

109TH CONGRESS
1ST SESSION

H. R. 722

To authorize programs and activities to improve energy use related to transportation and infrastructure facilities.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2005

Mr. OBERSTAR (for himself, Mr. CUMMINGS, Mr. NADLER, Mr. MICHAUD, Mr. LARSEN of Washington, Mr. MATHESON, Mr. CAPUANO, Mr. CHANDLER, Ms. CORRINE BROWN of Florida, Mr. HOLDEN, Ms. MILLENDER-MCDONALD, Mr. TAYLOR of Mississippi, Mr. BLUMENAUER, Ms. SCHWARTZ of Pennsylvania, Mr. HONDA, Ms. BERKLEY, Mr. WEINER, Ms. NORTON, Mr. HIGGINS, Mr. COSTELLO, Mr. RAHALL, Mr. BAIRD, Mr. DEFazio, Mr. SALAZAR, Ms. CARSON, Mr. BOSWELL, and Mr. CARNAHAN) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committees on Science, Ways and Means, and Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To authorize programs and activities to improve energy use related to transportation and infrastructure facilities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
 3 “Securing Transportation Energy Efficiency for Tomor-
 4 row Act of 2005”.

5 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

TITLE I—PUBLIC BUILDINGS AND ECONOMIC DEVELOPMENT

Sec. 101. Use of photovoltaic energy in public buildings.

Sec. 102. Capitol Complex.

TITLE II—SURFACE TRANSPORTATION

Sec. 201. Highway fuel conservation program.

Sec. 202. Fuel cell bus technology development and demonstration projects.

Sec. 203. Conserve By Bicycling program.

Sec. 204. Energy impacts of Federal-aid highway and transit projects.

Sec. 205. Railroad efficiency.

TITLE III—AVIATION

Sec. 301. Clean airport bus pilot program.

Sec. 302. Clean aircraft engines.

TITLE IV—WATER RESOURCES

Sec. 401. Marine efficiency.

Sec. 402. Improving hydropower capabilities.

Sec. 403. Encouragement of State prohibitions on off-shore drilling in the
 Great Lakes.

TITLE V—TAX PROVISIONS

Sec. 501. Extension of transportation fringe benefit to commuters who bicycle,
 carpool, or use car-sharing.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) As the Nation’s largest energy consumer,
 9 the Federal Government is in a unique position to
 10 promote energy conservation and efficiency, particu-
 11 larly in the transportation sector and in the oper-
 12 ation of Federal buildings.

1 (2) Each year for the past decade, energy use
2 in the transportation sector has increased by a rate
3 of 1.6 percent.

4 (3) In 2002, the transportation sector con-
5 sumed a greater share of the Nation's petroleum (67
6 percent) than it did in 1973 (50 percent).

7 (4) The transportation sector is responsible for
8 27 percent of all greenhouse gases emitted in the
9 United States, with transportation-related emissions
10 of carbon dioxide increasing by 21 percent between
11 1992 and 2002.

12 (5) Transportation remains a primary source of
13 emissions for 3 of the 6 air pollutants regulated
14 under the Clean Air Act: carbon monoxide, nitrogen
15 oxides, and volatile organic compounds.

16 (6) As the Federal Government's largest land-
17 lord, the General Services Administration should
18 lead in the promotion and utilization of alternative
19 and efficient energy sources.

1 **TITLE I—PUBLIC BUILDINGS**
2 **AND ECONOMIC DEVELOPMENT**

3 **SEC. 101. USE OF PHOTOVOLTAIC ENERGY IN PUBLIC**
4 **BUILDINGS.**

5 (a) IN GENERAL.—Subchapter VI of chapter 31 of
6 title 40, United States Code, is amended by adding at the
7 end the following:

8 **“§ 3177. Use of photovoltaic energy in public build-**
9 **ings**

10 “(a) PHOTOVOLTAIC ENERGY COMMERCIALIZATION
11 PROGRAM.—

12 “(1) IN GENERAL.—The Administrator of Gen-
13 eral Services may establish a photovoltaic energy
14 commercialization program for the procurement and
15 installation of photovoltaic solar electric systems for
16 electric production in new and existing public build-
17 ings.

