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DOE Proposes New Lamp Efficiency Requirements

The Department of Energy (DOE) has released a proposed rule that would increase energy efficiency requirements for lightbulbs from 45 lumens per watt to 120 lumens per watt. This increase in energy efficiency will reduce energy consumption by the equivalent of 29 million homes per year, according to the DOE.

This action comes after the energy advocates have pushed the Department to increase the pace of energy efficiency rulemaking. The Biden Administration plans to release over 30 additional energy efficiency rules later this year.

Congress Fails to Extend Immediate Deduction of Research and Development Costs

For distributors designing electrical and control systems, Congress's failure to extend immediate deduction of research and development (R&D) costs will impact your business tax liability. Under current law, businesses will be forced to amortize R&D costs over five years instead of immediately deducting their value.

Tax writers continue negotiating a possible agreement to bring back the tax credit; however, the passage is likely to be retroactive and pass closer to the end of the year.

New Congress, New Majority, New Expectations

With a new Congress comes a new majority in the House of Representatives and new expectations about what will happen in 2023. Republicans flipped the House of Representatives and now have a four-seat majority, a very thin margin to work with. However, Republicans are the opposition party compared to the White House, and their agenda is much more about politics than policy, as evidenced by the opening days of the 118th Congress and the 15 votes to elect a new Speaker.

House Conservatives pounced on the thin majority to extract concessions from Speaker McCarthy to try and shape the tone of the new Congress compared to previous Republican majorities. These conservatives have been

able to secure seats on the powerful Government Oversight and Judiciary Committees, where they will be able to exercise additional power to examine what the Biden Administration has been doing and use their power to subpoena officials over issues the party cares about. This likely means far less legislating than in years past, and the bills that do make it out of the chamber will be focused on messaging rather than making new laws.

While we expect to see votes on issues that help restrain the regulatory powers of the Executive Branch, we are unlikely to see true reforms while the Senate remains in Democratic hands.

For more information:

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