewable energy and efficiency.

"The SUV tax break makes absolutely no sense and provides a perverse incentive for small businesses to purchase some of the most fuel-inefficient passenger vehicles on the road," said Eshoo. "Finally, we are taking steps to close this irresponsible loophole."

The bill also:

- Provides up to a \$4,000 tax credit for plug-in hybrid vehicles.

- Eliminates the \$2,000 cap on the tax credit for consumers to install solar and fuel cell generation at their homes. The credit can be used to offset the Alternative Minimum Tax.

- Creates an energy efficiency block grant to assist localities in taking innovative steps to improve energy efficiency.

- Allows employers to offer a tax-free fringe benefit to employees who commute to work by bike.

The House legislation must now be reconciled with similar legislation moving through the Senate. The House will also consider more comprehensive climate change legislation later this year.

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