18 “(2) PURPOSES.—The purposes of the program
19 shall be to accomplish the following:

20 “(A) To accelerate the growth of a com-
21 mercially viable photovoltaic industry to make
22 this energy system available to the general pub-
23 lic as an option which can reduce the national
24 consumption of fossil fuel.

1 “(B) To reduce the fossil fuel consumption
2 and costs of the Federal Government.

3 “(C) To attain the goal of installing solar
4 energy systems in 20,000 Federal buildings by
5 2010, as contained in the Federal Government’s
6 Million Solar Roof Initiative of 1997.

7 “(D) To stimulate the general use within
8 the Federal Government of life-cycle costing
9 and innovative procurement methods.

10 “(E) To develop program performance
11 data to support policy decisions on future incen-
12 tive programs with respect to energy.

13 “(3) ACQUISITION OF PHOTOVOLTAIC SOLAR
14 ELECTRIC SYSTEMS.—

15 “(A) IN GENERAL.—The program shall
16 provide for the acquisition of photovoltaic solar
17 electric systems and associated storage capa-
18 bility for use in public buildings.

19 “(B) ACQUISITION LEVELS.—The acquisi-
20 tion of photovoltaic electric systems shall be at
21 a level substantial enough to allow use of low-
22 cost production techniques with at least 150
23 megawatts (peak) cumulative acquired during
24 the 5 years of the program.

1 “(4) ADMINISTRATION.—The Administrator
2 shall administer the program and shall—

3 “(A) prescribe such rules and regulations
4 as may be appropriate to monitor and assess
5 the performance and operation of photovoltaic
6 solar electric systems installed pursuant to this
7 subsection;

8 “(B) develop innovative procurement strat-
9 egies for the acquisition of such systems; and

10 “(C) transmit to the Committee on Trans-
11 portation and Infrastructure of the House of
12 Representatives and to the Committee on Envi-
13 ronment and Public Works of the Senate an an-
14 nual report on the results of the program.

15 “(b) PHOTOVOLTAIC SYSTEMS EVALUATION PRO-
16 GRAM.—

17 “(1) IN GENERAL.—Not later than 60 days
18 after the date of enactment of this section, the Ad-
19 ministrator, in consultation with the Secretary of
20 Energy, shall establish a photovoltaic solar energy
21 systems evaluation program to evaluate such photo-
22 voltaic solar energy systems as are required in public
23 buildings.

24 “(2) PROGRAM REQUIREMENT.—In evaluating
25 photovoltaic solar energy systems under the pro-

1 gram, the Administrator shall ensure that such sys-
2 tems reflect the most advanced technology.

3 “(c) AUTHORIZATION OF APPROPRIATIONS.—

4 “(1) PHOTOVOLTAIC ENERGY COMMERCIALIZA-
5 TION PROGRAM.—There is authorized to be appro-
6 priated to carry out subsection (a) \$50,000,000 for
7 each of fiscal years 2006 through 2010. Such sums
8 shall remain available until expended.

9 “(2) PHOTOVOLTAIC SYSTEMS EVALUATION
10 PROGRAM.—There is authorized to be appropriated
11 to carry out subsection (b) \$10,000,000 for each of
12 fiscal years 2006 through 2010. Such sums shall re-
13 main available until expended.

14 “(3) INSTALLATION OF PHOTOVOLTAIC SYS-
15 TEM.—There is authorized to be appropriated to the
16 General Services Administration to install a photo-
17 voltaic system, as set forth in the Sun Wall Design
18 Project, for the headquarters building of the Depart-
19 ment of Energy located at 1000 Independence Ave-
20 nue, Southwest, Washington, D.C., commonly known
21 as the Forrestal Building, \$14,000,000 for fiscal
22 year 2006. Such sums shall remain available until
23 expended.”.

