

November 4, 2022

SUBMITTED ELECTRONICALLY

Internal Revenue Service
CC:PA:LPD:PR (Notice 2022-49 and Notice 2022-50)
Room 5203
P.O. Box 5203, Ben Franklin Station
Washington, D.C. 20044

The Honorable Lily L. Batchelder
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RE: Treasury Department and IRS Guidance on Prevailing Wages and Apprenticeship Requirement Implementation from the IRA

Submitted via www.regulations.gov; Notice 2022-51

Renewable Energy Developer appreciates the opportunity to submit the following comments in response to the Internal Revenue Service's (IRS) Request for Comments on the Prevailing Wages and Apprenticeship Requirements Under the Inflation Reduction Act of 2022.

I. QUESTIONS RAISED BY TREASURY/IRS

Q6. Good Faith Exception.

(i) What, if any, clarification is needed regarding the good faith effort exception?

Renewable Energy Developer respectfully requests guidance clarifying that the good faith effort exception to the apprenticeship requirement does not require a developer to sign a project labor agreement with a union or any other agreement that would import additional requirements that are not already part of the Inflation Reduction Act.

Section 45(b)(8) imposes limited requirements to satisfy the apprenticeship requirement. Those requirements relate to the percentage of total labor hours required, the ratio of apprentices to journeyworkers, and a participation requirement (i.e., there must be at least one apprentice for each taxpayer, contractor, or subcontractor that employs four or more individuals to construct, alter, or repair the facility). There is no suggestion in the statute that the taxpayer must enter into a union contract or any other particular form of agreement. The unions run many good qualified

apprentice programs. The US Department of Labor has also registered some such programs run by others.

Section 45(b)(8)(D)(ii) provides that a taxpayer shall not be treated as failing the apprenticeship requirement if such taxpayer has made a good faith effort to request qualified apprentices from a registered apprenticeship program. The statutory requirement for satisfying the good faith exception is limited to requesting qualified apprentices from a registered apprentice program and not being rejected for having failed to comply with the standards for the program whose apprentices are used.