1 (b) CONFORMING AMENDMENT.—The analysis for
2 such chapter is amended by inserting after the item relat-
3 ing to section 3176 the following:

“3177. Use of photovoltaic energy in public buildings.”.

4 **SEC. 102. CAPITOL COMPLEX.**

5 (a) STUDY ON ENERGY INFRASTRUCTURE.—The Ar-
6 chitect of the Capitol, building on the Master Plan Study
7 completed in July 2000, shall conduct a study to evaluate
8 the energy infrastructure of the Capitol Complex to deter-
9 mine how the energy infrastructure could be augmented
10 to become more energy efficient, using photovoltaic solar
11 energy systems, district-heating, and other unconventional
12 and renewable energy resources, in a way that would en-
13 able the Complex to have reliable utility service in the
14 event of power fluctuations, shortages, or outages.

15 (b) REPORT.—Not later than 1 year after the date
16 of enactment of this Act, the Architect of the Capitol shall
17 transmit to Congress a report containing the results of
18 the study conducted under subsection (a).

19 (c) AUTHORIZATION.—There are authorized to be ap-
20 propriated to the Architect of the Capitol such sums as
21 may be necessary to carry out this section. Such sums
22 shall remain available until expended.

TITLE II—SURFACE TRANSPORTATION

SEC. 201. HIGHWAY FUEL CONSERVATION PROGRAM.

(a) IN GENERAL.—Subchapter I of chapter 1 of title 23, United States Code, is amended by adding at the end the following:

“§ 165. Energy conservation program

“(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish and carry out a program to provide grants to States and local governments for fuel conservation projects.

“(b) ELIGIBLE PROJECTS.—Projects carried out under the program shall be designed to make operational improvements to reduce fuel consumption on Federal-aid highways and other roads. Such projects may include—

“(1) data collection and analysis for improving traffic signal timing;

“(2) implementation of improved and coordinated traffic signal timing (including capital costs of new systems, or system upgrades);

“(3) planning and implementation of freeway management systems; and

“(4) operational improvements with high reductions in energy consumption.

1 “(c) APPLICATIONS.—To be eligible to receive a grant
 2 under this section, a State or local government shall sub-
 3 mit to the Secretary an application at such time, in such
 4 form, and in accordance with such requirements as the
 5 Secretary shall establish by regulation.

6 “(d) FEDERAL SHARE.—The Federal share of the
 7 cost of a project carried out using amounts from a grant
 8 under this section shall be 50 percent.

9 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
 10 is authorized to be appropriated to carry out this section
 11 such sums as may be necessary for fiscal years 2006
 12 through 2010. Such sums shall remain available until ex-
 13 pended.”.

14 (b) CONFORMING AMENDMENT.—The analysis for
 15 such chapter is amended by inserting after the item relat-
 16 ing to section 164 the following:

“165. Energy conservation program.”.

17 **SEC. 202. FUEL CELL BUS TECHNOLOGY DEVELOPMENT**
 18 **AND DEMONSTRATION PROJECTS.**

19 Section 5308 of title 49, United States Code, is
 20 amended by adding at the end the following:

21 “(g) FUEL CELL BUS TECHNOLOGY DEVELOPMENT
 22 AND DEMONSTRATION PROJECTS.—

23 “(1) AUTHORITY TO MAKE GRANTS.—The Sec-
 24 retary may make grants under this subsection to not
 25 more than 10 designated recipients for projects for

1 the research, development, and demonstration of fuel
2 cell bus technology.

3 “(2) APPLICATIONS.—Not later than January 1
4 of each year, any designated recipient seeking to
5 apply for a grant under this subsection shall submit
6 an application to the Secretary, in such form and in
7 accordance with such requirements as the Secretary
8 shall establish by regulation.

9 “(3) PREFERENCE.—In selecting grant recipi-
10 ents under this subsection, the Secretary shall give
11 preference to those applicants who have an existing
12 investment in fuel cell buses and hydrogen fuel cell
13 infrastructure.

14 “(4) NONAPPLICABILITY OF REQUIREMENTS.—
15 Except as specifically provided in this subsection,
16 the requirements for grants made under this section
17 shall not apply to grants made under this sub-
18 section.

19 “(5) FEDERAL SHARE.—The amount of a grant
20 made to a designated recipient under this subsection
21 for a project shall not exceed 80 percent of the total
22 cost of the project.

23 “(6) AVAILABILITY OF FUNDS.—Any amount
24 made available under this subsection—

1 “(A) shall remain available to a project for
2 1 year after the fiscal year for which the
3 amount is made available; and

4 “(B) that remains unobligated at the end
5 of the period described in subparagraph (A),
6 shall be added to the amount made available
7 under this subsection in the following fiscal
8 year.

9 “(7) DESIGNATED RECIPIENT DEFINED.—The
10 term ‘designated recipient’ has the same meaning as
11 in subsection (a).

12 “(8) FUNDING.—

13 “(A) FROM THE TRUST FUND.—There
14 shall be available from the Mass Transit Ac-
15 count of the Highway Trust Fund to carry out
16 this subsection—

17 “(i) \$20,000,000 for fiscal year 2006;

18 “(ii) \$30,000,000 for fiscal year 2007;

19 “(iii) \$40,000,000 for fiscal year
20 2008;

21 “(iv) \$50,000,000 for fiscal year
22 2009; and

23 “(v) \$60,000,000 for fiscal year 2010.

24 “(B) FROM THE GENERAL FUND.—In ad-
25 dition to amounts made available under sub-

1 paragraph (A), there is authorized to be appro-
2 priated to carry out this subsection—

3 “(i) \$10,000,000 for fiscal year 2006;

4 “(ii) \$15,000,000 for fiscal year 2007;

5 “(iii) \$20,000,000 for fiscal year
6 2008;

7 “(iv) \$25,000,000 for fiscal year
8 2009; and

9 “(v) \$30,000,000 for fiscal year 2010.

10 “(C) CONTRACT AUTHORITY.—

11 “(i) GRANTS FINANCED FROM THE
12 HIGHWAY TRUST FUND.—A grant ap-
13 proved by the Secretary that is financed
14 with amounts made available under sub-
15 paragraph (A) is a contractual obligation
16 of the United States Government to pay
17 the Government’s share of the cost of the
18 project.

19 “(ii) GRANTS FINANCED FROM GEN-
20 ERAL FUNDS.—A grant approved by the
21 Secretary that is financed with amounts
22 made available under subparagraph (B) is
23 a contractual obligation of the Government
24 to pay the Government’s share of the cost
25 of the project only to the extent that

1 amounts are provided in advance in an ap-
2 propriations Act.”.

3 **SEC. 203. CONSERVE BY BICYCLING PROGRAM.**

4 (a) ESTABLISHMENT.—The Secretary of Transpor-
5 tation shall establish a Conserve By Bicycling pilot pro-
6 gram that shall provide for up to 10 geographically dis-
7 persed projects to encourage the use of bicycles in place
8 of motor vehicles.

9 (b) PROJECTS.—Projects carried out under this sec-
10 tion shall—

11 (1) use education and marketing to convert
12 motor vehicle trips to bike trips;

13 (2) establish infrastructure facilities necessary
14 to support the conversion to bike trips;

15 (3) document project results and energy sav-
16 ings; and

17 (4) facilitate partnerships among entities in the
18 fields of transportation, law enforcement, education,
19 public health, environment, or energy.

20 (c) FEDERAL SHARE.—The Federal share of the cost
21 of a project carried out under this section shall not exceed
22 80 percent.

23 (d) REPORT.—Not later than 2 years after implemen-
24 tation of the projects under this section, the Secretary

1 shall transmit to Congress a report on the results of the
2 pilot program.

3 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated to carry out this section
5 \$10,000,000. Such sums shall remain available until ex-
6 pended.

7 **SEC. 204. ENERGY IMPACTS OF FEDERAL-AID HIGHWAY**
8 **AND TRANSIT PROJECTS.**

9 Section 109 of title 23, United States Code, is
10 amended by adding at the end the following:

11 “(r) CONSIDERATION OF ENERGY IMPACTS.—Envi-
12 ronmental impact statements prepared for Federal-aid
13 highway and transit projects shall consider energy impacts
14 as an environmental consequence of the project. Energy
15 impacts shall be quantified and comparisons made be-
16 tween alternatives. The cost of annual energy consumption
17 shall be determined for each alternative considered in the
18 environmental impact statement.”.

19 **SEC. 205. RAILROAD EFFICIENCY.**

20 (a) ESTABLISHMENT.—The Secretary of Transpor-
21 tation, in conjunction with the Administrator of the Envi-
22 ronmental Protection Agency, shall establish a public-pri-
23 vate research partnership involving the Federal Govern-
24 ment, railroad carriers, locomotive manufacturers and
25 equipment suppliers, and the research and test center

1 dedicated to the advancement of railroad technology, effi-
2 ciency, and safety that is owned by the Federal Railroad
3 Administration and operated in the private sector. The
4 goal of the initiative shall include developing and dem-
5 onstrating locomotive technologies that increase fuel econ-
6 omy, reduce emissions, and lower costs.

7 (b) AUTHORIZATION OF APPROPRIATIONS.—There is
8 authorized to be appropriated to carry out this section
9 \$35,000,000 for each of fiscal years 2006 through 2008.
10 Such sums shall remain available until expended.

11 **TITLE III—AVIATION**

12 **SEC. 301. CLEAN AIRPORT BUS PILOT PROGRAM.**

13 (a) IN GENERAL.—Subchapter I of chapter 471 of
14 title 49, United States Code, is amended by adding at the
15 end the following:

16 **“§ 47138. Clean airport bus pilot program**

17 “(a) ESTABLISHMENT.—The Secretary of Transpor-
18 tation shall establish a pilot program for awarding grants
19 on a competitive basis to eligible entities for facilitating
20 the use of alternative fuel and ultra-low sulfur diesel buses
21 at public airports through airport bus replacement and
22 fleet expansion programs under this section.

23 “(b) REQUIREMENTS.—Not later than 6 months
24 after the date of enactment of this Act, the Secretary shall
25 establish and publish in the Federal Register requirements

1 for implementation of the program under this section, in-
2 cluding eligibility for assistance, management, transfer,
3 and ultimate disposition of buses, and certification re-
4 quirements to ensure compliance with this section.

5 “(c) SOLICITATION.—Not later than 9 months after
6 the date of enactment of this Act, the Secretary shall so-
7 licit proposals for grants under this section.

8 “(d) ELIGIBLE RECIPIENTS.—A grant shall be
9 awarded under this section only to a public agency respon-
10 sible for bus service at a public airport.

11 “(e) TYPES OF GRANTS.—

12 “(1) IN GENERAL.—Grants under this section
13 may be for the purposes described in paragraph (2),
14 paragraph (3), or both.

15 “(2) REPLACEMENT BUS GRANTS.—A grant
16 under this section may be used for the acquisition of
17 replacement buses.

18 “(3) FLEET EXPANSION BUS GRANTS.—A grant
19 under this section may be used for the acquisition of
20 not more than 10 buses to expand a fleet of airport
21 buses at any single airport.

22 “(f) PRIORITY OF GRANT APPLICATIONS.—In award-
23 ing bus replacement grants described in subsection (e)(2),
24 the Secretary shall give priority to awarding grants to ap-
25 plicants emphasizing the replacement of buses to be used

1 at a public airport located in a nonattainment area, as
2 defined in section 171 of the Clean Air Act (42 U.S.C.
3 7501).

4 “(g) CONDITIONS OF GRANT.—A grant provided
5 under this section shall include the following conditions:

6 “(1) All buses acquired with funds provided
7 under the grant shall be operated as part of the air-
8 port bus fleet for which the grant was made for a
9 minimum of 5 years.

10 “(2) Funds provided under the grant may only
11 be used—

12 “(A) to acquire new or replacement alter-
13 native fuel and ultra-low sulfur diesel fuel
14 buses, including State taxes and contract fees;
15 and

16 “(B) to construct infrastructure facilities
17 to enable the delivery of fuel and services nec-
18 essary for alternative fuel and ultra-low sulfur
19 diesel fuel buses.

20 “(h) FEDERAL SHARE.—The Federal share of the
21 cost of a bus acquired or other project or activity funded
22 using amounts made available to carry out this section
23 shall be 80 percent.

24 “(i) DEPLOYMENT AND DISTRIBUTION.—The Sec-
25 retary shall seek to the maximum extent practicable to en-

1 sure a broad geographic distribution of grant awards, with
2 a goal of no State receiving more than 10 percent of the
3 grant funding made available under this section for a fis-
4 cal year.

5 “(j) DEFINITIONS.—In this section, the following
6 definitions apply:

7 “(1) AIRPORT BUS.—The term ‘airport bus’
8 means a bus operated by a public agency to provide
9 transportation between the facilities of a public air-
10 port.

11 “(2) ALTERNATIVE FUEL BUS.—The term ‘al-
12 ternative fuel bus’ means a bus powered substan-
13 tially by electricity (including electricity supplied by
14 a fuel cell), or by liquefied natural gas, compressed
15 natural gas, liquefied petroleum gas, hydrogen, pro-
16 pane, or methanol or ethanol at no less than 85 per-
17 cent by volume.

18 “(3) PUBLIC AIRPORT.—The term ‘public air-
19 port’ has the meaning such term has under section
20 47102 of title 49, United States Code.

21 “(4) ULTRA-LOW SULFUR DIESEL BUS.—The
22 term ‘ultra-low sulfur diesel bus’ means a bus pow-
23 ered by diesel fuel which contains sulfur at not more
24 than 15 parts per million.

1 “(k) AUTHORIZATION OF APPROPRIATIONS.—There
2 is authorized to be appropriated to the Secretary of Trans-
3 portation for carrying out this section—

4 “(1) \$20,000,000 for fiscal year 2006;

5 “(2) \$30,000,000 for fiscal year 2007;

6 “(3) \$40,000,000 for fiscal year 2008;

7 “(4) \$50,000,000 for fiscal year 2009; and

8 “(5) \$60,000,000 for fiscal year 2010.

9 Such sums shall remain available until expended.”.

10 (b) CONFORMING AMENDMENT.—The analysis for
11 chapter 471 of title 49, United States Code, is amended
12 by inserting after the item relating to section 47137 the
13 following:

“47138. Clean airport bus pilot program.”.

14 **SEC. 302. CLEAN AIRCRAFT ENGINES.**

15 (a) PUBLIC-PRIVATE RESEARCH PARTNERSHIP.—
16 The Administrator of the Federal Aviation Administration
17 shall establish a public-private research partnership in-
18 volving the Federal Aviation Administration, the National
19 Aeronautics and Space Administration, research univer-
20 sities, and representatives of the aero-propulsion industry.

21 (b) DUTIES.—The partnership shall—

22 (1) develop a clean ground demonstrator engine
23 utilizing technologies developed by the Ultra Effi-
24 cient Engine Technology (UEET) and Quiet Air-

1 craft Technology (QAT) programs of the National
2 Aeronautics and Space Administration; and

3 (2) focus on the development and certification
4 of environmentally friendly manufacturing tech-
5 nologies, materials, and overhaul and repair.

6 (c) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to carry out this section
8 such sums as may be necessary for fiscal years 2006
9 through 2010. Such sums shall remain available until ex-
10 pended.

11 **TITLE IV—WATER RESOURCES**

12 **SEC. 401. MARINE EFFICIENCY.**

13 (a) ESTABLISHMENT.—The Secretary of Transpor-
14 tation shall establish a public-private research partnership
15 involving the Federal Government, vessel operators, ports,
16 terminal operators, shipyards, and equipment suppliers to
17 develop and demonstrate technologies that—

18 (1) increase fuel economy, reduce emissions,
19 and lower costs of marine transportation; and

20 (2) increase the efficiency of intermodal trans-
21 fers.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated to carry out this section
24 such sums as may be necessary for fiscal years 2006

1 through 2010. Such sums shall remain available until ex-
2 pended.

3 **SEC. 402. IMPROVING HYDROPOWER CAPABILITIES.**

4 (a) STUDY.—The Secretary of the Army shall con-
5 duct a study on the potential for reduced fossil fuel con-
6 sumption through an increase in United States hydro-
7 power capabilities.

8 (b) CONTENTS.—The study shall include an examina-
9 tion of the potential for improving hydropower capabilities
10 at dams owned or operated by the Corps of Engineers.

11 (c) REPORT.—Not later than 1 year after the date
12 of enactment of this Act, the Secretary shall transmit to
13 Congress a report containing the results of the study con-
14 ducted under this section.

15 **SEC. 403. ENCOURAGEMENT OF STATE PROHIBITIONS ON**
16 **OFF-SHORE DRILLING IN THE GREAT LAKES.**

17 (a) FINDINGS.—Congress finds the following:

18 (1) The water resources of the Great Lakes
19 Basin are precious natural resources of the States of
20 Illinois, Indiana, Michigan, Minnesota, New York,
21 Ohio, Pennsylvania, and Wisconsin.

22 (2) The environmental dangers associated with
23 off-shore drilling in the Great Lakes for oil and gas
24 outweigh the potential benefits of such drilling.

1 rule for qualified transportation fringe) is amended by
2 adding at the end the following:

3 “(D) Other commuting allowances.”.

4 (b) OTHER COMMUTING ALLOWANCES DEFINED.—
5 Paragraph (5) of section 132(f) of such Code (relating to
6 definitions) is amended by adding at the end the following:

7 “(F) OTHER COMMUTING ALLOWANCES.—

8 “(i) IN GENERAL.—The term ‘other
9 commuting allowances’ means an amount
10 provided to an employee for transportation
11 by bicycling, carpooling, or car-sharing if
12 such transportation is in connection with
13 travel between the employee’s residence
14 and place of employment.

15 “(ii) BICYCLING.—For purposes of
16 clause (i), bicycling includes regular bicycle
17 maintenance, and expenses for accessing
18 space, locker, and shower facilities, secured
19 bike storage, and other services directly as-
20 sociated with bicycling.

21 “(iii) CARPOOLING.—For purposes of
22 clause (i), the term ‘carpooling’ means the
23 carrying of more than 1, but not more
24 than 6, passengers by highway vehicle on
25 any public road or highway, either regu-

1 larly or occasionally, with or without com-
2 pensation, but not for profit.

3 “(iv) CAR-SHARING.—For purposes of
4 clause (i), the term ‘car sharing’ means
5 shared-use vehicle services under which
6 members are provided with access to a
7 fleet of highway vehicles for use on an as-
8 needed basis.”.

9 (c) DOLLAR LIMITATION ON EXCLUSION.—Para-
10 graph (2) of section 132(f) of such Code is amended by
11 striking “and” at the end of subparagraph (A), by striking
12 the period at the end of subparagraph (B) and inserting
13 “, and”, and by inserting after subparagraph (B) the fol-
14 lowing new subparagraph:

15 “(C) \$75 per month in the case of the ben-
16 efits described in subparagraph (D) of para-
17 graph (1).”.

18 (d) ADJUSTMENT FOR INFLATION.—Subparagraph
19 (A) of section 132(f)(6) is amended—

20 (1) by striking “subparagraphs (A) and (B)”
21 and inserting “subparagraphs (A), (B), and (C)”,
22 and

23 (2) by adding at the end the following: “In the
24 case of any taxable year beginning in a calendar
25 year after 2005, clause (ii) shall be applied by sub-

1 stituting ‘calendar year 2004’ for ‘calendar year
2 1998’ for purposes of adjusting the dollar amount
3 contained in paragraph (2)(C).”

4 (e) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to taxable years beginning after
6 December 31, 2004.

○